

SENATE AMENDMENTS
2nd Printing

By: Bell of Kaufman, Buckley, Ashby, Gates, H.B. No. 120
Button, et al.

A BILL TO BE ENTITLED

1 AN ACT

2 relating to career and technology education programs in public
3 schools, the Financial Aid for Swift Transfer (FAST) program, the
4 Rural Pathway Excellence Partnership (R-PEP) program, and a high
5 school advising program, including funding for those programs under
6 the Foundation School Program, and to the new instructional
7 facility allotment and the permissible uses of funding under the
8 Foundation School Program.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

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

16 (1) enrolled in a school district or open-enrollment
17 charter school at a campus designated as a P-TECH school under
18 Section 29.556 or in a school district participating in a
19 partnership under Section 29.912; and

20 (2) completing a course of study offered through an
21 articulation agreement or memorandum of understanding with an
22 institution of higher education and the district or school
23 described by Subdivision (1), as applicable, under the Pathways in
24 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 2. 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,

1 participation by students and teachers in activities of career and
2 technical student organizations supported by the agency and the
3 State Board of Education; ~~and~~

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

9 (5) a course of study offered under a Junior Reserve
10 Officers' Training Corps program established under 10 U.S.C.
11 Section 2031 is considered a career and technology education
12 program.

13 SECTION 3. Sections 29.190(a-1) and (b), Education Code,
14 are amended to read as follows:

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

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

20 SECTION 4. Subchapter Z, Chapter 29, Education Code, is
21 amended by adding Section 29.9016 to read as follows:

22 Sec. 29.9016. MILITARY PATHWAY GRANT PROGRAM. (a) The
23 agency shall establish a grant program to provide money to school
24 districts to implement a program under which the district:

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

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

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

7 (b) The amount of each grant awarded under the grant program
8 is \$50,000.

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

11 SECTION 5. Section 29.912, Education Code, is amended by
12 adding Subsection (c-1) and amending Subsections (e) and (j) to
13 read as follows:

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

18 (e) An employee of a coordinating entity that manages a
19 partnership under the program is eligible for membership in and
20 benefits from the Teacher Retirement System of Texas if the
21 employee would be eligible for membership and benefits by holding a
22 similar position at a partnering school district. ~~[An employee is~~
23 ~~eligible for membership under this subsection if a partnership~~
24 ~~would be authorized to participate in the program, as determined by~~
25 ~~the commissioner, but for the maximum expenditure established in~~
26 ~~Section 48.118(f).]~~

27 (j) The commissioner shall make grants available for use by

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

19 SECTION 6. Subchapter Z, Chapter 29, Education Code, is
20 amended by adding Section 29.939 to read as follows:

21 Sec. 29.939. HIGH SCHOOL ADVISING PROGRAM. (a) In this
22 section, "institution of higher education" and "private or
23 independent institution of higher education" have the meanings
24 assigned by Section 61.003.

25 (b) The agency shall establish a high school advising
26 program through which participating school districts and
27 open-enrollment charter schools provide college, career, and

military advising supports to students, either by hiring employees or contracting with service providers.

(c) A school district or open-enrollment charter school participating in the program must have at least one partnership agreement:

(1) with an institution of higher education or private or independent institution of higher education to support students to transition successfully from high school graduation to postsecondary enrollment, persistence, and completion; and

(2) to support students to transition successfully from high school graduation to workforce entry, with:

(A) a career and technical education program at an institution of higher education or private or independent institution of higher education;

(B) an employer;

(C) a branch of the armed services of the United States or the Texas National Guard; or

(D) a local workforce board.

(d) Each advisor under the program must be:

(1) trained in practices relating to college, career, and military advising; and

(2) supported by additional guidance provided by the agency.

(e) A full-time equivalent advisor under the program:

(1) may not have a caseload of more than 200 students; and

(2) must:

1 (A) prioritize students in grade levels 11 and
2 12; and

3 (B) spend at least 80 percent of the advisor's
4 time on college, career, and military advising.

5 (f) The commissioner may adopt rules as necessary to
6 implement this section. In adopting rules, the commissioner shall
7 consult with the Texas Workforce Commission and the Texas Higher
8 Education Coordinating Board.

