

1-1 By: Bell of Kaufman, et al. H.B. No. 120  
 1-2 (Senate Sponsor - Schwertner)  
 1-3 (In the Senate - Received from the House April 16, 2025;  
 1-4 April 23, 2025, read first time and referred to Committee on  
 1-5 Education K-16; May 20, 2025, reported adversely, with favorable  
 1-6 Committee Substitute by the following vote: Yeas 11, Nays 0;  
 1-7 May 20, 2025, sent to printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			

1-21 COMMITTEE SUBSTITUTE FOR H.B. No. 120 By: Hagenbuch

1-22 A BILL TO BE ENTITLED  
 1-23 AN ACT

1-24 relating to college, career, and military readiness in public  
 1-25 schools, including career and technology education programs, the  
 1-26 Financial Aid for Swift Transfer (FAST) program, and the Rural  
 1-27 Pathway Excellence Partnership (R-PEP) program, funding for those  
 1-28 programs under the Foundation School Program, and workforce  
 1-29 reporting to support those programs, to the public school  
 1-30 accountability system, and to the new instructional facility  
 1-31 allotment and the permissible uses of funding under the Foundation  
 1-32 School Program.

1-33 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-34 SECTION 1. Section 4.002, Education Code, is amended to  
 1-35 read as follows:

1-36 Sec. 4.002. PUBLIC EDUCATION ACADEMIC GOALS. To serve as a  
 1-37 foundation for a well-balanced and appropriate education:

1-38 GOAL 1: The students in the public education system  
 1-39 will demonstrate exemplary performance in the reading and writing  
 1-40 of the English language.

1-41 GOAL 2: The students in the public education system  
 1-42 will demonstrate exemplary performance in the understanding of  
 1-43 mathematics.

1-44 GOAL 3: The students in the public education system  
 1-45 will demonstrate exemplary performance in the understanding of  
 1-46 science.

1-47 GOAL 4: The students in the public education system  
 1-48 will demonstrate exemplary performance in the understanding of  
 1-49 social studies.

1-50 GOAL 5: The students who graduate high school in the  
 1-51 public education system will have the skills and credentials  
 1-52 necessary to immediately enter this state's workforce.

1-53 GOAL 6: The students who graduate high school in the  
 1-54 public education system and who elect to pursue postsecondary  
 1-55 education will be ready for postsecondary coursework without the  
 1-56 need for remediation.

1-57 SECTION 2. Subchapter B, Chapter 7, Education Code, is  
 1-58 amended by adding Sections 7.0405 and 7.043 to read as follows:

1-59 Sec. 7.0405. POSTING OF POSTSECONDARY OUTCOMES. (a)  
 1-60 Subject to Subsection (b), the agency shall post on the agency's

2-1 Internet website the following de-identified data, disaggregated  
2-2 by school district or open-enrollment charter school, high school  
2-3 campus, and annual cohort for the 10 most recent annual cohorts:  
2-4 (1) for students who graduate from high school:  
2-5 (A) the number and percentage of students who  
2-6 enroll in, enroll in remedial postsecondary coursework as part of,  
2-7 persist for at least one year in, or complete a postsecondary  
2-8 degree, certificate, or other credentialing program, disaggregated  
2-9 by program and postsecondary educational institution; and  
2-10 (B) employment status, occupation, industry,  
2-11 wage, and county of employment and residence, as reported under  
2-12 Section 204.0025, Labor Code; and  
2-13 (2) for students who did not graduate from high  
2-14 school:  
2-15 (A) the highest grade level completed;  
2-16 (B) the number of uncompleted credits required  
2-17 for the student to graduate;  
2-18 (C) employment status, occupation, industry,  
2-19 wage, and county of employment and residence, as reported under  
2-20 Section 204.0025, Labor Code; and  
2-21 (D) whether the student has earned a high school  
2-22 equivalency certificate.  
2-23 (b) The agency shall post the data required under Subsection  
2-24 (a) in a manner that complies with the Family Educational Rights and  
2-25 Privacy Act of 1974 (20 U.S.C. Section 1232g) and may, if necessary  
2-26 to comply with that act, create a private portal for school district  
2-27 board of trustees or open-enrollment charter school governing body  
2-28 members, school administrators, and school counselors at a high  
2-29 school to access data for the member's, administrator's, or  
2-30 counselor's school district or open-enrollment charter school.  
2-31 (c) The agency shall ensure the data posted under Subsection  
2-32 (a) is made available to:  
2-33 (1) school district board of trustees and  
2-34 open-enrollment charter school governing body members and  
2-35 superintendents to assist in adopting college, career, and military  
2-36 readiness plans under Section 11.186; and  
2-37 (2) school counselors at a high school to assist the  
2-38 counselors in performing the duties under Section 33.007.  
2-39 Sec. 7.043. STATEWIDE GOAL FOR CAREER READINESS. (a) Using  
2-40 the data posted under Section 7.0405(a), the agency shall create a  
2-41 quantifiable statewide goal for public school students to achieve  
2-42 career readiness, including by attaining a workforce-aligned  
2-43 credential while in high school.  
2-44 (b) The agency shall update the goal created under  
2-45 Subsection (a) at least once every five years.  
2-46 SECTION 3. Section 11.186, Education Code, is amended by  
2-47 amending Subsections (b) and (c) and adding Subsections (d), (e),  
2-48 and (f) to read as follows:  
2-49 (b) Each plan adopted under Subsection (a) must:  
2-50 (1) identify annual goals for students in each group  
2-51 evaluated under the closing the gaps domain under Section  
2-52 39.053(c)(3);  
2-53 (2) include an annual goal [~~goals~~] for aggregate  
2-54 student growth on each college, career, and military readiness  
2-55 indicator [~~indicators~~] evaluated under the student achievement  
2-56 domain under Section 39.053(c)(1);  
2-57 (3) include specific annual goals for student  
2-58 completion of postsecondary credentials, including industry-based  
2-59 credentials, level one or level two certificates as defined by the  
2-60 agency, and associate degrees, while enrolled in high school;  
2-61 (4) include annual goals for the outcomes of the  
2-62 district's annual graduates at one, three, and five years after  
2-63 graduation from high school, including goals for:  
2-64 (A) the rate of enrollment at a postsecondary  
2-65 educational institution;  
2-66 (B) the percentage of graduates who enroll at a  
2-67 postsecondary educational institution and do not require remedial  
2-68 postsecondary coursework;  
2-69 (C) the rate of persistence at a postsecondary

