

Senate Bill 1376, TEC 29.007, and Special Education Shared Services Arrangements

Governor Abbott signed SB 1376 into law on June 4, 2019. One of the provisions of this bill was to repeal Texas Education Code (TEC) 29.007, which stated the following:

“Sec. 29.007. SHARED SERVICES ARRANGEMENTS. School districts may enter into a written contract to jointly operate their special education programs. The contract must be approved by the commissioner. Funds to which the cooperating districts are entitled may be allocated to the districts jointly as shared services arrangement units or shared services arrangement funds in accordance with the shared services arrangement districts’ agreement.”

We have received questions from local educational agencies (LEAs) and other interested parties regarding the impact of the repeal. Please see below the current guidance for the upcoming and future school years:

School Year 2019–2020

- No impact to existing Shared Services Arrangement (SSA) configurations.
- SSA configurations and allocations were loaded per the SSA re-configuration notices that TEA had received as of February 1, 2019.

School Year 2020–2021 (and beyond)

- SSAs are still allowable for special education.
 - **LEAs are not required to change special education SSA configurations due to the repeal of TEC 29.007.**
 - Due to the repeal of TEC 29.007, TEA will no longer request 1) notification of changes to SSA configurations, or 2) copies of SSA contracts.
- LEAs eligible for the Special Education Consolidated grant will need to complete an Applicant Designation and Certification form (ADC) prior to completing special education eGrants applications. On the ADC, eligible applicants will indicate one of the following:
 - Applying as an SSA fiscal agent
 - Applying as an SSA member
 - Applying as an independent project

TEA will develop additional guidance for LEAs on the potential impact on federal reporting and compliance issues.

If you receive questions, please contact the Federal Fiscal Compliance and Reporting Division at (512) 463-9127 or compliance@tea.texas.gov.