



# Special Education Funding Updates

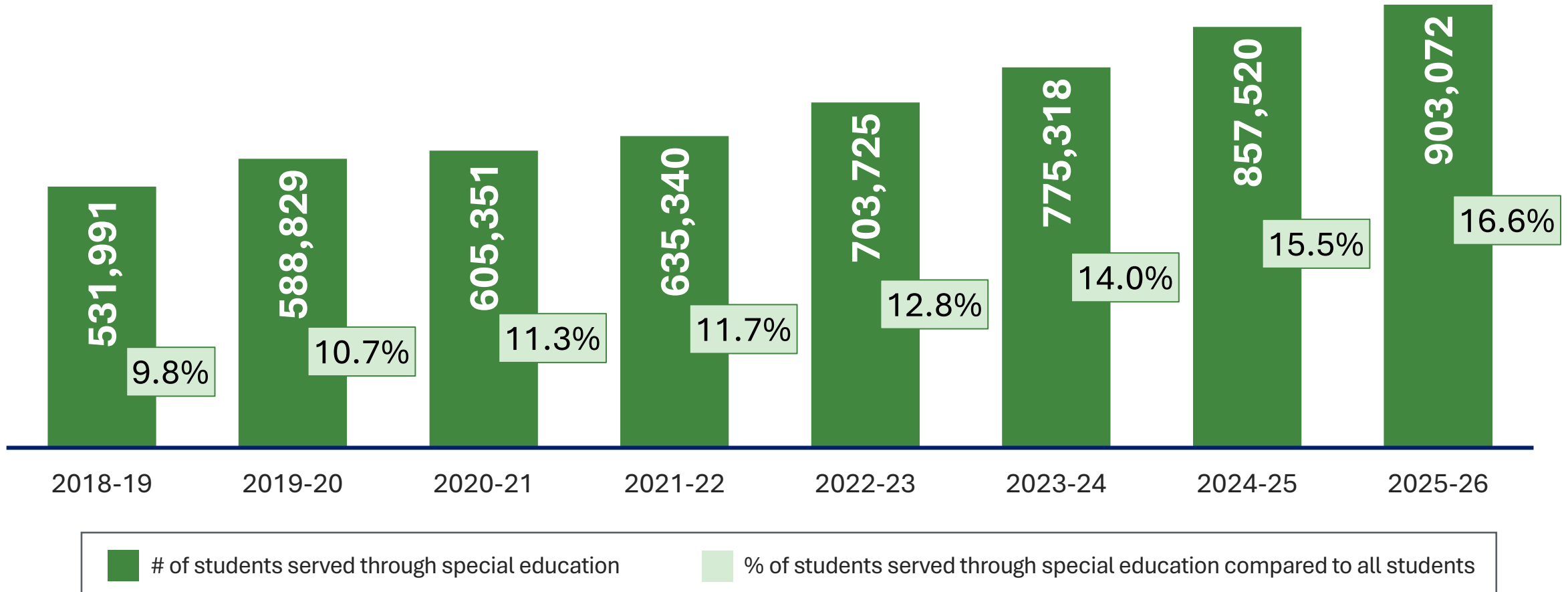
April 16, 2026



# Background

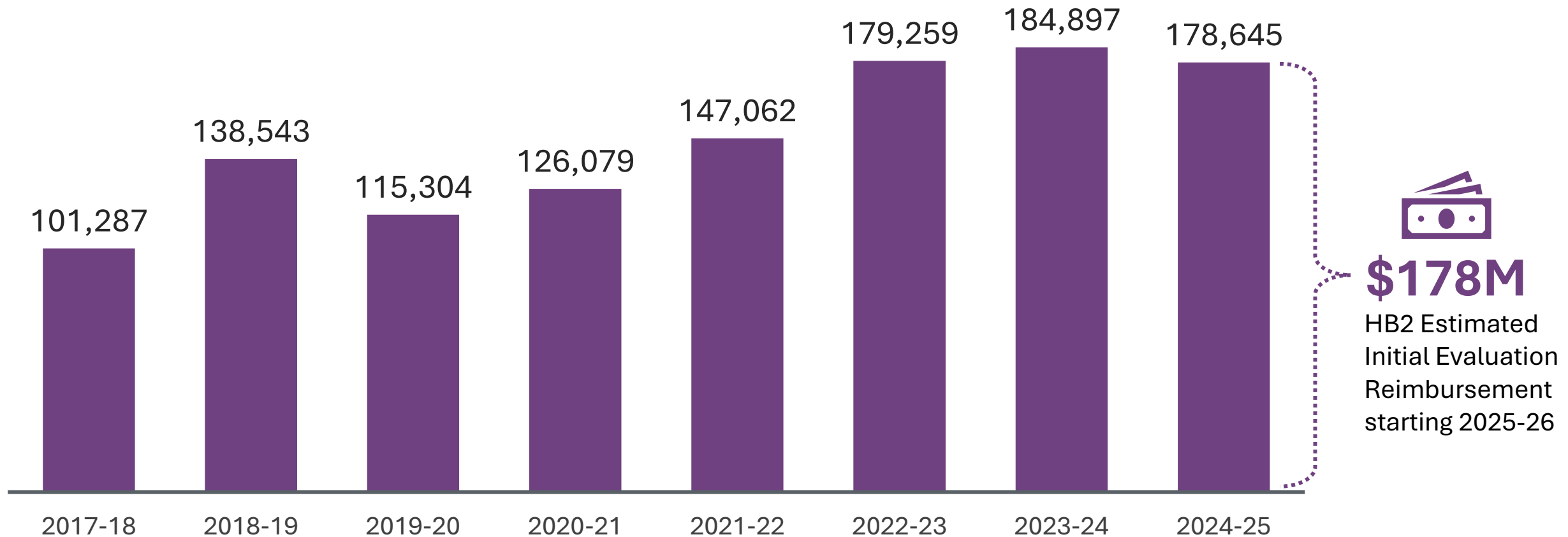
# Students Served Through Special Education

Since the 2018-19 school year, there's been a **70% increase** in the number of students served through special education.



