



To the Administrator Addressed

Commissioner Mike Morath

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DATE:	September 5, 2019
SUBJECT:	House Bill 3 (HB 3) Implementation of the Special Education and Dyslexia Allotment and Senate Bill 2075 Monitoring
CATEGORY:	Funding and Monitoring Implications
NEXT STEPS:	Share with appropriate staff

This letter is to inform you of the changes in funding and requirements related to special education and dyslexia per HB 3, as well as new policies and provisions regarding dyslexia as mandated by Senate Bill 2075. Please share this information with appropriate staff.

HB 3 Special Education and the Dyslexia Allotment

HB 3 focuses on learning and improving student outcomes for all students, including those who receive special education and/or are identified with dyslexia and related disorders. Five major legislative provisions related to special education and dyslexia are included in the HB 3 legislation:

- an increase to the mainstream special education weight;
- the establishment of a Special Education Allotment Advisory Committee;
- the establishment of a College, Career, or Military Readiness (CCMR) Outcomes Bonus;
- an incentive for teachers who complete training on autism; and
- weighted funding for certain students identified with dyslexia or a related disorder.

Changes in Special Education

First, HB 3 increases the mainstream special education weight from 1.1 to 1.15. The weighted funding for special education students coded as mainstream has increased by an average of \$970 per ADA.

Second, HB 3 requires the Commissioner to establish the Special Education Allotment Advisory Committee to make recommendations for improving systems for funding special education services. This committee will be charged with providing a recommendations report by May of 2020. For more information regarding this committee and how to express interest in participating, please see the [To the Administrator Addressed letter dated August 1, 2019](#).

Third, HB 3 establishes CCMR Outcomes Bonuses. Public school districts and open-enrollment charter schools are entitled to receive \$2,000 for each CCMR-ready annual graduate who is receiving special education services – in addition to the \$3,000 - \$5,000 bonus established by HB 3. Students are reported as receiving special education services if they are identified as such in the TSDS PEIMS special programs attendance record following their senior year. For more information about this bonus, see the [August 8th HB 3 in 30](#) video regarding CCMR bonuses.

Fourth, HB 3 encourages districts to provide an incentive for teachers who complete training on autism provided by a regional Education Service Center (ESC). Of further note, TEA provides training related to effective services for students with autism through a project with ESC Region 13 titled the [Texas Statewide Leadership for Autism Training \(TSLAT\)](#).

Dyslexia Allotment

Since the 2013–2014 school year, districts in Texas have been required to report the number of students enrolled in the district who are identified as having dyslexia or a related disorder to the Texas Education Agency (Texas Education Code (TEC) §48.009). Starting with the 2019–2020 school year, districts are entitled to an annual allotment equal to the basic allotment multiplied by 0.10 or a greater amount provided by appropriation for students identified with dyslexia or a related disorder (HB 3 Dyslexia Allotment) and who are

- receiving services for dyslexia or a related disorder through special education under the Individuals with Education Act (IDEA) or Section 504 of the Rehabilitation Act; or
- receiving instruction that meets applicable dyslexia program criteria established by the State Board of Education (SBOE) provided by a person with specific training (see Chapter IV in the Dyslexia Handbook (2018) for program criteria); or
- permitted to use modifications in the classroom or accommodations in the administration of assessments under TEC §39.023.

Furthermore, districts are entitled to receive the HB 3 Dyslexia Allotment for a student who is identified with dysgraphia only and meets one of the requirements. Although a student identified with dyscalculia may be eligible to receive special education or Section 504 services, dyscalculia is not one of the dyslexia related conditions identified in TEC §38.003(d)(1)-(2). As such, a student with dyscalculia should not be coded in TSDS PEIMS under the Dyslexia or a Related Disorder Indicator, and such a student does not generate funding through the HB 3 Dyslexia Allotment (unless the student has also been identified with dyslexia or a related disorder and meets one of the requirements described above).

