



2025-2027 Special Education Funding Considerations



Regional Inclusive Services

Disability Categories Served by Regional Inclusive Services

Regional Inclusive Services supports children and students across Oregon with low incidence disabilities. Low incidence disabilities are rare and only experienced by a small percentage of the student population.

In 2023-2024, Regional Inclusive Services provided support for 14,653 children and students with primary or secondary eligibilities in the low incidence disability categories:

- Autism Spectrum Disorder: 11,602
- Deaf/Hard of Hearing: 1,580
- Visually Impaired: 822
- Deafblind: 83
- Orthopedic Impairment: 1132
- Traumatic Brain Injury: 225

Examples: Services and Supports

Traumatic Brain Injury

A student with a traumatic brain injury may require:

- Cognitive rehabilitation
- Academic support
- Emotional and behavioral interventions

The specialized staffing for these purposes may include a:

- Rehabilitation specialist
- Behavioral therapist

Blind/Visually Impaired

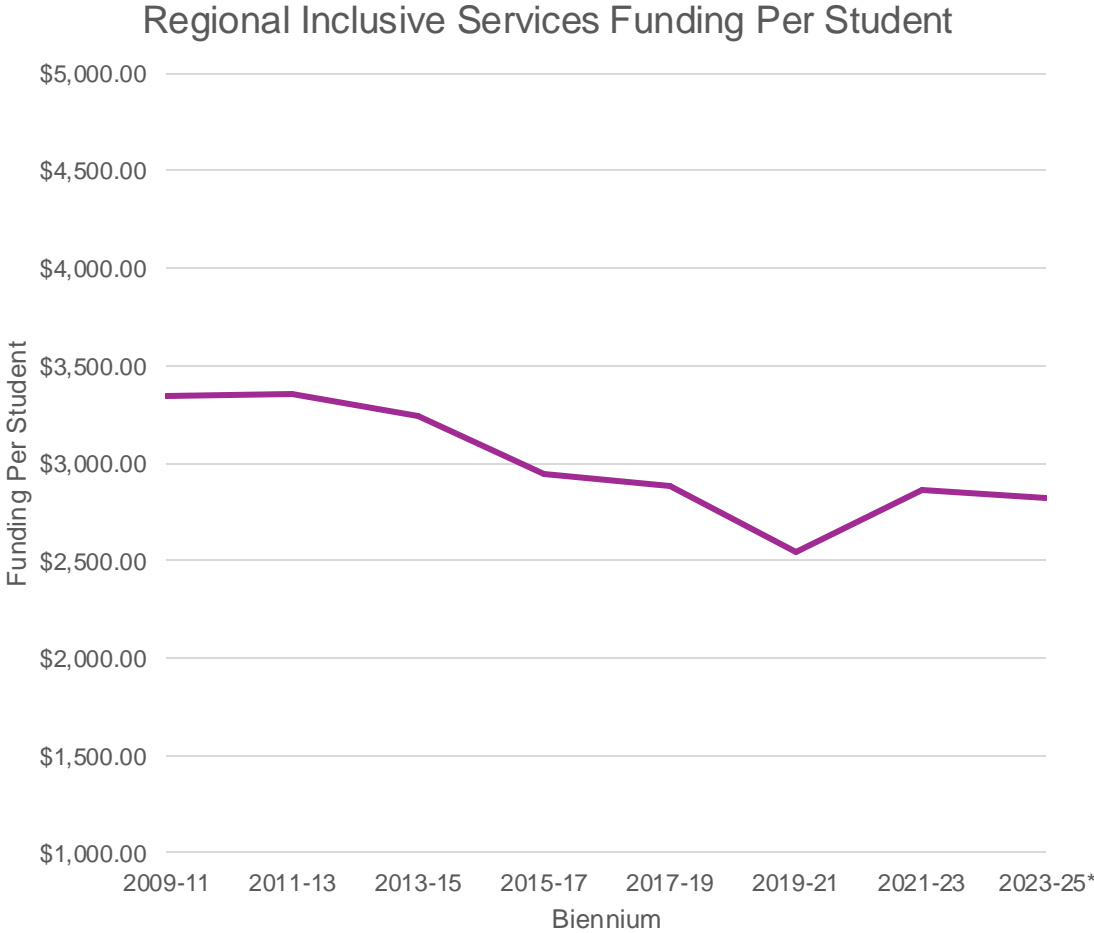
A student who is blind or visually impaired may require:

- Orientation and mobility training
- Braille instruction
- Assistive technology

The specialized staffing for these purposes may include a:

- Teacher of the visually impaired
- Orientation and mobility specialist
- Low vision therapist

Regional Inclusive Service Funding



Taskforce Recommendation

- Identify a baseline funding level and establish an inflation rate that aligns with growth considerations.
- Recommended baseline funding for the 2025-27 year: \$122,443,496.
- Recommended inflation rate for future biennia: (Agency CPI) 4.20%.

Regional Inclusive Service Current Service Level Calculation for 25-27

Regional Inclusive Services Grant-In-Aid	General Funds	Federal Funds	Total
2023-25 Legislative Approved Budget	\$31,225,438	\$36,719,939	\$67,945,377
2025-27 4.2% Standard Inflation	\$1,311,468		
2025-27 Current Service Level	\$32,536,906	\$36,719,939	\$69,256,845

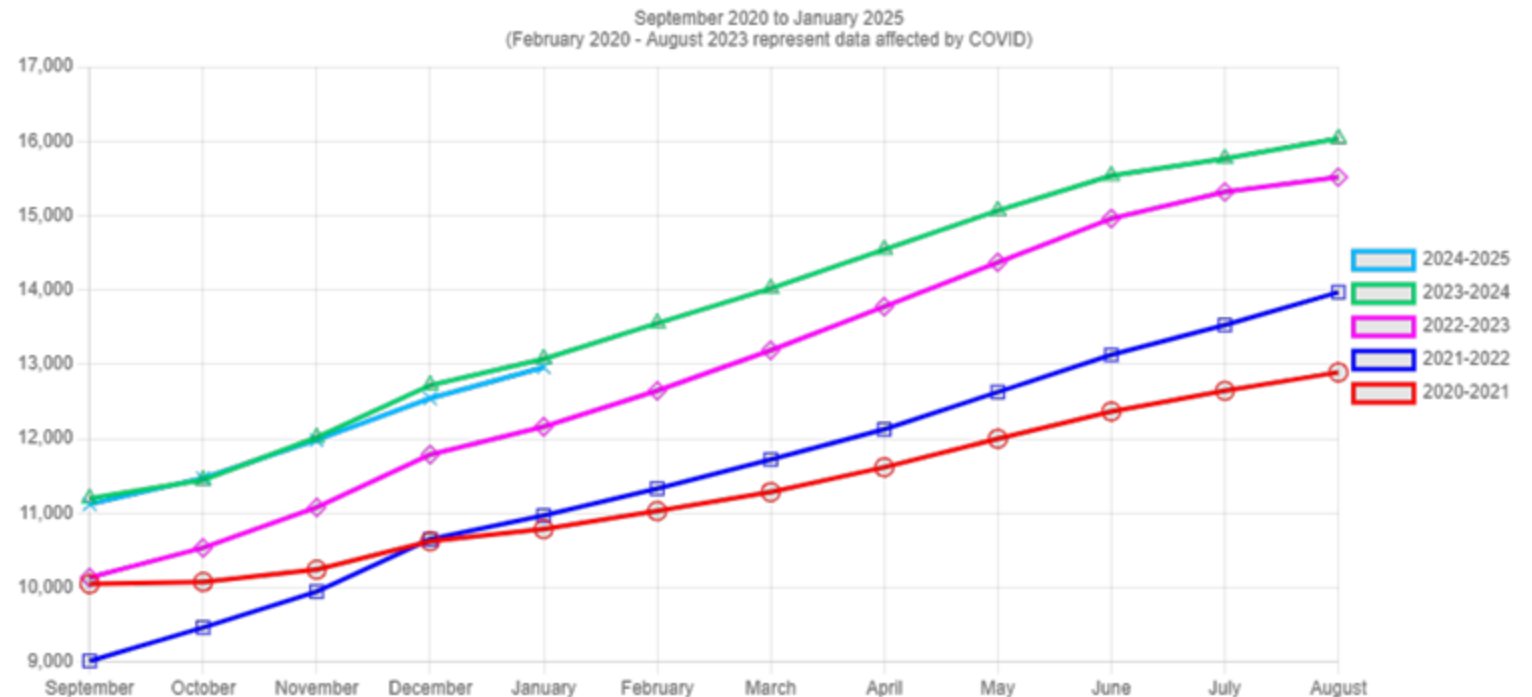


Early Intervention & Early Childhood Special Education

Early Intervention & Early Childhood Special Education (EI/ECSE) Children and Families

- Access to EI/ECSE for eligible children is a civil right provided under federal and state law (IDEA and OAR Division 15).
- Research and evidence underscore that infants, toddlers, and young children who have access to EI/ECSE services are significantly more likely to achieve positive developmental outcomes.
- EI/ECSE enrollment continues to grow, exceeding pre-COVID numbers over the last two years.
- In Oregon, children, aged 3 to five, experience exclusionary discipline at rates more than twice that of their peers.
- The relationship between EI/ECSE, families, early childhood providers, and other partners ensures the success of the State's Early Learning System by supporting families and regular education providers with critical support needed to ensure accommodations and adaptations are provided across daily routines.

Enrollment Growth for Children Receiving Oregon Early Intervention and Early Childhood Special Education Services (EI/ECSE)



Current Service Level (CSL) Calculation

- 1. Base Calculation:** Begin with the 2023-2025 LAB budget and add standard inflation (general price increases) and above-standard inflation (specific higher costs). This adjustment is approved by the Department of Administrative Services Chief Financial Office.
- 2. Determining Average Cost per Child:** Calculate the total funding for EI and ECSE after adding inflation, then determine the average cost per child by dividing the total funding by the average number of children served from April 1 to March 1.
