

## State Grant Program for Children with Disabilities (CFDA No. 84.027)

### I. Legislation

The Individuals with Disabilities Education Act (IDEA), P.L. 101-476, as amended, Part B (20 U.S.C. 1411-1420) (expired September 30, 1995; operating under the authorization of the appropriations acts).

### II. Funding History

<u>Fiscal Year</u>	<u>Appropriation</u>	<u>Fiscal Year</u>	<u>Appropriation</u>
1967	\$ 2,500,000	1987	\$1,338,000,000
1970	29,190,000	1988	1,431,737,000
1975	100,000,000	1989	1,475,449,000
1980	874,500,000	1990	1,542,610,000
1981	874,500,000	1991	1,854,186,000
1982	931,008,000	1992	1,976,095,000
1983	1,017,900,000	1993	2,052,728,000
1984	1,068,875,000	1994	2,149,686,000
1985	1,135,145,000	1995	2,322,915,000 <sup>1</sup>
1986	1,163,282,000	1996	2,323,837,000

\*The IDEA, Part B, program distributes funds to the states and U.S. Territories (outlying areas) in accordance with the total number of students with disabilities ages 3 through 21 reported by the states and outlying areas as receiving special education and related services. To obtain this count, each state education agency (SEA) conducts a child count on December 1 of each year and submits it to the Office of Special Education Programs. The state's IDEA, Part B, grant for the fiscal year is based on that count. Funds appropriated for IDEA, Part B, increased by 8 percent between FY 1994 and FY 1995 to \$2,322,915,000 from \$2,149,686,000. This latter figure includes \$82,878,000 in appropriations from the Chapter 1 Handicapped Program. However, the increase was not attributable solely to the merger of these two programs; per child allocation rose from \$413 in 1994 to \$418 in 1995.

### III. Analysis of Program Performance

#### A. Goals and Objectives

The purposes of the Part B State Grant Program funded under IDEA are to (1) provide assistance to states to develop early intervention services for infants and toddlers with disabilities and their families, and to assure a free appropriate public education (FAPE) to all children and youth with disabilities; (2) assure that the rights of children and youth with disabilities from birth through age 21 and their families are protected; (3) assist states and localities to provide for early intervention services and the education of all children with disabilities; and (4) to assess and assure the effectiveness of efforts to provide early intervention services and educate children with disabilities. (OSEP, 1995)

## **B. Strategies to Achieve the Goals**

### **Services Supported**

The IDEA, Part B, State Grant Program for Children with Disabilities, is a formula grant program that provides funding to states, the District of Columbia, Puerto Rico, the Secretary of the Interior, and U.S. territories (outlying areas) to help them meet the costs of providing special education and related services to children and youth with disabilities. IDEA requires that all children and youth with disabilities have access to a free, appropriate public education (FAPE) that is determined on an individual basis and designed to meet their unique needs. This education must be provided in the least restrictive environment (LRE), and the rights of the child and family are protected through procedural safeguards.

The Improving America's Schools Act of 1994 (IASA) amended IDEA in a number of ways:

- Eliminated the Chapter 1 Handicapped Program and included funding for all eligible children and youth with disabilities under IDEA. Beginning with the FY 1995 appropriation, all children with disabilities were to be served under programs authorized by Part B and Part H of IDEA.
- Included a hold-harmless provision under which no state may receive an allocation of less than the total it received from the FY 1994 appropriation for children with disabilities ages 3 through 21 under the IDEA Part B Grants to States and the ESEA Chapter 1 Handicapped Programs.<sup>1</sup>
- Changed the cap in the IDEA pertaining to the Part B Grants to States Program to the greater of 12 percent or the combined percentage of children counted for the purpose of making FY 1994 allocations under the Grants to States and Chapter 1 Handicapped programs. (OSEP, 1995)

*Table 1* shows the number and percentage change in number of children and youth with disabilities who were provided with special education under the IDEA Part B, program and the ESEA Chapter 1 Handicapped program from 1987–88 through 1994–95. These counts are now combined under IDEA, Part B. A total of 5,439,626 children and youth with disabilities ages 3 through 21 were served under IDEA, Part B, during the 1994–95 school year, an increase of 167,779 (3.2 percent) from the previous year. While this increase was somewhat less than that of the previous year, the rate of growth in the number of students receiving special education continues to exceed the rate of growth in the resident population ages 3 through 21 (which increased by 1.1 percent in 1994–95) and the rate of growth in the number of children enrolled in school (which increased by 1.5 percent in 1994–95). In the resident population, the percentage of children ages 3 through 21 served under IDEA, Part B, increased from 7.5 percent in 1993–94 to 7.7 percent in 1994–95.

