

## Introduction

There are over 203,000 children in North Carolina identified as children with disabilities. Students with disabilities often need personalized teaching and support from educators. Providing these special education services is crucial because it ensures students with disabilities can access education and be given the opportunity to succeed. Special education services and supports help students become more independent and reach their full potential in school and beyond.

Inadequate funding levels in North Carolina had resulted in insufficient numbers of helping professionals like psychologists, nurses and social workers that often provide vital support for students with disabilities. Missed instructional time can significantly impact educational outcomes as well. Students with disabilities and students of color are disproportionately disciplined according to [Civil Rights data](#). This also results in lost instructional time as well as less access to behavioral and medical support. Students with disabilities may already miss a significant amount of school for a number of reasons, such as medical issues and therapy. Suspensions and court involvement add to lost instructional time and can result in reduced achievement and reduced access to educational opportunities.

In North Carolina, students with disabilities have recently seen struggles in proficiency scores in reading and math. According to the most recent data, [only 20% of students](#) with disabilities in North Carolina were grade level proficient in reading, and just 21% of students with disabilities were grade level in math. In 2024, a little over 13% of students in North Carolina qualify for [special education services](#).

Funding for special education comes from both federal and state budgets. Federal special education funding comes primarily from [two sources](#): the **Every Student Succeeds Act (ESSA)** and the **Individuals with Disabilities Act (IDEA)**. **ESSA funding** supplements state and local resources and supports students from low-income families and low-achieving schools providing categorical funding to support student achievement.

**North Carolina caps special education funding at 13% of enrolled students regardless of the actual number of special education students.**

States receive their federal share through the “Children with Disabilities” allotment. While the Federal funding is intended to cover the excess costs of meeting the individual educational needs of students with disabilities, it fails to do so. Currently, the state funding comes with a cap, set at [13%](#). The original cap, 12.5%, was established in 1993 based on estimated numbers of students with special needs as compared to the general student population. Still, in many districts, the actual number of children with disabilities is much greater than the cap allows. As a result, most local school districts are forced to find the extra monies needed to provide special education services from other budget lines to help [fill the funding gap](#).

## Every Student Succeeds Act

ESSA was signed into law in December 2015 and replaced the No Child Left Behind (NCLB) policy as the country’s general education law. ESSA went into effect during the 2017-2018 school year and has a significant impact on all public school students, including students with disabilities. ESSA transitioned power away from the federal government to the state level. Under ESSA, states decide upon education plans for

their schools while working within frameworks provided by the federal government. States must receive approval for their proposed education plans. ESSA ushered in several other significant changes as well: it encourages states to expand personalized learning, gives parents more influence over their children's educational plans, and upholds protections for disadvantaged and high-need students.

ESSA supports students with disabilities in a number of ways. For example, ESSA requires states to develop accountability plans for low-performing districts and schools or students, including students with disabilities. ESSA also addresses the special education teacher shortage by removing the requirement that all special education teachers be certified in an additional content area beyond special education. ESSA places an emphasis on using preventative frameworks including Multi-Tiered System of Supports (MTSS) and Positive Behavioral Interventions and Supports (PBIS) to help match instruction to student needs and to build positive environments to foster learning. ESSA requires schools to disaggregate data about student progress, ensuring all students get necessary support. ESSA also details the use of Specialized Instructional Support Personnel in more specific ways to aid students with cognitive disabilities as well as implement early intervention programs.

## **Individuals with Disabilities Education Act**

**IDEA** is the primary federal **funding** source for students with disabilities and **special education**. Getting quality education for students with disabilities has been a challenge across the country for decades, and North Carolina has been no exception. Prior to the 1970s, parents were not able to enroll their child in public school if their child was determined to be

“uneducable.” The 1970s, however, saw landmark legal cases that challenged this unequal education system. In 1975, Congress passed the **Individuals with Disabilities Education ACT (IDEA)**, giving children with disabilities the right to “free, appropriate” public education (FAPE). More specifically, IDEA allowed students with disabilities to attend “regular neighborhood schools, in regular classrooms, to the extent possible.”

There are about 202,300 students in N.C. covered under IDEA legislation.

IDEA also determined that each child with a disability would receive an individualized support program to help them succeed in public school, and states were provided with federal funding to make this happen. Parents were also given a larger role in their child's education and had more opportunities to speak with educators. Today, there are approximately 202,300 students in North Carolina covered under IDEA.

While the concept behind IDEA may seem relatively straightforward, navigating the special education system can be complex. Even defining who qualifies under special education may not be obvious. Jane Wettach of the Children's Law Clinic at Duke Law School, created a valuable resource entitled “A Parent's Guide to Special Education in North Carolina” to help answer some of these questions. In this guide, Wettach defines special education as “an approach to teaching children with disabilities that takes into account the barriers those children have to learning in a more typical way.”

Examples of a special educational curriculum may include changes in how the material is taught, what materials are used including having specialized lesson plan. Each child is given what is known as an **Individualized Education Program or IEP**, a document that outlines the individualized educational plan for

a student. Each child is also given an IEP team that meets with the child's parents to best discuss how to help the child succeed.

## **U. S. Department of Education Cuts Threaten Services for Special Needs Students**

The 2024 election cycle brought widespread change to our federal government. While President Biden's Administration [advocated for increased funding](#) for special education programs, President Donald Trump and his team campaigned on large-scale cuts of federal departments, [including eliminating the Department of Education \(ED\)](#) altogether and moving many of its duties back to the states. President Trump's March 20 Executive Order to [dismantle the ED](#) along with Secretary of Education McMahon's decision to cut ED staff by more than half have pushed the negative impacts on students with special needs to the forefront of policy discussions.

