



Full Funding for IDEA

It's a Guarantee, Not Just a Promise

The Council for Exceptional Children (CEC) is continuing its campaign to fully fund the Individuals with Disabilities Education Act, or IDEA. The *Guaranteed Full Funding for IDEA* campaign calls on the 110th Congress and the Administration to pay its full share of the cost of educating children with disabilities by passing appropriations legislation this year that guarantees full funding for IDEA within five years, or no later than FY 2011. For FY 2008, CEC is advocating a total federal annual appropriation for IDEA of *\$22.38 billion*,¹ which includes increased appropriations for the IDEA Part B Grants to States Program and Preschool Grants Program, as well as the Part C Infants and Toddlers Program and Part D support programs.

Background

When Congress originally enacted P.L. 94-142, The Education for All Handicapped Children Act, in 1975, Congress authorized the federal government to pay 40 percent of each state's "excess cost" of educating children with disabilities. That amount – commonly referred to as the "IDEA full funding" amount – is calculated by taking 40 percent of the national average per pupil expenditure (APPE) multiplied by the number of children with disabilities served under IDEA in each state.²

When P.L. 94-142 was enacted, Congress adopted a full funding formula that phased-in funding increases for IDEA over a period of 5 years, intending to reach full funding by FY 1981, with local communities and states providing the balance of funding.³ Over the years, while the law itself continues to work and children are being educated, the intended federal/state/local cost-sharing partnership has not been realized because Congress never lived up to its financial obligation. As a result, local communities and states have been forced to pay a higher proportion of the special education costs. But ultimately, children and families are the ones who are being shortchanged.

Children and families are shortchanged when over 53,000 teachers without appropriate licenses teach students with disabilities each year because funds are not available to recruit and train qualified teachers.⁴ They are shortchanged when research-based educational practices are not available in schools as a result of over 17 years of stagnant federal funding for educational research.⁵ And they are shortchanged when adequate funds are not available to provide developmentally appropriate early intervention services to eligible infants, toddlers, and preschool children with disabilities.⁶

Details of the Guaranteed Full Funding for IDEA Campaign

For 32 years Congress has promised to fully fund IDEA, *yet funding is only at 17.2 percent of the national average per pupil expenditure for FY 2007*.⁷ Based on funding levels appropriated by Congress during the past 32 years, IDEA will not reach full funding until almost the middle of the twenty first century.⁸ *School children cannot wait another 32 years*. Congress should fulfill its promise; IDEA funding should be mandatory.

How Does CEC's Campaign Address the Problem?

First, CEC calls on Congress and the Administration to increase federal spending over the next four years. Funding for IDEA would be moved out of the discretionary budget and into mandatory spending, which would guarantee increased federal funding. In order to reach full funding of the Part B State and Local Grant Program within four years, CEC calls on the Congress and the Administration to appropriate funds for IDEA based on the following funding levels authorized by Congress in PL 108-446, the new IDEA law.

- FY 2008: *\$19.23 billion*
- FY 2009: *\$21.52 billion*
- FY 2010: *\$23.81 billion*

- FY 2011: *\$26.10 billion* – Full funding for Part B is reached⁹

Second, CEC calls on Congress and the Administration to secure increased funds to promote personnel preparation, research, and other national activities that will improve educational results for children and youth with disabilities, as well as provide additional funding for preschool grants and the early intervention program for infants and

toddlers. Specifically, CEC calls on Congress and the Administration to enact legislation this year to guarantee the following appropriations levels for FY 2008:

- ***\$863 million*** for Part B Section 619 preschool grants.¹⁰
- ***\$725 million*** for the Part C Infants and Toddlers with Disabilities Program.¹¹
- ***\$1.56 billion*** for Part D program supports.¹²

¹ This figure includes \$19.23 billion for the Part B State and Local Grant Program, \$863 million for Part B preschool grants, \$725 million for the Part C Infants and Toddlers Program, and \$1.56 billion for the Part D support programs.

² 20 U.S.C. § 1411(a)(2).

³ See Section 611(a)(1) of P.L. 94-142.

⁴ U.S. Department of Education, Office of Special Education and Rehabilitative Services, Office of Special Education Programs, *26th Annual (2004) Report to Congress on the Implementation of the Individuals with Disabilities Education Act*, vol. 2, Washington, D.C., 2005.