3-1 educational institution in each of the first two years of  
 3-2 enrollment;

3-3 (D) the rate of completion of a postsecondary  
 3-4 degree, certificate, or other credentialing program; and

3-5 (E) wages earned;

3-6 (5) assign at least one district-level administrator  
 3-7 or employee of the regional education service center for the  
 3-8 district's region to:

3-9 (A) coordinate implementation of the plan; and

3-10 (B) submit an annual report to the board of  
 3-11 trustees, the agency, and the Legislative Budget Board on the  
 3-12 district's performance and progress toward the goals set under the  
 3-13 plan; and

3-14 (6) [~~4~~] be reviewed and approved by majority vote  
 3-15 annually by the board of trustees at a public meeting.

3-16 (c) In identifying and including goals in each plan adopted  
 3-17 under Subsection (a) as provided by Subsection (b), the board of  
 3-18 trustees shall use longitudinal student outcomes data posted under  
 3-19 Section 7.0405(a) and any other resources available to the board.

3-20 (d) A school district shall post the annual report described  
 3-21 by Subsection (b)(5)(B) [~~(b)(3)(B)~~] on the district's Internet  
 3-22 website and on the Internet website, if any, of each campus in the  
 3-23 district not later than two weeks before the date of the public  
 3-24 meeting at which the report is reviewed and approved as required by  
 3-25 Subsection (b)(6). The district shall update the annual report on  
 3-26 each Internet website if any modifications are made to the report by  
 3-27 the board of trustees.

3-28 (e) The commissioner by rule shall establish a deadline for  
 3-29 the submission of the annual reports described by Subsection  
 3-30 (b)(5)(B). The agency shall compile and make publicly accessible on  
 3-31 the agency's Internet website the annual reports.

3-32 (f) The agency may evaluate the goals identified or included  
 3-33 in an annual report described by Subsection (b)(5)(B) to determine  
 3-34 whether those goals align with state secondary, postsecondary, and  
 3-35 workforce goals.

3-36 SECTION 4. Section 28.0095, Education Code, is amended by  
 3-37 adding Subsection (c-1) to read as follows:

3-38 (c-1) Notwithstanding Subsection (c)(1)(A), a student  
 3-39 otherwise described by Subsection (c) is eligible to enroll at no  
 3-40 cost in a dual credit course under the program if the student has  
 3-41 graduated from high school but is:

3-42 (1) enrolled in a school district or open-enrollment  
 3-43 charter school at a campus designated as a P-TECH school under  
 3-44 Section 29.556 or in a school district participating in a  
 3-45 partnership under Section 29.912; and

3-46 (2) completing a course of study offered through an  
 3-47 articulation agreement or memorandum of understanding with an  
 3-48 institution of higher education and the district or school  
 3-49 described by Subdivision (1), as applicable, under the Pathways in  
 3-50 Technology Early College High School (P-TECH) program under  
 3-51 Subchapter N, Chapter 29, or the Rural Pathway Excellence  
 3-52 Partnership (R-PEP) program under Section 29.912.

3-53 SECTION 5. Section 29.182(b), Education Code, is amended to  
 3-54 read as follows:

3-55 (b) The state plan must include procedures designed to  
 3-56 ensure that:

3-57 (1) all secondary and postsecondary students have the  
 3-58 opportunity to participate in career and technology education  
 3-59 programs;

3-60 (2) the state complies with requirements for  
 3-61 supplemental federal career and technology education funding;

3-62 (3) career and technology education is established as  
 3-63 a part of the total education system of this state and constitutes  
 3-64 an option for student learning that provides a rigorous course of  
 3-65 study consistent with the required curriculum under Section 28.002  
 3-66 and under which a student may receive specific education in a career  
 3-67 and technology program that:

3-68 (A) incorporates competencies leading to  
 3-69 academic and technical skill attainment;

4-1 (B) leads to:  
 4-2 (i) an industry-recognized license,  
 4-3 credential, or certificate; or  
 4-4 (ii) at the postsecondary level, an  
 4-5 associate or baccalaureate degree;

4-6 (C) includes opportunities for students to earn  
 4-7 college credit for coursework; and

4-8 (D) includes, as an integral part of the program,  
 4-9 participation by students and teachers in activities of career and  
 4-10 technical student organizations supported by the agency and the  
 4-11 State Board of Education; ~~and~~

4-12 (4) a school district provides, to the greatest extent  
 4-13 possible, to a student participating in a career and technology  
 4-14 education program opportunities to enroll in dual credit courses  
 4-15 designed to lead to a degree, license, or certification as part of  
 4-16 the program; and

4-17 (5) a course of study offered under a Junior Reserve  
 4-18 Officers' Training Corps program established under 10 U.S.C.  
 4-19 Section 2031 is considered a career and technology education  
 4-20 program.

4-21 SECTION 6. Sections 29.190(a-1), (b), and (c), Education  
 4-22 Code, are amended to read as follows:

4-23 (a-1) A student may not receive more than two subsidies ~~[one~~  
 4-24 ~~subsidy]~~ under this section.

4-25 (b) A teacher is entitled to a subsidy under this section if  
 4-26 the teacher passes a certification examination related to career  
 4-27 and technology education ~~[cybersecurity]~~.