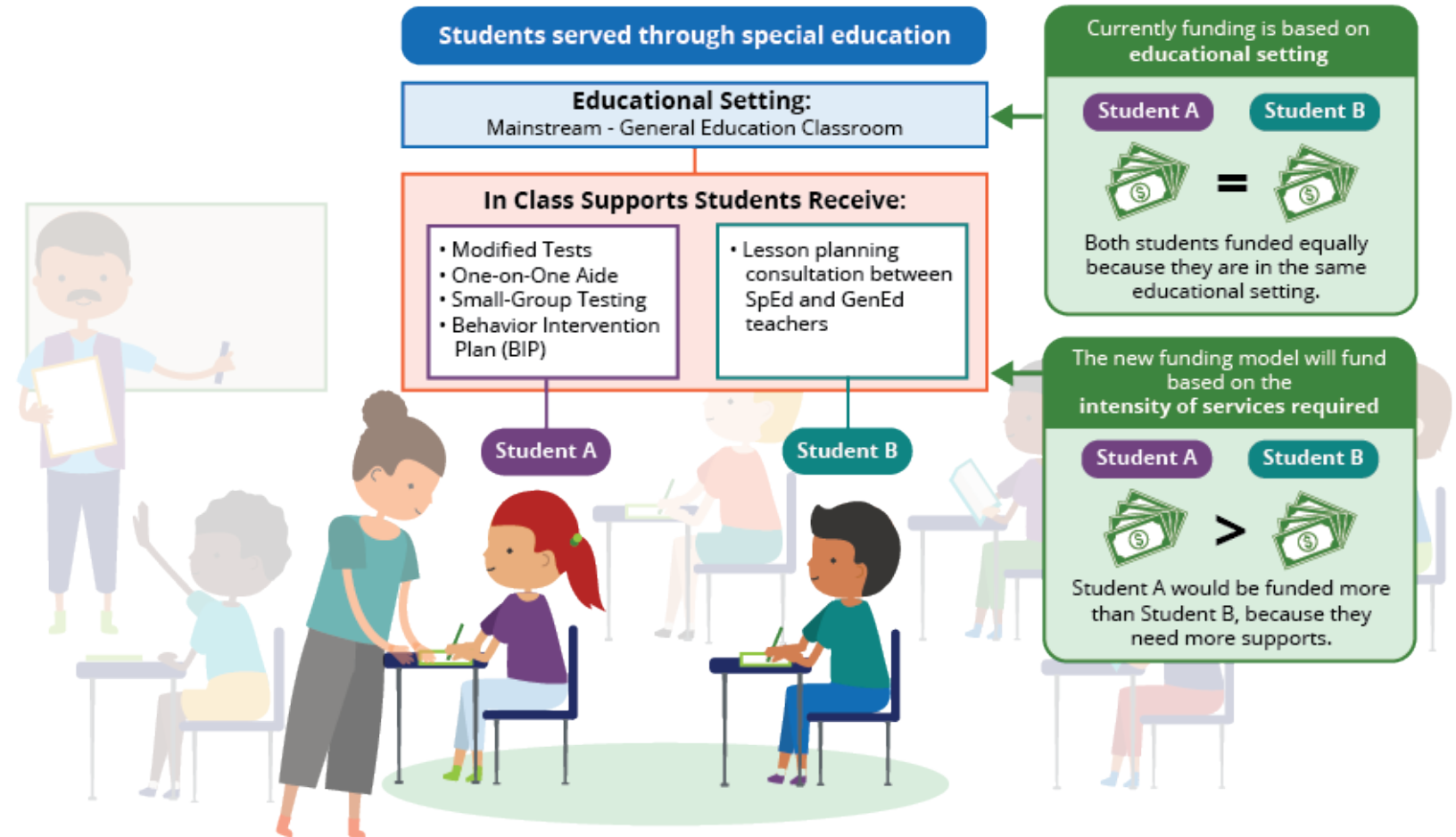
Data source: Public Education Information Management System (PEIMS) Fall Submission 1 for SY 2025-26 and supplemental data submitted by the Windham School District; data are as of the final Friday in October (10/31/2025).