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<sup>1</sup>In FYs 1998 to 1999, if the number of children with disabilities ages 3 through 21 served by a state declines below the total number of such children counted under the Grants to States and the Chapter 1 Handicapped programs for that state for allocating the FY 1994 appropriation (December 1, 1993, count), the hold-harmless amount would be reduced by the same percentage by which the number of children declined below the number in 1994 (OSEP, 1995).

<b>Table 1</b> <b>Students Ages 3 through 21 Served:</b> <b>Total Number and Percentage Change,</b> <b>School Years 1987-88 through 1994-95</b>		
<b>School Year</b>	<b>Total Number Served*</b>	<b>Percentage Change in Total Number Served from Previous Year</b>
1987-88**	4,455,985	--
1988-89	4,533,793	1.7
1989-90	4,638,605	2.3
1990-91	4,756,517	2.5
1991-92	4,920,227	3.4
1992-93	5,081,023	3.3
1993-94	5,271,847	3.8
1994-95	5,439,626	3.2

Note: The data for 1987-88 through 1993-94 include children 3 through 21 years of age served under IDEA, Part B, and Chapter 1 of ESEA (SOP). For 1994-95, all children ages 3 through 21 are served under Part B, which includes children previously counted under the Chapter 1 Handicapped Program.

Source: U.S. Department of Education, Office of Special Education Programs, Data Analysis System (DANS).

\*The number of children with disabilities reported for the most recent year reflects revisions to state data received by the Office of Special Education Programs between the July 1 of the fiscal year and the following October 1. Because updates received from states for previous years are included, totals may not match those reported in previous annual reports to Congress.

\*\*Although states must make FAPE available to all eligible children with disabilities as reported here, funds are based only on the number of children with disabilities served for up to 12 percent of the state's total school population. This is commonly referred to as "the 12 percent cap."

Table 2 shows that children ages 3 through 5 had the largest growth rate (6.7 percent) in 1994-95, followed by students ages 12 through 17 (3.6 percent). The number of students ages 18 through 21 decreased by 1.2 percent. The number of students ages 6 through 11 showed a moderate increase, 2.5 percent.

Table 2 also demonstrates that the two largest age groups served under IDEA, Part B, in 1994-95 were ages 6 through 11 (2,520,863) and 12 through 17 (2,154,963). The remaining age groups, ages 3 through 5 (524,458) and 18 through 21 (239,342), accounted for less than 15 percent of all students served under IDEA, Part B.

Age	Number of Children		Change		Percentage of Total, Ages 3 through 21
	1993-94	1994-95	Number	Percent	
3-5	491,685	524,458	32,773	6.7	9.6
6-11	2,458,924	2,520,863	61,939	2.5	46.3
12-17	2,079,094	2,154,963	75,869	3.6	39.6
18-21	242,144	239,342	-2,802	-1.2	4.4
<b>TOTAL</b>	<b>5,271,847</b>	<b>5,439,626</b>	<b>167,779</b>	<b>3.2</b>	<b>100.0</b>

Note: For 1993-94, funding for children and youth with disabilities includes children counted under IDEA, Part B, and the Chapter 1 Handicapped Program. For 1994-95, all children and youth ages 3 through 21 with disabilities are included under IDEA, Part B.

Source: U.S. Department of Education, Office of Special Education Programs, Data Analysis System (DANS).

Table 3 shows that IDEA, Part B, served 4,915,168 students ages 6 through 21 during the 1994-95 school year. The number of students in each disability category is also shown. The information here refers only to children ages 6 through 21 because the 1986 Amendments to EHA, P.L. 99-457 (now IDEA), ended the practice of collecting disability category data on children less than 6 years old.

