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| BILL ANALYSIS |

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| C.S.H.B. 120 |
| By: Bell, Keith |
| Public Education |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE** According to projections from the Center on Education and the Workforce at Georgetown University, over 60 percent of jobs in Texas will require education beyond a high school diploma by 2030, which presents a pressing need to equip students with the necessary skills to thrive in a dynamic economy. In response to this imperative, Governor Abbott declared the expansion of career training programs as an emergency item for the 89th Legislative Session. C.S.H.B. 120 seeks to fulfill the governor's directive to prioritize career training and enhance Texas students' career and technology education opportunities by building upon existing programs, such as the Rural Pathway Excellence Partnership (R-PEP), while introducing new initiatives, such as the high school advising program and military pathway grant program, to ensure students have access to high-quality career training and advising and to enable Texas students to seamlessly transition from education to employment. |
| **CRIMINAL JUSTICE IMPACT**It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY** It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of education in SECTIONS 6, 8, and 11 of this bill. |
| **ANALYSIS** C.S.H.B. 120 amends the Education Code to extend the eligibility for enrollment at no cost in a dual credit course under the Financial Aid for Swift Transfer (FAST) program to a student who is otherwise eligible for that enrollment but does not satisfy the requirement to be enrolled in high school in a public school district or an open-enrollment charter school, has graduated from high school, and satisfies the following criteria:* is enrolled in a district or charter school at a campus designated as a Pathways in Technology Early College High School (P-TECH) school or in a district participating in a partnership under the Rural Pathway Excellence Partnership (R-PEP) program; and
* is completing a course of study offered through an articulation agreement or memorandum of understanding with a public institution of higher education and the district or charter school, as applicable, under the P-TECH program or the R-PEP program.

C.S.H.B. 120 includes among the required components of the state plan for career and technology education procedures designed to ensure that a course of study offered under a Junior Reserve Officers' Training Corps (JROTC) program established under federal law is considered a career and technology education program. C.S.H.B. 120 increases from one to two the maximum number of subsidies that a student who successfully completes an applicable career and technology program or who is enrolled in a special education program may receive for an industry certification examination that the student passes. The bill changes the certification examination for which a teacher who passes the examination is entitled to a subsidy from an examination related to cybersecurity to an examination related to career and technology education. Effective September 1, 2025, the bill changes from one to not more than two per student the number of certification examinations for which a district is entitled to reimbursement for subsidizing a student's industry certification examination.C.S.H.B. 120 requires the Texas Education Agency (TEA) to establish a military pathway grant program to provide money to districts to implement a program under which the district does the following:* establishes a JROTC program for students enrolled in high school in the district;
* annually administers the Armed Services Vocational Aptitude Battery test to each student participating in that program; and
* provides career counseling at least once per year to each student administered the Armed Services Vocational Aptitude Battery test under the bill based on the results of the test.

The bill sets the amount of each grant awarded under the grant program at $50,000 and caps the total amount of grants that may be awarded under the program for a school year at $2 million. C.S.H.B. 120 authorizes a district that has participated in the R‑PEP program to continue to participate in the program regardless of the number of students in average daily attendance (ADA) in the district for the current school year. The bill removes a portion of state funds allocated under provisions relating to the R‑PEP program allotment and outcomes bonus from the funding sources that the commissioner of education must use to make grants available for use by a coordinating entity for a two-year period to assist with costs associated with the planning, development, establishment, or expansion, as applicable, of partnerships under the R‑PEP program. The bill repeals the requirement for the commissioner, in authorizing partnerships to participate in the R‑PEP program, to give priority to partnerships in which participating districts contract with a coordinating entity that has at least two years' experience or employs an executive officer with at least two years' experience managing college and career pathways under a performance contract.C.S.H.B. 120 requires TEA to establish a high school advising program through which participating districts and charter schools provide college or career advising supports to students, either by hiring employees or contracting with service providers. The bill requires a district or charter school participating in the advising program to have at least one partnership agreement with the following entities:* if the district or charter school provides college advisors, a public institution of higher education to support students to transition successfully from high school graduation to college enrollment, persistence, and completion; and
* if the district or charter school provides career advisors, an employer, a local workforce board, or a vocational program at an institution of higher education.