- 3. Calculating Caseload Growth:** Estimate the budget needed for increased caseloads by examining historical growth. With a 4.5% annual growth rate, project a total growth of 9% for the two years of the 2025-2027 period.
- 4. Final Budget Request:** Multiply the average cost per child by the anticipated 9% increase in the number of children served to determine the additional funding required for the growing caseload.
- 5. Fundshift:** Shift OF-SSA and Federal Fund Mandated Caseload amounts to GF due to lack of revenue for OF SSA revenue and FF award expected to be relatively flat for 25-27.

2023-25 LAB with Feb Session			58100-300-00-00-00000	
	General Fund	Other Funds-SSA	Federal Funds	Total
Spec Pmt	195,333,054	115,377,826	40,314,118	351,024,998
Total	195,333,054	115,377,826	40,314,118	351,024,998

23-25 LAB with 4.2% and 2.6% inflation				
	General Fund	Other Funds-SSA	Federal Funds	Total
Spec Pmt	208,615,702	123,223,518	43,055,478	374,894,698
Total	208,615,702	123,223,518	43,055,478	374,894,698

581-01 040 Mandated Caseload			58100-300-00-00-00000	
	General Fund	Other Funds-SSA	Federal Funds	Total
Spec Pmt	18,775,413	11,090,117	3,874,993	33,740,523
Total	18,775,413	11,090,117	3,874,993	33,740,523

581-01 050 Fundshift			58100-300-00-00-00000	
	General Fund	Other Funds-SSA	Federal Funds	Total
Spec Pmt	22,810,802	(18,935,809)	(3,874,993)	-
Total	22,810,802	(18,935,809)	(3,874,993)	-

2025-27 ARB Total			58100-300-00-00-00000	
	General Fund	Other Funds-SSA	Federal Funds	Total
Spec Pmt	250,201,917	115,377,826	43,055,478	408,635,221
Total	250,201,917	115,377,826	43,055,478	408,635,221

Adequate Service Level (ASL) Calculation

- 1. Calculate Caseload Growth:** Estimate caseload by examining historical growth. With a 4.5% annual growth rate, project a total growth of 9% for the two years of the 2025-2027 period. (same as CSL)
- 2. Calculate Numbers of Children in Service Intensity Categories:** Examine historical data to project the number of children expected to receive early intervention, ECSE mild, ECSE moderate, and ECSE high service intensity.
- 3. Estimate Cost of Service:** Gather data on services and key cost drivers (staff compensation, non-personnel cost, administrative cost, and contractor cost).
- 4. Determining Average Cost:** Calculate the total cost for EI and ECSE, then determine the average cost per child by dividing the total cost by the average number of children served from April 1 to March 1.
- 5. Final ASL Request:** Apply inflation adjustment to the total estimated cost.

