limits one or more of the major life activities of the student and thus requires special education and related services.

(Authority: 20 U.S.C. 1070a-21 through 1070a-27)

Subpart B—How Does a State Obtain a Grant?

§ 693.10 What must a State do to obtain a grant under this program?

- (a) To obtain a grant, a State shall submit to the Secretary for review and approval an initial plan and annual application for carrying out the activities under the NEISP Program.
- (b) The Secretary approves a State plan that—
- (1) By direction of the State's Governor, designates as the State agency for administering the program under this part, either—
- (i) The State agency that administers the State Student Incentive Grant Program under title IV, part A, subpart 4 of the HEA:
- (ii) The State educational agency; or (iii) Another appropriate State agency approved by the Secretary;
- (2) Provides that the State program under this part shall be known as the "[insert name of the State] National Early Intervention Scholarship and Partnership Program" which may be referred to as the "[State name] NEISP Program,";
- (3) Demonstrates to the satisfaction of the Secretary that the State will provide for the conduct under the State's NEISP Program of both—
- (i) An early intervention component meeting the requirements under §693.11 as evaluated by the Secretary under the criteria in §693.20 (formula grant program) and §693.22 (discretionary grant program); and
- (ii) A scholarship component meeting the requirements under §693.12;
- (4) Describes the administrative plan for implementing the State's NEISP Program, including those functions that will be carried out by public and private organizations; and
- (5) Provides assurances that the State will—
- (i) Ensure that the funds provided under this part supplement and do not supplant funds expended for State and

local early intervention programs and State need- and non-need-based student financial grant assistance programs during the fiscal year 2 years prior to the fiscal year in which the State first received funds under this program;

- (ii) Expend, from State, local, or private funds or other acceptable funding methods, not less than one-half of the cost of the program under this part;
- (iii) Specify the methods by which such share of the costs will be paid;
- (iv) Not use less than 25 percent or more than 50 percent of its total NEISP Program funds for the early intervention component, unless the State can satisfactorily demonstrate in its plan submitted to the Secretary that the State has additional means to provide scholarships to students, in accordance with the waiver provision in §693.13(b);
- (v) Expend all of the NEISP Program funds under the scholarship component only to provide scholarships to eligible students; and
- (vi) Conduct and submit to the Secretary a biennial evaluation of the early intervention program assisted under this part in accordance with the requirements in §693.52.
- (c) With the exception of its initial year of participation when each State also must submit the application required under §693.13 at the same time as the State plan under paragraph (b) of this section, the State shall submit annually an application to participate in the NEISP Program in accordance with the requirements in §693.13.

(Authority: 20 U.S.C. 1070a-22 and 1070a-26)

(Approved by the Office of Management and Budget under control number 1840–0677)

§ 693.11 What requirements must be met by the State under the program's early intervention component?

- (a) A State shall demonstrate to the Secretary in its plan submitted according to §693.10(b) how its early intervention component provides services designed to meet the unique needs of the State's eligible students enrolled in preschool through grade 12. These services may include, but are not limited to, the following kinds of activities:
- (1) A continuing system of mentoring and advising that—