4-28 (c) On approval by the commissioner, the agency shall pay  
 4-29 each school district an amount equal to the cost paid by the  
 4-30 district for a certification examination under this section,  
 4-31 including any costs paid for associated fingerprinting or criminal  
 4-32 history record information review. To obtain reimbursement for a  
 4-33 subsidy paid under this section, a district must:

4-34 (1) pay the costs described by this subsection ~~[fee~~  
 4-35 ~~for the examination]~~; and

4-36 (2) submit to the commissioner a written application  
 4-37 on a form prescribed by the commissioner stating the amount of the  
 4-38 costs ~~[fee]~~ paid under Subdivision (1) ~~[for the certification~~  
 4-39 ~~examination]~~.

4-40 SECTION 7. Subchapter 2, Chapter 29, Education Code, is  
 4-41 amended by adding Section 29.9016 to read as follows:

4-42 Sec. 29.9016. MILITARY PATHWAY GRANT PROGRAM. (a) The  
 4-43 agency shall establish a grant program to provide money to school  
 4-44 districts to implement a program under which the district:

4-45 (1) establishes a Junior Reserve Officers' Training  
 4-46 Corps program under 10 U.S.C. Section 2031 for students enrolled in  
 4-47 high school in the district;

4-48 (2) annually administers the Armed Services  
 4-49 Vocational Aptitude Battery test to each student participating in  
 4-50 the program described by Subdivision (1); and

4-51 (3) provides college and career counseling at least  
 4-52 once per year to each student administered the Armed Services  
 4-53 Vocational Aptitude Battery test under Subdivision (2) based on the  
 4-54 results of the test.

4-55 (b) The amount of each grant awarded under the grant program  
 4-56 is \$50,000.

4-57 (c) The total amount of grants awarded under the grant  
 4-58 program for a school year may not exceed \$2 million.

4-59 SECTION 8. Section 29.912, Education Code, is amended by  
 4-60 adding Subsection (c-1) and amending Subsection (j) to read as  
 4-61 follows:

4-62 (c-1) A school district that has participated in the program  
 4-63 may continue to participate in the program regardless of the number  
 4-64 of students in average daily attendance in the district for the  
 4-65 current school year.

4-66 (j) The commissioner shall make grants available for use by  
 4-67 a coordinating entity for a two-year period to assist with costs  
 4-68 associated with the planning, development, establishment, or  
 4-69 expansion, as applicable, of partnerships under the program using

5-1 ~~[a portion of state funds allocated under Section 48.118 as well as]~~  
5-2 money appropriated for that purpose, federal funds, and any other  
5-3 funds available. The commissioner may award a grant only to a  
5-4 coordinating entity that has entered into a performance agreement  
5-5 approved under Subsection (i) or, if in the planning stage, has  
5-6 entered into a memorandum of understanding to enter into a  
5-7 performance agreement, unless the source of funds does not permit a  
5-8 grant to the coordinating entity, in which case the grant shall be  
5-9 made to a participating school district acting as fiscal agent.  
5-10 Eligible use of grant funds shall include planning, development,  
5-11 establishment, or expansion of partnerships under the program. The  
5-12 commissioner may use not more than 15 percent of the money allocated  
5-13 for the grants to cover the cost of administering grants awarded  
5-14 under the program and to provide technical assistance and support  
5-15 to partnerships under the program. The total amount of grants  
5-16 awarded under this subsection for a school year may not exceed \$5  
5-17 million.

5-18 SECTION 9. Section 33.007, Education Code, is amended by  
5-19 amending Subsection (b) and adding Subsection (d) to read as  
5-20 follows:

5-21 (b) During the first school year a student is enrolled in a  
5-22 high school or at the high school level in an open-enrollment  
5-23 charter school, and again during each year of a student's  
5-24 enrollment in high school or at the high school level, a school  
5-25 counselor shall provide information about postsecondary education  
5-26 to the student and the student's parent or guardian. The  
5-27 information must include information regarding:

5-28 (1) the importance of postsecondary education,  
5-29 including career readiness and workforce training opportunities;

5-30 (2) the advantages of earning an endorsement and a  
5-31 performance acknowledgment and completing the distinguished level  
5-32 of achievement under the foundation high school program under  
5-33 Section 28.025;

5-34 (3) the disadvantages of taking courses to prepare for  
5-35 a high school equivalency examination relative to the benefits of  
5-36 taking courses leading to a high school diploma;

5-37 (4) financial aid eligibility;

5-38 (5) instruction on how to apply for federal financial  
5-39 aid;

5-40 (6) the center for financial aid information  
5-41 established under Section 61.0776;

5-42 (7) the automatic admission of certain students to  
5-43 general academic teaching institutions as provided by Section  
5-44 51.803;

5-45 (8) the eligibility and academic performance  
5-46 requirements for the TEXAS Grant as provided by Subchapter M,  
5-47 Chapter 56;

5-48 (9) the availability of programs in the district under  
5-49 which a student may earn college credit, including advanced  
5-50 placement programs, dual credit programs, joint high school and  
5-51 college credit programs, and international baccalaureate programs;

5-52 (10) the availability of education and training  
5-53 vouchers and tuition and fee waivers to attend an institution of  
5-54 higher education as provided by Section 54.366 for a student who is  
5-55 or was previously in the conservatorship of the Department of  
5-56 Family and Protective Services; ~~and~~

5-57 (11) the availability of college credit awarded by  
5-58 institutions of higher education to veterans and military  
5-59 servicemembers for military experience, education, and training  
5-60 obtained during military service as described by the informational  
5-61 materials developed under Section 302.0031(h), Labor Code;

5-62 (12) opportunities to complete career training and  
5-63 obtain a postsecondary credential while enrolled in high school,  
5-64 whether at the student's campus, another campus in the school  
5-65 district or open-enrollment charter school, or an educational  
5-66 institution that partners with the district or school, including  
5-67 information regarding program costs, program completion rates, and  
5-68 the average wages of students who complete the program; and

5-69 (13) the outcomes of graduates from the campus and

6-1 school district or open-enrollment charter school in which the  
 6-2 student is enrolled, including completion rates and average wages  
 6-3 based on postsecondary pathways available to those graduates at the  
 6-4 campus, district, or school using data posted under Section  
 6-5 7.0405(a).

