



K-12 School Funding Equalization and Special Education

Students With Disabilities (2022-23 U.S. and 2023-24 Oregon)

In 2022–23, the number of students ages 3–21 who received special education and/or related services under the Individuals with Disabilities Education Act (IDEA) was 7.5 million, or the equivalent of 15 percent of all public school students.

U.S.

Disability Type	%
Specific learning disability	32
Speech or language impairment	19
Other health impairment	15
Autism	13
Developmental delay	7
Intellectual disability	6
Emotional disturbance	4
Multiple disabilities	2
Hearing impairment	1

Sources:

<https://nces.ed.gov/programs/coe/indicator/cgg>,
National Center for Educational Statistics, US

Oregon

DISABILITY	TOTAL	%
SPECIFIC LEARNING DISABILITY	22,072	27%
SPEECH OR LANGUAGE IMPAIRMENT	17,089	21%
OTHER HEALTH IMPAIRMENT	15,020	18%
AUTISM	12,826	16%
EMOTIONAL DISTURBANCE	4,721	6%
DEVELOPMENTAL DELAY ¹	4,648	6%
INTELLECTUAL DISABILITY	3,715	5%
HEARING IMPAIRMENT	929	1%
ORTHOPEDIC IMPAIRMENT	541	1%
TRAUMATIC BRAIN INJURY	326	0%
VISUAL IMPAIRMENT	271	0%
DEAF-BLINDNESS	37	0%
MULTIPLE DISABILITIES	0	0%
TOTAL	82,195	100%

<https://www.oregon.gov/ode/reports-and-data/spedreports/pages/ideafederaldatareports.aspx>, ODE, Oregon

Students With Disabilities (2023-24 estimate, Oregon)

Identified Students with Disabilities on Individualized Education Program (IEP):

81,257 = about 15% Public School Students

Source: SSF Query, as of March 6, 2025, Oregon Department of Education

A Quick Overview of the K-12 School Funding Equalization Formula

- Formula Revenue for Distribution is the Sum of the State School Fund and Local Revenues
- Setting Aside so-called Carve-outs, School Districts Receive 95.5% of the Remainder

(Continued)

- Within School District Share, There Are Three Grants:
 - General Purpose Grant (Depends Largely on Weighted Average Daily Memberships)
 - Transportation Grant (Depends on Cost per Average Daily Membership)
 - High Cost Disabilities Grant (Actual Cost above \$30,000 per Disability Student)
- Each Student Receives One Weight
- Student Demographics and District Characteristics Increase/Decrease Weight
- Student with Disability (on IEP) Receives One Additional Weight

Students With Disabilities - Funded vs Not Funded (at a School District Level)

Identified Students with Disabilities = 81,257

Identified Students with Disabilities, Funded = 66,309

11% Cap (of ADM) at School District Level = **59,245**

Students on Waiver = **7,064 (Currently Covered out of General Purpose Grant)**

Identified Students with Disabilities Funded in SDs Range from 4% to 22% as a Ratio of ADM

Identified Students with Disabilities, Not Funded = 14,948

Note: Identified Students with Disabilities over 11% Cap = 14,948 + 7,064 = **22,012**

					Cost per year
IEP Cap Rate	IEP Weights Covered	Current IEP Weights	Extra IEP to Fund		Extra Money to Fund
11%	66,309	66,309	0		\$0
12%	67,879	66,309	1,570		\$16,025,657
13%	70,485	66,309	4,176		\$42,631,132
14%	73,459	66,309	7,150		\$72,992,569
15%	76,263	66,309	9,954		\$101,623,651
16%	78,547	66,309	12,238		\$124,935,955
17%	80,197	66,309	13,888		\$141,778,988
18%	80,855	66,309	14,546		\$148,498,275
100%	81,257	66,309	14,948		\$152,604,132

Note: Used Data from SSF Query 3/6/25; Used GP Grant per ADMw of \$10,209 (SSF Budget, HB 5015, 2023)

High Cost Disabilities Grant - Funding Needs and Actual Reimbursement

High Cost Disabilities Grant Set Aside = \$55 million per year

Eligible Cost Over \$30,000 = \$135 million (2022-23)

Reimbursement Rate = 40.7%

Appendix:

HB 2448 Increases the amount of money to the High Cost Disabilities Account

HB 2953 Removes the percentage cap on the amount of moneys to school districts for students eligible for special education as a child with a disability

Students with Disabilities

A student with an individualized education plan or IEP (often called a special education student), receives an extra weight of one. The formula weight for the student is then 2.0. In effect, one student counts as two students. Technically, the student counts as two ADMw (weighted average daily membership), where the “w” stands for weighted.

The double weighting primarily reflects a national study that showed districts were on average spending about twice the norm for services to special education students. Although some special education students cost much more than twice the average and others cost less, the Legislature wanted to avoid creating a complicated weighting scheme that would encourage districts to classify students in categories that generated more funds.

Currently, a school district may not receive the double weight for more than 11 percent of its ADM (average Daily Membership) without a waiver from the Oregon Department of Education. The identification of a student with a disability is a rigorous process. However, the Legislature established the 11% cap to discourage school districts from over-identifying students with disabilities and receiving more state aid than is justified.

High Cost Disabilities Grant

Some students with disabilities require educational services that cost more than the double weight that the student receives under Oregon’s K-12 school funding equalization formula. The High Cost disability factor is actual cost above \$30,000 per student with disability to help compensate for above-average costs.

A school district’s High Cost Disabilities grant is the sum of the approved disability costs for each special education student that exceeds \$30,000 per year. The school district can add Education Service District (ESD) special education costs incurred for the same student for the student’s total special education cost.

The 2003 Legislature created High Cost Disabilities Grant with the cap of \$12 million per year. Total High Cost Disabilities grants increased to \$18 million per year starting in 2007-08. The cap increased again to \$35 million a year in 2015-16. Starting from 2020-21, this grant cap is \$55 million per year. If eligible costs exceed the cap, grants are prorated. Grants are typically lower than actual costs, often substantially lower.

Reference: <https://www.oregonlegislature.gov/lro/Documents/K-12%20and%20ESD%20Finance%20RR%20August%2024%20Final.pdf>, Legislative Revenue Office, Oregon State Legislature