**The Office of Civil Rights, which investigates cases where children's rights have been violated, has been dismantled in cities throughout the nation leaving a backlog of more than 20,000 pending cases.**

Eliminating the ED threatens the ability of parents of students with disabilities to advocate for the rights of their child. If parents feel that their child is not receiving adequate services or accommodations at school due to a disability, they currently have several options for addressing the issue. They can file a complaint with their state, claiming that the child's rights have been violated without proper legal process, or they may choose to pursue legal action in state or federal court. However, this process is time-consuming and often too expensive for many families. Another option is filing a complaint with the ED. Complaints are investigated by the department's Office for Civil Rights. However, advocates warn this option is becoming increasingly out of reach.

President Trump's administration has reduced the ED's staff by about half and has [dismantled branches of the Office for Civil Rights \(OCR\)](#) in major cities throughout the nation including Boston, Chicago, Cleveland, Dallas, New York, Philadelphia and San Francisco. After Trump took office, he instructed the OCR to focus on cases related to antisemitism, resulting in [over 20,000 pending cases](#) going untouched for weeks—many involving students with disabilities, which have traditionally made up the largest portion of the office's workloads. While the freeze on processing these cases was lifted in March 2025, advocates have expressed doubts about the department's ability to make meaningful progress with a reduced staff.

Oversight power over how money for special education is spent by local school districts is also in jeopardy. The ED distributes funding to states, which then allocate it to local school districts. In return for receiving these funds, local districts must demonstrate to the state that they are complying with required guidelines. If the ED were to be eliminated, these oversight mechanisms would cease to exist. In 2024, approximately [70% of public schools](#) reported having vacancies for special education teachers. An already dire problem can not afford to be made worse by a lack of oversight and reduction in funds used for special education services.

## **Working Toward a Better System**

The NCDPI [Exceptional Children Division](#) is leading the charge to support special education during these particularly difficult times. The Exceptional Children Division seeks to “ensure that students with disabilities develop intellectually, physically, emotionally, and vocationally through the provision of an appropriate individualized education program in the least restrictive environment.”

In March of 2024, the North Carolina Department of Public Instruction (NCDPI) [sent a proposal to state lawmakers](#) that would fund special education based on the student instead of a fixed amount regardless of the student’s needs. Currently, the State provides districts about \$5,300 per disabled student. This allotment does not change based on the severity or type of disability a student has. NCDPI’s proposal [eliminates the 13% funding cap](#) and creates three levels of need:

- Tier I: lowest cost level; includes some therapy and services, but students can be in general education classrooms most of the time.
- Tier II: more assistance (therapy, tutoring, etc.) and a separate classroom in some cases.
- Tier III: highest cost level; separation from general education population; “homebound education,” where the school district must provide general and special education services at the students’ home.

The state legislature ultimately rejected this proposal and did not include it in its budget adjustments of the 2023 Appropriations Act.

## **Leandro and Improving Special Education in NC**

The [Leandro](#) Case has also highlighted the need for special education improvements. Part of the court’s response to Leandro included releasing the [WestEd Report](#), and the state’s subsequent [Comprehensive Remedial Plan](#) which gives an overview of the current state of education in North Carolina and recommendations for improvement.

These recommendations aim to help all students, including those with disabilities. The WestEd Report highlights the difference in learning outcomes among students with disabilities as compared to all students, making it clear that special needs students need additional support.

[Disability Rights NC](#) offers several ways to meet special education needs in North Carolina:

**The WestEd Report and Comprehensive Remedial Plan (Leandro Plan), have specific recommendations for improving outcomes for special education students.**

- Recommendation 1: Eliminate North Carolina’s “cap” of special education funding a school district can receive. This funding cap currently limits school districts to receive special education funds for 13% of their total student body, regardless of how many special needs students are at the school. The [vast majority of school districts](#) in North Carolina have over 13% of their student body composed of students with disabilities that need IEPs. Thus, there is often a discrepancy between the cap allocated and the proper amount of funding needed.
- Recommendation 2: Put funding toward increasing the number of support personnel in schools such as nurses and social workers.

# *The Facts about Special Education in North Carolina*

**64% of students with IEPs are economically disadvantaged.**

- Recommendation 3: Direct additional resources and initiatives to economically disadvantaged students, who face challenges that wealthier students do not. Moreover, many disabled students are economically disadvantaged as well. According to the WestEd report, “64% of students with IEPs are also economically disadvantaged and 25% of students with disabilities attend high-poverty schools.”

- Recommendation 4: Employ high-quality special education teachers in schools as well as other teachers and principals that are qualified to teach and mentor special needs students.
- Recommendation 5: Ensure all at-risk 4-year-olds can go to full-day early education programs like NC Pre-K or Smart Start. Both of these programs have been found to significantly reduce the likelihood of special education placement in third grade.

**25% of students with disabilities attend high poverty schools.**

## **Summary**

Special education programs are facing significant challenges, including potential funding cuts, staffing shortages, and are currently at risk of losing federal oversight, which could negatively impact students with disabilities and their families.

Our most vulnerable students require and have a legal right to additional support to prepare them to lead successful lives. By equipping students with disabilities with the necessary skills and knowledge, special education helps them prepare for future employment, higher education, and independent living.

We must continue to advocate for a sound, basic education for *all* children and make sure our students with disabilities receive the support they need to succeed.

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