Students with specific learning disabilities continue to account for more than half of all students with disabilities (51.1 percent). During the 1994-95 school year, 2,513,977 students with specific learning disabilities were served under IDEA, Part B, 3.5 percent (85,915) more than in 1993-94 under the Part B and Chapter I Handicapped Programs. However, the 1994-95 percentage of students with learning disabilities in the resident population ages 6 through 21 is identical to the 1993-94 percentage. Students with speech or language impairments (20.8 percent), mental retardation (11.6 percent), and serious emotional disturbance (8.7 percent) made up an additional 41.1 percent of all students ages 6 through 21 with disabilities. Again, these percentage distributions are similar to the 1993-94 distributions.

Disability	Total		Change		Percentage of Total Ages 6-21
	1993-94	1994-95	Number	Percent	
Specific learning disabilities	2,428,062	2,513,977	85,915	3.5%	51.1
Speech or language impairments	1,018,208	1,023,665	5,457	0.5	20.8
Mental retardation	553,869	570,855	16,986	3.1	11.6
Serious emotional disturbance	415,071	428,168	13,097	3.2	8.7
Multiple disabilities	109,730	89,646	-20,084	-18.3	1.8
Hearing impairments	64,667	65,568	901	1.4	1.3
Orthopedic impairments	56,842	60,604	3,762	6.6	1.2
Other health impairments	83,080	106,509	23,429	28.2	2.2
Visual impairments	24,813	24,877	64	0.3	0.5
Autism	19,058	22,780	3,722	19.5	0.5
Deaf-blindness	1,367	1,331	-36	-2.6	0.0
Traumatic brain injury	5,395	7,188	1,793	33.2	0.1
All disabilities	4,780,162	4,915,168	135,006	2.8	100.0

Note: For 1993-94, funding for children and youth with disabilities included children counted under IDEA, Part B, and the Chapter 1 Handicapped Program. For 1994-95, all children were counted under IDEA, Part B.

Source: U.S. Department of Education, Office of Special Education Programs, Data Analysis System (DANS).

Table 4 shows that the number of personnel needed to serve students with disabilities has grown as the number of children with disabilities served has increased. During the 1993-1994 school year, the number of teachers employed to serve children ages 6 through 21 increased 6.5 percent to 331,392, and the number of teachers needed (FTE employed and vacant positions) declined 4.4 percent to 24,697. The two largest categories of special education teachers employed were specific learning disabilities and cross-categorical, and the largest number of vacant positions were in the speech or language impairments, specific learning disabilities, and cross-categorical categories.

*Placement trends.* The trend to place more children in more integrated settings continues. During the 1993-94 school year, approximately 12 percent of elementary and secondary students received special education services (a 44 percent increase since the beginning of the program in 1975), and 95 percent of those students are served in regular school buildings. Data for students with disabilities, ages 6 through 21, show that during the past several years, the percentage of students with disabilities served in regular classes has increased, while the percentage of students in resource rooms has decreased. Other placement percentages have remained stable.

*Assisting states and localities in educating all children with disabilities.* OSEP recognizes the importance of its monitoring responsibility and activities to ensure compliance with congressional mandates under the Part B program. The requirements with the strongest links to results for children and youth with disabilities include (1) access to the full range of programs and services available to other children, with proper supports as determined through an Individualized Educational Program (IEP); (2) statements of needed transition services for students with disabilities no later than age 16; and (3) education in the least restrictive environment (LRE).

During the past three years, OSEP has worked to reorient and strengthen its monitoring system so that it will, in conjunction with research, innovation, and technical assistance efforts, support systematic reform that produces better results for students with disabilities and ensures compliance. OSEP conducted comprehensive monitoring visits to 14 states, Puerto Rico, and the pre-college programs of Gallaudet University during the 1994–95 school year, and to 11 states during the 1995–96 school year. The 21 final monitoring reports that OSEP issued in FY 1995 focused on student access to instruction and vocational preparation, procedural safeguards for children with disabilities and their parents, and the SEA's exercise of its general supervision responsibility.

