November 17, 2022

SENT VIA E-MAIL- CONFIRMATION OF RECEIPT REQUESTED

Honorable Mike Morath
Commissioner
Texas Education Agency
1701 N. Congress Avenue
Austin, Texas 78701
Email: commissioner@tea.state.tx.us

Dear Commissioner Morath:

In a letter dated April 4, 2022 (enclosed), the U.S. Department of Education (Department) issued a proposed determination that Texas would not be eligible for a portion of its grant under section 611 of Part B of the Individuals with Disabilities Education Act (IDEA) because Texas failed to meet the IDEA’s maintenance of State financial support (MFS) requirement in State fiscal years (SFY) 2017 and 2018. 20 U.S.C. §§ 1412(a)(18)(A)-(B) and 1412(d)(2). The purpose of this letter is to inform you that this is now a final determination, and the Department will reduce Texas’ IDEA section 611 award in a future Federal fiscal year due to Texas’ failure to maintain State financial support for special education and related services in SFY 2017 and SFY 2018.

As indicated in the April 4, 2022, letter, the IDEA provides that, when a State fails to maintain State financial support at the level required by law, the Department “shall” reduce the allocation of funds to the State under section 611 “for any fiscal year following the fiscal year in which the State fails to comply with the requirement” to maintain State financial support “by the same amount by which the State fails to meet the requirement.” 20 U.S.C. § 1412(a)(18)(B). In that letter, we notified you that the Department made a proposed determination that Texas is not eligible for $41,594,326 of its section 611 grant under the IDEA because of its failure to maintain State financial support for special education and related services by that amount in SFY 2017, and that Texas is not eligible for $33,032,225 of its section 611 grant under the IDEA because of its failure to maintain State financial support for special education and related services by that amount in SFY 2018. Texas had 30 days from the date of receipt of the letter to request a hearing pursuant to the procedures in 34 C.F.R. §§ 300.179 through 300.183 regarding the Department’s proposed determination.

More than 30 days from the date of your receipt of our April 4, 2022, letter have passed. In an email dated May 24, 2022, the Texas Education Agency confirmed that Texas will not be appealing the Department’s proposed determination. As a result, the Department now considers the proposed determination final, and will reduce Texas’ future IDEA Part B section 611 grant award(s) by $41,594,326 due to its SFY 2017 shortfall, and by $33,032,225 due to its SFY 2018 shortfall. Under the provisions included in the Department’s annual appropriations since 2015 to the present, the Secretary may apply the reduction specified in 20 U.S.C. § 1412(a)(18)(B) over a period of up to five consecutive fiscal years, until the entire reduction is applied. Consolidated
and Further Continuing Appropriations Act, 2015, Pub. L. No. 113-235, 128 Stat. 2130, 2499 (Dec. 16, 2014). The Department is available to discuss with you any circumstances we should consider in determining how to apply the reduction. If there are questions, regarding this letter please contact Jennifer Finch, your State Lead at (202) 245-6610.

Texas must post this letter on the State educational agency’s Web site no later than October 29, 2022. In light of the Texas IDEA State Advisory Panel’s duties in 20 U.S.C. § 1412(a)(21)(D), particularly its duty in 20 U.S.C. § 1412(a)(21)(D)(i) to “advise the State educational agency of unmet needs within the State in the education of children with disabilities,” we are providing the Panel with a copy of this letter.

Sincerely,

Katherine Neas
Deputy Assistant Secretary
Delegated the authority to perform the functions and duties of the Assistant Secretary of the Office of Special Education and Rehabilitative Services

Enclosure
cc: Texas IDEA State Advisory Panel