Even when supplemental resources follow higher rates of special education representation for minority students, troubling questions remain about the identification criteria for such disability categories as MR or ED and how they are applied. More disturbing, however, are findings that even where certain groups of students are overrepresented as MR, the supplementary resources and services that are assumed necessary for these students often do not follow. Are minority students being under-funded and underserved in special education at the same time they are being overidentified?

This chapter provides an overview of special education finance across the nation, followed by a description of the data sources and methods used in this analysis. Findings on special education funding in relation to over- and under-representation, the placements received, and the services provided by race are presented. The chapter concludes with a section on the implications for reform.

FUNDING SPECIAL EDUCATION

Over 12 percent of all public school–age children receive special education services. Special education has risen as a percentage of total enrolment every year since the passage of IDEA in 1975. The most current study of special education spending (Chambers et al., 2002) estimated total spending for the average special education student to be 1.9 times that of a non–special education student. The growth of special education enrollments, and consequently in special education spending, has become an increasingly contentious issue over the past several years (Parrish, 2000). Concern has also been expressed about the degree to which special education spending is taking resources from general education programs (Rothstein, 1997).

Special education is funded through a mix of local, state, and federal funds, with the latter contributing about 9 percent of the total cost (Parrish & Anthony, 2002), while the remaining percentage of support comes from state and local contributions, with the relative shares varying considerably from state to state. For example, Oklahoma reported that 3 percent of the state's special education programs were supported through state revenues, while Wyoming reported 90 percent state support (Parrish & Anthony, 2002). For all states, special education spending that is not offset by federal revenues must be supported through state and local funds.

The limited data available on national special education spending suggest that the local share of special education spending has been growing over the past few years. This has contributed to concerns that special education funds are increasing at the cost of other local education programming (Parrish & Anthony, 2002).

The allocation formula governing special education funding at the federal level has changed considerably over the past few years. Since the passage of the IDEA, federal special education funds have been allocated on the basis of a fixed dollar amount per student identified for special education. A new federal funding system, passed as a part of the IDEA reauthorization in 1997, allocates federal aid primarily on a state's total school-age population (70%) with an adjustment for poverty (30%) (Parrish & Anthony, 2002). Under this new system, the amounts of money allocated to states and to school districts are the same regardless of the mix of services provided or disability category assigned. Two districts with the same total enrollment would be eligible to receive the same federal funding even though one may have much higher proportions of students in more severe categories of disability, such as autism.

Allocation rules also vary considerably across the states. For example, while Wyoming now reimburses districts for 100 percent of all special education costs, most other states have more generic systems providing funding based on the number of students receiving special education services or on general enrollment. For the purposes of this paper, state special education funding systems are divided into three basic approaches:

1. *Unlinked:* Districts with high rates of student identification for special education do not generate more funds than districts with lower identification rates.
2. *Service Linked:* The amount of money received is a direct function of how many students are identified for services overall, but the amount of funding is not linked to students' category of disability.
3. *Service and Category Linked:* Funding differentials are directly linked to higher-cost categories of disability or placement.

The analysis of these three approaches to funding yields a somewhat surprising answer to the question of whether additional special education funding is likely to accompany patterns of overrepresentation. This research shows that states that vary funding by category of disability are more likely to overrepresent *and* underfund minority students. For example, one might expect that students with what have generally been found to be higher-cost categories of disability would get the most financial assistance in states that use formulas that differentiate funding by type of disability. Conversely, one might predict that when supplemental funding does not follow a higher-cost designation, for example, MR, that the services MR children need may be less likely to be provided. Therefore, the findings that category-linked formulas correlate with both overrepresentation and underservice are counterintuitive, potentially disturbing, and require further investigation. This type of pattern also further intensifies

concerns of overrepresentation; that is, classification into more severe categories of disability than are warranted without the receipt of appropriate supplemental services.

DATA SOURCES AND METHODS

An extensive analysis of spending on special education programs across the nation has recently been completed (Chambers et al., 2002). In addition to this national study, individual expenditure analyses were completed for eleven states during 2002.[3] However, other than the data resulting from these eleven state studies, the national study does not include special education expenditure information by individual state. Further, the last time all fifty states were asked to report special education spending (Parrish & Anthony, 2002), only thirteen states said they could do so with a high degree of confidence.

Information on the amount of categorical funds made available by the state and the federal government for special education is generally more available.[4] District-level analyses are required to understand the relationship between overidentification in high-minority districts and the amount of categorical funds these students generate. Because federal funding is generally a fixed amount per special education student, federal special education funding at the district level can be fairly easily estimated based on a district's special education enrollment.

In addition, the amount of federal and state special education funds that every district receives are data elements on the Annual Survey of Local Government Finances conducted by the U.S. Bureau of the Census. These data are collected for every school district in the nation in odd fiscal years (FY). The most current year for which these data are available is FY 1997, or the 1997–1998 school year. These data can be matched to the Common Core of School District Data produced by the U.S. Department of Education's National Center for Education Statistics (NCES), which contains a variable "number of students with Individualized Education Programs (IEPs)." This dataset also provides breakouts of district enrollments by race and ethnicity.

By combining these data, it is possible to compare federal and state special education funding per special education student for districts of varying degrees of percent minority enrollment by state. Although all of the districts in the United States are included in this database, under scrutiny the data elements most relevant to this analysis are not available for all states. States were eliminated from this analysis if state and federal special education funding was missing for large numbers of districts, or if the aggregate count of special education students listed by districts for a state did not reasonably approximate the official

statewide count of special education students submitted to the U.S. Department of Education. (Although the latter count of special education students is considered much more reliable than the NCES count, it is not reported by district.)

Other sources of data used for this analysis are counts of special education students by race, by disability, by state, and the total count of school-age children by race and state for students ages six to twenty-one provided by the Washington, DC, research firm Westat. Westat collects these data from the states for the U.S. Department of Education, Office of Special Education Programs. Although these data also are not reported at the district level, they allow analyses of the identification of students by race into categories of disability, in relation to the racial composition of the state's overall student population (according to Census data for ages 6–21). This allows state-level comparisons of identification practices that can be compared with funding practices. Where information on state special education funding was lacking from the NCES data, state-level information was filled in to the extent available from data provided by the states through a survey recently administered by the National Association of State Directors of Special Education (NASDSE). Last, analyses of the services received by students, by disability, and by racial category within California were conducted using the student-level special education database maintained by the California State Department of Education.[5]

To measure and compare identification patterns by race, by category of disability, and by state, "risk ratios" were calculated. Based on special education and overall population counts by race as used in this paper, this ratio compares the risk of a child in a particular minority group being labeled as having a certain disability to the risk of a white child. Any racial group can be compared to any other using this procedure, but as white children are in the majority in forty-four states, this seemed to be the most logical comparison group. When the ratio is greater than 1 for a given racial group in a category of disability, the risk that a child of this race will be labeled as having the identified disability is greater than the risk of a white child being so labeled. The higher the ratio, the greater the likelihood of a minority child being labeled as having a certain disability as compared with a white child.[6]

Given that the purpose of this paper is to explore possible relationships between funding formulas and over- and underrepresentation of minority students, a relatively conservative standard has been adopted. Overrepresentation is defined as twice the risk of identification in relation to that for white students, with underrepresentation defined as one-half the risk. However, it should not be inferred that these standards, which rely on extensive levels of over- and underrepresentation, should apply to general determinations of over-

and underrepresentation, for which tests of statistical significance or other criteria are better suited.

In addition, differing identification rates are only shown when statistically significant at a .01 level of confidence. These are differences of sufficient magnitude that there is less than a 1 percent likelihood (.01) of their occurring by chance.

IDENTIFICATION RATE COMPARISONS

Using the risk ratios described above, counts of students by category of disability and race were compared to those for white children by state. Table 1 shows the patterns that exist across racial groups and the disability categories of mental retardation, emotional disturbance, and specific learning disabilities. For each state, risk ratios are shown by race for identification for each of the three primary disability categories, MR, ED, and LD. Together, these three cognitive disability categories account for the largest number of children. They are also the categories for which over- and underrepresentation seem most likely to occur.

Using this high standard for disproportionate identification, the number of states in which black students were overrepresented in the disability categories of mental retardation and emotional disturbance is shown, as well as the degree of racial disparity. For example, black children are overrepresented for mental retardation in thirty-eight states. Moreover, the risk of a black child being labeled mentally retarded are more than four times greater than for a white child in the states of Connecticut, Mississippi, North Carolina, Nebraska, and South Carolina. Conversely, the risk of an Asian American/Pacific Islander child being designated as emotionally disturbed are less than one-fourth the chance of a white student being so designated in over one-half the states.

It should be noted that the state-level comparisons present aggregated information by state. Dramatic variations between individual districts and regions within a state might exist that are not revealed in the state-level aggregates. Therefore, the under- or overrepresentation shown for a state does not necessarily depict what is occurring in individual districts.

An interesting observation is the greater likelihood of children in the various minority groups being placed in the category most prone to overrepresentation (MR) when the minority group constitutes a relatively large proportion of the state's population. Examples include Asian American/Pacific Islander in Hawaii, with a risk ratio of 3.48 for MR, compared to their national average of .54. Asian American/Pacific Islander children constitute nearly 59 percent of all school-age children in Hawaii, much higher than that found in any other state. Similarly, in Alaska, where American Indian children comprise

TABLE 1 Risk Ratios for Mental Retardation, Emotional Disturbance, and Specific Learning Disabilites by Race and Ethnicity[a]

