

BILL ANALYSIS

Senate Research Center

H.B. 120
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Education K-16
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas economy has become increasingly dependent on skilled and knowledgeable workers. By 2030, more than 60 percent of jobs in Texas will require education or training beyond a high school diploma. However, fewer than 50 percent of Texans earn a postsecondary credential. To address this deficit and prepare students for high-wage, high-demand careers in a modern economy, Texas must make continued investments in career and technical education. In fact, Governor Abbott declared the expansion of career training programs as an emergency item for the 89th Legislature.

H.B. 120 seeks to further expand career training opportunities in high schools by building upon existing, successful programs related to career and technology education and establishing new initiatives. Specifically, H.B. 120 improves or further funds the new instructional facility allotment and career and technology education, Rural Pathway Excellence Partnership Program (R-PEP), and Pathways in Technology Early College High School (P-TECH) programs. H.B. 120 also establishes the high school advising program and military pathway grant program.

H.B. 120 amends current law relating to career and technology education programs in public schools, the Financial Aid for Swift Transfer (FAST) program, the Rural Pathway Excellence Partnership (R-PEP) program, and a high school advising program, including funding for those programs under the Foundation School Program, and to the new instructional facility allotment and the permissible uses of funding under the Foundation School Program.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the commissioner of education in SECTION 6 (Section 29.939, Education Code) and SECTION 11 (Section 48.005, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 28.0095, Education Code, by adding Subsection (c-1), as follows:

(c-1) Provides that, notwithstanding Subsection (c)(1)(A) (relating to providing that a student is eligible to enroll at no cost if the student is enrolled in a high school in a school district or charter school), a student otherwise described by Subsection (c) (relating to providing that a student is eligible if the student meets certain criteria) is eligible to enroll at no cost in a dual credit course under the Financial Aid for Swift Transfer (FAST) program if the student has graduated from high school but is:

(1) enrolled in a school district or open-enrollment charter school at a campus designated as a Pathways in Technology Early College High School (P-TECH) school under Section 29.556 (P-TECH School Designation and Grant Program) or in a school district participating in a partnership under Section 29.912 (Rural Pathway Excellence Partnership (P-REP) Program); and

(2) completing a course of study offered through an articulation agreement or memorandum of understanding with an institution of higher education and the district or school described by Subdivision (1), as applicable, under the P-TECH

program under Subchapter N (Pathways in Technology Early College High School (P-TECH) Program), Chapter 29 (Educational Programs), or the Rural Pathway Excellence Partnership (R-PEP) program under Section 29.912.

SECTION 2. Amends Section 29.182(b), Education Code, to require that the state plan for career and technology education include procedures designed to ensure certain outcomes, including that a course of study offered under a Junior Reserve Officers' Training Corps program established under 10 U.S.C. Section 2031 is considered a career and technology education program and to make nonsubstantive changes.

SECTION 3. Amends Sections 29.190(a-1) and (b), Education Code, as follows:

(a-1) Prohibits a student from receiving more than two subsidies, rather than one subsidy, under Section 29.190 (Subsidy for Certification Examination).

(b) Provides that a teacher is entitled to a subsidy under this section if the teacher passes a certification examination related to career and technology education, rather than cybersecurity.

SECTION 4. Amends Subchapter Z, Chapter 29, Education Code, by adding Section 29.9016, as follows:

Sec. 29.9016. MILITARY PATHWAY GRANT PROGRAM. (a) Requires the Texas Education Agency (TEA) to establish a grant program to provide money to school districts to implement a program under which the district:

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

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

(3) provides career counseling at least once per year to each student administered the Armed Services Vocational Aptitude Battery test under Subdivision (2) based on the results of the test.

(b) Provides that the amount of each grant awarded under the grant program is \$50,000.

(c) Prohibits the total amount of grants awarded under the grant program for a school year from exceeding \$2 million.

SECTION 5. Amends Section 29.912, Education Code, by adding Subsection (c-1) and amending Subsections (e) and (j), as follows:

(c-1) Authorizes a school district that has participated in the R-PEP program to continue to participate in the R-PEP program regardless of the number of students in average daily attendance in the district for the current school year.

(e) Deletes existing text providing that an employee is eligible for membership under this subsection if a partnership would be authorized to participate in the R-PEP program, as determined by the commissioner of education (commissioner), but for the maximum expenditure established in Section 48.118(f) (relating to prohibiting the total amount of state funding for allotments and outcomes bonuses from exceeding \$5 million per year).

