

# Crosswalk of Current IDEA MOE Regulations with Prior MOE Regulations

Regulation Section	Current Regulations In effect as of July 1, 2015	Regulation Changes (OSEP language)	Prior Regulations, released August 14, 2006
§300.203 Maintenance of effort. (a) Eligibility standard; (b) Compliance standard	<p>§300.203 Maintenance of effort. (a) Eligibility standard.</p> <p>§300.203 Maintenance of effort (b) Compliance standard</p>	<p>“We [OSEP] moved the regulations governing eligibility for an IDEA Part B subgrant (sections 611 and 619 of the IDEA) from proposed §300.203(b) to §300.203(a).”</p>	<p>300.203 (b) Standard.</p> <p>300.203 (a) General.</p>
§300.203 Maintenance of effort. (a) Eligibility standard.	<p>(a) Eligibility standard. (1) For purposes of establishing the LEA's eligibility for an award for a fiscal year, the SEA must determine that the LEA budgets, for the education of children with disabilities, at least the same amount, from at least one of the following sources, as the LEA spent for that purpose from the same source for the most recent fiscal year for which information is available:</p> <ul style="list-style-type: none"> <li>(i) Local funds only;</li> <li>(ii) The combination of State and local funds;</li> <li>(iii) Local funds only on a per capita basis; or</li> <li>(iv) The combination of State and local funds on a per capita basis.</li> </ul>	<p>“We [OSEP] added language to the eligibility standard in §300.203(a)(1) to clarify the four methods that LEAs may use to meet this standard: (1) Local funds only, (2) the combination of State and local funds, (3) Local funds only on a per capita basis, or (4) the combination of State and local funds on a per capita basis.”</p>	<p>300.203 (b) Standard. (1) Except as provided in paragraph (b)(2) of this section, the SEA must determine that an LEA complies with paragraph (a) of this section for purposes of establishing the LEA's eligibility for an award for a fiscal year if the LEA budgets, for the education of children with disabilities, at least the same total or per capita amount from either of the following sources as the LEA spent for that purpose from the same source for the most recent prior year for which information is available:</p> <ul style="list-style-type: none"> <li>(i) Local funds only.</li> <li>(ii) The combination of State and local funds.</li> </ul>

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§300.203 Maintenance of effort. (a) Eligibility standard.	(2) When determining the amount of funds that the LEA must budget to meet the requirement in paragraph (a)(1) of this section, the LEA may take into consideration, to the extent the information is available, the exceptions and adjustment provided in §§300.204 and 300.205 that the LEA: (i) Took in the intervening year or years between the most recent fiscal year for which information is available and the fiscal year for which the LEA is budgeting; and (ii) Reasonably expects to take in the fiscal year for which the LEA is budgeting.	“We [OSEP] added language in the eligibility standard in §300.203(a)(2) to provide that, when determining the amount of funds that the LEA must budget to meet the requirement in paragraph §300.203(a)(1), the LEA may take into consideration, to the extent the information is available, the exceptions and adjustment provided in §§300.204 (exceptions for local changes) and 300.205 (adjustment for Federal increase) that the LEA: (i) Took in the intervening year or years between the most recent fiscal year for which information is available and the fiscal year for which the LEA is budgeting; and (ii) reasonably expects to take in the fiscal year for which the LEA is budgeting.”	300.203 (b)(2) An LEA that relies on paragraph (b)(1)(i) of this section for any fiscal year must ensure that the amount of local funds it budgets for the education of children with disabilities in that year is at least the same, either in total or per capita, as the amount it spent for that purpose in the most recent fiscal year for which information is available and the standard in paragraph (b)(1)(i) of this section was used to establish its compliance with this section.
§300.203 Maintenance of effort. (a) Eligibility standard.	(3) Expenditures made from funds provided by the Federal government for which the SEA is required to account to the Federal government or for which the LEA is required to account to the Federal government directly or through the SEA may not be considered in determining whether an LEA meets the standard in paragraph (a)(1) of this section.	“We [OSEP] added language in §300.203(a)(3) to clarify that expenditures made from funds provided by the Federal government for which the State educational agency (SEA) is required to account to the Federal government, or for which the LEA is required to account to the Federal government directly or through the SEA, may not be considered in determining whether an LEA meets the eligibility standard in §300.203(a)(1).”	300.203 (b)(3) The SEA may not consider any expenditures made from funds provided by the Federal Government for which the SEA is required to account to the Federal Government or for which the LEA is required to account to the Federal Government directly or through the SEA in determining an LEA’s compliance with the requirement in paragraph (a)(1) of this section.