6-6 (d) The agency shall make available to school counselors an  
 6-7 annual online training regarding statewide trends identified in the  
 6-8 data posted under Section 7.0405(a). The training must include  
 6-9 information to assist school counselors in identifying the  
 6-10 postsecondary outcomes for students at the counselor's campus and  
 6-11 school district or open-enrollment charter school for purposes of  
 6-12 performing the counselor's duties under this section.

6-13 SECTION 10. The heading to Section 39.0261, Education Code,  
 6-14 is amended to read as follows:

6-15 Sec. 39.0261. COLLEGE PREPARATION AND CAREER READINESS  
 6-16 ASSESSMENTS.

6-17 SECTION 11. Section 39.0261(a), Education Code, is amended  
 6-18 to read as follows:

6-19 (a) In addition to the assessment instruments otherwise  
 6-20 authorized or required by this subchapter:

6-21 (1) each school year and at state cost, a school  
 6-22 district may administer to students in the spring of the eighth  
 6-23 grade an established, valid, reliable, and nationally  
 6-24 norm-referenced preliminary college preparation assessment  
 6-25 instrument for the purpose of diagnosing the academic strengths and  
 6-26 deficiencies of students before entrance into high school;

6-27 (2) each school year and at state cost, a school  
 6-28 district may administer to students in the 10th grade an  
 6-29 established, valid, reliable, and nationally norm-referenced  
 6-30 preliminary college preparation assessment instrument for the  
 6-31 purpose of measuring a student's progress toward readiness for  
 6-32 college and the workplace; and

6-33 (3) high school students in the spring of the 11th  
 6-34 grade or during the 12th grade may select and take once, at state  
 6-35 cost:

6-36 (A) one of the valid, reliable, and nationally  
 6-37 norm-referenced assessment instruments used by colleges and  
 6-38 universities as part of their undergraduate admissions processes;  
 6-39 [~~or~~]

6-40 (B) the assessment instrument designated by the  
 6-41 Texas Higher Education Coordinating Board under Section 51.334; or

6-42 (C) a nationally recognized career readiness  
 6-43 assessment instrument that measures foundational workforce skills  
 6-44 approved by commissioner rule.

6-45 SECTION 12. Section 39.053, Education Code, is amended by  
 6-46 amending Subsections (a), (c), and (f) and adding Subsections  
 6-47 (c-4), (f-1), (f-2), (f-3), and (f-4) to read as follows:

6-48 (a) The commissioner shall adopt a set of indicators of the  
 6-49 quality of learning and achievement, including the indicators under  
 6-50 Subsection (c). The commissioner periodically shall review the  
 6-51 indicators for the consideration of appropriate revisions and may,  
 6-52 if the commissioner determines an indicator otherwise required  
 6-53 under this subchapter is not valid or reliable, exclude the  
 6-54 indicator from the set of indicators adopted under this section.

6-55 (c) School districts and campuses must be evaluated based on  
 6-56 three domains of indicators of achievement adopted under this  
 6-57 section that include:

6-58 (1) in the student achievement domain, indicators of  
 6-59 student achievement that must include:

6-60 (A) for evaluating the performance of districts  
 6-61 and campuses generally:

6-62 (i) an indicator that accounts for the  
 6-63 results of assessment instruments required under Sections  
 6-64 39.023(a), (c), and (l), as applicable for the district and campus,  
 6-65 including the results of assessment instruments required for  
 6-66 graduation retaken by a student, aggregated across grade levels by  
 6-67 subject area, including:

6-68 (a) for the performance standard  
 6-69 determined by the commissioner under Section 39.0241(a), the

7-1 percentage of students who performed satisfactorily on the  
7-2 assessment instruments, aggregated across grade levels by subject  
7-3 area; and  
7-4 (b) for the college readiness  
7-5 performance standard as determined under Section 39.0241, the  
7-6 percentage of students who performed satisfactorily on the  
7-7 assessment instruments, aggregated across grade levels by subject  
7-8 area; and  
7-9 (ii) an indicator that accounts for the  
7-10 results of assessment instruments required under Section  
7-11 39.023(b), as applicable for the district and campus, including the  
7-12 percentage of students who performed satisfactorily on the  
7-13 assessment instruments, as determined by the performance standard  
7-14 adopted by the agency, aggregated across grade levels by subject  
7-15 area; and  
7-16 (B) for evaluating the performance of high school  
7-17 campuses and districts that include high school campuses,  
7-18 indicators that account for:  
7-19 (i) students who satisfy the Texas Success  
7-20 Initiative (TSI) college readiness benchmarks prescribed by the  
7-21 Texas Higher Education Coordinating Board under Section 51.334 on  
7-22 an assessment instrument in reading or mathematics designated by  
7-23 the coordinating board under that section;  
7-24 (ii) students who satisfy relevant  
7-25 performance standards on advanced placement tests or similar  
7-26 assessments;  
7-27 (iii) students who earn dual course credits  
7-28 in the dual credit courses;  
7-29 (iv) students who demonstrate military  
7-30 readiness:  
7-31 (a) through verified enlistment  
7-32 [~~enlist~~] in the armed forces of the United States or the Texas  
7-33 National Guard; or  
7-34 (b) by achieving a passing score set  
7-35 by the commissioner on the Armed Services Vocational Aptitude  
7-36 Battery Test and successfully completing a Junior Reserve Officers'  
7-37 Training Corps program established under 10 U.S.C. Section 2031;  
7-38 (v) students who earn industry  
7-39 certifications;  
7-40 (vi) students admitted into postsecondary  
7-41 industry certification programs that require as a prerequisite for  
7-42 entrance successful performance at the secondary level;  
7-43 (vii) students whose successful completion  
7-44 of a course or courses under Section 28.014 indicates the student's  
7-45 preparation to enroll and succeed, without remediation, in an  
7-46 entry-level general education course for a baccalaureate degree or  
7-47 associate degree;  
7-48 (viii) students who successfully met  
7-49 standards on a composite of indicators that through research  
7-50 indicates the student's preparation to enroll and succeed, without  
7-51 remediation, in an entry-level general education course for a  
7-52 baccalaureate degree or associate degree;  
7-53 (ix) high school graduation rates, computed  
7-54 in accordance with standards and definitions adopted in compliance  
7-55 with the Every Student Succeeds Act (20 U.S.C. Section 6301 et seq.)  
7-56 subject to the exclusions provided by Subsections (g), (g-1),  
7-57 (g-2), (g-3), and (g-4);  
7-58 (x) students who successfully completed an  
7-59 OnRamps dual enrollment course;  
7-60 (xi) students who successfully completed a  
7-61 practicum or internship approved by the State Board of Education;  
7-62 (xii) students who are awarded an associate  
7-63 degree; and  
7-64 (xiii) students who successfully completed  
7-65 a program of study in career and technical education;  
7-66 (2) in the school progress domain, indicators for  
7-67 effectiveness in promoting student learning, which must include:  
7-68 (A) for assessment instruments, including  
7-69 assessment instruments under Subdivisions (1)(A)(i) and (ii), the