9 SECTION 7. The heading to Section 39.0261, Education Code,
10 is amended to read as follows:

11 Sec. 39.0261. COLLEGE PREPARATION AND CAREER READINESS
12 ASSESSMENTS.

13 SECTION 8. Section 39.0261(a), Education Code, is amended
14 to read as follows:

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

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

23 (2) each school year and at state cost, a school
24 district may administer to students in the 10th grade an
25 established, valid, reliable, and nationally norm-referenced
26 preliminary college preparation assessment instrument for the
27 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 9. 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 10. Section 48.003(a), Education Code, is amended to read as follows:

(a) 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) has not graduated from high school; 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 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, regardless of whether the student is enrolled in the district providing the course of study;

1 (2) [~~1, or~~] is at least 21 years of age and under 26
2 years of age and has been admitted by a school district to complete
3 the requirements for a high school diploma; or

4 (3) [~~(2)~~] is at least 18 years of age and under 50
5 years of age and is enrolled in an adult education program provided
6 under the adult high school charter school program under Subchapter
7 G, Chapter 12.

8 SECTION 11. Subchapter A, Chapter 48, Education Code, is
9 amended by adding Sections 48.0035 and 48.0055 to read as follows:

10 Sec. 48.0035. USE OF FUNDING FOR CERTAIN PURPOSES. A school
11 district may use funding to which the district is entitled under
12 this chapter to:

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

18 (2) educate a student who has graduated from high
19 school but is enrolled in the district in a program through which
20 the student may earn dual credit, including the Pathways in
21 Technology Early College High School (P-TECH) program under
22 Subchapter N, Chapter 29, and the Rural Pathway Excellence
23 Partnership (R-PEP) program under Section 29.912.

24 Sec. 48.0055. ENROLLMENT-BASED FUNDING. The commissioner
25 by rule shall establish the method for determining average
26 enrollment for purposes of funding provided based on average
27 enrollment under Chapter 46 and this chapter.

SECTION 12. Section 48.106(a-1), Education Code, is amended to read as follows:

(a-1) In addition to the amounts under Subsection (a), for each student in average enrollment [~~daily attendance~~], 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.

SECTION 13. 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 14. Section 48.118, Education Code, is amended by
adding Subsection (a-1) to read as follows:

(a-1) 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.

SECTION 15. 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 16. 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 17. 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 18. Section 48.156, Education Code, is amended to read as follows:

Sec. 48.156. CERTIFICATION EXAMINATION REIMBURSEMENT. 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) as provided by Section 29.190(c).

SECTION 19. Subchapter D, Chapter 48, Education Code, is amended by adding Section 48.162 to read as follows:

Sec. 48.162. HIGH SCHOOL ADVISING ALLOTMENT. (a) 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) The number of advisors for whom a school district may receive an allotment under this section may not exceed the quotient of, rounded up to the nearest whole number:

(1) the number of students enrolled in the district in grade levels 11 through 12; and

(2) 200.

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

(d) Subsection (c) does not apply to a school district whose performance under Section 48.110 for the preceding school year:

(1) exceeded the average of the district's performance under that section for the two school years preceding that school year;

(2) was in the top 25 percent of statewide performance under that section; or

(3) 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. Sections 29.912(h) and 48.118(f), Education Code, are repealed.

SECTION 21. Sections 28.0095(c-1), 29.9016, and 29.939, Education Code, as added by this Act, and Sections 29.190 and

1 29.912, Education Code, as amended by this Act, apply beginning
2 with the 2025-2026 school year.

3 SECTION 22. (a) Except as provided by Subsection (b) of
4 this section, this Act takes effect immediately if it receives a
5 vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2025.

9 (b) The amendments by this Act to Chapter 48, Education
10 Code, take effect September 1, 2025.

ADOPTED

MAY 25 2025

Laticia Shaw
Secretary of the Senate

By: Schwertner

H.B. No. 120

Substitute the following for H.B. No. 120:

By: Blunt

C.S.H.B. No. 120

A BILL TO BE ENTITLED

1 AN ACT

2 relating to college, career, and military readiness in public
3 schools, including career and technology education programs, the
4 Financial Aid for Swift Transfer (FAST) program, and the Rural
5 Pathway Excellence Partnership (R-PEP) program, funding for those
6 programs under the Foundation School Program, and workforce
7 reporting to support those programs, to the public school
8 accountability system, and to the new instructional facility
9 allotment and the permissible uses of funding under the Foundation
10 School Program.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

12 SECTION 1. Section 4.002, Education Code, is amended to
13 read as follows:

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

16 GOAL 1: The students in the public education system
17 will demonstrate exemplary performance in the reading and writing
18 of the English language.