	Average Cost Per Child	Estimated Number of Children	Total Estimated Cost	Total estimated cost with 6.8% inflation increase
Early Intervention	\$ 9,562	9,133	\$87,329,746	\$93,268,168.73
Early Childhood Special Education	\$ 15,669	20,290	\$317,924,010	\$339,542,842.68
Total 2025-27 Estimate	\$ 13,730	29,423	\$405,253,756	\$432,811,011.41



Special Education Cap

Background

Special Education Weight

- The special education weight in the State School Fund is capped at 11% of ADMr (student enrollment).
- The 11% cap has not changed since the formula was developed in the 1990s.

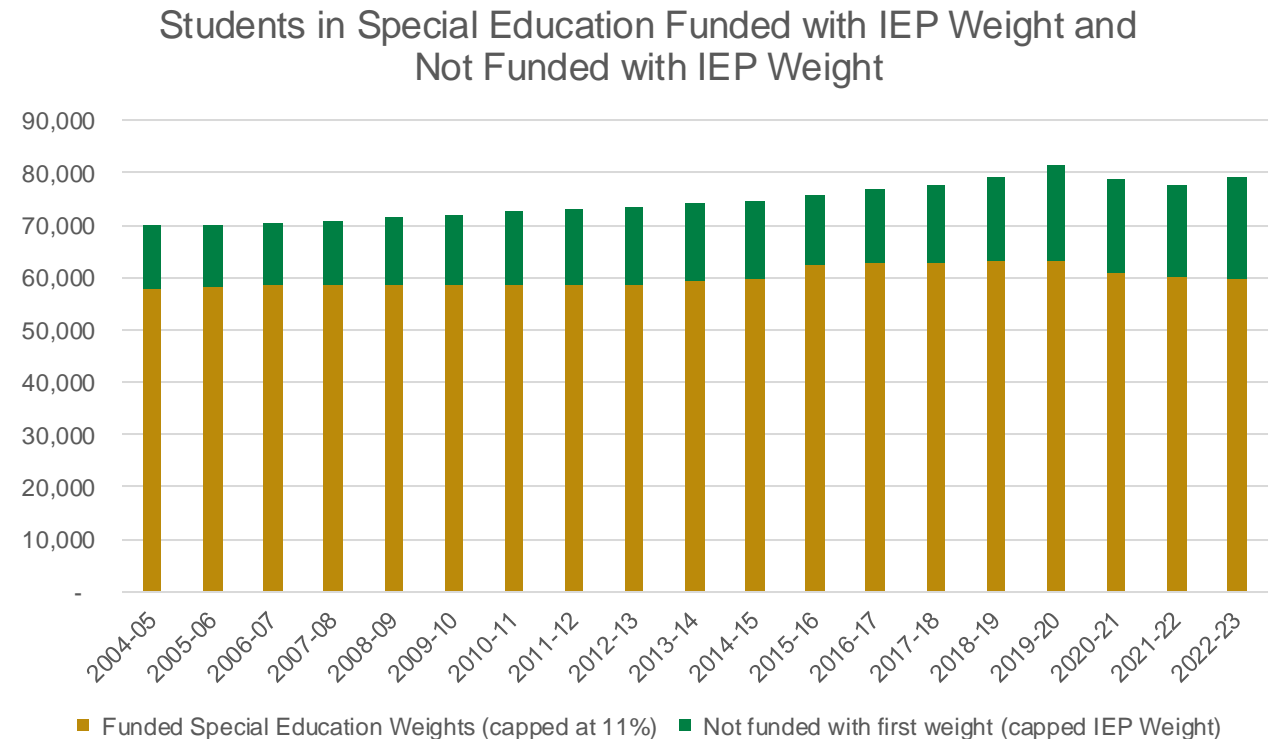
Cap Waiver Weight

- The cap waiver provides weights above the 11% cap.
- ODE conducts a comparative analysis to distribute the cap waiver weights to school districts that have an especially high numbers of students on an IEP and/or especially high expenditures to support their students in special education.