8-1 percentage of students who met the standard for improvement, as  
8-2 determined by the commissioner; and

8-3 (B) for evaluating relative performance, the  
8-4 performance of districts and campuses compared to similar districts  
8-5 or campuses; and

8-6 (3) in the closing the gaps domain, the use of  
8-7 disaggregated data to demonstrate the differentials among students  
8-8 from different racial and ethnic groups, socioeconomic  
8-9 backgrounds, and other factors, including:

8-10 (A) students formerly receiving special  
8-11 education services;

8-12 (B) students continuously enrolled; and

8-13 (C) students who are mobile.

8-14 (c-4) The agency shall study the college, career, and  
8-15 military readiness indicators adopted under Subsection (c) to  
8-16 determine the correlation of each indicator with postsecondary  
8-17 success, including the correlation of industry certifications with  
8-18 wages and available jobs. The value assigned to each indicator must  
8-19 be:

8-20 (1) based on the strength of the indicator's  
8-21 correlation with successful outcomes; and

8-22 (2) updated in accordance with Subsection (f-1).

8-23 (f) Annually, the commissioner shall define and may modify  
8-24 the state standards [~~standard for the current school year~~] for each  
8-25 [~~achievement~~] indicator adopted under this subchapter in  
8-26 [~~section. In~~] consultation with educators, parents, and business  
8-27 and industry representatives, as necessary. The [~~the~~]  
8-28 commissioner shall increase the rigor by which the commissioner  
8-29 determines the overall performance ratings under Section 39.054(a)  
8-30 [~~establish and modify standards~~] to continuously improve student  
8-31 performance to, not later than the 15th year after the date the  
8-32 commissioner modifies the performance standards under Subsection  
8-33 (f-1), achieve the goals of:

8-34 (1) eliminating achievement gaps based on race,  
8-35 ethnicity, and socioeconomic status; and

8-36 (2) ensuring [~~to ensure~~] this state ranks nationally  
8-37 [~~is a national leader~~] in the top five states in preparing students  
8-38 for postsecondary success and on the National Assessment of  
8-39 Educational Progress or its successor assessment.

8-40 (f-1) Beginning with the indicators adopted for the  
8-41 2027-2028 school year and as required to meet the goals under  
8-42 Subsection (f), the commissioner shall increase the scores needed  
8-43 to achieve performance standards on indicators adopted under this  
8-44 subchapter only every fifth school year unless an indicator adopted  
8-45 under Subsection (c) requires adjustment before that school year to  
8-46 ensure consistency of performance standards.

8-47 (f-2) To the extent practicable, for each of the two school  
8-48 years preceding a school year the commissioner increases a score  
8-49 under Subsection (f-1), the commissioner shall report, in a manner  
8-50 that can be reviewed by school administrators, the overall  
8-51 performance of school districts and campuses under that increased  
8-52 score.

8-53 (f-3) In reporting the performance of school districts and  
8-54 campuses on indicators adopted under this subchapter for a school  
8-55 year in which the score needed to achieve performance standards on  
8-56 one or more of those indicators was increased under Subsection  
8-57 (f-1), the commissioner shall include in the report an  
8-58 informational report on the performance of districts and campuses  
8-59 during the preceding school year under the increased score.

8-60 (f-4) Notwithstanding Subsection (f), the commissioner may  
8-61 define state standards for an indicator adopted under this  
8-62 subchapter for multiple school years provided that the commissioner  
8-63 annually affirms that those standards are applicable to the current  
8-64 school year. The commissioner is not required to adopt the  
8-65 affirmation described by this subsection by rule.

8-66 SECTION 13. Subchapter C, Chapter 39, Education Code, is  
8-67 amended by adding Section 39.0531 to read as follows:

8-68 Sec. 39.0531. INDUSTRY CERTIFICATION LIST. (a) The agency  
8-69 shall maintain a list of industry certifications that are eligible

9-1 for purposes of Section 39.053(c)(1)(B)(v). In developing the  
 9-2 list, the agency shall consider the inventory of  
 9-3 industry-recognized certifications developed under Section  
 9-4 312.003, Labor Code. The certifications must:

9-5 (1) be aligned to a program of study that, according to  
 9-6 labor market data, prepares students for high-wage, high-skill,  
 9-7 in-demand occupations;

9-8 (2) allow students to demonstrate mastery of the  
 9-9 skills required for occupations within an approved program of  
 9-10 study; and

9-11 (3) be obtained through an assessment of the knowledge  
 9-12 and skills provided by or determined by an independent, third-party  
 9-13 certifying entity using predetermined standards for knowledge,  
 9-14 skills, and competencies.