19 GOAL 2: The students in the public education system
20 will demonstrate exemplary performance in the understanding of
21 mathematics.

22 GOAL 3: The students in the public education system
23 will demonstrate exemplary performance in the understanding of
24 science.

1 GOAL 4: The students in the public education system
2 will demonstrate exemplary performance in the understanding of
3 social studies.

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

7 GOAL 6: The students who graduate high school in the
8 public education system and who elect to pursue postsecondary
9 education will be ready for postsecondary coursework without the
10 need for remediation.

11 SECTION 2. Subchapter B, Chapter 7, Education Code, is
12 amended by adding Sections 7.0405 and 7.043 to read as follows:

13 Sec. 7.0405. POSTING OF POSTSECONDARY OUTCOMES. (a)
14 Subject to Subsection (b), the agency shall post on the agency's
15 Internet website the following de-identified data, disaggregated
16 by school district or open-enrollment charter school, high school
17 campus, and annual cohort for the 10 most recent annual cohorts:

18 (1) for students who graduate from high school:

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

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

27 (2) for students who did not graduate from high

1 school:

2 (A) the highest grade level completed;

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

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

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

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

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

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

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

26 Sec. 7.043. STATEWIDE GOAL FOR CAREER READINESS. (a) Using
27 the data posted under Section 7.0405(a), the agency shall create a

1 quantifiable statewide goal for public school students to achieve
2 career readiness, including by attaining a workforce-aligned
3 credential while in high school.

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

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

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

10 (1) identify annual goals for students in each group
11 evaluated under the closing the gaps domain under Section
12 39.053(c)(3);

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

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

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

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

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

1 postsecondary coursework;
2 (C) the rate of persistence at a postsecondary
3 educational institution in each of the first two years of
4 enrollment;
5 (D) the rate of completion of a postsecondary
6 degree, certificate, or other credentialing program; and
7 (E) wages earned;
8 (5) assign at least one district-level administrator
9 or employee of the regional education service center for the
10 district's region to:
11 (A) coordinate implementation of the plan; and
12 (B) submit an annual report to the board of
13 trustees, the agency, and the Legislative Budget Board on the
14 district's performance and progress toward the goals set under the
15 plan; and
16 (6) [~~4~~] be reviewed and approved by majority vote
17 annually by the board of trustees at a public meeting.
18 (c) In identifying and including goals in each plan adopted
19 under Subsection (a) as provided by Subsection (b), the board of
20 trustees shall use longitudinal student outcomes data posted under
21 Section 7.0405(a) and any other resources available to the board.
22 (d) A school district shall post the annual report described
23 by Subsection (b)(5)(B) [~~(b)(3)(B)~~] on the district's Internet
24 website and on the Internet website, if any, of each campus in the
25 district not later than two weeks before the date of the public
26 meeting at which the report is reviewed and approved as required by
27 Subsection (b)(6). The district shall update the annual report on

1 each Internet website if any modifications are made to the report by
2 the board of trustees.

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

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

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

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

17 (1) enrolled in a school district or open-enrollment
18 charter school at a campus designated as a P-TECH school under
19 Section 29.556 or in a school district participating in a
20 partnership under Section 29.912; and

21 (2) completing a course of study offered through an
22 articulation agreement or memorandum of understanding with an
23 institution of higher education and the district or school
24 described by Subdivision (1), as applicable, under the Pathways in
25 Technology Early College High School (P-TECH) program under
26 Subchapter N, Chapter 29, or the Rural Pathway Excellence
27 Partnership (R-PEP) program under Section 29.912.

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

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

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

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

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

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

18 (B) leads to:

19 (i) an industry-recognized license,
20 credential, or certificate; or

21 (ii) at the postsecondary level, an
22 associate or baccalaureate degree;

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

25 (D) includes, as an integral part of the program,
26 participation by students and teachers in activities of career and
27 technical student organizations supported by the agency and the

1 State Board of Education; ~~and~~

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

7 (5) a course of study offered under a Junior Reserve
8 Officers' Training Corps program established under 10 U.S.C.
9 Section 2031 is considered a career and technology education
10 program.

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

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

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

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

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

26 (2) submit to the commissioner a written application
27 on a form prescribed by the commissioner stating the amount of the

1 costs [~~fee~~] paid under Subdivision (1) [~~for the certification~~
2 ~~examination~~].