School Year	ADMr	# Students in Special Education	Special Education Weight (capped at 11%)	# Unfunded Special Education Weight (due to 11% cap)	Cap Waiver Weights (above 11%)	# Unfunded Special Education Students
2022-23	543,685	79,025	59,578	19,447	7,064	12,383

Rate of Special Education Over Time

- The rate of special education in Oregon has grown from 11% of all students in the 1990s to 14.5% of all students in the 2022-23 school year.
- From 2004-05 to 2022-23, the rate of special education in Oregon has grown from 13.29% to 14.5%
- During the same time period, the number of students in special education who do not receive the IEP weight has grown from 12,080 to 19,220.



Rate of Special Education Over Time

- The rates of ADM and IEP counts are not increasing at the same pace over time
- The types of IEPs are requiring more intensive services, such as autism which has almost doubled since 2007-08
- Developmental Delays has increased by three times since 2007-08
- Speech/Language Impairment has decreased in the last 15 years
- Multiple diagnoses has also increased

Rates of ADM and IEP over 30 years

Year	ADM	# IEP	IEP State Rate
1992-93:	487,075	53,578	11.0%
2022-23:	543,685	79,025	14.5%
30-yr Variance:	56,610	25,447	45.0%

Maintenance Of Effort

- Maintenance of Effort (MOE) requires that school districts maintain spending (effort) on serving students with disabilities in their communities.
- Federal resources (e.g., funds from IDEA) do not count toward this requirement.
- School districts receive enough revenue from the SSF targeted to support special education to meet **only** about 65% (\$696 million) of what is needed to meet MOE (\$1,072 million). The remaining 35% (\$375.9 million) must come from non-targeted funds on an annual basis.

2022-23 School Year - State School Fund Revenues for Special Education		
Average Amount per ADMw:		\$9,620.00
	Number of Weights	Approximate Funds
IEP Weight	59,578	\$573,140,360
Cap Waiver Weight	7,064	\$67,955,680
High Cost Disability	-	\$55,000,000
Total Targeted Revenue from SSF:		\$696,096,040
Total Actual Expenditures on Special Education (MOE):		\$1,072 Billion
Remaining Funds Needed:		\$375.9 Million

Proposal: 15% Cap

2022-23 School Year Data	Current 11% Cap	Proposed 15% Cap
School Districts below the cap (fully funded IEP weights)	29	111
Students receiving the IEP weight (funded)	59,578	75,362
School Districts above the cap (IEP weights not fully funded)	168	86
Students not receiving the IEP weight (not funded)	19,447	3,663

- According to NCES, 15% of the nation's public school students receive special education services.
- Oregon's rate of special education is currently 14.5%.
- Raising the cap to the national average of 15% would drastically reduce the number of students who do not receive the special education weight in the State School Fund formula from approximately 19,400 to about 3,600.
- Raising the cap to 15% would also come close to bridging the gap in State resources targeted for special education, to support school districts in meeting MOE.



High Cost Disability Fund

High Cost Disability Grant Overview

The High Cost Disability Grant supports districts with the cost of serving students in special education when the cost to serve an individual student is especially high.

Grant Cycle

- Claims estimated mid-year and paid in May
- Reconciliation the following May

Example for 2023-24 school year

- Claims estimated January 2024
- Actual claims submitted March 2025 and reconciled May 2025

