DEPARTMENT OF EDUCATION

34 CFR Chapter II

[Docket ID ED-2025-OESE-0153]

Mental Health Service Professional Demonstration Grant
Program

AGENCY: Office of Elementary and Secondary Education,
Department of Education.

ACTION: Proposed priorities, requirements, and definitions.

SUMMARY: The Department of Education (Department) proposes priorities, requirements, and definitions under the Mental Health Service Professional Demonstration Grant Program (MHSP), Assistance Listing Number (ALN) 84.184X. Department may use these priorities, requirements, and definitions for competitions in fiscal year (FY) 2025 and later years. The proposed priorities, requirements, and definitions are designed to better target activities designed to address shortages of school-based mental health services providers, specifically school psychologists, in high-need local educational agencies (LEAs). These priorities, requirements, and definitions are intended to replace the Notice of Final Priorities, Requirements, and Definitions published in the Federal Register on October 4, 2022 (87 FR 60083). However, those priorities, requirements, and definitions remain in effect for previous

grant competitions in which the notices inviting applications (NIAs) were published before the Department finalizes the proposed priorities, requirements, and definitions in this notice.

DATES: We must receive your comments on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Comments must be submitted via the Federal eRulemaking Portal at www.Regulations.gov. See the SUPPLEMENTARY INFORMATION section for more details.

FOR FURTHER INFORMATION CONTACT: Dana Carr, U.S.

Department of Education, 400 Maryland Avenue, SW, room 4B210, Washington, DC 20202. Telephone: (202) 987-0119.

Email: Mental.Health@ed.gov.

If you are deaf, hard of hearing, or have a speech disability and wish to access telecommunications relay services, please dial 7-1-1.

SUPPLEMENTARY INFORMATION:

Invitation to Comment: We invite you to submit comments regarding the proposed priorities, requirements, and definitions. Comments must be submitted via the Federal eRulemaking Portal at www.Regulations.gov. However, if you require an accommodation or cannot otherwise submit your comments via Regulations.gov, please contact the program contact person listed under FOR FURTHER INFORMATION

CONTACT. The Department will not accept comments submitted

by fax or by email, or comments submitted after the comment period closes. To ensure the Department does not receive duplicate copies, please submit your comments only once.

In addition, please include the Docket ID at the top of your comments.

Federal eRulemaking Portal: Go to www.Regulations.gov to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under "FAQ." Also included on Regulations.gov is a commenter checklist that addresses how to submit effective comments.

In instances where individual submissions appear to be duplicates or near duplicates of comments prepared as part of a writing campaign, the Department may choose to post to Regulations.gov one representative sample comment along with the total comment count for that campaign. The Department will consider these comments along with all other comments received. In instances where individual submissions are bundled together (submitted as a single document or packaged together), the Department will post all of the substantive comments included in the submissions along with the total comment count for that document or package to Regulations.gov.

Comments containing personal threats will not be posted to Regulations.gov and may be referred to the appropriate authorities.

During and after the comment period, you may inspect public comments about these proposed priorities, requirements, and definitions by accessing

Regulations.gov. To inspect comments in person, please contact the person listed under FOR FURTHER INFORMATION

CONTACT.

Privacy Note: The Department's policy is generally to make all comments received from members of the public available for public viewing in their entirety on the Federal eRulemaking Portal at www.Regulations.gov. Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for the proposed priorities, requirements, and definitions. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Purpose of Program: The MHSP program provides competitive grants to State educational agencies (SEAS) (as defined in

20 U.S.C. 7801(30)) and LEAs (as defined in 20 U.S.C. 7801(49)) to address the shortage of *credentialed*¹ school-based mental health services providers, specifically school psychologists, in *high-need LEAs*.

Assistance Listing Number: 84.184X.

Program Authority: Section 4631(a)(1)(B) of the Elementary and Secondary Education Act of 1965, as amended (ESEA) (20 U.S.C. 7281(a)(1)(B))

Background: Our Nation's schools should be safe and secure settings where children can learn and grow to their full potential. However, over the last several years the decline of children and youth mental health has become a serious concern for our Nation. Given the importance of improving child and youth mental health, we are proposing three priorities aimed at increasing State and local capacity to improve students' mental health. Two of the proposed priorities are intended to provide funding to allow SEAs and LEAs to develop innovative and tailored strategies to enhance their school psychologist workforce pipeline. Evidence suggests that increasing the number of available school psychologists is related to enhanced mental or behavior health services provision for students.²

 $^{^{\}scriptsize 1}$ Terms with proposed definitions elsewhere in this notice are italicized the first time they are used.