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

5 Sec. 29.9016. MILITARY PATHWAY GRANT PROGRAM. (a) The
6 agency shall establish a grant program to provide money to school
7 districts to implement a program under which the district:

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

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

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

18 (b) The amount of each grant awarded under the grant program
19 is \$50,000.

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

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

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

1 current school year.

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

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

26 (b) During the first school year a student is enrolled in a
27 high school or at the high school level in an open-enrollment

1 charter school, and again during each year of a student's
2 enrollment in high school or at the high school level, a school
3 counselor shall provide information about postsecondary education
4 to the student and the student's parent or guardian. The
5 information must include information regarding:

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

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

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

15 (4) financial aid eligibility;

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

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

20 (7) the automatic admission of certain students to
21 general academic teaching institutions as provided by Section
22 51.803;

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

26 (9) the availability of programs in the district under
27 which a student may earn college credit, including advanced

1 placement programs, dual credit programs, joint high school and
2 college credit programs, and international baccalaureate programs;

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

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

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

20 (13) the outcomes of graduates from the campus and
21 school district or open-enrollment charter school in which the
22 student is enrolled, including completion rates and average wages
23 based on postsecondary pathways available to those graduates at the
24 campus, district, or school using data posted under Section
25 7.0405(a).

26 (d) The agency shall make available to school counselors an
27 annual online training regarding statewide trends identified in the

1 data posted under Section 7.0405(a). The training must include
2 information to assist school counselors in identifying the
3 postsecondary outcomes for students at the counselor's campus and
4 school district or open-enrollment charter school for purposes of
5 performing the counselor's duties under this section.

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

8 Sec. 39.0261. COLLEGE PREPARATION AND CAREER READINESS
9 ASSESSMENTS.

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

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

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

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

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

1 cost:

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

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

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

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

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

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

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

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

1 (i) an indicator that accounts for the
2 results of assessment instruments required under Sections
3 39.023(a), (c), and (l), as applicable for the district and campus,
4 including the results of assessment instruments required for
5 graduation retaken by a student, aggregated across grade levels by
6 subject area, including:

7 (a) for the performance standard
8 determined by the commissioner under Section 39.0241(a), the
9 percentage of students who performed satisfactorily on the
10 assessment instruments, aggregated across grade levels by subject
11 area; and

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

17 (ii) an indicator that accounts for the
18 results of assessment instruments required under Section
19 39.023(b), as applicable for the district and campus, including the
20 percentage of students who performed satisfactorily on the
21 assessment instruments, as determined by the performance standard
22 adopted by the agency, aggregated across grade levels by subject
23 area; and

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

27 (i) students who satisfy the Texas Success

1 Initiative (TSI) college readiness benchmarks prescribed by the
2 Texas Higher Education Coordinating Board under Section 51.334 on
3 an assessment instrument in reading or mathematics designated by
4 the coordinating board under that section;

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

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

10 (iv) students who demonstrate military
11 readiness:

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

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

19 (v) students who earn industry
20 certifications;

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

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

1 associate degree;

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

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

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

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

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

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

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

22 (A) for assessment instruments, including
23 assessment instruments under Subdivisions (1)(A)(i) and (ii), the
24 percentage of students who met the standard for improvement, as
25 determined by the commissioner; and

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

1 or campuses; and

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

6 (A) students formerly receiving special
7 education services;

8 (B) students continuously enrolled; and

9 (C) students who are mobile.

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

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

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

19 (f) Annually, the commissioner shall define and may modify
20 the state standards [~~standard for the current school year~~] for each
21 [~~achievement~~] indicator adopted under this subchapter in
22 [~~section. In~~] consultation with educators, parents, and business
23 and industry representatives, as necessary. The [~~, the~~]
24 commissioner shall increase the rigor by which the commissioner
25 determines the overall performance ratings under Section 39.054(a)
26 [~~establish and modify standards~~] to continuously improve student
27 performance to, not later than the 15th year after the date the

1 commissioner modifies the performance standards under Subsection
2 (f-1), achieve the goals of:

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

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

9 (f-1) Beginning with the indicators adopted for the
10 2027-2028 school year and as required to meet the goals under
11 Subsection (f), the commissioner shall increase the scores needed
12 to achieve performance standards on indicators adopted under this
13 subchapter only every fifth school year unless an indicator adopted
14 under Subsection (c) requires adjustment before that school year to
15 ensure consistency of performance standards.

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

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

1 during the preceding school year under the increased score.