	Mental Retardation				*Emotional Disturbance*				*Specific Learning Disabilities*			
	American Indian	*Asian/ Pacific*	*Black*	*Hispanic*	*American Indian*	*Asian/ Pacific*	*Black*	*Hispanic*	*American Indian*	*Asian/ Pacific*	*Black*	*Hispanic*
United States	1.31*	0.54*	**2.88***	0.77*	1.24*	0.29*	1.92*	0.74*	1.50*	0.39*	1.32*	1.17*
Alaska	**2.43***	1.49	**2.07**	1.21	1.54	0.15	**2.12**	0.36	1.74*	0.69	**2.01***	0.86
Alabama	1.13	0.38	**3.89***	0.43*	0.76	0.17	1.27*	0.24	**2.09***	0.22*	0.97	0.46*
Arkansas	1.12	0.97	**3.00***	0.44*	0.00	0.93	1.12	0.25	0.66	0.44*	1.10	0.63*
Arizona	1.50*	0.70	**2.97***	1.65*	0.59*	0.23*	1.67*	0.43*	1.43*	0.29*	1.59*	1.20*
California	1.45	0.89	1.89*	1.28*	1.30	0.17*	**2.58***	0.38*	1.78*	0.32*	**2.05***	1.10*
Colorado	1.89	0.98	**3.48***	1.89*	1.75	0.61	**2.05***	0.84	1.91*	0.40*	1.69*	1.25*
Connecticut	**3.27**	0.66	**4.76***	**3.25***	**2.88***	0.23*	**2.62***	1.92*	1.72	0.22*	1.49*	1.38*
Delaware	0.00	0.68	**3.61***	**2.01***	1.34	0.41	**2.45***	0.45	1.11	0.16*	**2.55***	1.43*
Florida	**2.13***	0.65*	**3.91***	1.19*	**2.61***	0.13*	**2.14***	0.63*	1.96*	0.26*	1.20*	0.93*
Georgia	0.31	0.43*	**3.09***	0.82	0.60	0.25*	1.38*	0.28*	0.62	0.24*	0.71*	0.61*
Hawaii	1.60	**3.48***	1.43	0.67	1.90	1.16	0.91	0.38*	1.28	1.82*	0.83	0.51*
Iowa	1.69	0.54*	**2.62***	0.90	1.99	0.32*	**4.31***	0.83	1.77*	0.39*	1.87*	0.92
Idaho	**2.11**	0.77	1.34	1.77*	1.10	0.27	0.65	0.39	1.97*	0.23*	1.49	1.13
Illinois	0.59	0.58*	**3.09***	1.05	0.61	0.19*	**2.16***	0.61*	0.59	0.22*	1.21*	0.94*
Indiana	0.90	0.43*	**3.31***	0.83	0.58	0.19*	1.78*	0.35*	0.73	0.14*	0.96	0.51*
Kansas	1.47	0.53	**2.93***	1.26	1.40	0.16*	**2.20***	0.71	1.23	0.35*	1.41*	0.93
Kentucky	0.17	0.22*	1.60*	0.36*	0.17	0.22	**3.87***	0.43	0.42	0.28*	1.52*	0.54*
Louisiana	1.35	0.49	**3.31***	0.39*	1.24	0.07	**2.90***	0.41	**2.21***	0.19*	1.86*	0.36*
Massachusetts	0.89	0.29*	1.41*	1.13	0.87	0.29*	1.41*	1.13	0.88	0.28*	1.45*	1.14*
Maryland	**2.74**	0.73	**3.29***	0.66	1.96	0.22*	**2.13***	0.52*	1.42	0.20*	1.31*	0.80*
Maine	0.44	0.52	1.53	0.79	0.12	0.42	1.69	1.14	0.66	0.38*	1.40	0.74
Michigan	1.39	0.93	**2.34***	0.82	1.52	0.69	1.09	0.58*	1.41*	0.84*	1.04	0.92
Minnesota	1.76*	0.82	**2.48***	1.39	**3.33***	0.27*	**3.29***	1.01	1.95*	0.71*	**2.72***	1.38*
Missouri	0.56	0.41*	**2.75***	0.53*	0.67	0.21*	**2.45***	0.53*	0.54*	0.20*	1.52*	0.54*
Mississippi	0.46	0.63	**4.31***	0.20	NA**	NA**	0.94	0.22	0.45	0.25*	1.72*	0.33*

	Mental Retardation				Emotional Disturbance				Specific Learning Disabilities			
	American Indian	Asian/ Pacific	Black	Hispanic	American Indian	Asian/ Pacific	Black	Hispanic	American Indian	Asian/ Pacific	Black	Hispanic
Montana	**2.00***	0.77	**3.18**	0.54	1.31	0.81	**3.75**	0.60	**2.19***	0.67	**5.44***	0.29*
North Carolina	**2.97***	0.55*	**4.08***	0.94	0.68	0.18*	**2.76***	0.46*	0.96	0.34*	1.10*	0.70*
North Dakota	1.45	1.28	1.36	0.74	1.24	0.37	**2.61**	1.62	1.32	0.38	1.19	0.92
Nebraska	**2.31***	0.29	**4.08***	1.45*	**4.83***	0.31	**6.06***	0.56	**2.94***	0.38*	1.69*	1.04
New Hampshire	0.41	0.23	0.95	0.45	0.91	0.24	1.14	0.39	0.22	0.13*	0.39	0.32*
New Jersey	**2.28**	1.01	**3.60***	2.39*	0.20	0.19*	**2.40***	1.02	0.76	0.25*	1.28*	0.87*
New Mexico	1.47	1.12	**2.18***	1.66*	0.71	0.14	1.88*	0.87	1.09	0.47*	1.93*	1.27*
Nevada	1.72	1.26	**3.13***	1.20	0.55	0.32	1.74*	0.24*	1.69*	0.43*	**2.09***	0.92
New York	1.80	0.66*	**2.32***	1.72*	**2.57***	0.27*	**2.56***	**2.33***	1.39*	0.36*	1.64*	1.22*
Ohio	0.67	0.27*	**2.59***	0.93	1.21	0.15*	**2.64***	0.92	0.76	0.28*	0.87*	0.73*
Oklahoma	1.76*	0.34*	**3.44***	0.94	1.02	0.29	1.90*	0.39*	1.74*	0.27*	1.58*	0.87
Oregon	1.57	0.57	**2.48***	0.85	1.71	0.20*	**2.85***	0.36*	1.43*	0.26*	1.08	0.78*
Pennsylvania	1.28	0.41*	1.86*	1.55*	**2.28***	0.21*	**2.38***	1.54*	1.24	0.28*	1.29*	1.43*
Rhode Island	0.78	0.91	**2.58***	1.98*	1.05	0.26	1.89*	0.84	0.70	0.28*	1.26*	1.16
South Carolina	1.41	0.32	**4.30***	0.47*	0.93	0.20	**2.04***	0.46	0.53	0.18*	1.26*	0.48*
South Dakota	1.25	0.71	**2.49**	0.64	**2.30***	0.29	**2.36**	1.55	1.33*	0.69	**2.00***	0.74
Tennessee	0.41	0.35*	**3.46***	0.38*	0.28	0.18	1.47*	0.31	0.40*	0.21*	1.09*	0.40*
Texas	1.33	0.70*	**3.21***	1.42*	1.09	0.13*	1.45*	0.66*	1.21	0.23*	1.54*	1.23*
Utah	1.28	0.76	1.75	1.30	1.44	0.66	**3.73***	1.06	**2.34***	0.65*	2.25*	1.36*
Virginia	0.47	0.72	**3.02***	1.43*	1.09	0.27*	1.61*	1.08	0.84	0.41*	1.14*	1.37*
Vermont	1.50	0.37	0.91	0.00	1.92	0.41	1.61	0.25	0.50	0.29	1.36	0.33
Washington	**2.89***	0.81	**2.75***	1.68*	**2.24***	0.24*	**2.89***	0.52*	**2.25***	0.55*	**2.10***	1.31*
Wisconsin	1.44	1.16	**3.16***	1.25	**2.63***	0.21*	1.99*	0.75	1.58*	0.67*	1.41*	0.97
West Virginia	0.80	0.28	1.52*	0.15	1.39	0.17	**2.77***	0.66	0.67	0.14*	1.14	0.52
Wyoming	1.01	1.78	**2.04**	1.04	1.39	0.37	**2.35**	0.73	1.50	0.23	1.84	1.03

[a] The data underlying this table are from the U.S. Department of Education (1998).

Boldface indicates double the rate of whites. Asian/Pacific indicates Asian American/Pacific Islander

* Indicates statistical significance at the .01 level

** NA, not applicable, is shown for Mississippi because no American Indian or Asian/Pacific students were identified for Emotional Disturbance in that state for the 1998–1999 school year.

TABLE 2
Mental Retardation Risk Ratios in High- and Low-Percentage Minority States by Race[a]

Percent Minority	*American Indian*		*Asian/Pacific*		*Black*		*Hispanic*	
	Risk of MR compared to whites	*% of total enrollment that are Am. Ind.*[b]	*Risk of MR compared to whites*	*% of total enrollment that are Asian/Pac.*	*Risk of MR compared to whites*	*% of total enrollment that are black*	*Risk of MR compared to whites*	*% of total enrollment that are Hispanic*
Lowest Ten States	1.07	0.2%	0.66	0.7%	1.77	0.8%	0.42	1.2%
Highest Ten States	1.75	8.4%	1.14	10.8%	3.59	31.6%	1.55	25.6%

[a] The data underlying this table are from the U.S. Department of Education (1998).

[b] "Total enrollment" refers to special education and general education combined.

over 21 percent of student enrollment, the risk for American Indian children being identified as mentally retarded are considerably larger than the national average (2.43 vs. 1.31).

For the disability category of mental retardation, this trend holds across all minority groups (see Table 2). For black children, the risk of being designated mentally retarded (in comparison to white children) range from 3.59 in the ten states in which the proportion is the highest to 1.77 in the ten states where the proportion is the lowest. Thus, the ratio is about twice as high for blacks in states where they are more heavily concentrated.

For Hispanic children, the odds are more than three times as great in the ten states with the highest percentage of Hispanic students (1.55 vs. 0.42) as in the states with the lowest percentage of Hispanics. Many of the highest-percentage minority states are southern and southwestern states with histories of segregation.

Identification Disparities in Soft versus Hard Categories of Disability

One approach to attempting to isolate the effect of poverty as opposed to race on the disproportionate identification of black students for special education is to compare the identification patterns observed for black students in soft versus hard categories of disability. This division into soft and hard categories is somewhat of an artificial distinction, as all categories of disability contain some form of medical determination in their definition. However, the categories of disability called specific learning disability, mental retardation, and emotional disturbance are sometimes referred to as soft categories because they are more subjec-

TABLE 3
Comparison of Risk Ratios between Blacks and Whites in Hard and Soft Disability Categories in the United States and in Selected States[a]

	Soft Disabilities			*Hard Disabilities*[b]
	MR	*ED*	*SLD*	
Connecticut	4.76	2.62	1.49	1.49
Mississippi	4.31	0.94	1.72	1.07
South Carolina	4.30	2.04	1.26	1.30
North Carolina	4.08	2.76	1.10	1.03
Nebraska	4.08	6.06	1.69	1.50
Florida	3.91	2.14	1.20	1.09
Alabama	3.89	1.27	0.97	1.11
Delaware	3.61	2.45	2.55	1.30
New Jersey	3.60	2.40	1.28	2.18
Colorado	3.48	2.05	1.69	1.34
United States	2.88	1.92	1.32	1.18

Blacks were most overrepresented for mental retardation (MR) in the ten states selected.

[a] All data are from 1998 U.S. Department of Education Office of Special Education Programs. See Table 1 for indications on statistical significance.

[b] The hard disabilities category includes hearing impairments, visual impairments, orthopedic impairments, deaf-blindness, multiple disabilities, and traumatic brain injury.

tively and less medically determined than categories such as deafness or blindness, which are deemed hard because they are less prone to subjectivity and are readily diagnosed medically. Arguably, if the effects of poverty, including diminished nutrition and limited access to preventive health care, cause more black students to be identified for the soft category of mental retardation, then these factors should have a similar effect on the incidence of the hard categories of deafness and blindness.

