



## Legal Brief

### The Potential Consequences of Funding IDEA through Block Grants



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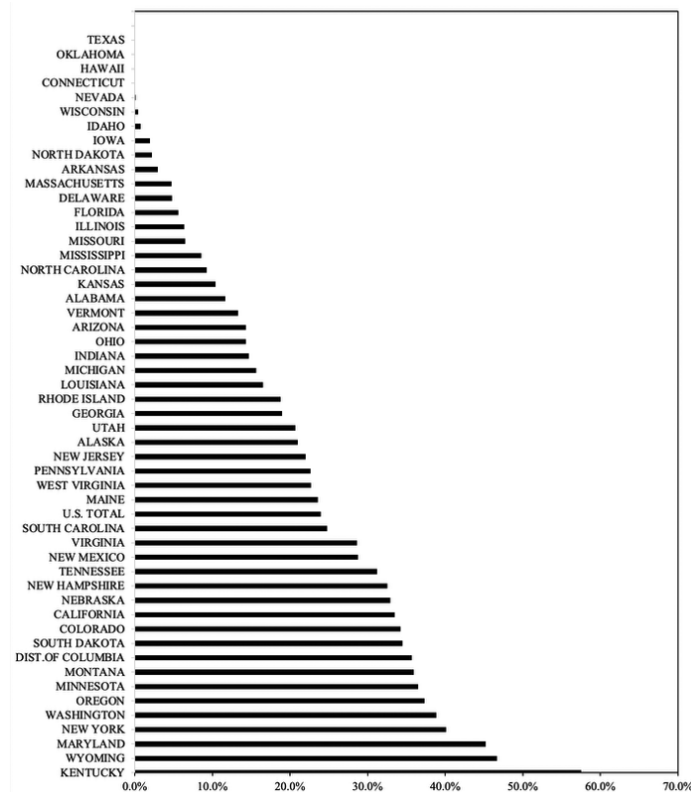
The Individuals with Disabilities Education Act is a civil rights law (U.S. Commission on Civil Rights, 2002). Congress enacted IDEA and offered financial incentives for states to comply with the law's requirements (Department of Education, n.d.). The financial incentives states receive are referred to as entitlement or formula grants. To receive this federal funding, states must provide a free and appropriate public education (FAPE) to students with disabilities in the least restrictive environment (LRE). States apply for federal funding each year and provide the U.S. Department of Education with assurances and certifications that they meet IDEA's requirements (Williams, 2024).

The Heritage Foundation first proposed moving federal education support to block grants in 1981 (Romig, 2025). The proposal is also detailed in Project 2025, and the current administration has signaled support for block grants for education funding (Spurrier et al., 2025). Block grants provide state and local governments with funding to assist them in addressing broad purposes, generally offering them more control over the use of the funds (Jaroscak, 2022). Block grants have fewer administrative conditions and restrictions on how the funds can be spent than categorical grants. The decentralized nature of the grants makes them challenging to measure and hold state and local officials accountable for their decisions (Jaroscak, 2022). They often have no federal requirement for uniform data collection on outcome measures and spending, making it difficult to compare data across states (Finegold et al, 2004). Thus, the flexibility reduces Congress's ability to provide oversight.

Congress has converted entitlement grants to block grants in the past. An example was the Aid to Families with Dependent Children (AFDC), which was an entitlement grant providing cash assistance to needy families. In 1996, Congress voted to overhaul the program and created Temporary Assistance for Needy Families (TANF) block grants. The grant has fixed funding and is not adjusted for inflation. When the economy was good, states diverted the funds to other resources, and those funds were never replaced to help families in need. In 1996, 70% of the funds went to families in need. By 2023, 25% of the funds were spent on basic assistance for low-income families, as shown in Figure 1 (U.S. Department of Health and Human Services, 2024). Instead, states allocated funds to support the Department of Children and Families case management, preschool education, the Departments of Corrections and Mental Health, financial aid for college students, drug courts, and substance abuse programs. Because basic assistance reaches fewer poor families, U.S. children living in deep poverty have increased by 50% since the creation of TANF (Schaefer & Edin, 2014). Congress has sent significant funding to states, yet it has little knowledge about how states spend the money. Consequently, many states have shown that maintaining a strong safety net for the poorest families was not a priority (Schott et al., 2015).

If IDEA funding is converted to block grants, evidence from similar policy changes, such as the transition from AFDC to TANF, suggests a significant risk that students with disabilities may lose critical civil rights protections. Reduced federal

**Figure 1. Percentage of TANF block grants spent on basic assistance (not including Maintenance of Effort funds contributed by each state).**



Data Source: U.S. Department of Health and Human Services, TANF Financial Assistance Tables, 2024

oversight and accountability may result in diminished access to a FAPE in the LRE, as well as erosion of due process rights for families, with fewer mechanisms to challenge violations or hold systems accountable.

Preserving strong federal and state accountability systems under IDEA is therefore essential to ensuring that the civil rights of students with disabilities remain protected nationwide.

To summarize, proposals to convert IDEA funding into block grants pose a serious risk to the civil rights of children with disabilities by weakening oversight, accountability, and consistency across states. Historical precedent, most notably the 1996 shift from AFDC to TANF, demonstrates how such changes can erode protections, reduce funding over time, and divert resources away from those most in need. Without strong federal enforcement, children could lose access to a FAPE in

the LRE, and parents could see their due process rights diminished. Members are encouraged to stay informed, connect with the Council for Exceptional Children (CEC) Legislative Action Center, share these concerns with policymakers, and advocate to preserve IDEA's current entitlement structure to ensure equity and accountability for all students with disabilities (Fisher & Miller, 2021). ■

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