An advisor under the program must be trained in practices relating to college advising to serve as a college advisor and practices relating to career advising to serve as a career advisor. The bill prohibits a full-time equivalent advisor under the program from having a caseload of more than 200 students in grade levels 9 through 12 and requires such an advisor to prioritize students in grade levels 11 and 12. C.S.H.B. 120 authorizes the commissioner to adopt rules as necessary to implement the advising program and requires the commissioner, in adopting rules, to consult with the Texas Workforce Commission and the Texas Higher Education Coordinating Board. C.S.H.B. 120 establishes that its provisions relating to extended eligibility for enrollment in a dual credit course under the FAST program, subsidies for certain students who pass industry certification examinations and for teacher certification examinations related to career and technology education, the military pathway grant program, a district's continued participation in the R-PEP program regardless of ADA and the removal of certain funds for grants to assist a coordinating entity with partnership costs under the R‑PEP program, and high school advising program apply beginning with the 2025-2026 school year. C.S.H.B. 120 establishes a high school advising allotment for each full-time equivalent advisor or contracted service provider under the advising program. The bill entitles a district to $30,000 for each advisor or provider but caps the total number of advisors for whom a district may receive the allotment at the quotient of, rounded up to the nearest whole number, the number of students enrolled in the district in grade levels 9 through 12 divided by 200. The bill requires the commissioner, beginning with the fifth school year for which a district receives the allotment, to reduce the district's allotment by 20 percent for each school year unless the district's performance under statutory provisions relating to the college, career, or military readiness outcomes bonus for the preceding school year satisfies one of the following conditions:* exceeded the average of the district's performance under those provisions for the two school years preceding that school year;
* was in the top 25 percent of statewide performance under those provisions; or
* established that at least 40 percent of the district's educationally disadvantaged annual graduates demonstrated college, career, or military readiness as described under those provisions.

The bill's provisions relating to the high school advising allotment take effect September 1, 2025.C.S.H.B. 120 includes a nationally recognized career readiness test that measures foundational workforce skills approved by commissioner rule among the tests that high school students in the spring of the 11th grade or during the 12th grade may select and take once, at state cost.C.S.H.B. 120, effective September 1, 2025, includes among the students who are entitled to the benefits of the foundation school program a student who, on September 1 of the school year, is at least 5 years of age and under 21 years of age and has graduated from high school but satisfies the following criteria:* is enrolled in a district at a campus designated as a P-TECH school or in a district participating in a partnership under the R-PEP program; and
* is completing a course of study offered through an articulation agreement or memorandum of understanding with an institution of higher education and the district, as applicable, under the P-TECH program and the R-PEP program, regardless of whether the student is enrolled in the district providing the course of study.

C.S.H.B. 120, effective September 1, 2025, authorizes a district to use funding to which the district is entitled under the foundation school program for the following purposes:* providing district graduates, during the first two years after high school graduation, advising support toward the successful completion of a certificate or degree program at an institution of higher education or a postsecondary vocational training program; and
* educating a student who has graduated from high school but is enrolled in the district in a program through which the student may earn dual credit, including the P‑TECH program and the R‑PEP program.

The bill includes these purposes among the purposes for which a district may use local school funds from district taxes, tuition fees of students not entitled to a free education, other local sources, and state funds not designated for a specific purpose.C.S.H.B. 120, effective September 1, 2025, requires the commissioner by rule to establish the method for determining average enrollment for purposes of funding provided based on average enrollment under statutory provisions relating to assistance with instructional facilities and the payment of existing debt and the foundation school program.C.S.H.B. 120, effective September 1, 2025, revises the provision entitling a district to $50 for each student in ADA enrolled at a campus designated as a P‑TECH school or that is a member of the New Tech Network and focuses on project-based learning and work-based education as follows:* changes the basis on which the entitlement is calculated from each student in ADA to each student in average enrollment; and
* increases the amount of the entitlement from $50 to $150.