(j) Requires the commissioner 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 program using money appropriated for that purpose, federal funds, and any other funds available, rather

than using a portion of state funds allocated under Section 48.118 (Rural Pathway Excellence Partnership (R-PEP) Allotments and Outcome Bonus) as well as money appropriated for that purpose, federal funds, and any other funds available.

SECTION 6. Amends Subchapter C, Chapter 29, Education Code, by adding Section 29.939, as follows:

Sec. 29.939. HIGH SCHOOL ADVISING PROGRAM. (a) Defines "institution of higher education" and "private or independent institution of higher education."

(b) Requires TEA to establish a high school advising program through which participating school districts and open-enrollment charter schools provide college, career, and military advising supports to students, either by hiring employees or contracting with service providers.

(c) Requires a school district or open-enrollment charter school participating in the program to have at least one partnership agreement with certain entities.

(d) Requires each advisor under the program to be trained in practices relating to college, career, and military advising, and supported by additional guidance provided by TEA.

(e) Provides that a full-time equivalent advisor under the program is prohibited from having a caseload of more than 200 students and is required to prioritize students in grade levels 11 and 12 and spend at least 80 percent of the advisor's time on college, career, and military advising.

(f) Authorizes the commissioner to adopt rules as necessary to implement this section. Requires the commissioner, in adopting rules, to consult with the Texas Workforce Commission and the Texas Higher Education Coordinating Board.

SECTION 7. Amends the heading to Section 39.0261, Education Code, to read as follows:

Sec. 39.0261. COLLEGE PREPARATION AND CAREER READINESS ASSESSMENTS.

SECTION 8. Amends Section 39.0261, Education Code, as follows:

(a) Provides that, in addition to the assessment instruments otherwise authorized or required by Subchapter B (Assessment of Academic Skills), high school students in the spring of the 11th grade or during the 12th grade are authorized to select and take once, at state cost, certain assessments, including a nationally recognized career readiness assessment instrument that measures foundational workforce skills approved by commissioner rule. Makes nonsubstantive changes.

SECTION 9. Amends Section 45.105(c), Education Code, as follows:

(c) Authorizes 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 to be used for the purposes listed for state and county available funds and for purchasing appliances and supplies, paying insurance premiums, paying janitors and other employees, buying school sites, buying, building, repairing, and renting school buildings, including acquiring school buildings and sites by leasing through annual payments with an ultimate option to purchase, providing advising support as described by Section 48.0035(1), and educating students as described by Section 48.0035(2), and, except as provided by Subsection (c-1) (relating to prohibiting funds described by Subsection (c) from being used to initiate or maintain any action or proceeding against the state or entity of the state), for other purposes necessary in the conduct of the public schools determined by the board of trustees.

SECTION 10. Amends Section 48.003(a), Education Code, as follows:

(a) Provides that a student is entitled to the benefits of the Foundation School Program if, on September 1 of the school year, the student:

(1) is 5 years of age or older and under 21 years of age and:

(A) creates this paragraph from existing text and makes a nonsubstantive change; or

(B) has graduated from high school but is:

(i) enrolled in a school district at a campus designated as a P-TECH school under Section 29.556 or in a school district participating in a partnership under Section 29.912; and

(ii) completing a course of study offered through an articulation agreement or memorandum of understanding with an institution of higher education, as defined by Section 61.003, and the district described by Subparagraph (i), as applicable, under the P-TECH program under Subchapter N, Chapter 29, and the R-PEP program under Section 29.912, regardless of whether the student is enrolled in the district providing the course of study;

(2) creates this subdivision from existing text and makes no further changes; or

(3) redesignates existing Subdivision (2) as Subdivision (3) and makes no further changes.

SECTION 11. Amends Subchapter A, Chapter 48, Education Code, by adding Sections 48.0035 and 48.0055, as follows:

Sec. 48.0035. **USE OF FUNDING FOR CERTAIN PURPOSES.** Authorizes a school district to use funding to which the district is entitled under Chapter 48 (Foundation School Program) to:

(1) provide district graduates, during the first two years after high school graduation, advising support toward the successful completion of a certificate or degree program at a public institution of higher education or a postsecondary vocational training program; and

(2) educate 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 under Subchapter N, Chapter 29, and the R-PEP program under Section 29.912.