9-15 (b) The agency shall review the eligibility of industry  
 9-16 certifications under Subsection (a), including whether the  
 9-17 programs of study for those certifications still meet the  
 9-18 requirements under that subsection:

9-19 (1) in consultation with the advisory council  
 9-20 established under Chapter 312, Labor Code; and

9-21 (2) to the extent practicable, concurrently with the  
 9-22 modification of performance standards under Section 39.053(f-1).

9-23 (c) If, after reviewing an industry certification under  
 9-24 Subsection (b), the agency determines the certification is no  
 9-25 longer eligible for purposes of Section 39.053(c)(1)(B)(v) and  
 9-26 should be removed from the list maintained under Subsection (a),  
 9-27 the agency shall, to the extent practicable, post on the agency's  
 9-28 Internet website information regarding the removal of the  
 9-29 certification not later than two years before the date the agency  
 9-30 intends to remove the certification from the list.

9-31 (d) During the three years following an agency's  
 9-32 determination under Subsection (c) that an industry certification  
 9-33 is no longer eligible for purposes of Section 39.053(c)(1)(B)(v), a  
 9-34 school district may receive the benefit of achievement indicators  
 9-35 based on that industry certification for purposes of Section  
 9-36 39.053(c) only for a cohort of students who:

9-37 (1) were participating in the program of study aligned  
 9-38 with that certification during the school year the agency  
 9-39 determines the certification is no longer eligible; and

9-40 (2) earn the certification within the three-year  
 9-41 period.

9-42 SECTION 14. Section 45.105(c), Education Code, is amended  
 9-43 to read as follows:

9-44 (c) Local school funds from district taxes, tuition fees of  
 9-45 students not entitled to a free education, other local sources, and  
 9-46 state funds not designated for a specific purpose may be used for  
 9-47 the purposes listed for state and county available funds and for  
 9-48 purchasing appliances and supplies, paying insurance premiums,  
 9-49 paying janitors and other employees, buying school sites, buying,  
 9-50 building, repairing, and renting school buildings, including  
 9-51 acquiring school buildings and sites by leasing through annual  
 9-52 payments with an ultimate option to purchase, providing advising  
 9-53 support as described by Section 48.0035(1), and educating students  
 9-54 as described by Section 48.0035(2), and, except as provided by  
 9-55 Subsection (c-1), for other purposes necessary in the conduct of  
 9-56 the public schools determined by the board of trustees. The  
 9-57 accounts and vouchers for county districts must be approved by the  
 9-58 county superintendent. If the state available school fund in any  
 9-59 municipality or district is sufficient to maintain the schools in  
 9-60 any year for at least eight months and leave a surplus, the surplus  
 9-61 may be spent for the purposes listed in this subsection.

9-62 SECTION 15. Subchapter A, Chapter 48, Education Code, is  
 9-63 amended by adding Section 48.0035 to read as follows:

9-64 Sec. 48.0035. USE OF FUNDING FOR CERTAIN PURPOSES. A school  
 9-65 district may use funding to which the district is entitled under  
 9-66 this chapter to:

9-67 (1) provide district graduates, during the first two  
 9-68 years after high school graduation, advising support toward the  
 9-69 successful completion of a certificate or degree program at a

10-1 public institution of higher education or a postsecondary  
10-2 vocational training program; and  
10-3 (2) educate a student who has graduated from high  
10-4 school but is enrolled in the district in a program through which  
10-5 the student may earn dual credit, including the Pathways in  
10-6 Technology Early College High School (P-TECH) program under  
10-7 Subchapter N, Chapter 29, and the Rural Pathway Excellence  
10-8 Partnership (R-PEP) program under Section 29.912.

10-9 SECTION 16. Section 48.106, Education Code, is amended by  
10-10 amending Subsection (a-1) and adding Subsections (a-2) and (a-3) to  
10-11 read as follows:

10-12 (a-1) In addition to the amounts under Subsection (a), for  
10-13 each student in average daily attendance enrolled in a campus  
10-14 designated as a P-TECH school under Section 29.556, a district is  
10-15 entitled to \$150 [~~\$50 for each of the following in which the student~~  
10-16 ~~is enrolled:~~

10-17 ~~[(1) a campus designated as a P-TECH school under~~  
10-18 ~~Section 29.556; or~~

10-19 ~~[(2) a campus that is a member of the New Tech Network~~  
10-20 ~~and that focuses on project-based learning and work-based~~  
10-21 ~~education].~~

10-22 (a-2) A district is entitled to funding under Subsection  
10-23 (a-1) for a student who has graduated from high school but is  
10-24 enrolled in the district in a program offered under Subchapter N,  
10-25 Chapter 29, through which the student may earn dual credit. The  
10-26 district is not entitled to any other funding under this chapter for  
10-27 a student described by this subsection.

10-28 (a-3) Notwithstanding Subsection (a), the total amount that  
10-29 may be used to provide allotments under Subsection (a) for courses  
10-30 described by Subsection (b)(1)(A)(ii) for a school year may not  
10-31 exceed \$20 million. If the total amount of allotments to which  
10-32 school districts are entitled under Subsection (a) for those  
10-33 courses for a school year exceeds the amount permitted under this  
10-34 subsection, the commissioner shall proportionately reduce each  
10-35 district's allotment under Subsection (a).

10-36 SECTION 17. Sections 48.106(b)(1) and (1-a), Education  
10-37 Code, are amended to read as follows:

10-38 (1) "Approved career and technology education  
10-39 program":

10-40 (A) means:  
10-41 (i) a sequence of career and technology  
10-42 education courses, including technology applications courses,  
10-43 authorized by the State Board of Education; and

10-44 (ii) courses offered under a Junior Reserve  
10-45 Officers' Training Corps program established under 10 U.S.C.  
10-46 Section 2031; and

10-47 (B) includes only courses that qualify for high  
10-48 school credit.