To recap, students identified with dyslexia or a related disorder should be identified and coded accurately in TSDS PEIMS using the Dyslexia Services Code. School districts and open-enrollment charter schools are entitled to receive the HB 3 Dyslexia Allotment for students identified with dyslexia or a related disorder (including dysgraphia) and who meets one or more of the bulleted scenarios described above.

Use of Funds

Districts should determine the most effective use of the funds so that students identified with dyslexia or a related disorder receive maximum benefit of the financial resources allocated through HB 3. The following recommendations should be considered when determining the most effective use of funds:

- dyslexia therapist training for teachers
- dyslexia screening, progress monitoring, and/or evaluation tools
- evidence-based dyslexia intervention materials and/or curriculum
- dyslexia identification training for evaluation personnel
- evidence-based early intervention programs in reading
- professional development in the science of teaching reading
- dyslexia therapist positions and/or stipends for dyslexia therapists

In addition, HB 3 stipulates that a district may use an amount not to exceed 20 percent of the allotment provided to contract with a private provider to provide supplemental academic services. A qualifying student may not be excused from school to receive supplemental academic services provided under this provision.

To report the use of funds districts are required to use program intent code (PIC) 37 and districts are required to spend 100% of the dyslexia allotment funds on services for students with dyslexia.

Funding Estimates

Districts will be initially flowed funding starting in September 2019 based on the number of students identified with dyslexia or a related disorder in the 2018-2019 school year. Final funding will be adjusted during settle-up based on actual counts of students who meet one of the bulleted scenarios in the section titled Dyslexia Allotment, above, which will be determined by the districts in the TSDS PEIMS Summer/Submission 3.

Districts are advised to evaluate the systems and processes, including electronic data student management systems, related to the identification and coding of students with dyslexia or a related disorder. Identification of key personnel who require training regarding TSDS PEIMS reporting procedures will ensure students who are identified with dyslexia or a related disorder and receiving services are accurately coded in TSDS PEIMS.

Maintenance of Effort (MOE) Requirement

School districts and open-enrollment charter schools may use HB 3 Dyslexia Allotment funds towards meeting the MOE requirement that specifies they must spend at least the same amount of state and local funds to provide services to students with disabilities that were spent in the previous fiscal year. Districts must comply with the MOE requirement to receive IDEA-B funding each fiscal year (34 C.F.R. § 300.203).

Senate Bill 2075

Senate Bill (SB) 2075 requires school districts to notify the parents or guardians of students determined, on the basis of dyslexia screening or reading instrument results to have dyslexia or a related disorder, or to be at risk for dyslexia or other reading difficulties, to have access to the Talking Book Program (TBP) maintained by the [Texas State Library and Archives Commission](#). The TBP provides students with reading disabilities the ability to borrow audiobooks free of charge, and includes over 100,000 titles, hundreds of which are in Spanish.

Additionally, SB 2075 requires the TEA to

- effectively audit, monitor, and periodically conduct site visits of all school districts to ensure that districts are complying with this requirement, including the program approved by the SBOE;
- identify any problems school districts experience in complying with the requirements, including the program approved by the SBOE under this section; and
- develop reasonable and appropriate remedial strategies to address school district noncompliance.

Along with existing materials accessible through the TEA website, the agency will develop high-quality resources, including minimum-standards guidelines and best practice frameworks regarding dyslexia screening and treatment. Auditing and monitoring as described in SB 2075 will be conducted by the Office of Special Populations and Monitoring. Additional guidance will be provided over the next two years regarding such procedures.

Questions

If you have any questions related to this TAA regarding changes in special education funding per HB 3, please email HB3info@tea.texas.gov. If you have questions regarding special education, dyslexia, or Section 504 of the Rehabilitation Act, please contact the Division of Special Education by phone at (512) 463-9414 or email at sped@tea.texas.gov. For additional reference, please review [The Dyslexia Handbook—2018 Update: Procedures Concerning Dyslexia and Related Disorders](#).