

PASADENA UNIFIED SCHOOL DISTRICT

# Underfunding the IDEA Individual with Disabilities Education Act

## Budget Impact on Pasadena Unified School District

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2026

*Mr. Matthew Hawkesworth, Assistant City Manager*

*Dr. Julianne Reynoso, Assistant Superintendent-Student Wellness and Support Services*



# PUSD Numbers

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*Budget shortfalls translate directly into budget strains.*

**~ 2,238**

**Students w/ IEPs**

FY 2025 enrollment in special education programs

**16%+**

**Higher Need Rate**

PUSD sped enrollment rate exceeds state average

**The current Federal funding covers only 10% to 13% of the excess cost of the SPED**

**Funding Gap/Student**

Average uncompensated cost per IEP student (FY25 est.)

**3 in 4**

**General Ed Students**

General education programs impacted by fund diversions

# IDEA FULL FUNDING

*The Promise vs. The Reality*

## What Is IDEA Full Funding?

### **Congress's Promise (1975)**

When Congress passed the Individuals with Disabilities Education Act, it promised to cover up to 40% of the national average per-pupil expenditure for each special education student.

### **Actual Federal Contribution**

The federal government has never exceeded ~15% of the promised share. In 2022, it funded only ~13% — far short of the statutory 40% target.

### **The Local Expectation**

Districts like Pasadena USD and all public schools in the United States must absorb the gap using general fund dollars creating a structural budget squeeze.

# RECOMMENDED ACTIONS

*For Pasadena Officials, PUSD Board  
& Leadership*

## Closing the IDEA Funding Gap

**01**

### Advocate for Federal Full Funding

Engage federal representatives to support the IDEA Full Funding Act, which would raise the federal share toward the promised 40%.

**02**

### State-Level Coalition Building

Partner with ACSA, CSBA, and other CA districts in advocacy before the Legislature for increased AB 602 (SELPA) allocations.

**03**

### Budget Transparency & Reporting

Publish an annual IDEA funding gap report to track, document, and communicate the district's shortfall to stakeholders.

**04**

### Rally our State and City Officials

Partner with our Senators, Assemblymen, and city and local officials to advocate for full funding on the district's behalf.

*Every dollar the federal government fails to provide is a dollar that Pasadena USD is impacted in the bottom line.*

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*"Public education is our greatest pathway to opportunity in America." ~ Michelle Obama*



**PASADENA UNIFIED SCHOOL DISTRICT**

Board of Education/City of  
Pasadena Joint Meeting  
Special Education Finance  
Report