# Initial Evaluations Each Year



# Special Education Funding: Shifting from Instructional Arrangement to Intensity of Services

Historically, special education has been funded based on the instructional setting, not the relative cost of services required.



# Current System (Instructional Arrangement)

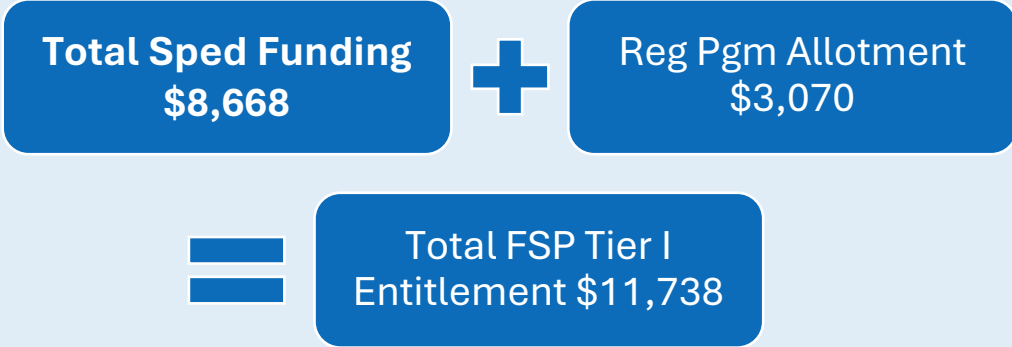
vs.

# New System (Intensity of Services)



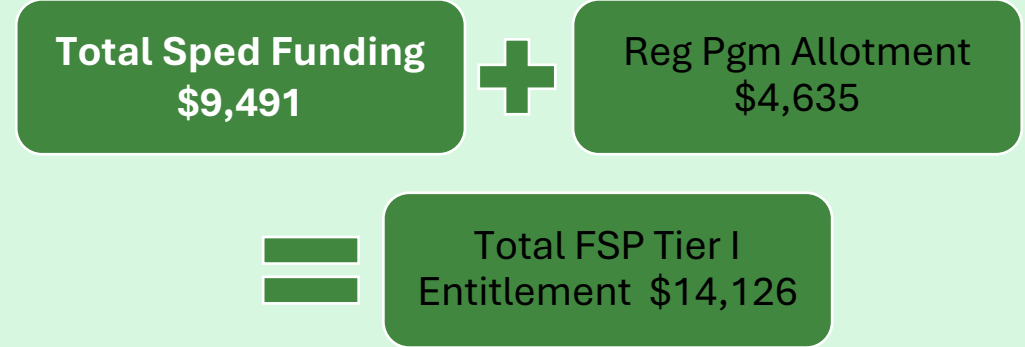
## Current Law Inputs for Example Student

- BA = \$6,215, Small-Mid Adjusted BA = \$6,420
- 170 days present (0.944 ADA)
- **Instructional Arrangement = Resource Room (2.89 contact hours, FTE weight 3.0)**
- **FTE 0.45, weighted FTE 1.35**



## New Law Inputs for Example Student

- BA = \$6,215, Small-Mid Adjusted BA = \$6,420
- 170 days present (0.944 ADA)
- **Tier Weight\* = 1.5**
- **21% of the day in sped**
- **Service Group Dollar Amount\* = \$400**



\*NOTE: Tier Weights and Service group dollar amounts have not been determined because data is not yet available. Any data presented here is illustrative, for example purposes only.