However, the data show substantial incongruence between the level of overrepresentation for hard and soft categories. Nationwide, blacks are almost exactly as likely as white students to be identified for the hard disability categories, while they are nearly three times (2.88) more likely than whites to be identified as mentally retarded and nearly twice as likely to be identified as ED (1.92). Furthermore, as Table 3 shows, we found substantially less racial disproportionality for hard categories in the ten states that were highest for overrepresenting black students as MR. These data suggest that something more than the effects of poverty are causing black students to be disproportionately identified for some categories of disability.

TABLE 4
Placement and Service Characteristics by Race for California

	Percent in General Education with Related Services (a)	*Percent in Resource Room* (b)	*Percent in Private School* (c)	*Percent in Special Education Self-Contained* (d)	*Percent Requiring Intensive Services* (e)
American Indian	21%	48%	2%	29%	20%
Asian American/ Pacific Islander	32%	32%	1%	35%	27%
Black	17%	41%	4%	37%	29%
Hispanic	22%	44%	1%	33%	25%
White	27%	46%	2%	24%	23%

Source: California Special Education Management System (CASEMIS).

PLACEMENTS AND SERVICES BY RACE

A more extensive, detailed view of the mix of special education services received by individual students can be found in the California Special Education Management Information System (CASEMIS). This file contains a broad range of information about the more than 600,000 children who receive special education services in California. Because California is so populous, these data provide a detailed snapshot of approximately one-eighth of the nation's students.

Table 4 shows the types of placements and services that result from these patterns of identification by race and by disability. Column (e) shows that black students are more likely than white students to be designated as requiring intensive services (29% vs. 23%) and more likely to be placed in such restrictive settings as self-contained special education classrooms (37% vs. 24%) and private special education schools (4% vs. 2%). Also, the gap between restrictive settings and the need for intensive services is most pronounced for minorities. While this gap [the difference between columns (d) and (e)] equals 8–9 percent for minority students, it equals 1 percent for white students. This suggests that whites are generally only placed in more restrictive self-contained classes when they need intensive services. Minority students, however, may be more likely to be placed in the restrictive setting whether they require intensive services or not.

Another view of the placements and services received by California students by race is presented in Table 5. It compares breakouts of total student enrollment, special education enrollment, special education private school enroll-

TABLE 5
Distribution by Race of California Students Overall, in Special Education, and in the California Youth Authority

	White	*Hispanic*	*Black*	*Asian*	*Other*	*Total*
All Students	40%	41%	9%	9%	1%	100%
Special Education	43%	37%	14%	3%	3%	100%
Private Special Education Schools	48%	19%	30%	1%	2%	100%
Residential Private Special Education	58%	15%	21%	3%	3%	100%
California Youth Authority	15%	47%	29%	7%	2%	100%

Source: California Special Education Management System (CASEMIS).

ments, and students under the jurisdiction of the California Youth Authority. While the distribution of special education by race is reasonably reflective of all students, this picture changes dramatically in the case of private special education schools, and particularly in the case of residential private special education schools. As these placements rise in cost, peaking at the very costly private special education residential placements, white participation increases dramatically in relation to the percentage of white children in the population (from 40% to 58%). Black enrollments also rise in relation to their percentage of the population (from 9% to 30% in private special education schools) until the most costly placement of special education residential schools, where black students drop to 21 percent representation. Hispanic students show a dramatic reverse pattern, with their representation dropping from 41 percent of all students to 15 percent of residential private special education schools.

Most students (63%) in private special education schools in California are identified as having an emotional disturbance. Many of these children find themselves in these schools because they have demonstrated some form of antisocial behavior. Children exhibiting such behaviors sometimes end up in residential private special education placements, where they are likely to receive intensive treatment, while in other cases they may be placed with the California Youth Authority, a placement that is more punishing than remedial.

Black children are overrepresented in these three types of settings in relation to their percentage of the population (9% vs. 21% vs. 29%). Very different placement patterns are seen for Hispanic and white children. Although nearly equally divided in the population (41% vs. 40%), Hispanics represent 47 per-

cent of the children under the jurisdiction of the California Youth Authority, compared to 15 percent for white children. These figures are close to being reversed in private special education school settings, where Hispanic children constitute 15 percent of the population, compared to 58 percent for white children.[7]

SPECIAL EDUCATION FUNDING IN RELATION TO OVER- AND UNDERREPRESENTATION

What is the relationship between special education identification rates for minority students and special education funding? In the case of overrepresentation of minority students in more severe and generally higher-cost disability categories, it might be expected that added special education funding would follow these higher rates of designation. But this was not the case. The following analysis presents a complex pattern that suggests a possible link between identification rates and certain types of funding formulas.

For the purpose of these analyses, state formulas are divided into three categories: those directly linked to the overall number of students identified for special education and/or the services provided; the subset of these linked formulas in which the funding amounts vary by category of disability; and formulas that are not linked to any measure of special education incidence or service.

Table 6a separates the states by the three approaches to special education funding described above [column (b)].[8] It also lists the state's risk ratio for minority children as mentally retarded relative to that of white children [column (c)]. Table 6a also shows the percentage difference in special education funding received by the highest and the lowest quartiles of districts in the state in terms of minority enrollment [column (d)]. For example, the amount shown for South Carolina indicates that the average amount of state special education funding per special education student in the highest-percentage-minority districts was 3.8 percent more than in the lowest-percentage-minority districts. In New Jersey, however, the opposite trend was observed, with the state's highest-minority districts receiving 33.2 percent less in average state funding per special education student than the lowest-minority districts.

Is additional special education funding found in high-minority districts in states where minority students are overrepresented for mental retardation? Do racial disproportion and funding patterns vary by type of special education funding formula?

Further funding comparisons were conducted to find out whether high-minority districts in states with high rates of overrepresentation for MR received additional special education funding. Although there was no uniform

TABLE 6a

Comparison of Special Education Funding Formula with Minority Risk Ratios and with Special Education Per Pupil Expenditures in High- and Low-Minority Districts

States Ranked by Minority Risk Compared to White (a)	*Formula Type (b)*	*Risk Ratio for Mental Retardation (c)*	*Special Education Funding Differential per Student in High- versus Low-Minority Districts[b] (d)*
South Carolina	Service and Category Linked	4.06	3.8%
Connecticut	Service Linked	3.65	85.8%
North Carolina	Service Linked	3.61	5.5%
Delaware	Service and Category Linked	3.15	–2.2%
Louisiana	Service Linked	3.03	–2.1%
Maryland	Unlinked	2.74	99.9%
New Jersey	Service and Category Linked	2.71	–33.2%
Arkansas	Service Linked	2.65	45.3%
Florida	Service and Category Linked	2.62	31.8%
Indiana	Service and Category Linked	2.55	–7.7%
Virginia	Service Linked	2.52	0.6%
Nebraska	Service Linked	2.36	–3.7%
Missouri	Service Linked	2.31	41.9%
Wisconsin	Service Linked	2.26	25.0%
Ohio	Service and Category Linked	2.23	–18.9%
Colorado	Unlinked	2.10	10.4%
Illinois	Service Linked	2.07	–38.1%
Mississippi	Service Linked	1.98	3.2%
Kansas	Service Linked	1.88	77.3%
Texas	Service Linked	1.84	–0.1%
Nevada	Service Linked	1.71	–9.2%
Pennsylvania	Unlinked	1.64	–12.8%
North Dakota	Service Linked	1.33	41.1%
California	Service Linked	1.29	23.7%
Utah	Unlinked	1.23	13.3%
South Dakota	Service Linked	1.23	55.8%
Wyoming	Service Linked	1.16	–2.0%
Vermont	Service Linked	0.46	–1.6%

[a] All data are from 1998 U.S. Department of Education Office of Special Education Programs. See Table 1 for indications on statistical significance.

[b] Annual Survey of Local Government Finances conducted by the U.S. Bureau of the Census and the Common Core of School District Data produced by the U.S. Department of Education's National Center for Education Statistics (NCES) for the 1997–1998 school year.

Service Linked: All students identified for special education and/or the services provided.

Service and Category Linked: Subset of these linked formulas in which the funding amounts vary by category of disability.

Unlinked: Formulas that are not linked to any measure of special education incidence or service (e.g., national averages).

TABLE 6b
Summary of Spending Differentials and MR Risk Ratios
in High- versus Low-Minority Districts

Comparison Group (a)	*Number of States (b)*	*Risk Ratio for Mental Retardation (c)*	*Special Education Funding Differential, High- versus Low-Minority Districts (d)*
By Degree of Overrepresentation of Minority Students			
Highest	14	2.87	20.8%
Lowest	14	1.58	10.2%
By Formula Type			
Service and Category Linked	6	2.89	–4.4%
Service Linked	18	2.07	19.4%
Unlinked	4	1.93	27.7%

Source: 1998 U.S. Department of Education Office of Special Education Programs.

pattern, the evidence generally suggests that some fiscal premium for high-minority districts appears to be associated with high rates of overrepresentation.

Specifically, of the twenty states with sufficient financial data, sixteen showed a positive relationship between the percentage minority enrollment in a district and district special education funding per pupil. However, twelve states showed a negative relationship. Moreover, a comparison of the half of these states with the largest risk ratios to the half with the lowest risk ratios shows a 20.8 percent funding differential favoring high-minority districts among the states with the highest risk ratios. This compares with a 10.2 percent differential for high-minority districts in states showing the lowest risk ratios. Thus, some fiscal premium for high-minority districts appears to be associated with higher degrees of overrepresentation.[9]

The clearest pattern of funding differentials between high- and low- percentage-minority districts appears to be by type of funding formula. Interestingly, the six states with funding formulas that specifically place higher premiums on higher-cost disabilities, such as MR (Service and Category Linked), are much more likely to have minority students overrepresented for mental retardation. At the same time, four of the six show negative special education funding differentials disfavoring high-minority districts.

When the degree of minority overrepresentation is compared by formula type, the largest average risk ratio (2.89) is shown for the six states with formulas that differentiate funding by category of disability partially or totally. This

suggests that state formulas that place revenue premiums on more severe categories of disability, such as MR, may somehow affect the overidentification of minority students.

Interestingly, of the twenty-eight states, the four that have funding systems with no relationship to any measure of special education provision show the highest degree of resource targeting to high-minority districts (with a 27.7% differential). The eighteen states with funding systems linked to special education provision, but not specifically to category of disability, show special education funding favoring high-minority districts by 19.4 percent. Only the states basing funding on disability category show a negative relationship between special education funding and percentage of minority students, with an average of –4.4 percent. Two of the three states with the greatest disparity in special education funding for high- and low-minority districts, Ohio and New Jersey, have funding systems that vary by category of disability.

It may not be wise to overspeculate about this rather counter-intuitive relationship, especially when based on six states that show considerable variation in overidentifying and underfunding minority students. On the other hand, when taken as a whole, these states look substantially different from their counterparts, which do not have systems that fund differently by category of disability.

For example, although minority students in New Jersey are overrepresented in the mental retardation disability category, they are generally underrepresented in special education overall. Thus, overidentification for MR does not lead to higher special education funding flowing to high-minority districts. In Ohio, although black students are overdesignated for mental retardation, all four categories of minority students are underrepresented in what is by far the largest special education category, learning disability.