Sec. 48.0055. **ENROLLMENT-BASED FUNDING.** Requires the commissioner by rule to establish the method for determining average enrollment for purposes of funding provided based on average enrollment under Chapter 46 (Assistance With Instructional Facilities and Payment of Existing Debt) and this chapter.

SECTION 12. Amends Section 48.106(a-1), Education Code, as follows:

(a-1) Provides that, in addition to the amounts under Subsection (a) (relating to entitling a district to an annual allotment equal to certain amounts), for each student in average enrollment, rather than daily attendance, a district is entitled to \$150, rather than \$50, for certain programs in which a student is enrolled.

SECTION 13. Amends Section 48.106(b)(1) and (1-a), Education Code, to redefine "approved career and technology education program" and "approved program of study."

SECTION 14. Amends Section 48.118, Education Code, by adding Subsection (a-1), as follows:

(a-1) Authorizes a school district described by Section 29.912(c-1), notwithstanding Subsection (a) (relating to entitling a school district to an allotment equal to certain amounts), to receive funding under this section for up to 110 percent of the number of students who qualified under Subsection (a) for the school year immediately preceding the school year in which the district's enrollment first reached 1,600 or more.

SECTION 15. Amends Section 48.152(a)(2), Education Code, to redefine "new instructional facility."

SECTION 16. Amends Section 48.152(f), Education Code, as follows:

(f) Prohibits the amount appropriated for allotments under Section 48.152 (New Instructional Facility Allotment) from exceeding \$150 million, rather than \$100 million, in a school year. Provides that, if the total amount of allotments to which districts are entitled under this section for a school year exceeds the amount appropriated under this subsection, the commissioner, for new instructional facilities described by Subsection (a)(2)(D) (relating to defining new instructional facility), is authorized to remove a career and technology education program from the list of programs that qualify under that subsection. Makes nonsubstantive changes.

SECTION 17. Amends the heading to Section 48.155, Education Code, to read as follows:

Sec. 48.155. COLLEGE PREPARATION AND CAREER READINESS ASSESSMENT REIMBURSEMENT.

SECTION 18. Amends Section 48.156, Education Code, as follows:

Sec. 48.156. CERTIFICATION EXAMINATION REIMBURSEMENT. Provides that a school district is entitled to reimbursement for the amount of a subsidy paid by the district for not more than two certification examinations, rather than for a student's certification examination, under Section 29.190(a) (relating to entitling a student to a subsidy under this section if the student meets certain requirements) as provided by Section 29.190(c) (relating to requiring TEA, on approval by the commissioner, to pay each school district certain amounts).

SECTION 19. Amends Subchapter D, Chapter 48, Education Code, by adding Section 48.162, as follows:

Sec. 48.162. HIGH SCHOOL ADVISING ALLOTMENT. (a) Provides that, subject to Subsections (b) and (c), for each full-time equivalent advisor or contracted service provider under the high school advising program established under Section 29.939, a school district is entitled to \$40,000.

(b) Provides that the number of advisors for whom a school district is authorized to receive an allotment under this section is prohibited from exceeding the quotient of, rounded up to the nearest whole number, the number of students enrolled in the district in grade levels 11 through 12 and 200.

(c) Requires the commissioner, subject to Subsection (d), beginning with the fifth school year for which a school district receives an allotment under this section, to reduce the district's allotment by 20 percent for each school year.

(d) Provides that Subsection (c) does not apply to a school district whose performance under Section 48.110 for the preceding school year exceeded the average of the district's performance under that section for the two school years preceding that school year, was in the top 25 percent of statewide performance under that section, or established that at least 40 percent of the district's

educationally disadvantaged annual graduates demonstrated college, career, or military readiness as described by Section 48.110(f).

SECTION 20. Repealers: Sections 29.912(h) (relating to requiring the commissioner to give priority to partnerships in which participating districts contract with certain coordinating entities) and 48.118(f) (relating to prohibiting the total amount of state funding for allotments and outcomes bonuses from exceeding \$5 million per year), Education Code.

SECTION 21. Provides that Sections 28.0095(c-1), 29.9016, and 29.939, Education Code, as added by this Act, and Sections 29.190 and 29.912, Education Code, as amended by this Act, apply beginning with the 2025-2026 school year.

SECTION 22. (a) Effective date, except as provided by Subsection (b) of this section: upon passage or September 1, 2025.

(b) Effective date, the amendments by this Act to Chapter 48, Education Code: September 1, 2025.