² Eklund, K., DeMarchena, S. L., Rossen, E., Izumi, J. T., Vaillancourt, K., & Rader Kelly, S. (2020). Examining the role of school psychologists as providers of mental and behavioral health services. *Psychology in the Schools*, 57, 489-501. Available at: https://onlinelibrary.wiley.com/doi/10.1002/pits.22323. Accessed on June 10, 2025.

Additionally, the estimated student to school psychologist ratio for the 2023-2024 school year was 1065:1. To further meet the need for targeted mental health services, the Department proposes a third priority intended to increase the number of credentialed school psychologists available to provide early intervention mental health services and intensive mental health services to students most in need of those services.

To support effective implementation of the proposed priorities and administration of the program, and to maximize the benefit of these Federal funds, the Department proposes application and program requirements. The proposed application requirements are intended to ensure that the LEAs benefiting from the MHSP program are highneed LEAs, and to provide data on how many school psychologists the applicant anticipates training and placing with grant funds in comparison to the number currently delivering services.

The Department proposes program requirements intended to limit the amount of funds that can be used for administrative costs, require that program funds be used to supplement, not supplant, non-Federal funds, and prohibit the use of program funds for promoting or endorsing gender ideology, political activism, racial stereotyping, or hostile environments for students of particular races. The Department also proposes a requirement for grantees to

leverage partnerships that are designed to coordinate consistent, high-quality training for new school psychologists. The Department proposes a requirement that these partnerships are formalized through an agreement within six months of the grant award. Additionally, given the importance of student safety and privacy, and of ensuring the protection of parental rights, the Department proposes requirements related to compliance with existing laws and obtaining parents' informed written consent for any mental-health assessment or service funded under this program.

Finally, to support the proposed priorities and requirements, the Department proposes elsewhere in this notice definitions for the following terms used in this program: "credentialed," "early intervention mental health services," "eligible institution of higher education partner," "high-need LEA," "intensive mental health services, "school psychology graduate candidate," and "school-based mental health partnership."

PROPOSED PRIORITIES:

This document contains three proposed priorities. We may apply one or more of these priorities in any year in which the program is in effect.

Proposed Priority 1--Enhance SEA efforts to address shortages of school psychologists in high-need LEAs.

To meet this priority, an SEA applicant must propose a

project designed to train and place school psychology graduate candidates into high-need LEAs for the purpose of fulfilling requirements necessary to complete a degree and obtain a license or certification as a credentialed school psychologist.

Proposed Priority 2--Expand the capacity of high-need LEAs to address shortages of school psychologists.

To meet this priority, the applicant must propose a project designed to train and place school psychology graduate candidates into high-need LEAs for the purpose of fulfilling requirements necessary to complete a degree and obtain a license or certification as a credentialed school psychologist.

Proposed Priority 3--Increase the number of credentialed school psychologists available to deliver early intervention mental health services and intensive mental health services in high-need LEAs.

To meet this priority, applicants must propose to increase the number of credentialed school psychologists available to engage in:

- (a) Providing intensive mental health services and supports to individual students most in need of those services,
- (b) Providing early intervention mental health services to address acute concerns and determine if intensive mental health services are needed.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority as absolute, competitive preference, or invitational through a notice in the *Federal Register*. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR 75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an application by (1) awarding additional points, depending on the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority, we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

PROPOSED REQUIREMENTS:

The Department proposes the following requirements for this program. We may apply one or more of these requirements in any year in which this program is in effect.

Proposed Application Requirements:

- (a) SEA applicants must identify in their applications the specific high-need LEAs that will benefit from the grant or describe how they will identify and select the high-need LEAs that will benefit from the grant.
- (b) Applicants must describe in their applications a school-based mental health partnership designed to train school psychology graduate candidates and place them into participating high-need LEAs.
- (c) Applicants must include in their applications the most recently available data on the number of school psychologists in the high-need LEA(s) and the projected number of school psychology graduate candidates that will be trained and placed into employment in the identified LEA(s) for each year of the plan using funds from this grant.