Regulation Section	Current Regulations In effect as of July 1, 2015	Regulation Changes (OSEP language)	Prior Regulations, released August 14, 2006
§300.203 Maintenance of effort (b) Compliance standard	b) Compliance standard. (1) Except as provided in §§300.204 and 300.205, funds provided to an LEA under Part B of the Act must not be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding fiscal year.	We [OSEP] changed the language in the compliance standard in §300.203(b)(1) to state that the comparison year is the preceding fiscal year, regardless of which method an LEA uses to establish compliance.” Subject to the Subsequent Years rule. See §300.203 (c)	300.203 (a) General. Except as provided in §§300.204 and 300.205, funds provided to an LEA under Part B of the Act must not be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding fiscal year.
§300.203 Maintenance of effort (b) Compliance standard	(2) An LEA meets this standard if it does not reduce the level of expenditures for the education of children with disabilities made by the LEA from at least one of the following sources below the level of those expenditures from the same source for the preceding fiscal year, except as provided in §§300.204 and 300.205: (i) Local funds only; (ii) The combination of State and local funds; (iii) Local funds only on a per capita basis; or (iv) The combination of State and local funds on a per capita basis.	“We [OSEP] added language to the compliance standard in §300.203(b)(2) to clarify the four methods that LEAs may use to meet this standard: (1) Local funds only, (2) the combination of State and local funds, (3) local funds only on a per capita basis, or (4) the combination of State and local funds on a per capita basis.”	N/A
§300.203 Maintenance of effort (b) Compliance standard	(3) Expenditures made from funds provided by the Federal government for which the SEA is required to account to the Federal government or for which the LEA is required to account to the Federal government directly or through the SEA may not be considered in determining whether an LEA meets the standard in paragraphs (b)(1) and (2) of this section.	See the description above for 300.203(a)(3).	N/A

Regulation Section	Current Regulations In effect as of July 1, 2015	Regulation Changes (OSEP language)	Prior Regulations, released August 14, 2006
§300.203 Maintenance of effort. (c) Subsequent years	(c) Subsequent years. (1) If, in the fiscal year beginning on July 1, 2013 or July 1, 2014, an LEA fails to meet the requirements of §300.203 in effect at that time, the level of expenditures required of the LEA for the fiscal year subsequent to the year of the failure is the amount that would have been required in the absence of that failure, not the LEA's reduced level of expenditures.	“The new §300.203(c)(1) implements the requirement in the Consolidated Appropriations Act, 2014 (2014 Appropriations Act) and the Consolidated and Further Continuing Appropriations Act, 2015 (2015 Appropriations Act) that, for the fiscal years beginning on July 1, 2014, and on July 1, 2015, respectively, the level of effort an LEA must meet in the fiscal year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure, not the LEA's reduced level of expenditures.”	N/A
§300.203 Maintenance of effort. (c) Subsequent years	(2) If, in any fiscal year beginning on or after July 1, 2015, an LEA fails to meet the requirement of paragraph (b)(2)(i) or (iii) of this section and the LEA is relying on local funds only, or local funds only on a per capita basis, to meet the requirements of paragraph (a) or (b) of this section, the level of expenditures required of the LEA for the fiscal year subsequent to the year of the failure is the amount that would have been required under paragraph (b)(2)(i) or (iii) in the absence of that failure, not the LEA's reduced level of expenditures.	“The new §300.203(c)(2) is applicable to any fiscal year beginning on or after July 1, 2015, and addresses the level of effort an LEA must maintain in a fiscal year after it fails to maintain effort, and the LEA is relying on local funds only, or local funds only on a per capita basis. The level of expenditures required of the LEA is the amount that would have been required under paragraph (b)(2)(i) or (iii) in the absence of that failure, not the LEA's reduced level of expenditures.”	N/A

