

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

1-9		Yea	Nay	Absent	PNV
1-10	Creighton	X			
1-11	Campbell	X			
1-12	Bettencourt	X			
1-13	Hagenbuch	X			
1-14	Hinojosa of Nueces	X			
1-15	King	X			
1-16	Menéndez	X			
1-17	Middleton	X			
1-18	Parker	X			
1-19	Paxton	X			
1-20	West	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

Internet website the following de-identified data, disaggregated by school district or open-enrollment charter school, high school campus, and annual cohort for the 10 most recent annual cohorts:

(1) for students who graduate from high school:

(A) the number and percentage of students who enroll in, enroll in remedial postsecondary coursework as part of, persist for at least one year in, or complete a postsecondary degree, certificate, or other credentialing program, disaggregated by program and postsecondary educational institution; and

(B) employment status, occupation, industry, wage, and county of employment and residence, as reported under Section 204.0025, Labor Code; and

(2) for students who did not graduate from high school:

(A) the highest grade level completed;

(B) the number of uncompleted credits required for the student to graduate;

(C) employment status, occupation, industry, wage, and county of employment and residence, as reported under Section 204.0025, Labor Code; and

(D) whether the student has earned a high school equivalency certificate.

(b) The agency shall post the data required under Subsection (a) in a manner that complies with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) and may, if necessary to comply with that act, create a private portal for school district board of trustees or open-enrollment charter school governing body members, school administrators, and school counselors at a high school to access data for the member's, administrator's, or counselor's school district or open-enrollment charter school.

(c) The agency shall ensure the data posted under Subsection (a) is made available to:

(1) school district board of trustees and open-enrollment charter school governing body members and superintendents to assist in adopting college, career, and military readiness plans under Section 11.186; and

(2) school counselors at a high school to assist the counselors in performing the duties under Section 33.007.

Sec. 7.043. STATEWIDE GOAL FOR CAREER READINESS. (a) Using the data posted under Section 7.0405(a), the agency shall create a quantifiable statewide goal for public school students to achieve career readiness, including by attaining a workforce-aligned credential while in high school.

(b) The agency shall update the goal created under Subsection (a) at least once every five years.

SECTION 3. Section 11.186, Education Code, is amended by amending Subsections (b) and (c) and adding Subsections (d), (e), and (f) to read as follows:

(b) Each plan adopted under Subsection (a) must:

(1) identify annual goals for students in each group evaluated under the closing the gaps domain under Section 39.053(c)(3);

(2) include an annual goal ~~[goals]~~ for aggregate student growth on each college, career, and military readiness indicator ~~[indicators]~~ evaluated under the student achievement domain under Section 39.053(c)(1);

(3) include specific annual goals for student completion of postsecondary credentials, including industry-based credentials, level one or level two certificates as defined by the agency, and associate degrees, while enrolled in high school;

(4) include annual goals for the outcomes of the district's annual graduates at one, three, and five years after graduation from high school, including goals for:

(A) the rate of enrollment at a postsecondary educational institution;

(B) the percentage of graduates who enroll at a postsecondary educational institution and do not require remedial postsecondary coursework;

(C) the rate of persistence at a postsecondary

educational institution in each of the first two years of enrollment;

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

(E) wages earned;

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

(A) coordinate implementation of the plan; and

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

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

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

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

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

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

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

(c-1) Notwithstanding Subsection (c)(1)(A), a student otherwise described by Subsection (c) is eligible to enroll at no cost in a dual credit course under the 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 P-TECH school under Section 29.556 or in a school district participating in a partnership under Section 29.912; 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 Pathways in Technology Early College High School (P-TECH) program under Subchapter N, Chapter 29, or the Rural Pathway Excellence Partnership (R-PEP) program under Section 29.912.

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

(b) The state plan must include procedures designed to ensure that:

(1) all secondary and postsecondary students have the opportunity to participate in career and technology education programs;

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

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

(A) incorporates competencies leading to academic and technical skill attainment;

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

(C) includes opportunities for students to earn college credit for coursework; and

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

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

(5) 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.

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

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

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

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

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

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

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

Sec. 29.9016. MILITARY PATHWAY GRANT PROGRAM. (a) The agency shall 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 college and 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) The amount of each grant awarded under the grant program is \$50,000.

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

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

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

(j) The commissioner shall 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



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

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

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

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

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

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

(4) financial aid eligibility;

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

(6) the center for financial aid information  
 established under Section 61.0776;

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

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

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

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

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

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

(13) the outcomes of graduates from the campus and

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

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

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

Sec. 39.0261. COLLEGE PREPARATION AND CAREER READINESS ASSESSMENTS.