The policy implications of these findings in relation to disability-based formulas are not clear, but they challenge the assumption of equity associated with differentiating special education funding by category of disability. The strongest rationale underlying this type of funding system is that, by having higher dollar allocations associated with more severe categories of disability, special education funding will flow to where they are most needed. Based on the findings above, this assumption must be questioned unless it can be argued that, even though minority students are more likely to be designated mentally retarded, their overall special education needs are less than those of their white counterparts.

IMPLICATIONS FOR POLICY REFORM

Clear patterns of overrepresentation of minority children are found, which vary dramatically by state, by category of disability, and by race. Across all disabili-

ties and states, Hispanic children are represented in special education at about the same rate as white students. However, at least one study that looked at district-level disparities suggest that Hispanic children may be substantially overrepresented in some districts and underrepresented in others (Finn, 1982). Black and American Indian children are overrepresented, while Asian American/Pacific Islander children are underrepresented. Overrepresentation in the mental retardation disability category is shown for each of the minority categories in at least one state. The likelihood of overrepresentation in this category of disability for a minority group seems to be greater in states where the minority group is the largest. For example, Asian American/Pacific Islander students show overrepresentation for mental retardation in Hawaii, where they comprise a large portion of the population, as compared to underrepresentation for Asian American/Pacific Islander children nationally.

What policy interventions do these troubling findings suggest? One is that these kinds of data should be tracked on an ongoing basis, incorporated into the monitoring processes of state and federal agencies administering special education programs, and reported to policymakers, advocates, and the public at large. Can Connecticut, Mississippi, North Carolina, Nebraska, and South Carolina be in compliance with special education and civil rights law when black students are over four times more likely than white students to be designated mentally retarded?

One would expect that, where higher concentrations of disabilities do exist, supplemental funds and services should also be found. However, special education formulas that differentiate funding by category of disability appear not to be working that way. A concern long associated with formulas that place funding premiums on certain categories of disability is that such categories may create fiscal incentives to overidentify students into these disability groups. Why would these incentives be more likely to pertain to minority students? Perhaps they have fewer advocates to protect them from these economic incentives.

Poverty does not appear to explain the patterns of overrepresentation revealed in this chapter. For example, using data from the years 1976, 1980, and 1983, McLaughlin and Owings (1993) found a significant negative relationship between the percentage of school-age children living in poverty and identification rates for learning-disabled students for two of these three years. These authors also found a significant negative relationship between poverty and identification rates for emotionally disturbed students in one of these three years. No significant relationship between poverty and overall special education identification rates was shown for any of the three years (Parrish & Verstegen, 1994).

Parrish and Hikido (1998) examined the relationship between the percentage of children living in poverty, the percentage of minority students, and overall allocations of state special education funding across the nation's school districts. Their analysis suggests a much stronger relationship between special education and race than between special education and poverty. State special education funding was 17 percent more in the quartile of districts across the nation with the highest percentage of students in poverty than in the quartile of districts with the fewest students in poverty.[10] However, special education funding was 41 percent higher in districts with the highest percentages of minority students.

In addition, the wide variations in over- and underrepresentation shown in this chapter suggest subjective identification and inconsistency in the identification process despite IDEA's clear guidelines. IDEA, Part B, states: "The term 'children with learning disabilities'. . . does not include children who have learning problems which are primarily the result of . . . environmental, cultural, or economic disadvantage." However, research has demonstrated that identification decisions for students with mild disabilities, who make up the vast majority of the special education student population, are based on some combination of objective criteria, subjective criteria, and local state and federal policies (Ysseldyke, Algozzine, Richey, & Graden, 1982; Ysseldyke, Algozzine, Shinn, & McGue, 1982). For these reasons, links shown to exist between at-risk conditions related to poverty and incidence levels of disabling conditions may not translate into a positive relationship between poverty and special education identification (Parrish & Verstegen, 1994).

A majority of the states allocate more education resources and more special education resources to high-minority districts. However, this pattern seems only weakly linked to patterns of overrepresentation.

Variation in the type of special education funding system suggests that funding systems based on category of disability are particularly prone to troubling patterns of minority overrepresentation and resource distribution. These systems appear much more likely to show over-representation of minority students into the disability category mental retardation, while at the same time providing greater special education funding to districts enrolling the lowest percentages of minority students.

Finally, in addition to special education funds not tracking well to the overidentification of minority students, data from California suggest that black students are more likely to be found in restrictive settings than their white counterparts, including the juvenile justice system. Hispanic students, who are generally underrepresented in special education in California, are also overrepresented in the state's juvenile corrections system.

Finance systems that differentiate funding by the student's category of disability are based on the assumption of a strong link between category of disability and cost. Numerous finance studies (e.g., Moore et al., 1988), however, have shown this connection to be much more tenuous than was commonly thought, with as much variation in cost found within categories of disability as across them.

High-minority districts are much more reliant on categorical funding sources, such as special education, than low-minority districts (Parrish & Hikido, 1998). While base funding is 10 percent lower per student in high-minority districts, categorical funding is twice as high. Until we achieve greater equity in base funds across districts, high-minority districts are likely to continue to look to categorical programs such as special education for remedial education support.

A more fundamental concern associated with these formulas is that they tend to emphasize the wrong thing. They may be placing too much emphasis on category of disability at the expense of more appropriate foci for funding formulas, such as the equitable distribution of funds, accurate identification and labeling of students, and the delivery of appropriate services.

Census-based funding systems, which have no link to variations in the identification of special education students or the provision of services, are predicated on an opposite notion of funding than those adjusted by category of disability. Census-based systems assume comparable distributions of disability across jurisdictions. Some variations of this model, such as the system recently adopted by the federal government, skew these Census-based distributions in favor of higher-poverty states and districts. This may be the best way to ensure that special education funds are allocated where they are most needed without creating incentives for overidentification. Perhaps this is why the states with census-type systems, designated in Table 4 as "Unlinked," were the least likely to overidentify minority students and the most likely to distribute more special education funds to high-minority districts.

In addition to removing fiscal incentives for identifying special education students, and especially for identifying them into certain disability categories, other policy interventions are also likely to mediate the overidentification of minority children. One is equity in base funding for education. The more that base funds for education are inadequate in high-minority districts, the greater the pull of fiscal incentives to seek supplemental categorical funds such as special education (Parrish & Hikido, 1998). Another strategy is creating alternatives to special education. If special education is the only place where students with learning difficulties can receive supplemental help, the greater the attraction of this program will be.

Pressure to place more and more students in special education may also be increased by the recent emphasis on education accountability. If high-minority districts are held to higher standards of performance without the supplemental resources needed to achieve them, minority children may increasingly be found to need remediation. Without alternatives, it may become even more likely in the future that these services will be provided through special education. This is unlikely to be the best way to assist many of these children and appears likely to further exacerbate minority overidentification.

Although there may be agreement in principle that special education should be implemented, administered, and funded in a color-blind fashion, this does not seem to be the case. Clearer guidelines for identification, stricter monitoring and enforcement, equitable base funding, the creation of remediation alternatives, and neutral funding formulas may not fully resolve the situation, but they seem likely to help and to be reasonable objectives for policymakers to pursue.

NOTES

1. "Soft" disability categories are those that are more subjectively and less medically determined than "hard" disabilities, which are readily diagnosed medically.
2. LD is the category that is least likely to reflect overidentification. However, in states like California where the *Larry P. v. Riles,* 793 F.2d 969 (9th Cir. 1984) case greatly restricted the placement of black students in MR, we do see black overidentification in LD (as well as in ED). A possible reason why black overrepresentation in LD is generally less common, however, may be that white and middle-class parents whose children are eligible for services may be in a position to more actively contest the more stigmatizing labels of MR and ED in favor of LD.
3. Special education expenditure studies were completed by the Center for Special Education Finance at the American Institutes for Research for the states of New York, New Jersey, Rhode Island, Delaware, Alabama, Maryland, Ohio, Indiana, Kansas, Missouri, and Wyoming.
4. Funding differs from spending. That is, while the amount of money made available to districts from state and federal sources is generally known, what is not known is how much comes from local sources to meet the full cost of providing special education programs and services.
5. This database, the California Special Education Management Information System (CASEMIS), is updated for every special education student in California every year.
6. For a complete description of risk ratios, see Bohrnstedt and Knoke (1994, pp. 178–181).
7. It is important to keep in mind that Alfredo Artiles' work (see Artiles et al., this volume) suggests that when these data are broken down by age, older Hispanic students are overidentified and younger students are underidentified.
8. As discussed, good data were only available for twenty-eight states.

9. Although this pattern generally holds, it is not uniform. Maryland, with a strong positive relationship favoring special education funding in high-poverty districts, and New Jersey, with a strong negative relationship, overidentify minority students at about the same rate (2.74 vs. 2.71). Conversely, South Dakota shows relatively little overidentification (1.23), but shows special education revenue allocations strongly favoring high-minority districts (by 55.8%).
10. However, special education funding was 41 percent higher in districts with the highest percentages of minority students. The data suggest that race is a much stronger predictor for special education than poverty.

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CHAPTER THREE

Double Jeopardy: An Exploration of Restrictiveness and Race in Special Education

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SPECIAL EDUCATION: SUPPORT AND SERVICES, NOT A PLACE

Following the 1954 U.S. Supreme Court decision in *Brown v. Board of Education,* segregated school districts often sought ways to circumvent school desegregation. As the National Research Council suggested in 1982, "One device to screen out minority students, which relied heavily on intelligence tests, may have been special education, especially classes for mildly mentally retarded students. For example, the repeal of the law in California excluding Mexican-Americans from white schools coincided with the legislative creation of programs for EMR [the educationally mentally retarded] students" (National Research Council [NRC], 1982, p. 33). In 1975, Congress passed the Education for All Handicapped Children Act partly as a response to the fact that public schools often treated students with disabilities as second-class students, placing them in separate classrooms where they were unnecessarily isolated from the general education classroom.

The Education for All Handicapped Act (PL 94-142), now the Individuals with Disabilities Education Act (IDEA), sought to remedy the denial of access to schools and the unjustified segregation of students with disabilities. The law has consistently required that schools provide a continuum of educational settings and services so that students with disabilities can be educated with their nondisabled peers in the least restrictive environment to the maximum extent appropriate. The term *restrictive* describes the extent to which students with

disabilities are educated outside of regular classrooms and isolated from their nondisabled peers. Restrictiveness is measured by the percentage of the typical school day that a student spends in a regular or "general" education classroom.[1] "Fully inclusive" and 100 percent outside the general classroom are opposite ends of the spectrum.[2]

This research reveals that special education students from minority racial groups are more likely than whites to be placed in restrictive educational settings. This disproportionate level of restrictiveness is most pronounced for African Americans and Hispanics. In addition to concerns about the segregative effect of such placements, research has documented that students with disabilities generally benefit more from inclusion, although it also confirms that some students with disabilities make greater progress when they are educated in a separate setting for all or part of the school day when their individual academic and/or behavioral needs call for it. In every state, however, once identified for special education services, minority students are more likely to be restricted than whites, suggesting a disturbing lack of effective mainstreaming programs and unwarranted isolation.