Disability/Other Classification	FTE Employed		Vacant positions	Total positions
	Fully certified	Not fully certified		
Specific learning disabilities	85,853	6,897	771	93,522
Speech or language impairments	36,807	1,655	1,097	39,559
Mental retardation	39,342	2,530	353	42,225
Serious emotional disturbance	26,171	3,608	373	30,151
Multiple disabilities	7,118	520	67	7,705
Hearing impairments	5,738	285	84	6,107
Orthopedic impairments	2,684	239	126	3,049
Other health impairments	2,065	239	43	2,347
Visual impairments	2,433	139	68	2,640
Autism	1,418	285	24	1,727
Deaf-blindness	102	13	3	118
Traumatic brain injury	110	23	2	136
Cross-categorical <sup>1/</sup>	84,534	4,501	559	89,594
Other classification <sup>2/</sup>	15,962	119	74	16,155
<b>Total</b>	<b>310,338</b>	<b>21,054</b>	<b>3,643</b>	<b>335,035</b>

Note: The total FTE shown in both the row and column totals may not equal the sum of the individual states and outlying areas because of rounding.

Source: U.S. Department of Education, Office of Special Education Programs, Data Analysis System (DANS).

<sup>1/</sup> Three states--Idaho, Massachusetts, and Texas--report all special education teachers as cross-categorical.

<sup>2/</sup> Includes counts of special education teachers for the five jurisdictions--Oregon, Pennsylvania, South Dakota, Palau, and the Northern Mariana Islands--not using Federal disability categories.

### C. Program Performance—Indicators of Impact and Effectiveness

Performance indicators for the IDEA Part B program are now being developed.

The Department will reintroduce its proposal for the reauthorization of the Individuals with Disabilities Education Act during the 105th Congress. Over the past 20 years, IDEA has been successful in ensuring that children with disabilities have access to a free, appropriate public education. The primary challenge of the program now is to improve the quality of that education so that children with disabilities can, to the maximum extent appropriate, meet challenging standards that have been established for all children and be prepared to lead productive independent adult lives.

The Department's reauthorization proposal would align IDEA with state and local education improvement efforts so that students with disabilities could benefit from them through higher expectations and meaningful access to the general curriculum, to the maximum extent appropriate. Implications for Part B of IDEA include the following:

*Assessments.* IDEA would contain a requirement that states include students with disabilities in general statewide and district-wide assessments, with appropriate accommodations, where necessary. States and school districts would develop guidelines for the participation of children with disabilities in alternative assessments for those children who cannot participate in the general assessments. States would report on the results of general state assessments.

*Improving the IEP.* The IEP process would focus on the general curriculum and setting challenging standards; including students with disabilities in the regular education environment and ensuring the provision of the aids and supports necessary for successful inclusion; working with regular education teachers; and meeting the needs of students with limited English proficiency.

*State performance goals.* As part of establishing eligibility under Part B of IDEA, each state would have its own goals for the performance of students with disabilities. To the maximum extent possible, state goals would be consistent with other goals and standards established by the state, including those established under Goals 2000, School-to-Work, the Improving America's Schools Act (IASA), and other relevant programs. Each state also would establish performance indicators that it would use to assess progress toward achieving its goals. The performance indicators would, at a minimum, address the performance of children with disabilities on assessments, drop-out rates, and graduation rates. Each state would report every two years on the progress of the state, and of children with disabilities in the state, toward meeting the state's goals.

*Reform federal and state funding formulas.* The proposed reauthorization would amend IDEA to create incentives for appropriate practice by basing federal allocations to states over and above their FY 1995 funding levels on the total number of children in the state, including both disabled and other children. States that have funding formulas for special education that provide differential funding for students according to where the child is served would be required to demonstrate that the formula will not result in placements that violate the IDEA's least restrictive environment requirement, or change the formula.

*Reduce record-keeping requirements.* School districts would be allowed to use their Part B funds for the cost of special education and related services provided in the regular class for the purpose of meeting the needs of a child with a disability in accordance with the child's IEP, even if children without disabilities benefit from the services.

#### **IV. Planned Studies**

The Department has requested funds under a proposed set-aside authority for funds available to carry out a “National Assessment of the Implementation of IDEA,” as well as other studies and evaluations related to the implementation of the IDEA.

#### **V. Sources of Information**

1. Eighteenth Annual Report to Congress on the Education of Children with Disabilities Act (Washington, DC: U.S. Department of Education, 1996).
2. Program files.

#### **VI. Contacts for Further Information**

Program Operations: Lois Taylor, (202) 205-8830

Program Studies: Susan Sanchez, (202) 401-0886