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

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

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

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

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

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

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

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

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

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

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

(1) in the student achievement domain, indicators of student achievement that must include:

(A) for evaluating the performance of districts and campuses generally:

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

(a) for the performance standard determined by the commissioner under Section 39.0241(a), the

percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(b) for the college readiness performance standard as determined under Section 39.0241, the percentage of students who performed satisfactorily on the assessment instruments, aggregated across grade levels by subject area; and

(ii) an indicator that accounts for the results of assessment instruments required under Section 39.023(b), as applicable for the district and campus, including the percentage of students who performed satisfactorily on the assessment instruments, as determined by the performance standard adopted by the agency, aggregated across grade levels by subject area; and

(B) for evaluating the performance of high school campuses and districts that include high school campuses, indicators that account for:

(i) students who satisfy the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the Texas Higher Education Coordinating Board under Section 51.334 on an assessment instrument in reading or mathematics designated by the coordinating board under that section;

(ii) students who satisfy relevant performance standards on advanced placement tests or similar assessments;

(iii) students who earn dual course credits in the dual credit courses;

(iv) students who demonstrate military readiness:

(a) through verified enlistment [enlist] in the armed forces of the United States or the Texas National Guard; or

(b) by achieving a passing score set by the commissioner on the Armed Services Vocational Aptitude Battery Test and successfully completing a Junior Reserve Officers' Training Corps program established under 10 U.S.C. Section 2031;

(v) students who earn industry certifications;

(vi) students admitted into postsecondary industry certification programs that require as a prerequisite for entrance successful performance at the secondary level;

(vii) students whose successful completion of a course or courses under Section 28.014 indicates the student's preparation to enroll and succeed, without remediation, in an entry-level general education course for a baccalaureate degree or associate degree;

(viii) students who successfully met standards on a composite of indicators that through research indicates the student's preparation to enroll and succeed, without remediation, in an entry-level general education course for a baccalaureate degree or associate degree;

(ix) high school graduation rates, computed in accordance with standards and definitions adopted in compliance with the Every Student Succeeds Act (20 U.S.C. Section 6301 et seq.) subject to the exclusions provided by Subsections (g), (g-1), (g-2), (g-3), and (g-4);

(x) students who successfully completed an OnRamps dual enrollment course;

(xi) students who successfully completed a practicum or internship approved by the State Board of Education;

(xii) students who are awarded an associate degree; and

(xiii) students who successfully completed a program of study in career and technical education;

(2) in the school progress domain, indicators for effectiveness in promoting student learning, which must include:

(A) for assessment instruments, including assessment instruments under Subdivisions (1)(A)(i) and (ii), the



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

(B) for evaluating relative performance, the performance of districts and campuses compared to similar districts or campuses; and

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

(A) students formerly receiving special education services;

(B) students continuously enrolled; and

(C) students who are mobile.

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

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

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

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

(1) eliminating achievement gaps based on race, ethnicity, and socioeconomic status; and

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

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

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

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

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

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

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



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

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

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

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

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

(1) in consultation with the advisory council established under Chapter [312](#), Labor Code; and

(2) to the extent practicable, concurrently with the modification of performance standards under Section [39.053\(f-1\)](#).

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

(d) During the three years following an agency's determination under Subsection (c) that an industry certification is no longer eligible for purposes of Section [39.053\(c\)\(1\)\(B\)\(v\)](#), a school district may receive the benefit of achievement indicators based on that industry certification for purposes of Section [39.053\(c\)](#) only for a cohort of students who:

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

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

SECTION 14. Section [45.105\(c\)](#), Education Code, is amended to read as follows:

(c) 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 may 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), for other purposes necessary in the conduct of the public schools determined by the board of trustees. The accounts and vouchers for county districts must be approved by the county superintendent. If the state available school fund in any municipality or district is sufficient to maintain the schools in any year for at least eight months and leave a surplus, the surplus may be spent for the purposes listed in this subsection.

SECTION 15. Subchapter [A](#), Chapter [48](#), Education Code, is amended by adding Section [48.0035](#) to read as follows:

Sec. 48.0035. USE OF FUNDING FOR CERTAIN PURPOSES. A school district may use funding to which the district is entitled under this chapter 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 Pathways in Technology Early College High School (P-TECH) program under Subchapter N, Chapter 29, and the Rural Pathway Excellence Partnership (R-PEP) program under Section 29.912.

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

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

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

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

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

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

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

(1) "Approved career and technology education program":

(A) means:

(i) a sequence of career and technology education courses, including technology applications courses, authorized by the State Board of Education; and

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

(B) includes only courses that qualify for high school credit.

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

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

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

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

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

(1) 1.15 if the student is educationally disadvantaged; or

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

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

(1) 175 instructional days; or  
(2) five instructional days per week for the majority of the school year.

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

(a-3) Notwithstanding Subsection (a), a school district described by Section 29.912(c-1) may 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.

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

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

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

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

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

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

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

(2) "New instructional facility" includes:

(A) a newly constructed instructional facility;  
 (B) a repurposed instructional facility; ~~and~~  
 (C) a leased facility operating for the first time as an instructional facility with a minimum lease term of not less than 10 years; and

(D) 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.

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

(f) The amount appropriated for allotments under this section may not exceed \$150 [~~\$100~~] million in a school year. 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:

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

(2) for new instructional facilities described by



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

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

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

SECTION 22. Section 48.156, Education Code, is amended to read as follows:

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

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

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

(b) Section 204.0025, Labor Code, is amended to read as follows:

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

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

(b) Section 204.0025, Labor Code, is amended to read as follows:

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

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

Sec. 312.003. INVENTORY OF CERTIFICATIONS ~~[CREDENTIALS AND CERTIFICATES]~~.

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

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

(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.

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