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

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

10 Sec. 39.0531. INDUSTRY CERTIFICATION LIST. (a) The agency
11 shall maintain a list of industry certifications that are eligible
12 for purposes of Section 39.053(c)(1)(B)(v). In developing the
13 list, the agency shall consider the inventory of
14 industry-recognized certifications developed under Section
15 312.003, Labor Code. The certifications must:

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

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

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

26 (b) The agency shall review the eligibility of industry
27 certifications under Subsection (a), including whether the

1 programs of study for those certifications still meet the
2 requirements under that subsection:

3 (1) in consultation with the advisory council
4 established under Chapter 312, Labor Code; and

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

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

15 (d) During the three years following an agency's
16 determination under Subsection (c) that an industry certification
17 is no longer eligible for purposes of Section 39.053(c)(1)(B)(v), a
18 school district may receive the benefit of achievement indicators
19 based on that industry certification for purposes of Section
20 39.053(c) only for a cohort of students who:

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

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

26 SECTION 14. Section 45.105(c), Education Code, is amended
27 to read as follows:

1 (c) Local school funds from district taxes, tuition fees of
2 students not entitled to a free education, other local sources, and
3 state funds not designated for a specific purpose may be used for
4 the purposes listed for state and county available funds and for
5 purchasing appliances and supplies, paying insurance premiums,
6 paying janitors and other employees, buying school sites, buying,
7 building, repairing, and renting school buildings, including
8 acquiring school buildings and sites by leasing through annual
9 payments with an ultimate option to purchase, providing advising
10 support as described by Section 48.0035(1), and educating students
11 as described by Section 48.0035(2), and, except as provided by
12 Subsection (c-1), for other purposes necessary in the conduct of
13 the public schools determined by the board of trustees. The
14 accounts and vouchers for county districts must be approved by the
15 county superintendent. If the state available school fund in any
16 municipality or district is sufficient to maintain the schools in
17 any year for at least eight months and leave a surplus, the surplus
18 may be spent for the purposes listed in this subsection.

19 SECTION 15. Subchapter A, Chapter 48, Education Code, is
20 amended by adding Section 48.0035 to read as follows:

21 Sec. 48.0035. USE OF FUNDING FOR CERTAIN PURPOSES. A school
22 district may use funding to which the district is entitled under
23 this chapter to:

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

1 vocational training program; and

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

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

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

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

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

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

27 (a-3) Notwithstanding Subsection (a), the total amount that

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

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

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

12 (A) means:

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

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

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

21 (1-a) "Approved program of study" means a course
22 sequence that:

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

26 (B) is approved by the agency for purposes of the
27 Strengthening Career and Technical Education for the 21st Century

1 Act (Pub. L. No. 115-224).

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

5 (a) Subject to Subsection (a-1), for ~~[For]~~ each full-time
6 equivalent student in average daily attendance in grades 9 through
7 12 in a college or career pathway offered through a partnership
8 under the Rural Pathway Excellence Partnership (R-PEP) program
9 under Section 29.912, a school district is entitled to an allotment
10 equal to the basic allotment, or, if applicable, the sum of the
11 basic allotment and the allotment under Section 48.101 to which the
12 district is entitled, multiplied by:

13 (1) 1.15 if the student is educationally
14 disadvantaged; or

15 (2) 1.11 if the student is not educationally
16 disadvantaged.

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

20 (1) 175 instructional days; or

21 (2) five instructional days per week for the majority
22 of the school year.

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

1 expires September 1, 2026.

2 (a-3) Notwithstanding Subsection (a), a school district
3 described by Section 29.912(c-1) may receive funding under this
4 section for up to 110 percent of the number of students who
5 qualified under Subsection (a) for the school year immediately
6 preceding the school year in which the district's enrollment first
7 reached 1,600 or more.

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

15 (1) ~~[allotments under Subsection (a) for which school~~
16 ~~districts participating in partnerships prioritized under Section~~
17 ~~29.912(h) are eligible.]~~

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

22 (2) ~~[(3)]~~ allotments under Subsection (a) for which
23 school districts that have entered into a performance agreement
24 under Section 29.912 with a coordinating entity that is an
25 institution of higher education, as defined by Section 61.003, are
26 eligible;

27 (3) ~~[(4)]~~ allotments under Subsection (a) for which

1 school districts with the highest percentage of students who are
2 educationally disadvantaged, in descending order, are eligible;
3 and

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

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

10 (2) "New instructional facility" includes:

11 (A) a newly constructed instructional facility;

12 (B) a repurposed instructional facility; [~~and~~]

13 (C) a leased facility operating for the first
14 time as an instructional facility with a minimum lease term of not
15 less than 10 years; and

16 (D) a renovated portion of an instructional
17 facility to be used for the first time to provide high-cost and
18 undersubscribed career and technology education programs, as
19 determined by the commissioner.