Under IDEA, identifying a student as being eligible for special education services must be entirely separate from deciding the proper level of inclusion/restrictiveness. At the heart of IDEA is the principle that each student will receive individualized services. Decisions to place any student in a given educational setting must be individually tailored to best meet the needs of the student, and not dictated by the administrative convenience of a school, district, or existing program of special education. The issue of placement is often confused with that of identification for special education services. Part of this confusion stems from the frequent and incorrect notion that special education is a place, rather than a system of supports and services.

Disturbing patterns of isolation in special education—most pronounced for African American children—point to a large and complex set of issues. As this research shows, this isolation phenomenon is not uncommon in urban schools, including those with predominantly minority populations. It is certainly possible that the increased isolation of minority students disproportionately labeled for special education in some schools may be a product of racial bias. At the same time, racially isolated, high-poverty urban schools may be using special education as triage because they lack supports for inclusive educational placements. As a recent National Research Council report points out, some poorly prepared or supported teachers may refer students for special education evaluation as a way to deal with discipline problems and insufficient resources (NRC, 2002).

Special education teachers may be ill trained or supported when it comes to providing high-quality inclusion for students. Furthermore, special education programs in urban schools generally suffer from the same resource shortfalls, inexperienced and highly mobile teacher corps, and poor administrative supports that plague their general education counterparts (NRC, 2002). Thus, inadequacies within special education may be compounded by the difficulties involved with providing services in poorly functioning general education settings.

This chapter seeks to add a fuller description to the growing body of research on minority overrepresentation in special education. To seek a remedy, we first need to identify the extent of the pattern and then explore its complex mechanisms. In earlier studies, the categories mental retardation (MR), emotional disturbance (ED), previously called severe emotional disturbance (SED), and specific learning disability (SLD) have been found to include a disproportionate number of black students compared to their percentage in the overall student population—with the greatest levels of overrepresentation in the area of MR (Artiles & Trent, 1994; Conroy, 1999; Coutinho & Oswald, 2000; Finn, 1982; Stainback & Stainback, 1996). The variation in the disproportionality of black MR student placement has been attributed to teachers' perceptions and attitudes in identifying characteristics of special needs students (Grossman, 1995; Harry, 1992; Utley & Mortweet, 1999), high-stakes assessments (Grossman, 1995; Harry, 1992), differing state-level special needs education funding formulas (Parrish, this volume), and differences among states in data collection procedures and terminology (Danielson & Bellamy, 1989).

The research presented here describes restrictiveness and its relationship to overidentification, but it does not explore the possible causes or solutions. This research does indicate that, nationwide, the percentage of black students who receive their special education supports and services in restrictive educational settings is substantially higher than the percentage of similarly situated white students. At the time of this study there was no national dataset that described levels of restrictiveness by disability category with race/ethnicity. However, there are two prevalent trends in the data: 1) once identified, minority students from every major racial group are more likely than white students with disabilities to be removed from the general education classroom for all or part of their school day; and 2) black students are most often overidentified in the disability categories that have the highest correlation with isolation from the general education setting, mental retardation and emotional disturbance.

Two additional levels of analysis further substantiate the national- and state-level findings: first, a survey of selected urban districts, and second, an in-depth analysis of comprehensive data from Connecticut that directly shows re-

strictiveness according to disability category by race/ethnicity. The examination of ten large urban school districts generally found rates of restrictiveness that were much higher than their home state's levels of restrictiveness in all three categories. Most striking, the Connecticut study directly showed substantially higher rates of restrictiveness for every minority group within each category studied, along with extremely wide variations in labeling and placement rates for minority students across school districts. Viewed together, this national-, state-, and district-level research suggests not only widespread violations of IDEA's least restrictive environment requirements, but also that minority students within a given state are disproportionately subjected to possibly unlawful treatment.

RESTRICTIVENESS FROM THE REGULAR EDUCATION CLASSROOM SETTING[3]

The regular classroom setting has been described as an essential part of a full educational experience for all students (Coutinho & Rupp, 1999; Crockett & Kauffman, 1999; U.S. Department of Education, 1999). Research has shown that "social interactions between students with and without disabilities are enhanced when students with disabilities are served in regular classes—and are beneficial for many students without disabilities" (U.S. Department of Education, 1999, p. 6). Rea, McLaughlin, and Walther-Thomas (2002) have found that students with specific learning disabilities served in inclusive classrooms earned higher grades, achieved higher or comparable scores on standardized tests, committed no more behavioral infractions, and attended more days of school than students served in the pullout program. The three most common instructional settings for students with disabilities are Inclusive, Resource Room, and Substantially Separate (see Figure 1).

Although the national data have only become available recently, many prior studies concluded that minorities have continued to be disproportionately overrepresented relative to their white counterparts in resource rooms, separate classrooms, and separate school facilities (Harry, 1992; Grossman, 1995). These restrictive placements mean that minority special education students' educational experiences are likely to be delivered in unequal and separate classroom environments (Crockett & Kauffman, 1999; Grossman, 1995). For example, Coutinho and Repp (1999) reported that, for the 1992–1993 school year, nearly 60 percent of students with disabilities ages three to twenty-one were taught outside the regular classroom. In addition, Lipsky and Gartner (1997) stated that "the negative consequences of the separate special education system are greater for students from racial minorities" (p. 33).

FIGURE 1
Most Common Instructional Settings for Students with Disabilities

Inclusive:

Regular class includes students who receive the majority of their instruction in a regular classroom and receive special education and related services outside the classroom for less than 21 percent of the school day.

Resource Room:

Resource room includes students who receive special education and related services outside the general classroom for at least 21 percent but not more than 60 percent of the school day. This may include students placed in resource rooms with part-time instruction in a regular class.

Substantially Separate:

Separate class, separate school, and residential facilities includes students who receive special education and related services outside the general classroom for greater than 60 percent of the school day. The term *separate class* generally refers to placements in self-contained special classrooms with part-time instruction in general classes or placed in self-contained classes full time on a general education school campus. (United States Department of Education, 1996; U.S. Department of Education, 2000a)

DATA SOURCES AND METHODOLOGY

This research examines restrictiveness rates and racial/ethnic proportionality for students deemed eligible for special education placements and identified as having mental retardation, emotional disturbance, and specific learning disability. First, national special education placement data from the Office of Special Education Programs (OSEP) will be examined to determine the potential risk for black and Hispanic students with disabilities to be restricted from the regular education classroom. Second, to achieve a basic understanding of the ramifications of overrepresentation in each disability category (i.e., MR, ED, and SLD), national U.S. Office of Civil Rights (OCR) data will be explored to look at restrictiveness rates. Specifically, the restrictiveness rate of each state by three cognitive disability categories was paired with an analysis of state-level identification rates for blacks and Hispanics. Third, a selection of urban, mostly high-minority school districts will be examined to learn how these urban districts' rates of restrictiveness align with that of their state. Finally, data from Connecticut, where racial disproportionality in identification is high for most minority groups, is examined in depth to see whether inferences drawn from the national database are borne out by more complete data from a separate database.

The data for this study were drawn from three sources: the *2002 Office of Special Education Programs, Data Analysis System* (U.S. Department of Education, 2001a); the *Fall 1998 Elementary and Secondary School Civil Rights Compliance Report* (U.S. Department of Education, 2000); and the Connecticut Integrated Special Student Information System (ISSIS), which was produced as part of the discovery process for examination by Dr. James Conroy, who testified as an expert for the plaintiffs in *C.A.R.C. v. State of Connecticut Board of Education,* a class action lawsuit that reached settlement in 2001 (Conroy, 1997; Conroy, Nerney, & Bowen, 1998; Nerney, Conroy, & Bowen, 1997).[4]

Fall 1998 Elementary and Secondary School Civil Rights Compliance Report

Since 1968, the OCR has conducted a biannual compliance report to help enforce students' civil rights in public schools. Using a stratified random sample of 5,898 school districts, the 1998 dataset for the first time included all those districts under court orders initiated by the U.S. Justice Department (U.S. Department of Education, 2000). The reported results in the dataset are national and state projections based on a probability sample of public school districts and schools. The data used in the analysis for this study were national-, state-, and district-level projections of membership, mental retardation, emotional disturbance, and specific learning disability.

OSEP Data

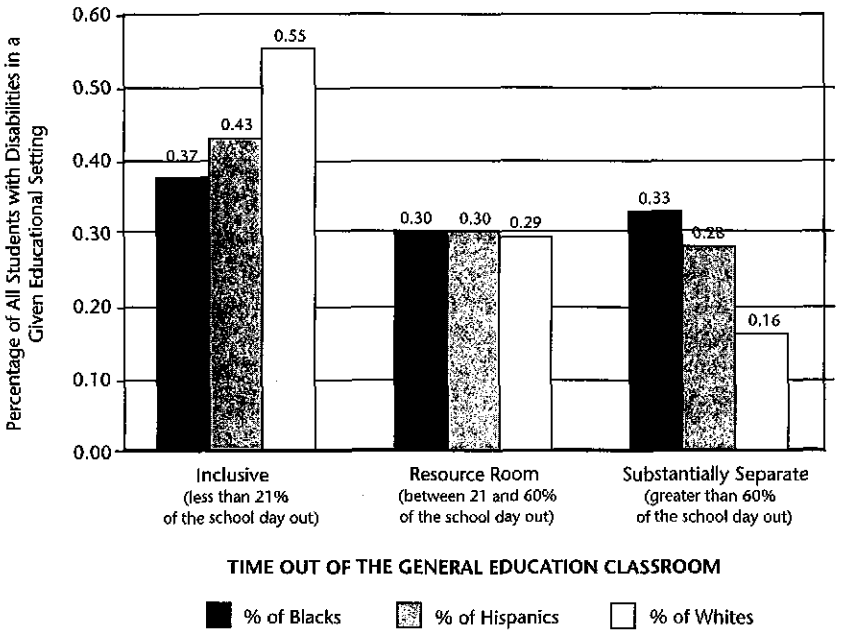
The IDEA requires that the Office of Special Education Programs Data Analysis System (DANS) collect race data from all states as posted on its website (IDEAdata.org). OSEP data were collected for race for all states in the 1998–1999 and 1999–2000 school years (U.S. Dept. of Education, 2001b). The OSEP data differs from the OCR data in that all the OCR data are projections based on sampling, whereas the OSEP data are from nearly every district and based on an actual child count, not primarily on projections. The OSEP data were reported in separate tables as numbers of students with disabilities in each educational setting disaggregated by race. The percentages for the OSEP data as reported here were calculated on the basis of the total for all three educational settings so that approximately 100 percent of students with disabilities for each racial group were represented.