# New Funding System Details

- Statute requires 8 tiers of intensity – TEC 48.102
  - bookends are established by statute –
  - Tier 1 = students who receive speech therapy as their ONLY instructional service;
  - Tier 8 = residential placement by ARD committee
- Statute requires at least 4 service groups – TEC 48.1021
  - add-on ancillary funding;
  - flat dollar amounts;
  - lower dollar amount (service group 1) to higher dollar amount
- General education (regular program) offset – TEC 48.051
  - time spent outside of general education setting –
  - TSDS/PEIMS data element added for 2026-2027 for minutes of instructional day spent in special education classroom/setting; that will be used to calculate offset
- When accounting for all of these changes, total spending on special education must be \$250M higher statewide in 2026-27 than under the prior system

## **Tiers are aligned with the following descriptions:**

Tier 1 – students who receive speech therapy as their only instructional service or receive minimal special education services

Tier 2 – low intensity academic or communication supports

Tier 3 – moderate, targeted special education services

Tier 4 – sustained, multi-domain support

Tier 5 – high intensity instructional and/or behavioral support

Tier 6 – very high intensity, complex needs

Tier 7 – pervasive, school-day-dominant support

Tier 8 – residential placement

# What's Involved in Assigning a Tier of Intensity

<b>5 DOMAINS OF SUPPORT</b>	<b>4 FACTORS CONSIDERED IN EACH DOMAIN</b>	<b>0-3 POINT SCALE FOR EACH FACTOR</b>
<ol style="list-style-type: none"><li>1. Curriculum and Instruction</li><li>2. Behavioral</li><li>3. Communication</li><li>4. Independent Functioning</li><li>5. Personal Care/Health</li></ol>	<ol style="list-style-type: none"><li>A. the type, frequency, and nature of services provided to a student;</li><li>B. the required certifications, licensures, or other qualifications for personnel serving the student;</li><li>C. any identified or curriculum-required provider-to-student ratios for the student to receive the appropriate services; and</li><li>D. any equipment or technology required for the services.</li></ol>	<p>0 – Support not required for FAPE</p> <p>1 – Minimal services required for FAPE</p> <p>2 – Moderate services required for FAPE</p> <p>3 – Significant services required for FAPE</p>

## SERVICE GROUPS 1-3:

- 1** – At least one of the following must be true:
  - Total related services received by the student are at least 180 minutes and less than 270 minutes per six-week period, as documented in the student’s IEP; or
  - The student receives special transportation as a related service; or
  - The student receives parent counseling and training as a related service.
- 2** – Total related services received by the student are at least 270 minutes and less than 540 minutes per six-week period.
- 3** – Total related services received by the student are at least 540 minutes per six-week period.

**Only eligible for ONE service group 1-3**

## SERVICE GROUPS 4 & 5:

- 4** – The student requires a 1:1 provider-to-student ratio between 50% and less than 80% of the student’s instructional day.
- 5** – The student requires a 1:1 provider-to-student ratio at least 80% of the student’s instructional day.

**Only eligible for ONE service group 4 OR 5**

# Special Education Funding Tool for 2026-27

- We've created a "Tool" to assist with determining a student's tier and service group.
- LEAs will use a student's current IEP to complete the "Tool".
- From the "Tool", LEAs will save student records and export as an excel file.
- Click on the "i" icons throughout the "Tool" for critical information to help guide you.

### TIER INTENSITY

Tiers measure the overall special education intensity required for a free appropriate public education (FAPE) across five domains using a 4 point scale (0-3) and a highest factor "wins" domain rule. The default option of NO SUPPORT REQUIRED FOR FAPE is set for each factor, so you will choose from the dropdowns to change the selection only if the student's individualized education program (IEP) documents that support is required in that area for the student to be provided FAPE. Once you have completed your selections, the results will appear below.

**Overrides:** ⓘ  
(Complete only if applicable to that student. Otherwise, skip this section).

**Override Option:** -- Select --

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**1 Domain 1: Curriculum & Instruction Supports** ⓘ

**Factor A: Type/Frequency/Nature of Required Supports** ⓘ

Consider the type, frequency, and nature of the special education and related services required for the student to receive a FAPE. For this factor, consider the combined minutes and pervasiveness of direct specially designed instruction and related services provided to the student in this domain, as documented in the IEP.