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

22 (f) The amount appropriated for allotments under this
23 section may not exceed \$150 [~~\$100~~] million in a school year. If the
24 total amount of allotments to which districts are entitled under
25 this section for a school year exceeds the amount appropriated
26 under this subsection, the commissioner:

27 (1) shall reduce each district's allotment under this

1 section in the manner provided by Section 48.266(f); and

2 (2) for new instructional facilities described by
3 Subsection (a)(2)(D), may remove a career and technology education
4 program from the list of programs that qualify under that
5 subsection.

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

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

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

12 Sec. 48.156. CERTIFICATION EXAMINATION REIMBURSEMENT. (a)
13 A school district is entitled to reimbursement for the amount of a
14 subsidy paid by the district for not more than two [~~a student's~~]
15 certification examinations per student [~~examination~~] under Section
16 29.190(a), including costs paid for associated fingerprinting or
17 criminal history record information review, as provided by Section
18 29.190(c).

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

1 SECTION 23. (a) This section takes effect only if S.B.
2 1786, 89th Legislature, Regular Session, 2025, becomes law.

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

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

18 SECTION 24. (a) This section takes effect only if S.B.
19 1786, 89th Legislature, Regular Session, 2025, does not become law.

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

22 Sec. 204.0025. ADDITIONAL WORKFORCE DATA REPORTING. The
23 commission shall [~~It is the intent of the legislature that the~~
24 ~~commission, subject to the availability of federal funding or other~~
25 ~~resources for the purpose,~~] work with employers to enhance the
26 reporting of employment and earnings data by employers to the
27 commission as part of an employer's routine wage filings under this

1 subtitle or commission rule and consistent with federal law and
2 regulations. The enhanced wage filings must include information
3 related to wage, industry, occupational field, full-time and
4 part-time status, county of primary employment, remote work status,
5 ~~[occupation]~~ and other important employment information that would
6 improve the state's labor market information.

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

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

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

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

17 (1) are aligned to state and regional workforce needs;
18 ~~[and]~~

19 (2) serve as an entry point to middle- and high-wage
20 jobs; and

21 (3) meet the requirements of Section 39.0531(a),
22 Education Code.

23 (b) The inventory must include for each certification
24 ~~[credential or certificate]~~:

25 (1) the associated career cluster;

26 (2) the awarding entity;

27 (3) the level of education required and any additional

1 requirements for the certification [~~credential or certificate~~];

2 (4) any fees for obtaining the certification
3 [~~credential or certificate~~]; and

4 (5) the average wage or salary for jobs that require or
5 prefer the certification [~~credential or certificate~~].

6 (c) In developing the inventory, the advisory council may
7 consult with local workforce boards, the Texas Workforce Investment
8 Council, the Texas Economic Development and Tourism Office, the
9 Texas Education Agency, and the Texas Higher Education Coordinating
10 Board.

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

14 SECTION 27. Section 29.912(h), Education Code, is repealed.

15 SECTION 28. The Texas Education Agency shall first update
16 the statewide goal for career readiness created under Section
17 7.043(a), Education Code, as added by this Act, in accordance with
18 Subsection (b) of that section not later than the 2028-2029 school
19 year.

20 SECTION 29. Sections 28.0095(c-1) and 29.9016, Education
21 Code, as added by this Act, and Sections 29.190, 29.912, 33.007(b),
22 and 39.0261(a), Education Code, as amended by this Act, apply
23 beginning with the 2025-2026 school year.

24 SECTION 30. The changes in law made by Section 39.053,
25 Education Code, as amended by this Act, and Section 39.0531,
26 Education Code, as added by this Act, apply to accountability
27 ratings beginning with the 2027-2028 school year.

1 SECTION 31. (a) Except as provided by Subsection (b) of
2 this section and as otherwise provided by this Act, this Act takes
3 effect immediately if it receives a vote of two-thirds of all the
4 members elected to each house, as provided by Section 39, Article
5 III, Texas Constitution. If this Act does not receive the vote
6 necessary for immediate effect, this Act takes effect September 1,
7 2025.

