



# ISSUE BRIEF

## Protect IDEA Funding From Sequestration

**Action:** Request your members of Congress to protect federal education programs for children with disabilities from automatic federal budget cuts. Congress should not further harm students with disabilities by shifting the financial burden onto state and local governments, which are already cash-strapped.

### Background

When the Individuals with Disabilities Education Improvement Act (IDEA) was signed into law in 2004, it authorized federal spending to increase annually from approximately \$10.5 billion in 2005 to over \$26 billion in fiscal year (FY) 2011, the last year covered by the law. Although authorization for IDEA funding was intended to increase over the years, actual federal appropriations for the program have not significantly increased since the passage of the 2004 law. On December 23, 2011, President Obama signed the Consolidated Appropriations Act of 2012 into law, providing \$11.9 billion in IDEA Part B funding, **over \$14 billion short of the prior year's authorized level**. In fact, since FY2006 the cumulative funding shortfall is over \$120 billion.

The Budget Control Act of 2011 (Public Law 112-25) enacted on August 2, 2011, established budget enforcement mechanisms—including caps on future appropriations—that were developed to reduce federal budget deficits by at least \$2.1 trillion over the 2012–2021 timeframe. The automatic reductions would affect IDEA funding starting in FY2013. Those cuts would be achieved through a process called **sequestration**. According to Congressional Budget Office (CBO) estimates, the automatic enforcement process specified in the Budget Control Act of 2011 would produce spending reductions every year ranging from 7.8% (in 2013) to 5.5% (in 2021) on programs such as IDEA. While the CBO estimates 7.8%, others estimate the cuts could be over 9% in 2013.

### Federal Funding Math Example

Here is an example of how sequestration would adversely affect SLP- and audiology-related jobs.

- Final FY2012 IDEA Part B and Sec 619 funding was \$11,950,500,603 and CBO predicts a 7.8% cut in FY2013 from sequestration, equaling **\$932,139,047**. The U.S. Department of Education estimates that \$0.25 of every federal IDEA Part B dollar goes to the provision of related services, including speech-language pathology and audiology services. If sequestration goes through for FY2013, then related services would be cut by \$233,034,761.80.

$$\begin{aligned} & \$932,139,047 \text{ (budget cuts FY2013)} \times \$0.25 \text{ (federal IDEA Part B money for related services)} \\ & = \$233,034,761.80 \text{ (reduced funds for related services)} \end{aligned}$$

- It is estimated that one school-based full-time equivalent (FTE) employee costs approximately \$78,000.00 in salary and benefits. Based on \$233,034,761.80 reduced funds at an estimated annual cost of \$78,000 per FTE, a minimum of 2,987 jobs would be lost.

$$\begin{aligned} & \$233,034,761 \text{ (reduced funds for related services)} \div \$78,000 \text{ (salary and benefits)} \\ & = 2,987 \text{ (lost related services jobs)} \end{aligned}$$