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**Factor B: Required Provider Credentials** ⓘ

Are there any required certifications, licensures, or other qualifications for personnel serving the student?

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**Factor C: Required Grouping/ Provider-to-Student Ratio** ⓘ

Is there an identified or curriculum-required provider-to-student ratio for the student to receive the appropriate services (beyond what is typical for same age/grade level peers, and does it directly enable access and participation rather than general supervision)?

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**Factor D: Required Equipment/Technology** ⓘ

Is there any equipment or technology required beyond what we'd expect most peers in the student's age group/grade level to require, and is it essential for participation toward the student's curricular goals?

# Saving and Exporting

## ACTIONS:

After you have filled out the information for a student, click **"Save Record"**. The "Save Record" function only saves a record for the current browser session. If the browser is closed for any reason the records will no longer be saved. Once you have entered all the necessary students, click **"Export to Excel"** in order to save. As a precaution, it is recommended that you export your saved records to an Excel file often and save the Excel file to your computer. Ultimately, you will combine the data into one Excel file. **"Reset"** is used once you have saved a record and are starting over with a new student. **"Clear Saved Records"** would be used when you've already exported saved records to an Excel.



## Saved Records (1)

**123456** (UID: 1234567890)  
Saved: 4/13/2026, 11:20:29 AM  
**Instructional Setting Code:** 40  
**Speech Therapy:** Y  
**Tier:** Tier 3  
**Service Groups 1–3:** No Service Groups 1-3  
**Service Groups 4–5:** Service Group 4

After you have entered all of your student records and you wish to export to Excel, you can click "Export to Excel". It is recommended that you keep one master Excel file if you enter students at different times.

	A	B	C	D	E	F	G	H
1	Student Local ID	Student UID	Instructional	Speech Therapy (Y	Tier	SG 1-3	SG 4-5	Date/Time Saved
2	123456	1234567890	40	Y	Tier 3	0	4	4/14/2026, 1:46:27 PM
3								

The goal for the 2027-28 SY is to have the Tier and Service Group logic embedded in SIS/IEP programs.

# Funding Model Resources: Webpage

TEA has established a [webpage](#) and made the following resources available now to allow school systems to start learning about this transition and to offer extensive collaboration and calibration activities ahead of and during the 2026-2027 SY.

The screenshot displays the Texas SPED Support website. The navigation menu includes: Home / Resource Library, Intensity of Services Special Education Funding Model Resources, Understanding the Funding Model, Intensity Tiers, Service Groups, Resources and Guidance, Funding Tool, Funding Framework, Frequently Asked Questions, 1. Funding Basics, 2. Impact and Timeline, 3. How Funding Works, 4. Data and Reporting, 5. Using the Tool, 6. Roles and Support, and Contact, Training Dates and Other Supports. The main content area is titled 'Intensity of Services Special Education Funding Model Resources' and includes a 'State Guidance, ARD/IEP Supports' link. The page features a 'Special Education Funding Tool' and a 'New Intensity of Services Funding Model' document. The tool includes sections for 'Tier Intensity', 'Domain 1: Curriculum & Instruction Supports', and 'Factor A: Type/Frequency/Nature of Required Supports'. The document includes sections for 'Domain Factors and 0-3 Point Scale' and 'How to Guide: Special Education Funding Tool'.

Overview

Resources

FAQs by Topic Areas

Contact and Supports

- TEA’s Office of Special Populations and Student Supports (OSPSS) will begin holding **weekly Zoom “office hours” beginning on Thursday, May 7, 2026**. Options are 9-9:30 am and 4-4:30 pm every Thursday. Zoom link is in the TAA and will be posted on the Texas Sped Support page and the webinar and newsletter page linked below.
- OSPSS will include special education funding on each monthly webinar it hosts for school systems; registration can be found on the [webinar and newsletter page](#).
- Dedicated e-mail address to submit questions or feedback: [spedfunding@tea.texas.gov](mailto:spedfunding@tea.texas.gov).



# The Transition Year: 2026-27

# 2026-27 SY is a transition funding year

## Sec. 48.1022. SPECIAL EDUCATION TRANSITION FUNDING.

(b) For the 2026-2027 school year, the commissioner shall determine the formulas through which school districts receive funding under Sections [48.102](#) and [48.1021](#). In determining the formulas, the commissioner shall ensure the estimated statewide amount provided by the sum of the allotments under Sections [48.102](#) and [48.1021](#) for the 2026-2027 school year is approximately \$250 million greater than the amount that would have been provided under the allotment under Section [48.102](#), as that section existed on September 1, 2025, for that school year, calculating both amounts using the basic allotment in effect for the 2026-2027 school year.