Regulation Section	Current Regulations In effect as of July 1, 2015	Regulation Changes (OSEP language)	Prior Regulations, released August 14, 2006
§300.203 Maintenance of effort. (c) Subsequent years	(3) If, in any fiscal year beginning on or after July 1, 2015, an LEA fails to meet the requirement of paragraph (b)(2)(ii) or (iv) of this section and the LEA is relying on the combination of State and local funds, or the combination of State and local funds on a per capita basis, to meet the requirements of paragraph (a) or (b) of this section, the level of expenditures required of the LEA for the fiscal year subsequent to the year of the failure is the amount that would have been required under paragraph (b)(2)(ii) or (iv) in the absence of that failure, not the LEA's reduced level of expenditures.	“The new §300.203(c)(3) is applicable to any fiscal year beginning on or after July 1, 2015, and addresses the level of effort an LEA must maintain in a fiscal year after it fails to maintain effort, and the LEA is relying on a combination of State and local funds, or the combination of State and local funds on a per capita basis. The level of expenditures required of the LEA is the amount that would have been required under paragraph (b)(2)(ii) or (iv) in the absence of that failure, not the LEA's reduced level of expenditures.”	N/A
§300.203 Maintenance of effort. (d) Consequence of failure to maintain effort.	(d) Consequence of failure to maintain effort. If an LEA fails to maintain its level of expenditures for the education of children with disabilities in accordance with paragraph (b) of this section, the SEA is liable in a recovery action under section 452 of the General Education Provisions Act ( <u>U.S.C. 1234a</u> ) to return to the Department, using non-Federal funds, an amount equal to the amount by which the LEA failed to maintain its level of expenditures in accordance with paragraph (b) of this section in that fiscal year, or the amount of the LEA's Part B subgrant in that fiscal year, whichever is lower.	“We added language in §300.203(d) to clarify that, if an LEA fails to maintain its level of expenditures for the education of children with disabilities, the SEA is liable in a recovery action for either the amount by which the LEA failed to maintain its level of expenditures in that fiscal year or the amount of the LEA's Part B subgrant in that fiscal year, whichever is lower.”	N/A

Regulation Section	Current Regulations In effect as of July 1, 2015	Regulation Changes (OSEP language)	Prior Regulations, released August 14, 2006
	<p>§300.204 Exception to maintenance of effort.</p>	<p>Editorial change: “Section 300.204 is amended by removing, from the introductory text, the citation “§300.203(a)” and adding, in its place, the citation “§300.203(b)”.</p>	
	<p>§300.205 Adjustment to local fiscal efforts in certain fiscal years.</p>	<p>Editorial change: “Section 300.205 is amended by removing, from paragraph (a), both instances of the citation “§300.203(a)”, and adding, in both places, the citation “§300.203(b)”.</p>	

## Appendix E: Calculation Examples from New IDEA MOE Regulations

“We [OSEP] added a new “Appendix E to Part 300-Local Educational Agency Maintenance of Effort Calculation Examples.”

Table 1—Example of Level of Effort Required To Meet MOE Compliance Standard in Year Following a Year in Which LEA Failed To Meet MOE Compliance Standard

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-1>

Table 2—Example of Level of Effort Required To Meet MOE Compliance Standard in Year Following Consecutive Years in Which LEA Failed To Meet MOE Compliance Standard

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-2>

Table 3—Example of Level of Effort Required To Meet MOE Compliance Standard in Year Following Year in Which LEA Met MOE Compliance Standard

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-3>

Table 4—Example of Level of Effort Required To Meet MOE Compliance Standard in Year Following Year in Which LEA Did Not Meet MOE Compliance Standard

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-4>

Table 5—Example of How an LEA May Meet the Compliance Standard Using Alternate Methods From Year to Year

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-5>

Table 6—Example of How an LEA May Meet the Compliance Standard Using Alternate Methods From Year to Year and Using Exceptions or Adjustment Under §§ 300.204 and 300.205

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-6>

Table 7—Example of How an LEA May Meet the Eligibility Standard in 2016–2017 Using Different Methods

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-7>

Table 8—Example of How an LEA May Meet the Eligibility Standard in 2017–2018 Using Different Methods and the Application of the Subsequent Years Rule

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-8>

Table 9—Example of How an LEA May Meet the Eligibility Standard Using Exceptions and Adjustment in §§ 300.204 and 300.205, 2016–2017

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-9>

Table 10—Example of How to Calculate the Amount of an LEA's Failure To Meet the Compliance Standard in 2016–2017 and the Amount That an SEA Must Return to the Department

<https://www.federalregister.gov/articles/2015/04/28/2015-09755/assistance-to-states-for-the-education-of-children-with-disabilities#t-10>