

Maximize Texas Special Education Funding with In-District Partnerships



Leveraging House Bill 2 Day Placement Grants

A Pivotal Moment for Texas Special Education

Large areas across Texas are facing a **shortage of day placement options**. As a result, students are frequently sent out of district, away from their communities, and in some cases placed in more restrictive residential settings than their needs require. House Bill 2 (HB 2) creates new funding to address this gap.

HB2 introduces targeted funding to help districts expand in-district day placement capacity. However, funding is limited, and early planning is critical. **Districts and ESCs need to act quickly and align at the county level** to secure funding and maximize impact.

Act Now to Secure Funding

Proposed TEA Timeline for Year 1 Funding for SY 26-27

- May 15, 2026 → [Application opens](#)
- May 19, 2026 → TEA hosts [Special Education webinar](#)
- June 26, 2026 → Application closes at 11:59 p.m.
- July 15, 2026 → Preliminary awards
- Sept 2026 → Within 10 business days of the rule's effective date, TEA provides final notice of award to selected programs.

HB 2 Highlights



Funding

For Day Placement program startup, staffing, and infrastructure

Up to
\$250,000 for year 1 grant funding
\$100,000 annually thereafter
\$150,000 bonus if ≥3 students enrolled



Limits

One program per county and 20 new programs statewide annually



Qualification

Comply with commissioner rules, serve all districts, meet minimum program standards



Eligibility

Regional ESC or school district



What This Means for Your County

Financial and Operational Impact

- Maximize new HB 2 funding streams
- Reduce high-cost outplacements
- Utilize underused district facilities
- Improve financial predictability and control costs

Student Outcomes

- Serve students with high-intensity needs closer to home
- Provide structured, therapeutic classrooms that improve engagement, attendance, and graduation outcomes
- Deliver individualized academic and behavioral supports with mental health services embedded

Compliance & Accountability

- Strengthen IDEA, FAPE, and LRE alignment
- Improve audit readiness and documentation
- Enhance progress monitoring

Staffing Stability

- Reduce burnout and turnover
- Stabilize high-intensity classrooms
- Create consistent learning environments

How SESI Partners with Texas ESCs and Districts

Specialized Education Services, Inc. (SESI) provides a turnkey, fully managed solution to help districts design, implement, and sustain high-quality programs aligned to HB 2 and TEA expectations.

SESI partners with districts to deliver fully staffed, therapeutic In-District Classrooms designed for students whose needs exceed traditional supports. More than a program, this is a long-term, capacity-building strategy that:

- Reduces outplacement for high-intensity student populations
- Expands in-district service capacity
- Strengthens special education infrastructure
- Stabilizes high-intensity learning environments
- Improves outcomes for students who need the most support

Let's build a plan that works for your Texas county.

Erin Tyler

Senior Director of Partnerships | erin.tyler@sesischools.com | 901.337.3746