The data available nationally allowed for two types of analysis. First, it was possible to determine the educational placement percentages for all students with disabilities disaggregated by race using the data provided by OSEP. This permitted a comparison of the level of restrictiveness for black, Hispanic, and

FIGURE 2

National Racial Disparities in Inclusion for Blacks, Hispanics, and Whites

Among students with disabilities, blacks and Hispanics are each more likely than whites to be educated in a substantially separate educational setting and denied access to inclusive educational settings.



Source: U.S. Department of Education, Office of Special Education Programs, Data Analysis System (2002).

white students with disabilities. Second, OCR data from 1998 enabled us to show the level of restrictiveness by disability category but not race. The OCR data also enabled us to calculate the risk that black or Hispanic students would be labeled for a given disability category compared to the risk for white students. From the OCR data we determined the risk ratio for blacks being labeled mentally retarded and the likelihood that students with mental retardation would be included in the general classroom. However, neither of the national datasets allowed for a comprehensive disaggregated picture of race with disability with educational setting. For example, at the national level we could not determine the risk that blacks with mental retardation would be included in the

general classroom compared to the risk for whites with mental retardation. This level of analysis, however, was achieved with data collected by the state of Connecticut described at the end of this chapter.

RESTRICTIVENESS IN SPECIAL EDUCATION BY RACE

Risk indexes for levels of inclusion were calculated for blacks, Hispanics, and whites in order to compare their respective rates of representation in the *fully inclusive* setting (less than 21% time outside the regular classroom), *resource room* (21% to 60% time outside the regular classroom), and *substantially separate* placements (greater than 60% time outside the regular classroom). The risk level is calculated by dividing the number of students with special needs for each racial group within each placement category by the total number of students deemed eligible for special needs. Risk indexes were calculated for all minority groups, but are only presented for blacks, whites, and Hispanics because of their greater aggregate numbers.

NATIONAL DATA ANALYSIS

Blacks and Hispanics are much less likely to be educated in an inclusive setting and more likely to be substantially separate from their white counterparts (Figure 2). In short, inclusion in the regular classroom may be a benefit that black and Hispanic students with disabilities enjoy less often than whites once they are part of the special education system.

RESTRICTIVENESS COMPARED WITH MINORITY OVERREPRESENTATION BY DISABILITY TYPE

To compare overrepresentation with restrictiveness, we used OCR data to examine placement rates for minority students who are deemed eligible for special education based on the labels of mental retardation, emotional disturbance, and specific learning disability. Although OCR data allowed further analysis by designating three subgroups of mental retardation (i.e., mild MR, moderate MR, and severe MR), we aggregated these in a single category named MR.[5] In a large majority of the states in the OCR dataset, the number of students designated as having mild MR represented the largest MR subgroup, while those students with moderate and severe MR accounted for a much smaller proportion of the MR group (U.S. Department of Education, 2000).

The national- and state-level results and comparisons include data for all major minority groups in racial categories used by the OCR.[6] However, further

TABLE A
National Special Education Percentages by Race and Ethnicity

	American Indian/ Alaska Native	*Asian Amer./ Pacific Islander*	*Hispanic*	*Black (non-Hispanic)*	*White (non-Hispanic)*	*Percentage of All Students*
Percentage of students deemed eligible for three specific disability categories***						
Mental Retardation (MR)	1.28	0.64	0.92	2.64	1.18	1.37
Emotional Disturbance (ED)	1.03	0.26	0.55	1.45	0.91	0.93
Specific Learning Disability (SLD)	7.45	2.23	6.44	6.49	6.02	6.02

Source: Department of Education, Office for Civil Rights, Fall 1998 Elementary and Secondary School Civil Rights Compliance Report: Projected Values for the Nation and Individual States (2002).

* Percentages are based on weighted projections to national totals from 1998 OCR survey data.

** MR, ED, and SLD were the special education categories used in the 1998 OCR survey data—the special education groups in this study do not include all students receiving special education.

analyses were limited to blacks and Hispanics because of their relatively larger numbers in the general population and their dominance in large urban school systems. Blacks and Hispanics are the two largest minority groups in the United States, together accounting for 32 percent of the 1998 U.S. student population.

The percentage of students in a given racial group with a specific type of disability is calculated on the basis of each group's representation in the overall student population. The percentages in Table A are based on the number of students from a particular ethnic group with a given disability divided by their total enrollment. As shown in Table A, these percentages help reveal the patterns of overrepresentation of minorities relative to whites, given their representation in the overall student population. For example, 2.64 percent of all enrolled blacks were labeled MR in 1998, compared to only 1.18 percent of enrolled whites. To determine the likelihood for blacks compared to whites for being identified as having MR is a simple matter of comparing the percentage of each race that is labeled MR. As this study indicates, this comparison consistently shows that blacks are at substantially greater risk than whites of being labeled MR nationally. But, as important, the risks vary dramatically from one state to the next. The findings that blacks are substantially overrepresented relative to their white counterparts in MR and ED are numerically very similar to those found by Parrish in this volume.

Table A lists the percentage of students deemed eligible for three specific disability types within five ethnic groups, including whites for comparison. For example, Hispanics made up 15.01 percent of the overall student population and were identified for specific learning disabilities at a rate of 6.44 percent. In contrast, white students accounted for 62.66 percent of the overall population and had a lower rate of SLD identification (6.02%).[7]

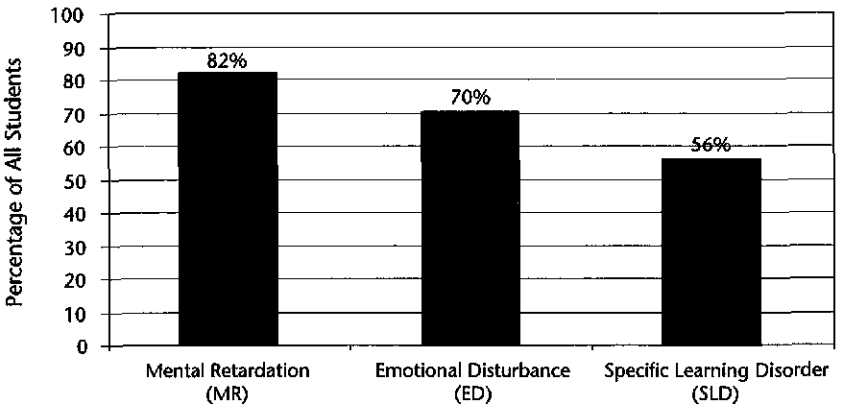
To simplify the comparison between overrepresentation and restrictiveness, the rates of restrictiveness were narrowed from the three placement categories in the OCR database to two. OCR survey respondents were asked to provide data based on the three restrictiveness categories described earlier in Figure 1: less than 21 percent (one day or less per week), 21–60 percent (one to three days per week), or greater than 60 percent (three days or more). For this research, the second and third levels were combined into one category, greater than 21 percent, and expressed as a percentage of the school day. The collapsing of the two highest levels is similar to the procedure employed by the U.S. Department of Education's Office of Special Education and Rehabilitative Services in differentiating fully inclusive special education from pullout services (U.S. Department of Education, 2001b). The decision was also based in part on the uncertainty of the amount of time students spend outside the regular education classroom in the middle category. The finding that placement patterns for a large majority of states heavily favored either the first (less than 21%) or the third (greater than 60%) restrictiveness categories also factored into the decision to focus on two rather than three levels of restrictiveness.

The data on educational setting disaggregated by disability type show that restrictiveness levels (greater than 21% of the day outside the regular education classroom) for the 1997–1998 school year were highest for the MR and ED categories, and that students with MR were rarely educated in inclusive settings. As Figure 3 shows, 82 percent of their placements fit the more restrictive descriptions of resource room or substantially separate. Students with ED were slightly less likely to be educated in such non-inclusive settings (70%). Students with SLD were the least likely to be removed from general classrooms, with just 56 percent not in fully inclusive educational settings (see Figure 3). According to recent data collected by OSEP for the 2000–2001 academic year, these OCR calculations based on data from the 1997–1998 school year may *underestimate* the degree of restrictiveness. The more recent figures from OSEP are: 86 percent for students with MR, 74.22 percent for students with ED, and 55 percent for students with SLD (U.S. Department of Education, 2001a). Please note that the datasets from OCR and OSEP are based on different questionnaires and responses. They are nonetheless consistent in depicting very high rates of restrictiveness.

FIGURE 3

MR, ED, and SLD Levels of Restrictiveness

Greater than 21 percent time spent outside the regular education classroom (1997–1998 school year)



Source: U.S. Department of Education (2000).

This level of restrictiveness is of serious concern in light of both the requirement that students be educated in the least restrictive environment to the maximum extent appropriate and the overrepresentation of blacks in these categories.

Another way to think about under- and overrepresentation is to compare a racial group's representation in the total enrollment to their enrollment in a given disability category. For example, Table B shows that black students constituted 17.14 percent of the enrolled students but 33.04 percent of all students with mental retardation. Conversely, Hispanic students constituted 15.01 percent of the enrolled students but only 10.04 percent of the students with mental retardation. Table B suggests that on a national scale black students are overrepresented for MR and ED, while Hispanic students are underrepresented in these two categories.

Particularly problematic is the high level of restrictiveness (82%) in MR, a disability category in which blacks are substantially overrepresented compared to their overall enrollment (Table B), or when blacks' risk for mental retardation is compared to the risk rate of whites (Table A). This latter analysis allows for direct comparisons of risk rates described in Table A. The OCR data show that blacks are nearly two and one-quarter times as likely to be so labeled.

TABLE B
Representation by Race within Selected Disability Categories

	American Indian/ Alaska Native	*Asian Amer./ Pacific Islander*	*Hispanic*	*Black (non-Hispanic)*	*White (non-Hispanic)*
Percent of Overall Enrollment	1.11	4.08	15.01	17.14	62.66
Percent of Students with Mental Retardation (MR)	1.04	1.90	10.04	33.04	53.97
Percent of Students with Emotional Disturbance (ED)	1.23	1.16	8.87	26.92	61.82
Percent of Students with Specific Learning Disability (SLD)	1.38	1.51	16.04	18.48	62.60

Source: Department of Education, Office for Civil Rights, Fall 1998 Elementary and Secondary School Civil Rights Compliance Report: Projected Values for the Nation and Individual States (2002).

Percentages are based on weighted projections to national totals from 1998 OCR survey data.

MR, ED, and SLD were the special education categories used in the 1998 OCR survey data—the special education groups in this study do not include all students receiving special education.

In the next layer of analysis we compared risk indexes of minority students with white students for specific special education categories in every state (Fleiss, 1973). This comparison, sometimes referred to as odds ratios (NRC, 2002), is expressed as follows: a ratio of greater than 1.0 shows that the risk of designation are larger than for the comparison group; a ratio of 1 indicates that there is no difference between the two groups; and a ratio of less than one indicates the comparison group (i.e., white students) has a greater likelihood of designation.