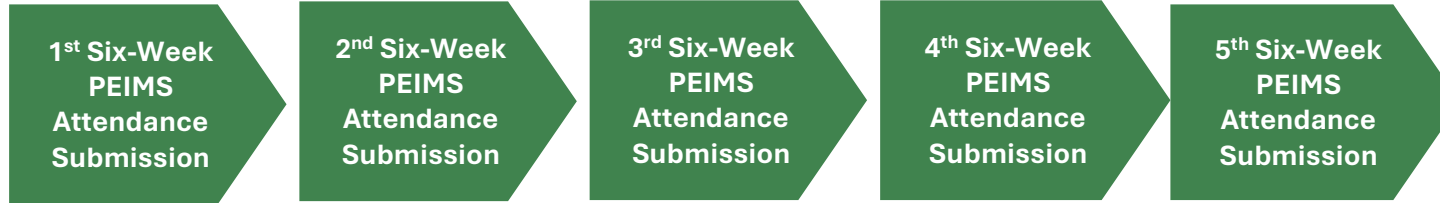
Because 2026-27 has target funding based upon prior law, during 2026-27 only, school systems will report **BOTH** the old law instructional arrangement information **AND** the new law intensity of services information for every student receiving special education.

To ensure correct funding calculations for 2026-27 and estimations for 2027-28, school systems will begin entering this information for all students with 1<sup>st</sup> Six-week PEIMS Attendance Submission (due 10/8).

Additionally, a subset of school systems representing about 15% of the state will submit this information earlier (by 8/14) to enable TEA to pre-populate estimates for all school systems in the attendance projection module that opens in October.

# 2026-27 Transition Funding Plans

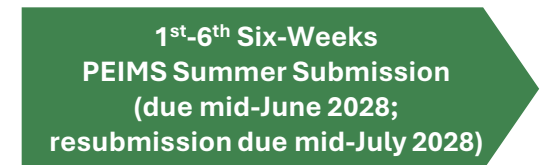
LPE – Estimated funding for cash flow during the year (Payment Schedule: 9/1/26 – 8/31/27)



In 2026-27, LPE will be calculated based on old law instructional arrangements + a pro-rated \$250M increase statewide

Based initially on estimates from rolling forward 2025-26 special education data, updated with each 6-week submission.

Actual funding (Near Final: Sep 2027)



2026-27 actual payments will be based upon the better of old law instructional arrangement or new intensity of service calculations\* as determined at the end of the year using final summer submission data.

\* During 2026-27, new intensity of funding weights & amounts will be subject to one time adjustment to ensure total state spending target is met