8 (b) The amendments by this Act to Chapter 48, Education
9 Code, take effect September 1, 2025.

ADOPTED

MAY 25 2025

FLOOR AMENDMENT NO. 1

Latey Law
Secretary of the Senate

BY: *C. Johnson*

Amend C.S.H.B. 120 (senate committee report) as follows:

(1) In SECTION 2 of the bill, in added Section 7.0405(a)(2), Education Code (page 2, lines 16 and 17), strike Paragraph (B) and reletter subsequent paragraphs of that subdivision accordingly.

(2) In SECTION 2 of the bill, in added Section 7.0405(a)(2)(C), Education Code (page 2, line 18), between "(C)" and "employment", insert "for each cohort for which data is available,".

(3) In SECTION 2 of the bill, immediately following added Section 7.0405(a), Education Code (page 2, between lines 22 and 23), insert the following appropriately lettered subsection and reletter subsequent subsections accordingly:

() The agency is required to provide data regarding students who graduate from high school and enroll in remedial postsecondary coursework as part of a postsecondary degree, certificate, or other credentialing program under Subsection (a)(1)(A) only to the extent that data is available.

(4) In SECTION 3 of the bill, in amended Section 11.186(b), Education Code, strike Subdivision (3) (page 2, lines 57 through 60), and substitute the following:

(3) include specific annual goals for student completion while enrolled in high school of postsecondary credentials, including industry-based credentials, level one or level two certificates, and associate degrees, prioritizing credentials identified in the long-range master plan for higher education established under Section 61.051 and the performance tier funding for public junior colleges for credentials of value under Section 130A.101;

(5) Strike SECTION 7 of the bill, adding Section 29.9016,

1 Education Code (page 4, lines 40 through 58).

2 (6) In SECTION 9 of the bill, in amended Section
3 33.007(b)(1), Education Code (page 5, line 29), strike "career
4 readiness and workforce training opportunities" and substitute the
5 following:

6 :

7 (A) career readiness and workforce training
8 opportunities; and

9 (B) a link to the My Texas Future Internet website
10 and information regarding how to create a profile on that website

11 (7) In SECTION 9 of the bill, in added Section 33.007(b)(12),
12 Education Code (page 5), strike lines 67 and 68 and substitute the
13 following:

14 :

15 (A) information regarding program costs, program
16 completion rates, and the average wages of students who complete
17 the program; and

18 (B) the availability of information regarding
19 those opportunities on the My Texas Future Internet website; and

20 (8) In SECTION 9 of the bill, in added Section 33.007(b)(13),
21 Education Code (page 6, line 5), between "7.0405(a)" and the
22 underlined period, insert "or available on the My Texas Future
23 Internet website".

24 (9) In SECTION 9 of the bill, in added Section 33.007(d),
25 Education Code (page 6, line 8), between "7.0405(a)" and the
26 underlined period, insert "or available on the My Texas Future
27 Internet website".

28 (10) In SECTION 9 of the bill, in added Section 33.007(d),
29 Education Code (page 6, at the end of line 12), insert "The agency
30 may make the training or other resources provided by the Texas
31 Higher Education Coordinating Board available through the Texas

1 OnCourse Internet website.".

2 (11) Strike SECTIONS 12 and 13 of the bill, amending Section
3 39.053, Education Code, and adding Section 39.0531, Education Code
4 (page 6, line 45, through page 9, line 41).

5 (12) In the recital to SECTION 16 of the bill, amending
6 Section 48.106, Education Code (page 10, lines 9 and 10), strike
7 "Section 48.106, Education Code, is amended by amending Subsection
8 (a-1) and adding Subsections (a-2) and (a-3)" and substitute
9 "Section 48.106(a-1), Education Code, is amended".

10 (13) In SECTION 16 of the bill, amending Section 48.106,
11 Education Code, strike amended Subsection (a-1) (page 10, lines 12
12 through 21) and substitute the following:

13 (a-1) In addition to the amounts under Subsection (a), ~~[for~~
14 ~~each student in average daily attendance,~~] a district is entitled
15 to \$150 ~~[\$50]~~ for each ~~[of the following in which the]~~ student in
16 average daily attendance who ~~[is enrolled]:~~

17 (1) is enrolled in a campus designated as a P-TECH
18 school under Section 29.556; or

19 (2) completes a course of study offered under the
20 Pathways in Technology Early College High School (P-TECH) program
21 under Subchapter N, Chapter 29, or the Rural Pathway Excellence
22 Partnership (R-PEP) program under Section 29.912, regardless of
23 whether the student is enrolled in the district that provides the
24 course of study ~~[a campus that is a member of the New Tech Network~~
25 ~~and that focuses on project-based learning and work-based~~
26 ~~education]~~.