10-49 (1-a) "Approved program of study" means a course  
10-50 sequence that:

10-51 (A) provides students with the knowledge and  
10-52 skills necessary for success in the students' chosen careers,  
10-53 including the military; and

10-54 (B) is approved by the agency for purposes of the  
10-55 Strengthening Career and Technical Education for the 21st Century  
10-56 Act (Pub. L. No. 115-224).

10-57 SECTION 18. Section 48.118, Education Code, is amended by  
10-58 amending Subsections (a) and (f) and adding Subsections (a-1),  
10-59 (a-2), and (a-3) to read as follows:

10-60 (a) Subject to Subsection (a-1), for [~~For~~] each full-time  
10-61 equivalent student in average daily attendance in grades 9 through  
10-62 12 in a college or career pathway offered through a partnership  
10-63 under the Rural Pathway Excellence Partnership (R-PEP) program  
10-64 under Section 29.912, a school district is entitled to an allotment  
10-65 equal to the basic allotment, or, if applicable, the sum of the  
10-66 basic allotment and the allotment under Section 48.101 to which the  
10-67 district is entitled, multiplied by:

10-68 (1) 1.15 if the student is educationally  
10-69 disadvantaged; or

11-1 (2) 1.11 if the student is not educationally  
11-2 disadvantaged.

11-3 (a-1) A school district is eligible to receive an allotment  
11-4 under Subsection (a) only if the district has adopted a school  
11-5 calendar for that school year that provides for at least:

11-6 (1) 175 instructional days; or

11-7 (2) five instructional days per week for the majority  
11-8 of the school year.

11-9 (a-2) The commissioner may waive the requirement under  
11-10 Subsection (a-1) for a school district for the 2025-2026 school  
11-11 year on application by the district if the district demonstrates  
11-12 that the district has adopted a school calendar for the 2026-2027  
11-13 school year that complies with that subsection. This subsection  
11-14 expires September 1, 2026.

11-15 (a-3) Notwithstanding Subsection (a), a school district  
11-16 described by Section 29.912(c-1) may receive funding under this  
11-17 section for up to 110 percent of the number of students who  
11-18 qualified under Subsection (a) for the school year immediately  
11-19 preceding the school year in which the district's enrollment first  
11-20 reached 1,600 or more.

11-21 (f) The total amount of state funding for allotments and  
11-22 outcomes bonuses under this section may not exceed \$20 [~~\$5~~] million  
11-23 per year. If the total amount of allotments and outcomes bonuses to  
11-24 which school districts are entitled under this section exceeds the  
11-25 amount permitted under this subsection, the agency shall allocate  
11-26 state funding to districts under this section in the following  
11-27 order:

11-28 (1) [~~allotments under Subsection (a) for which school~~  
11-29 ~~districts participating in partnerships prioritized under Section~~  
11-30 ~~29.912(h) are eligible;~~

11-31 [~~(2)~~] allotments under Subsection (a) for which school  
11-32 districts that entered into a memorandum of understanding or letter  
11-33 of commitment regarding a multidistrict pathway partnership, as  
11-34 defined by commissioner rule, before May 1, 2023, are eligible;

11-35 (2) [~~(3)~~] allotments under Subsection (a) for which  
11-36 school districts that have entered into a performance agreement  
11-37 under Section 29.912 with a coordinating entity that is an  
11-38 institution of higher education, as defined by Section 61.003, are  
11-39 eligible;

11-40 (3) [~~(4)~~] allotments under Subsection (a) for which  
11-41 school districts with the highest percentage of students who are  
11-42 educationally disadvantaged, in descending order, are eligible;  
11-43 and

11-44 (4) [~~(5)~~] outcomes bonuses under Subsection (c) for  
11-45 which school districts with the highest percentage of students who  
11-46 are educationally disadvantaged, in descending order, are  
11-47 eligible.

11-48 SECTION 19. Section 48.152(a)(2), Education Code, is  
11-49 amended to read as follows:

11-50 (2) "New instructional facility" includes:

11-51 (A) a newly constructed instructional facility;

11-52 (B) a repurposed instructional facility; [~~and~~]

11-53 (C) a leased facility operating for the first  
11-54 time as an instructional facility with a minimum lease term of not  
11-55 less than 10 years; and

11-56 (D) a renovated portion of an instructional  
11-57 facility to be used for the first time to provide high-cost and  
11-58 undersubscribed career and technology education programs, as  
11-59 determined by the commissioner.

11-60 SECTION 20. Section 48.152(f), Education Code, is amended  
11-61 to read as follows:

11-62 (f) The amount appropriated for allotments under this  
11-63 section may not exceed \$150 [~~\$100~~] million in a school year. If the  
11-64 total amount of allotments to which districts are entitled under  
11-65 this section for a school year exceeds the amount appropriated  
11-66 under this subsection, the commissioner:

11-67 (1) shall reduce each district's allotment under this  
11-68 section in the manner provided by Section 48.266(f); and

11-69 (2) for new instructional facilities described by

12-1 Subsection (a)(2)(D), may remove a career and technology education  
12-2 program from the list of programs that qualify under that  
12-3 subsection.

12-4 SECTION 21. The heading to Section 48.155, Education Code,  
12-5 is amended to read as follows:

12-6 Sec. 48.155. COLLEGE PREPARATION AND CAREER READINESS  
12-7 ASSESSMENT REIMBURSEMENT.

12-8 SECTION 22. Section 48.156, Education Code, is amended to  
12-9 read as follows:

12-10 Sec. 48.156. CERTIFICATION EXAMINATION REIMBURSEMENT. (a)  
12-11 A school district is entitled to reimbursement for the amount of a  
12-12 subsidy paid by the district for not more than two [a student's]  
12-13 certification examinations per student [examination] under Section  
12-14 29.190(a), including costs paid for associated fingerprinting or  
12-15 criminal history record information review, as provided by Section  
12-16 29.190(c).