Eligibility Threshold

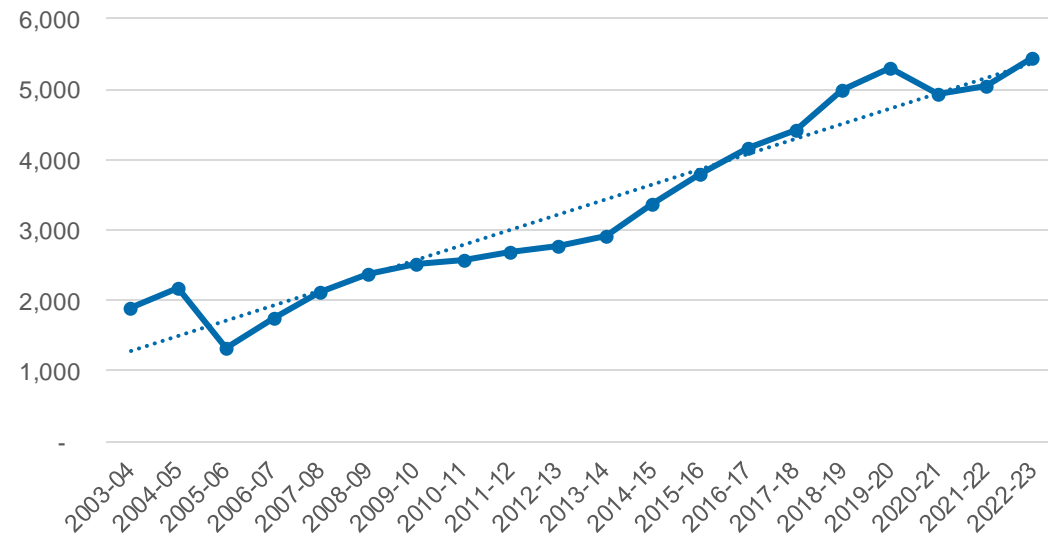
- 2003-04 – 2004-05: \$25,000 per year
- 2005-06 – current: \$30,000 per year

Funding History (annual)

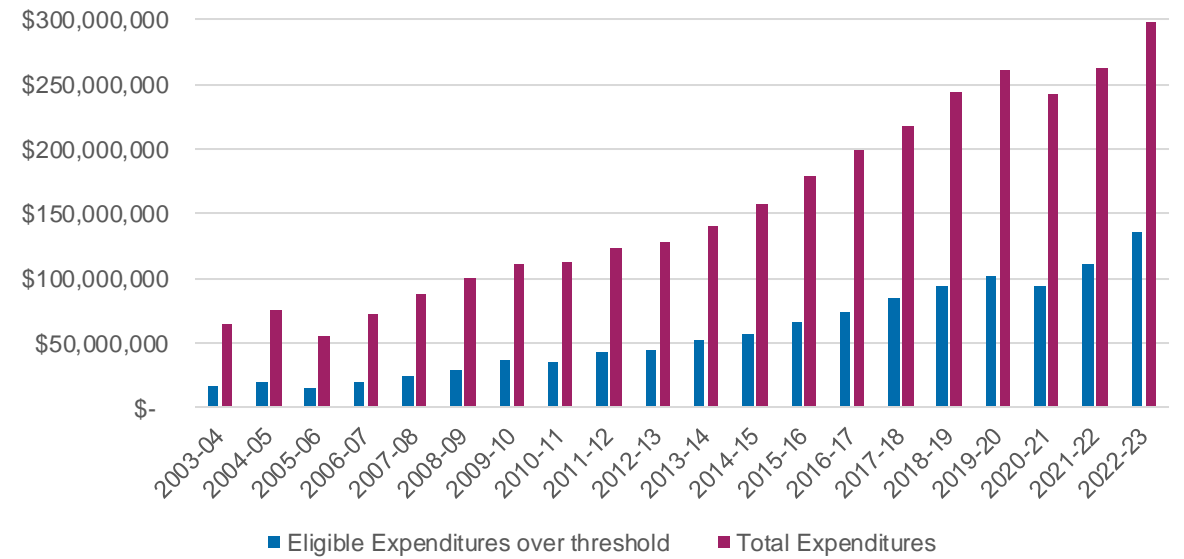
- 2003-04 – 2006-07: \$12 million
- 2007-08 – 2014-15: \$18 million
- 2015-16 – 2018-19: \$35 million
- 2018-19 – current: \$55 million

Grant Claims Over Time

Number of Eligible Students



Expenditures (Actuals)



Reimbursement Rate Over Time