ANALYSES OF STATE LEVEL OF RESTRICTIVENESS AND OVERREPRESENTATION

The national trends in rates of restrictiveness and rates of disproportionality often mask more problematic state-level statistics. An examination of state-level MR, ED, and SLD restrictiveness and disproportionality rates as reported in OCR survey data help to identify those states that are serving more of their students in regular education classrooms and identifying special education students at a rate that is roughly proportional to their representation in the general population, compared to those that are not. This examination also helps iden-

tify potential relationships between demographic variables and MR, ED, and SLD placement patterns for students in general and disproportionality rates for minority subgroups. To illuminate this relationship, Table 1 also includes an indicator or disproportionality index of those states with disproportionality rates greater than 1.5 and below 3.0 denoted by a ✓, and greater than 3.0 denoted by ✓+.

Although the range of restrictiveness for MR students is very wide for the fifty states, from a low of 46 percent in Utah to a high of 92 percent in Georgia, thirty-one states show restrictiveness levels for over 80 percent of their MR students; only two states restrict less than 60 percent of their MR students. The practical significance of these levels of restrictiveness is that vast numbers of special education students have their educational experiences outside the general education settings.

Issues of racial discrimination aside, the rates of restrictiveness for students with MR in states across the country are troubling. Specifically, these indices suggest noncompliance with the IDEA requirement for placing students in the Least Restrictive Environment (LRE). The concern is even more troubling when you consider the concurrent high levels of restrictiveness and disproportionality that minority MR students face. For example, in thirty-eight states that provided information to OCR, black students are more than one and one-half times as likely as their white counterparts to be deemed eligible for MR (and more than three times as likely in seven states; see Table 1). In nineteen states both black and Native American students are disproportionately represented for MR. Hispanic students with MR experience disproportionate rates in six states. The Asian American and Pacific Islander MR students experience the smallest occurrence of disproportionality, in four states. The inequitable rates of disproportionality between minority groups once again find blacks with the greatest level of disproportionality relative to whites. The segregative effect of the disproportionality means less time in the regular class, less time with peers, and likely reduced access to the general curriculum.

For students designated as having an emotional disorder, the national level of restrictiveness is over 70 percent (see Table 2). Although the national ED restrictiveness rate is not as high as for MR, some troubling and familiar patterns persist. The restrictiveness rates range from a low of 36.45 in New Hampshire to a high of 89.06 in Delaware. Forty-three states place more than half of their ED students out of the regular education setting more than 21 percent of the school day.

Not surprisingly, the rates of disproportionality for minority ED students were not as prevalent as for the MR students. Other research studies found in-

TABLE 1

National and State Levels of Restrictiveness for Students Deemed Eligible for Mental Retardation (MR) Designation with Minority Disproportionality Indices

State	*Percentage of Students Restricted from Regular Classroom More Than 20% of Time*	*Black*	*Hispanic*	*Asian Amer./ Pacific Islander*	*American Indian/ Alaska Native*
United States	81.95	✓			
Georgia	92.15	✓			
Maine	91.41				✓
Missouri	90.93	✓	✓		✓
Maryland	90.57	✓			✓
Nevada	90.49	✓			✓
Wisconsin	89.91	✓			
Delaware	89.57	✓			
New Jersey	89.53	✓	✓	✓	
West Virginia	88.89				
Wyoming	88.80	✓		✓	✓
Arizona	88.41				
Pennsylvania	87.92				
Michigan	87.79	✓			
New York	87.69				
New Mexico	87.49			✓	
Illinois	87.11	✓			
Hawaii	86.14	✓	✓	✓	
Alaska	85.32	✓			✓
Virginia	84.62	✓			
Arkansas	84.40				
Indiana	84.10	✓			
California	83.74	✓			✓
Oklahoma	83.71	✓			✓
Washington	83.71	✓			
Mississippi	82.82	✓ +			
Louisiana	81.93	✓			
Connecticut	81.89	✓ +	✓ +		✓
North Carolina	81.55	✓ +			
Alabama	81.51	✓ +			✓
Minnesota	80.20	✓			✓

State	*Percentage of Students Restricted from Regular Classroom More Than 20% of Time*	*Black*	*Hispanic*	*Asian Amer./ Pacific Islander*	*American Indian/ Alaska Native*
Montana	80.16	✓			✓
Ohio	79.72				
Tennessee	79.52	✓			
Kentucky	78.54				
South Carolina	77.62	✓ +			✓
Colorado	76.85	✓			✓
Kansas	75.40				
North Dakota	73.84	✓			✓
Nebraska	72.39	✓			✓
South Dakota	71.73	✓			
Florida	69.81	✓ +			
Oregon	67.86	✓			
Rhode Island	67.23	✓			✓
Iowa	64.81	✓			
Massachusetts	64.26	✓ +	✓ +		✓
Idaho	64.01	✓			✓
New Hampshire	63.13	✓	✓ +		
Vermont	52.86				
Utah	45.84	✓			
*Texas**	*0.00*	✓			

Source: Department of Education, Office for Civil Rights, Fall 1998 Elementary and Secondary School Civil Rights Compliance Report: Projected Values for the Nation and Individual States (2002).

A "✓+" designates a risk ratio greater than 3, where the subgroup was three or more times as likely as whites to be labeled MR; A "✓" designates a risk ratio greater than 1.5 but less than 3. Blank spaces are those states where the risk ratio was less than 1.5.

*Texas did not provide information on restrictiveness.

consistent placement patterns by race and by special need designation. Some studies suggest that the increased time spent in the regular education classroom is largely attributable to a special needs student's race (Conroy, 1999; Harry, 1992).

The national average level of restrictiveness for students identified with a specific learning disability was 56.03, which means that more than half the SLD students spend at least 21 percent of their time in school outside the regu-

TABLE 2

National and State Levels of Restrictiveness for Students Deemed Eligible for Emotional Disturbance (ED) Designation with Minority Disproportionality Indices

State	*Percentage of Students Restricted from Regular Classroom More Than 20% of Time*	*Black*	*Hispanic*	*Asian Amer./ Pacific Islander*	*American Indian/ Alaska Native*
United States	70.30	✓			
Delaware	89.06	✓			✓
Michigan	82.25				✓
New Mexico	82.25	✓			
Kentucky	79.68	✓ +			
Illinois	79.63				
Massachusetts	78.93	✓			
Iowa	78.93	✓ +			
New York	78.70	✓			✓
Louisiana	78.23				
California	78.11	✓			
Pennsylvania	77.91	✓			
Arkansas	77.23				
New Jersey	74.89	✓			
Missouri	74.89	✓			
Alaska	74.70	✓			
Georgia	74.50				
Virginia	73.64				
Mississippi	72.21				
North Carolina	71.48	✓			✓
Oklahoma	71.03				
Tennessee	70.05				
Wyoming	69.71	✓			✓
Indiana	69.43	✓			
Ohio	69.35	✓			
Montana	68.06	✓ +			
Wisconsin	67.99	✓			✓
Maine	67.89				
Nevada	67.40				
West Virginia	65.64	✓			
Connecticut	64.85	✓	✓		

State	*Percentage of Students Restricted from Regular Classroom More Than 20% of Time*	*Black*	*Hispanic*	*Asian Amer./ Pacific Islander*	*American Indian/ Alaska Native*
Maryland	64.58				
South Carolina	62.80	✓			
Kansas	62.11				
Arizona	62.07				
Washington	61.11	✓			✓
South Dakota	60.26				✓
Utah	59.85	✓ +			
Nebraska	59.76	✓ +			✓
Hawaii	58.78				
Rhode Island	56.03	✓			✓
Florida	56.02	✓			
Alaska	55.77				
Colorado	50.34				
Oregon	48.07	✓			
Minnesota	47.51	✓			✓ +
Idaho	47.39	✓			
North Dakota	40.17	✓			✓
New Hampshire	36.65	✓			
Vermont	0.00	✓			✓
*Texas**	*0.00*				

Source: Department of Education, Office for Civil Rights, Fall 1998 Elementary and Secondary School Civil Rights Compliance Report: Projected Values for the Nation and Individual States (2002).

A "✓+" designates a risk ratio greater than 3, where the subgroup was three or more times as likely as whites to be labeled ED; A "✓" designates a risk ratio greater than 1.5 but less than 3. Blank spaces are those states where the risk ratio was less than 1.5.

*Texas did not provide information on restrictiveness.

lar classroom setting (see Table 3). Once again, wide discrepancies in state-level restrictiveness rates were found, with Delaware (75.35%) on the high end and North Dakota (13.75%) on the low end. In twenty-four states, more than half of the SLD students spend at least 21 percent of their schooling outside the regular education classroom setting. Interestingly, in only four states are more than three-quarters of students with SLD included in the regular education setting for at least 79 percent of the school day. The higher inclusion rate for SLD stu-

TABLE 3

National and State Levels of Restrictiveness for Students Deemed Eligible for Specific Learning Disability (SLD) Designation with Minority Disproportionality Indices

State	*Percentage of Students Restricted from Regular Classroom More Than 20% of Time*	*Black*	*Hispanic*	*Asian Amer./ Pacific Islander*	*American Indian/ Alaska Native*
United States	56.03	✓			
Delaware	75.35	✓			
Pennsylvania	68.60				
Illinois	67.98				
New Mexico	65.25	✓		✓	
Mississippi	65.04				✓
California	62.00	✓			
Kentucky	61.46				
Georgia	61.30				
Michigan	61.01				
Louisiana	60.42				
Wisconsin	60.18				
Arkansas	59.36				
New Jersey	59.03				
Ohio	58.01				
Maryland	56.98				
Nevada	56.96	✓			✓
West Virginia	56.70				
Hawaii	54.56		✓		
Arizona	54.31				
Florida	54.11				
Utah	53.32	✓			✓
Alabama	52.19				
Indiana	51.89				
South Carolina	51.37				
Tennessee	49.40				
Missouri	49.02				
Wyoming	47.85	✓			✓
Kansas	46.27				
Washington	46.16	✓			✓
New York	46.11				

State	*Percentage of Students Restricted from Regular Classroom More Than 20% of Time*	*Black*	*Hispanic*	*Asian Amer./ Pacific Islander*	*American Indian/ Alaska Native*
Maine	45.17				
Alaska	43.82				
Oklahoma	42.56				✓
Iowa	41.31				
Virginia	40.98		✓		✓ +
Montana	39.67	✓			✓
Connecticut	37.98				
Nebraska	37.29				✓
Rhode Island	33.59				✓
Massachusetts	33.37				
Colorado	33.31				
North Carolina	32.99				
Minnesota	29.81	✓			✓
South Dakota	29.27				✓
Idaho	26.11				✓
New Hampshire	21.85				
Oregon	21.81				
Vermont	16.37				
North Dakota	13.75				✓
*Texas**	*0.00*				

Source: Department of Education, Office for Civil Rights, Fall 1998 Elementary and Secondary School Civil Rights Compliance Report: Projected Values for the Nation and Individual States (2002).