12-17 (b) Notwithstanding Subsection (a), the total amount that  
12-18 may be used for reimbursement under that subsection for a school  
12-19 year may not exceed \$15 million, of which not more than \$500,000 may  
12-20 be used to reimburse the costs of fingerprinting or criminal  
12-21 history record information review. If the total amount to which  
12-22 school districts are entitled under Subsection (a) exceeds the  
12-23 amount permitted under this subsection, the commissioner shall  
12-24 proportionately reduce each school district's entitlement under  
12-25 this section.

12-26 SECTION 23. (a) This section takes effect only if S.B.  
12-27 1786, 89th Legislature, Regular Session, 2025, becomes law.

12-28 (b) Section 204.0025, Labor Code, is amended to read as  
12-29 follows:

12-30 Sec. 204.0025. ADDITIONAL WORKFORCE DATA REPORTING. The  
12-31 commission shall [It is the intent of the legislature that the  
12-32 commission, subject to the availability of federal funding or other  
12-33 resources for the purpose,] work with employers to enhance the  
12-34 reporting of employment and earnings data by employers to the  
12-35 commission as part of an employer's routine wage filings under this  
12-36 subtitle or commission rule and consistent with federal law and  
12-37 regulations. The enhanced wage filings must include information  
12-38 related to wage, industry, occupational field, full-time and  
12-39 part-time status, county of primary employment, remote work status,  
12-40 [occupation] and other important employment information necessary  
12-41 to conduct the assessment required under Section 302.0205 [that  
12-42 would improve the state's labor market information].

12-43 SECTION 24. (a) This section takes effect only if S.B.  
12-44 1786, 89th Legislature, Regular Session, 2025, does not become law.

12-45 (b) Section 204.0025, Labor Code, is amended to read as  
12-46 follows:

12-47 Sec. 204.0025. ADDITIONAL WORKFORCE DATA REPORTING. The  
12-48 commission shall [It is the intent of the legislature that the  
12-49 commission, subject to the availability of federal funding or other  
12-50 resources for the purpose,] work with employers to enhance the  
12-51 reporting of employment and earnings data by employers to the  
12-52 commission as part of an employer's routine wage filings under this  
12-53 subtitle or commission rule and consistent with federal law and  
12-54 regulations. The enhanced wage filings must include information  
12-55 related to wage, industry, occupational field, full-time and  
12-56 part-time status, county of primary employment, remote work status,  
12-57 [occupation] and other important employment information that would  
12-58 improve the state's labor market information.

12-59 SECTION 25. The heading to Section 312.003, Labor Code, is  
12-60 amended to read as follows:

12-61 Sec. 312.003. INVENTORY OF CERTIFICATIONS [CREDENTIALS AND  
12-62 CERTIFICATES].

12-63 SECTION 26. Sections 312.003(a), (b), (c), and (d), Labor  
12-64 Code, are amended to read as follows:

12-65 (a) The advisory council shall develop an inventory of  
12-66 industry-recognized certifications [credentials and certificates]  
12-67 that may be earned by a public high school student through a career  
12-68 and technology education program and that:

12-69 (1) are aligned to state and regional workforce needs;

13-1 [~~and~~]  
13-2 (2) serve as an entry point to middle- and high-wage  
13-3 jobs; and  
13-4 (3) meet the requirements of Section 39.0531(a),  
13-5 Education Code.

13-6 (b) The inventory must include for each certification  
13-7 [~~credential or certificate~~]:

- 13-8 (1) the associated career cluster;
- 13-9 (2) the awarding entity;
- 13-10 (3) the level of education required and any additional  
13-11 requirements for the certification [~~credential or certificate~~];
- 13-12 (4) any fees for obtaining the certification  
13-13 [~~credential or certificate~~]; and
- 13-14 (5) the average wage or salary for jobs that require or  
13-15 prefer the certification [~~credential or certificate~~].

13-16 (c) In developing the inventory, the advisory council may  
13-17 consult with local workforce boards, the Texas Workforce Investment  
13-18 Council, the Texas Economic Development and Tourism Office, the  
13-19 Texas Education Agency, and the Texas Higher Education Coordinating  
13-20 Board.

13-21 (d) The advisory council shall establish a process for  
13-22 developing the inventory, including the criteria for the inclusion  
13-23 of a certification [~~credential or certificate~~] in the inventory.

13-24 SECTION 27. Section 29.912(h), Education Code, is repealed.

13-25 SECTION 28. The Texas Education Agency shall first update  
13-26 the statewide goal for career readiness created under Section  
13-27 7.043(a), Education Code, as added by this Act, in accordance with  
13-28 Subsection (b) of that section not later than the 2028-2029 school  
13-29 year.

13-30 SECTION 29. Sections 28.0095(c-1) and 29.9016, Education  
13-31 Code, as added by this Act, and Sections 29.190, 29.912, 33.007(b),  
13-32 and 39.0261(a), Education Code, as amended by this Act, apply  
13-33 beginning with the 2025-2026 school year.

13-34 SECTION 30. The changes in law made by Section 39.053,  
13-35 Education Code, as amended by this Act, and Section 39.0531,  
13-36 Education Code, as added by this Act, apply to accountability  
13-37 ratings beginning with the 2027-2028 school year.

13-38 SECTION 31. (a) Except as provided by Subsection (b) of  
13-39 this section and as otherwise provided by this Act, this Act takes  
13-40 effect immediately if it receives a vote of two-thirds of all the  
13-41 members elected to each house, as provided by Section 39, Article  
13-42 III, Texas Constitution. If this Act does not receive the vote  
13-43 necessary for immediate effect, this Act takes effect September 1,  
13-44 2025.

13-45 (b) The amendments by this Act to Chapter 48, Education  
13-46 Code, take effect September 1, 2025.

13-47 \* \* \* \* \*