C.S.H.B. 120, effective September 1, 2025, includes courses offered under a JROTC program that qualify for high school credit among approved career and technology education programs for purposes of the career and technology education allotment. Accordingly, the bill specifies that an approved program of study for purposes of the allotment includes a course sequence that provides students with the knowledge and skills necessary for success in military careers and is approved by TEA.C.S.H.B. 120, effective September 1, 2025, authorizes a district that has participated in the R‑PEP program and continues to participate in the R‑PEP program regardless of the number of students in ADA in the district for the current school year to receive funding under provisions relating to the R-PEP program allotment and outcomes bonus for up to 110 percent of the number of students who qualified for the allotment for the school year immediately preceding the school year in which the district's enrollment first reached 1,600 or more. The bill repeals a provision providing for a $5 million cap on the total amount of state funding for R-PEP allotments and outcomes bonuses per year.C.S.H.B. 120 includes in the definition of "new instructional facility," for purposes of the new instructional facility allotment, a renovated portion of an instructional facility to be used for the first time to provide high-cost and undersubscribed career and technology education programs, as determined by the commissioner. The bill raises from $100 million to $150 million the cap on the amount that may be appropriated in a school year for new instructional facility allotments. The bill authorizes the commissioner to remove a career and technology education program from the programs that, if provided in such a renovated portion of an instructional facility, qualify for the allotment if the total amount of the new instructional facility allotments to which districts are entitled exceeds the amount appropriated. These provisions relating to the new instructional facility allotment take effect September 1, 2025.C.S.H.B. 120 repeals Sections 29.912(h) and 48.118(f), Education Code. |
| **EFFECTIVE DATE** Except as otherwise provided, on passage, or, if the bill does not receive the necessary vote, September 1, 2025. |
| **COMPARISON OF INTRODUCED AND SUBSTITUTE**While C.S.H.B. 120 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.The substitute includes a provision absent from the introduced extending eligibility for enrollment at no cost in a dual credit course under the FAST program to certain students who have graduated from high school but are enrolled in a district or charter school at a campus designated as a P-TECH school or in a district participating in the R-PEP program and are completing a course of study offered through an articulation agreement or memorandum of understanding with an institution of higher education and the district or charter school, as applicable, under the P-TECH or R-PEP program.The substitute includes provisions absent from the introduced that do the following with respect to certification examinations subsidies and reimbursement:* increase from one to two the maximum number of subsidies that an eligible student may receive for an industry certification examination;
* change the certification examination for which an eligible teacher is entitled to a subsidy from an examination related to cybersecurity to an examination related to career and technology education; and
* change from one to not more than two per student the maximum number of certification examinations for which a district is entitled to reimbursement for subsidizing a student's industry certification examination.

The substitute includes a specification absent from the introduced that the caseload limit of 200 students for a full-time equivalent advisor under the high school advising program applies with respect to grade levels 9 through 12.The substitute includes a provision absent from the introduced including a nationally recognized career readiness test that measures foundational workforce skills approved by commissioner rule among the tests that high school students in the spring of the 11th grade or during the 12th grade may select and take once at state cost.The substitute includes a provision absent from the introduced including among the students who are entitled to the benefits of the foundation school program a student who satisfies the applicable age criteria and has graduated from high school but is enrolled in a district at a campus designated as a P-TECH school or in a district participating in the R-PEP program and is completing a course of study offered through an articulation agreement or memorandum of understanding with an institution of higher education and the district, as applicable, under the P-TECH program and the R-PEP program, regardless of whether the student is enrolled in the district providing the course of study.The substitute omits a provision that appeared in the introduced entitling a district to certain funding for a student who has graduated from high school but is enrolled in the district in a program offered under the P-TECH program through which the student may earn dual credit and establishing that the district is not entitled to any other funding under the foundation school program for such a student.The substitute omits a provision that appeared in the introduced requiring a partnership under the R-PEP program to offer at least one of the following programs of study to be eligible for funding under the R-PEP program allotment: computer programming and software development or a specialized skilled trade.The substitute revises provisions of the introduced relating to the high school advising allotment as follows: * the substitute decreases the amount of the allotment to which a district is entitled for each full-time equivalent advisor or contracted service provider under the high school advising program from $50,000, as in the introduced, to $30,000; and
* the substitute changes the cap on the total number of advisors for whom a district may receive such an allotment from the quotient of, rounded up to the nearest whole number, the number of students enrolled in the district in grade levels 11 and 12 divided by 200, as in the introduced, to the quotient of, rounded up to the nearest whole number, the number of students enrolled in the district in grade levels 9 through 12 divided by 200.

The introduced repealed provisions entitling a district to annual R-PEP program outcomes bonuses for annual graduates in certain cohorts who obtain a postsecondary credential of value in excess of the minimum number of students determined by the commissioner, whereas the substitute does not repeal those provisions. |