A "✓+" designates a risk ratio greater than 3, where the subgroup was three or more times as likely as whites to be labeled SLD; A "✓" designates a risk ratio greater than 1.5 but less than 3. Blank spaces are those states where the risk ratio was less than 1.5.

*Texas did not provide information on restrictiveness.

dents is concurrent with much of the research that shows that SLD students are less likely than MR and ED students to be restricted from the regular education classroom setting (Grossman, 1995; Lipsky & Gartner, 1997; U.S. Department of Education, 1999).

Many states separate students with MR, ED, and SLD from their nondisabled peers at alarmingly high rates (Tables 1–3). But the high rate of variability among states suggests that there might also be wide ranges of restrictive-

ness and disproportionality within each state. If this is true, then even states showing relatively low degrees of restrictiveness and disproportionality in aggregated data may nonetheless have individual school districts with rates that are disturbingly high. The next section explores this possibility in detail.

DISTRICT-LEVEL ANALYSES OF ENROLLMENT, RESTRICTIVENESS RATES, AND DISPROPORTIONALITY

The examination of district-level data in ten urban school districts with high black or Hispanic populations found *levels of* restrictiveness that were greatly masked in the national- and state-level analyses. Findings regarding rates of restrictiveness for students overall are presented for large urban school districts in Atlanta, Baltimore, Detroit, Los Angeles, New Haven, Omaha, Philadelphia, San Diego, and Birmingham, Alabama. The district-level results also include the percentage of black and Hispanic enrollment relative to the overall student enrollment, and the percentages of blacks and Hispanics among MR, SLD, and ED designees. Of this list, only two of these cities were below the U.S. average.

The most important pattern revealed by the district data is that minority students attending these high-minority school districts, if found eligible for special education, were also at very high risk of being placed in a restrictive educational setting. In many high-minority districts the level of restrictiveness was substantially higher than average restrictiveness for the district's state and for the nation. Furthermore, the general findings of disproportionality in the district-level analysis are consistent with those reported by Parrish in this volume.[8]

In these high-minority urban districts, the percentage of students with MR who spent more than 21 percent of their school days outside the regular education classroom ranged from 71.33 percent in Birmingham to 99.21 in Atlanta public schools (Table 4). Eight of the ten U.S. school districts identified in this study have rates of restrictiveness that are higher than the district's home state. For example, in Detroit, only 1.71 percent of students with MR were removed for less than 21 percent of their school day or more in the regular education setting. In contrast, for Michigan as a whole, a far larger percentage of students, 12.81, experienced inclusion. Table 4 reveals that in all ten urban school districts black students designated as MR make up a greater proportion of the cognitive disability group than would be expected. For example, in Atlanta, where 99.21 percent of students with MR are excluded from the regular education classroom more than 21 percent of the time, blacks represent 90.13 percent of the district's enrollment, yet they make up nearly all of Atlanta's MR population (96.98%).

TABLE 4

Mental Retardation—Overall Level of Restrictiveness*, Percentage** of Overall Enrollment, and Percentage MR Designation in Ten U.S. School Districts Compared to Black and Hispanic Enrollment

District	*Percentage Students Spending More Than 21% Time Outside Regular Classroom*	*Percentage Black of Overall Enrollment***	*Percentage of Blacks Among MR Designees*	*Percentage Hispanic of Overall Enrollment***	*Percentage of Hispanics Among MR Designees*
United States	81.95	17.14	—	15.01	—
Atlanta	99.21	90.13	96.98	2.22	1.18
Philadelphia	98.69	64.55	71.27	12.17	13.09
Detroit	98.29	91.35	93.03	3.26	1.47
Omaha	97.86	31.17	50.66	9.90	5.19
Baltimore	96.63	29.23	38.30	1.32	0.53
New Haven	93.07	57.67	68.65	27.27	22.82
New Orleans	85.68	90.31	95.00	1.44	0.75
Los Angeles	84.03	14.03	17.81	68.75	66.82
San Diego	78.33	16.58	20.38	36.22	38.33
Birmingham	71.33	95.40	97.89	0.29	0.07

Source: Department of Education, Office for Civil Rights, Fall 1998 Elementary and Secondary School Civil Rights Compliance Report: Projected Values for the Nation and Individual States (2002).

* Restrictiveness of student placement is determined by the number of hours or the extent to which students with disabilities are restricted from placement in a regular education classroom.

** Percentages are based on weighted projections to national and state totals from 1998 OCR survey data.

The percentages of Hispanic students eligible for MR relative to their overall enrollment numbers are opposite from the results for black students eligible for MR (Table 4). Eight of ten districts have fewer Hispanic students with MR than would be expected, given their home district's overall Hispanic enrollment.

The rates of restrictiveness for students designated as having emotional disturbance ranged from 69.10 percent in Birmingham to 95.94 percent in Philadelphia (see Table 5). In the ED category, all the selected urban school districts rates of restrictiveness were greater than the rate for their respective states. For nine of ten districts, more than 80 percent of students with the ED designation were restricted from the regular classroom. In effect, students with ED in all of

TABLE 5

Emotional Disorder—Overall Level of Restrictiveness*, Percentage** of Overall Enrollment, and Percentage ED Designation in Ten U.S. School Districts Compared to Black and Hispanic Enrollment

District	*Percentage Students Spending More Than 21% Time Outside Regular Classroom*	*Percentage Black of Overall Enrollment***	*Percentage of Blacks Among ED Designees*	*Percentage Hispanic of Overall Enrollment***	*Percentage of Hispanics Among ED Designees*
United States	70.30	17.14	—	15.01	—
Philadelphia	95.94	64.55	67.32	12.17	13.96
Detroit	94.97	91.35	89.93	3.26	2.97
Omaha	94.83	31.17	50.88	9.90	2.45
Atlanta	91.00	90.13	87.72	2.22	0.69
San Diego	87.29	16.58	34.80	36.22	16.52
New Orleans	86.76	90.31	97.14	1.44	0.00
Los Angeles	84.03	14.03	42.09	68.75	14.36
Baltimore	83.28	29.23	38.10	1.32	1.23
New Haven	80.98	57.67	66.18	27.27	20.77
Birmingham	69.10	95.40	89.45	0.29	0.00

Source: Department of Education, Office for Civil Rights, Fall 1998 Elementary and Secondary School Civil Rights Compliance Report: Projected Values for the Nation and Individual States (2002).

* Restrictiveness of student placement is determined by the number of hours or the extent to which students with disabilities are restricted from placement in a regular education classroom

** Percentages are based on weighted projections to national and state totals from 1998 OCR survey data.

these districts spent much of their time in resource rooms or separate classes, not in the regular classroom. Moreover, the percentage of black students with the ED designation was disproportionate in seven of the ten school districts.

Hispanic students labeled ED were underrepresented in nine of the ten districts (see Table 5). The underrepresentation was most notable in those cities with the greatest numbers of Hispanic students (i.e., Los Angeles, San Diego, and Chicago). This finding raises the concern of a lack of needed services for Hispanic students, due to their underidentification for eligibility from the special needs designation.

TABLE 6

Specific Learning Disability—Overall Level of Restrictiveness*, Percentage** of Overall Enrollment, and Percentage SLD Designation in Ten US School Districts Compared to Black and Hispanic Enrollment

District	*Percentage Students Spending More Than 21% Time Outside Regular Classroom*	*Percentage Black of Overall Enrollment***	*Percentage of Blacks Among SLD Designees*	*Percentage Hispanic of Overall Enrollment***	*Percentage of Hispanics Among SLD Designees*
United States	56.03	17.14	—	15.01	—
Philadelphia	93.21	64.55	58.63	12.17	16.25
New Orleans	90.58	90.31	94.45	1.44	0.94
Los Angeles	88.35	14.03	40.15	68.75	37.63
San Diego	87.29	16.58	25.78	36.22	34.89
Detroit	83.46	91.35	91.41	3.26	2.73
Atlanta	79.38	90.13	89.12	2.22	2.68
Omaha	70.33	31.17	37.73	9.90	6.98
Birmingham	59.35	95.40	93.58	0.29	0.18
New Haven	58.40	57.67	60.55	27.27	27.83
Baltimore	55.10	29.23	33.29	1.32	1.12

Source: Department of Education, Office for Civil Rights, Fall 1998 Elementary and Secondary School Civil Rights Compliance Report: Projected Values for the Nation and Individual States (2002).

* Restrictiveness of student placement is determined by the number of hours or the extent to which students with disabilities are restricted from placement in a regular education classroom.

** Percentages are based on weighted projections to national and state totals from 1998 OCR survey data.

The level of restrictiveness for students with the specific learning disability in the selected districts is unusually high—nine of them were considerably higher than the state average (see Table 6). The rates of restrictiveness ranged from 55.10 percent in Baltimore to 93.21 percent in Philadelphia. Although the percentage of black students with SLD was much closer to the expected number in the general population in all but two districts (San Diego and Los Angeles), the findings are disturbing for all students, given the high rates of exclusion from the regular classroom and the large numbers of students with the SLD label.

The percentage of Hispanic students with SLD was fairly close to the expected average in nine of the ten districts (see Table 6). Los Angeles, the district with the largest Hispanic population, reveals a large underrepresentation of Hispanic SLD students relative to their percentage of enrollment in the school district.

ANALYSES OF INCLUSION BY RACE AND GENDER IN CONNECTICUT

As mentioned in the introduction, no readily available dataset shows educational placement disaggregated by race with disability type. However, IDEA requires states to report this information. Working for plaintiffs in a lawsuit, Jim Conroy obtained access to Connecticut's data through legal discovery proceedings. Connecticut was notably high in its overrepresentation of both blacks and Hispanics for special education. Specifically, blacks in Connecticut are four times as likely as whites to be identified as mentally retarded (Parrish, this volume). But the Connecticut database, Connecticut Integrated Special Student Information System (ISSIS),[9] did allow the complete analysis of placement disaggregated by race with disability category.

The Connecticut state database contains one basic record for each student involved in special education. The data were collected on forms that contain information about students' age, grade, gender, primary and secondary special education identification, placement type, and a variety of other demographic and programmatic information (Conroy, 1999). According to the 1998–1999 Connecticut data, 95,442 children were assigned to special education programs. For the purposes of this study, students labeled as uncategorized infant, gifted, art talented, or regular education were excluded, resulting in a sample of 69,549 children between the ages of six and twenty-one with a disability level.

For the state- and district-level analyses of Connecticut, 1998–1999 school year student-level data were examined for district variation in the mental retardation designation, ethnic variations in MR labeling, and restrictiveness rates for MR students by race.

Mental Retardation

The *P.J., et al. v. State of Connecticut, Board of Education, et al.* lawsuit settlement on May 18, 2001, ended eight years of litigation over least restrictive environment.[10] The improvement in the rates of inclusion for Connecticut minorities found in Figure 4 may reflect the impact of the litigation (filed in 1993) and/or the change in the federal law in 1997—or some combination of the two. Moreover, the results suggest that improvement is possible.