

## **BILL ANALYSIS**

Senate Research Center

H.B. 5264  
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Natural Resources & Economic Development  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, career schools and colleges have little review and oversight of the quality and value of education they provide to students, which many argue is insufficient. Implementing performance indicators for career schools and colleges will protect students by making sure they are not wasting time, money, or other resources on substandard programs. Furthermore, these indicators will help employers recognize strong employees and keep the public safe by ensuring our truck drivers, nursing aides, and other professionals have received appropriate training. H.B. 5264 seeks to provide these standards by requiring the Texas Workforce Commission to set performance indicators for the purpose of measuring and evaluating the quality of learning and achievement of students enrolled in programs operated by career schools and colleges.

H.B. 5264 amends current law relating to the adoption and use of certain performance indicators to measure and evaluate career school or college programs.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Workforce Commission is modified in SECTION 1 (Section 132.027, Education Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 132, Education Code, by adding Section 132.027, as follows:

Sec. 132.027. PERFORMANCE INDICATORS. (a) Requires the Texas Workforce Commission (TWC) to adopt a set of performance indicators for the purpose of measuring and evaluating the quality of the learning and achievement of students enrolled in programs operated by career schools or colleges. Requires TWC periodically to review the indicators and make appropriate revisions based on that review.

(b) Requires that the performance indicators adopted under Subsection (a) allow for the assessment of a career school or college program with respect to:

- (1) industry recognition of the program and the corresponding value that industry attaches to the program and to any certifications or licenses related to the program;
- (2) the rate at which students are able to successfully complete the program;
- (3) the availability of a program-related certification or license after a student completes the program;
- (4) the likelihood that a certification or license related to the program will:
  - (A) lead to postsecondary work, an apprenticeship program, or established industry credentials; or

(B) support employment in this state;

(5) whether a program-related certification or license will be awarded by an independent third-party organization using predetermined standards for knowledge, skills, and competencies; and

(6) the inclusion of accepted best practices for the program that align to best practices contained in:

(A) widely accepted industry standards; or

(B) standards established by an independent third-party organization with expertise in gathering information from employers related to the value attached to any certifications or licenses related to the program.

(c) Requires TWC to:

(1) develop a methodology for determining the minimum acceptable standards for a career school or college based on the performance indicators adopted under Subsection (a); and

(2) evaluate annually 20 percent of career school and college programs in this state for compliance with the minimum acceptable standards described by Subdivision (1).

(d) Provides that a career school or college offering a program that fails to meet the minimum standards developed under Subsection (c) is ineligible to enter into a contract with a local workforce development board with respect to that program.

(e) Requires TWC, not later than September 1 of each year, to publish a list of each career school and college program that has been reviewed by TWC and that meets the minimum acceptable standards developed under Subsection (c).

(f) Requires that the rules adopted by TWC under Section 132.021 (Texas Workforce Commission) include rules for the periodic review of performance indicators.

SECTION 2. Requires TWC, not later than September 1, 2025, to publish the initial list required under Section 132.027(e), Education Code, as added by this Act.

SECTION 3. Effective date: September 1, 2023.