# School System Next Steps

# Prepare for New Formula Data Entry Requirements

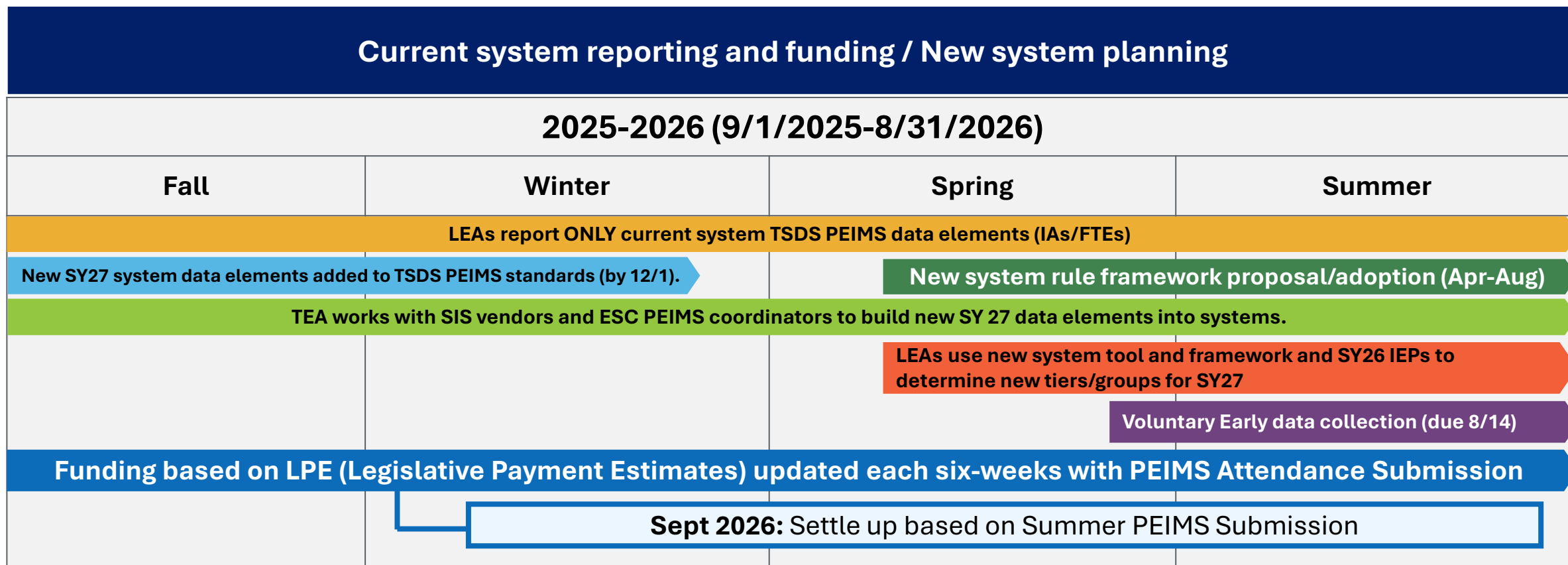
- Near term:
  - Special Education & Data Personnel should become familiar with 3 new data elements: [Tiers of Intensity](#); [Service Groups](#), and [Number of Minutes in SPED](#) by visiting the [sped funding website](#) and attending [webinars](#) and [office hours](#).
- Prepare for 1<sup>st</sup> six weeks data entry:
  - New intensity of service funding information must be entered into PEIMS for each student by the October 8 submission.
- Volunteer advanced submission:
  - Districts who are willing should submit early data to TEA to help with attendance projections by August 14. They can submit a comprehensive Excel file through a secure [Sharefile](#) link.



# Appendix: Certain Timeline Details

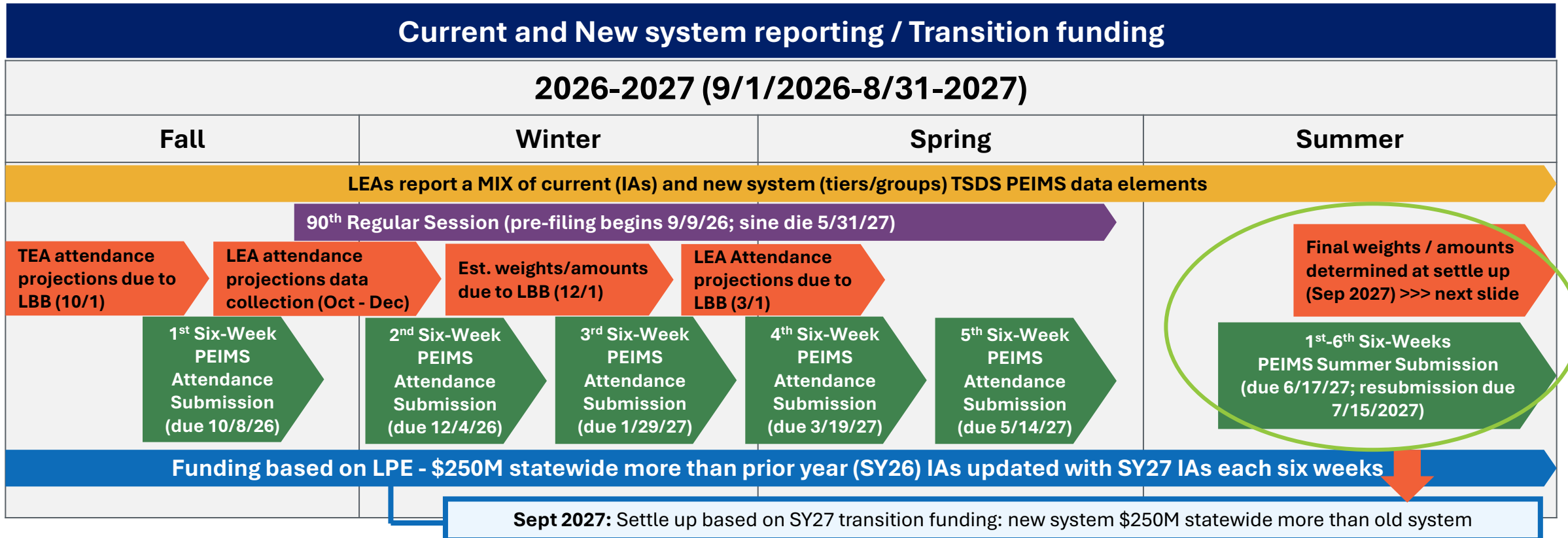
# Timeline: SY 2025-2026

- Special education reporting and funding based on current system.
- Planning work for new system begins.