⁵ Personnel Preparation under IDEA (section 673) has historically been level-funded since 1990. However, Personnel Preparation received an appropriation cut for FY 2005 and again in FY 2006. The administration's appropriation request for FY 2008 is \$1,000 less than the FY 2007 appropriation. CPI adjusted figures over the life of the program show that federal support for Personnel Preparation under IDEA has declined approximately 50 percent.

⁶ Appropriations for the Part B preschool grants (for children with disabilities ages 3 through 5, inclusive) and the Part C Infants and Toddlers Program (ages birth through 2 years of age, inclusive) have not kept pace with inflation. As a result, between FY 1992 and Department projections for FY 2008, the per-child allocation under section 619 of Part B of the Act (preschool grants) dropped from \$803 to \$510 (not adjusted for inflation) per child.

⁷ IDEA authorizes Congress to appropriate 40 percent of the national average per pupil expenditure (APPE) multiplied by the number of children with disabilities served under IDEA in each state. Currently, the federal share is only at 17.2 percent of APPE.

⁸ Based on IDEA appropriations history, a Congressional Research Service estimate states that full funding will be achieved by FY 2035.

⁹ Full funding is calculated by taking 40 percent of the Average Per Pupil Expenditure multiplied by the number of children with disabilities served under IDEA in each state. APPE projections and projected special education enrollment is based on data provided by the U.S. Department of Education Budget Services, 2004.

¹⁰ The U.S. Department of Education estimates that 747,000 children ages 3 to 5 will receive preschool services under Part B Section 619 of IDEA in FY 2008. CEC's FY 2008 appropriations recommendation is based on a \$1155 per child allocation for FY 2008 (US Department of Education projects a per child allocation of \$510 for FY 2007) multiplied by the number of children enrolled in the Part B Preschool Program in each state. Congress should live up to its original promise to fully fund the Part B Preschool Program by providing the promised allocation of \$1500 per child. To accomplish this, Congress should increase the per child allocation by \$115 each year to reach full funding (i.e., \$1500 per child allocation) by FY 2011 at an estimated cost of \$1.03 billion in FY 2011. Approximately 5 percent of all preschool age children who reside in the United States and its Outlying Areas receive services under the Preschool Program. CEC's appropriation recommendation for Section 619 Preschool Programs takes into account projected increases in program enrollment based on total population growth for all preschool age children residing in the United States and its Outlying Areas. (SOURCE: US Department of Education, Office of Special Education and Rehabilitative Services). The FY 2007 appropriation for the Part B preschool grants is \$380.8 million.

¹¹ Congress appropriated \$423 million for the Part C Infants and Toddlers with Disabilities Program in FY 2007. This is a \$13 million reduction from FY 2006 levels, and federal funding historically has not kept pace with program needs. The importance of the early years in ensuring that children succeed later in school and life has achieved bipartisan recognition. States and communities continue to demonstrate their commitment to this effort through the investment of significant resources, but full federal participation is essential. The amounts requested by CEC over the next several years will assist states in planning, developing and implementing statewide systems, and for the provision of early intervention services. Full funding of Part C will fulfill the partnership promised by the Congress in 1986. Specifically, CEC requests \$725 million for FY 2008, with subsequent yearly increases of \$45 million per year to reach full funding by FY 2011 at an estimated cost of \$860 million.

¹² Based upon a percentage derived from the total annual appropriation for the Part B Grants to States program, Section 619 Preschool Program, and the Part C Infants and Toddlers annual appropriation for IDEA and the private industry standard for research and dissemination; i.e., the percentage of the overall operating budget applied by a company to ongoing research and demonstration (infrastructure) activities (or R&D). The private industry standard of 10 per would be typical for most businesses (SOURCE: U.S. Department of Labor, Bureau of Labor Statistics). However, CEC used a conservative 7.5 percent rate to determine appropriate funding levels for the IDEA Part D support programs. All subsequent Part D appropriations should be indexed to the total annual appropriations for the state grants programs (i.e., Part B, Section 619, and Part C) using a conservative 7.5 percent rate for infrastructure and R&D activities. The FY 2007 appropriation for the Part D support programs is \$203 million.

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