Proposed Program Requirements:

- (a) Eligible applicants for this program are one or both of SEAs, as defined in 20 U.S.C. 7801(49), or LEAs, as defined in 20 U.S.C. 7801(30), including consortia of LEAs.
- (b) Applicants that receive an award under this program must use grant funds to supplement, and not supplant, non-Federal funds that would otherwise be available for activities funded under this program.
- (c) Administrative costs for SEA applicants that receive an award under this program may not exceed 10

percent of the annual grant award. Administrative costs for applicants that are LEAs and consortia of LEAs may not exceed five percent of the annual grant award.

- (d) Applicants that receive an award under this program are prohibited from using program funds for promoting or endorsing: (1) gender ideology, (2) political activism, (3) racial stereotyping, or (4) hostile environments for students of particular races.
- (e) Applicants that receive an award under this program must provide within six months of award a memorandum of understanding (MOU), a memorandum of agreement (MOA), or letter of agreement documenting the applicant's school-based mental health partnership, as defined in this notice to the Department. The agreement must be signed by each entity's authorized representative. The agreement must detail each entity's roles and responsibilities in training and placing school psychology graduate candidates into high-need LEAs to achieve the goals and objectives of the project.
- (f) Applicants that receive an award under the program must comply with section 4001(a) of Title IV of the ESEA. In carrying out the Informed Written Consent requirements described in paragraph (a)(1), the exception in (a)(2)(B)(i) only applies after the applicant has documented that it has made multiple repeated attempts through various communication methods to obtain parent

consent. Subsequently, where parent consent is not obtained under (a)(2), not including the provisions in (B)(ii), the parent of a child participating in such services will be provided notice of initial and subsequent service delivery.

(g) Applicants that receive an award under this program must ensure that any school psychologist or any school psychology graduate candidate offering services does so in a manner consistent with the Family Educational Rights and Privacy Act (FERPA), the Protection of Pupil Rights Amendment (PPRA), the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act, as well as all other applicable Federal, State, and local laws.

PROPOSED DEFINITIONS:

The Department proposes to establish definitions of "credentialed," "early intervention mental health services," "eligible institution of higher education partner," "high-need LEA," "intensive mental health services, "school psychology graduate candidate," and "school-based mental health partnership" for use in this program. We may apply these definitions in any year in which this program is in effect.

Credentialed means an individual who possesses a valid license or certificate from the SEA or relevant regulatory body as a school psychologist approved by the State to

provide services aligned with the practice of school psychology.

Early intervention mental health services mean services for students who are exhibiting signs of distress or impairment or are at heightened risk of needing mental health services. Based on current best practices in school psychology for serving an individual student, early intervention mental health services may include, for example, screening and referrals, small group services, and or brief individualized interventions.

Eligible institution of higher education partner means an institution of higher education as defined in 20 U.S.C.

1002 that offers a program of study that leads to a master's degree or other graduate degree in school psychology that prepares graduate candidates for a State credential as a school psychologist.

High-need LEA means an LEA that has a significant need for additional school psychologists based on:

- (a) (1) a ratio of students to school psychologists that exceeds a ratio of 500 students to 1 school psychologist and (2) high rates of school violence, poverty, substance use, suicide, trafficking, or other adverse childhood experiences; or
- (b) having received a Project School Emergency
 Response to Violence (SERV) grant from the U.S. Department
 of Education since October 1, 2020.

(c) having experienced a traumatic event since January 1, 2025, and did not receive a Project School Emergency Response to Violence (SERV) grant from the U.S. Department of Education.

Intensive mental health services mean services for students with identified mental health needs that limit engagement throughout the school day. Based on the best clinical approach to serving an individual student, intensive mental health services may include, for example, individual, group, or family therapy services, or coordination of services with providers serving the student in a non-school setting.

School psychology graduate candidate means an individual who is a) pursuing a Master's degree, or State-recognized equivalent, in school psychology and b) will be eligible upon completion of the program for a license or certification from a State or national credentialing authority as a school psychologist approved by the State to deliver school-based mental health services.