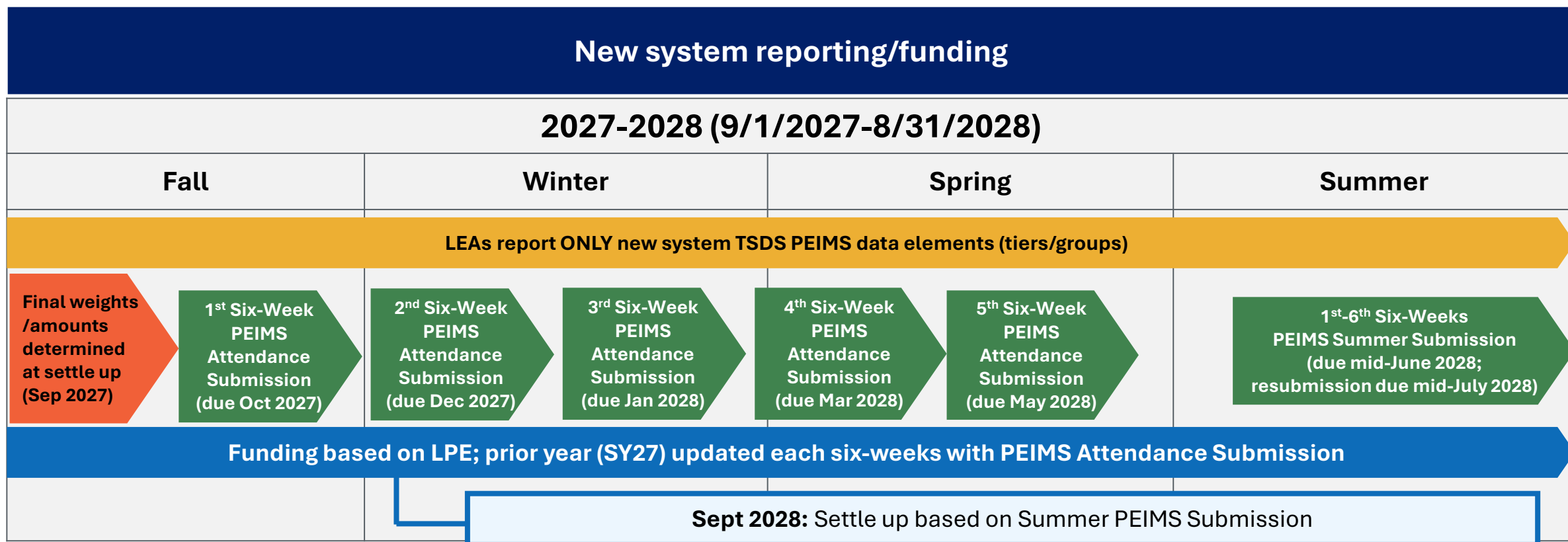
# Timeline: SY 2026-2027

- Special education reporting based on MIX of current and new system. **New system data reported with Oct 8 1<sup>st</sup> 6-week PEIMS attendance submission.**
- Transition funding based on prior year (SY26) IAs/FTEs increased by \$250M statewide, updated with SY27 IA data each six weeks (cash flow during SY27) until settle up when SY27 actual data and final weights and amounts are known.
- All school systems will earn a minimum of SY27 current system funding for the transition year only.



# Timeline: SY 2027-2028

- Special education reporting and funding based on new system.



- The TEA is required to submit attendance projections, including estimates of tiers and service groups under the new system, to the Legislative Budget Board (LBB) for the 2028–2029 biennium. The Legislature then uses these projections to determine the cost of public education for the next biennium.

## By Oct 1, 2026

- TEA develops projections using historical data and growth assumptions
- These estimates will be based on historical and early data that TEA receives and will likely vary from school system estimates because TEA does not have access to IEP information for every student.
- These projections are used in the introduced budget

## Oct – Dec 2026

- TEA collects input from school systems from approximately Oct 15-Dec 15, and provides revised attendance projections to LBB by March 1
- By this time, school systems will have completed their first six-week PEIMS Attendance Submission, including new tier and service group data, and can use this information to make assumptions for the 2028-2029 biennium.
- These attendance projections are used during conference committee to finalize the budget