School-based mental health partnership is the formal relationship, established for the purpose of training and placing school psychology graduate candidates into highneed LEAs, between the eligible applicant (one or more high-need LEAs or an SEA) and its partners, who must include:

(a) One or more eligible institutions of higher

education partners, as defined in this notice, or

- (b) One or more entities, recognized by the State, to train and prepare school psychology graduate candidates for a school psychology credential; or
- (c) State entities such as Governors, State workforce development agencies or boards, State vocational rehabilitation agencies, State higher education agencies.

 Final Priorities, Requirements, and Definitions:

We will announce the final priorities, requirements, and definitions in a notice in the Federal Register. We will determine the final priorities, requirements, and definitions after considering responses to this notice and other information available to the Department. This notice does not preclude us from proposing additional priorities, requirements, or definitions, subject to meeting applicable rulemaking requirements.

Note: This notice does <u>not</u> solicit applications. In any year in which we choose to use these priorities, requirements, and definitions, we invite applications through a notice in the Federal Register.

Executive Orders 12866, 13563, and 14192

Regulatory Impact Analysis

This proposed regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866. Since this regulatory action is not a significant regulatory action under section

3(f) of Executive Order 12866, it is not considered an "Executive Order 14192 regulatory action."

We have also reviewed this proposed regulatory action under Executive Order 13563. We are issuing the proposed priorities, requirements, and definitions only on a reasoned determination that their benefits would justify their minimal costs. The Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action would not unduly interfere with State, local, and Tribal governments in the exercise of their governmental functions.

In accordance with these Executive orders, the

Department has assessed the potential costs and benefits,

both quantitative and qualitative, of this regulatory

action. The potential costs are those resulting from

statutory requirements and those we have determined as

necessary for administering the Department's programs and

activities.

Discussion of Costs and Benefits

The Department believes that these proposed priorities, requirements, and definitions would not impose significant costs on eligible entities, whose participation in this program is voluntary, and whose costs can generally be covered with grant funds. As a result, the proposed

priorities, requirements, and definitions would not impose any particular burden, except when an entity voluntarily elects to apply for a grant. The proposed priorities, requirements, and definitions would help ensure that the grant program selects high-quality applicants to implement activities that meet the goals of the program. We believe these benefits would outweigh any associated costs.

Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79.

This document provides early notification of our specific plans and actions for this program.

Regulatory Flexibility Act Certification

This section considers the effects that the final regulations may have on small entities in the educational sector as required by the Regulatory Flexibility Act, 5 U.S.C. 601 et seq. The Secretary certifies that the proposed priorities, requirements, and definitions would not have a significant economic impact on a substantial number of small entities.

The small entities that these proposed priorities, requirements, and definitions would affect are LEAs applying for and receiving funds under this program. We believe that the costs imposed on an applicant by the proposed priorities, requirements, and definitions would be limited to paperwork burden related to preparing an

application and that the benefits of the proposed priorities, requirements, and definitions would outweigh any costs incurred by the applicant.

Participation in this program is voluntary. For this reason, the proposed priorities, requirements, and definitions would impose no burden on small entities unless they applied for funding under the program. Eligible applicants would determine whether to apply for funds and would weigh the requirements for preparing applications, and any associated costs, against the likelihood of receiving funding and the requirements for implementing projects under the program. Eligible applicants most likely would apply only if they determine that the likely benefits exceed the costs of preparing an application. The likely benefits include the potential receipt of a grant as well as other benefits that may accrue to an entity through its development of an application, such as the use of that application to seek funding from other sources to address a shortage in school-based mental health services providers. Paperwork Reduction Act of 1995

The proposed priorities, requirements, and definitions contain information collection requirements that are approved by OMB under OMB control number 1810-0772. The proposed priorities, requirements, and definitions do not affect the currently approved data collection.

Accessible Format: On request to the program contact

person listed under FOR FURTHER INFORMATION CONTACT, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, compact disc, or other accessible format.

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You may also access Department documents published in the Federal Register by using the article search feature at www.federalregister.gov.

Hayley B. Sanon,

Principal Deputy Assistant Secretary and Acting Assistant Secretary, Office of Elementary and Secondary Education. [FR Doc. 2025-13385 Filed: 7/16/2025 8:45 am; Publication Date: 7/17/2025]