27 (14) In SECTION 16 of the bill, amending Section 48.106,
28 Education Code, strike added Subsections (a-2) and (a-3) (page 10,
29 lines 22 through 35).

30 (15) In the recital to SECTION 18 of the bill, amending
31 Section 48.118, Education Code (page 10, lines 58 and 59), strike

1 "amending Subsections (a) and (f) and adding Subsections (a-1),
2 (a-2), and (a-3)" and substitute "adding Subsection (a-3) and
3 amending Subsection (f)".

4 (16) In SECTION 18 of the bill, amending Section 48.118,
5 Education Code, strike amended Subsection (a) and added
6 Subsections (a-1) and (a-2) (page 10, line 60, through page 11,
7 line 14).

8 (17) In SECTION 22 of the bill, in added Section 48.156(b),
9 Education Code (page 12, line 19), strike "\$15" and substitute
10 "\$20".

11 (18) In SECTION 26 of the bill, in amended Section
12 312.003(a), Labor Code (page 13), strike lines 1 through 5 and
13 substitute the following:

14 and

15 (2) serve as an entry point to middle- and high-wage
16 jobs.

17 (19) In SECTION 29 of the bill, adding transition language
18 (page 13, line 30), strike "Sections 28.0095(c-1) and 29.9016" and
19 substitute "Section 28.0095(c-1)".

20 (20) Strike SECTION 30 of the bill, adding transition
21 language (page 13, lines 34 through 37).

22 (21) Add the following appropriately numbered SECTIONS to
23 the bill:

24 SECTION _____. Subchapter Z, Chapter 29, Education Code, is
25 amended by adding Section 29.9017 to read as follows:

26 Sec. 29.9017. NOTICE REGARDING MILITARY-RELATED TRAINING
27 PROGRAMS. (a) As part of the high school registration process and
28 annually, a school district or open-enrollment charter school
29 shall notify the parent or guardian of each student enrolled in a
30 Junior Reserve Officers' Training Corps program established under
31 10 U.S.C. Section 2031 regarding any early registration or

1 scholarship program available to students in military-related
2 training programs.

3 (b) The notice required under Subsection (a) must provide
4 the student's parent or guardian with the option to share the
5 student's data with one or more public institutions of higher
6 education for the purpose of learning about any opportunity to
7 participate in an early registration or scholarship program
8 described by Subsection (a), including:

9 (1) the student's directory contact information;

10 (2) the student's education records; or

11 (3) any other information prescribed by the agency, in
12 coordination with the Texas Higher Education Coordinating Board,
13 that would allow the student to learn about an opportunity to
14 participate in military-related training programs at public
15 institutions of higher education, including financial aid or
16 scholarship programs.

17 SECTION _____. Section 48.003(a), Education Code, is amended
18 to read as follows:

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

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

23 (A) has not graduated from high school; or

24 (B) has graduated from high school but is:

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

28 (ii) completing a course of study offered
29 through an articulation agreement or memorandum of understanding
30 with an institution of higher education, as defined by Section
31 61.003, and the district described by Subparagraph (i), as

applicable, under 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, regardless of whether the student is enrolled in the district providing the course of study;

(2) [~~1-01~~] is at least 21 years of age and under 26 years of age and has been admitted by a school district to complete the requirements for a high school diploma; or

(3) [~~1-2~~] is at least 18 years of age and under 50 years of age and is enrolled in an adult education program provided under the adult high school charter school program under Subchapter G, Chapter 12.

SECTION __. To the extent of any conflict, this Act prevails over another Act of the 89th Legislature, Regular Session, 2025.

(22) Renumber SECTIONS of the bill accordingly.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 28, 2025

TO: Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB120** by Bell, Keith (Relating to college, career, and military readiness in public schools, including career and technology education programs, the Financial Aid for Swift Transfer (FAST) program, and the Rural Pathway Excellence Partnership (R-PEP) program, funding for those programs under the Foundation School Program, and workforce reporting to support those programs, to the public school accountability system, and to the new instructional facility allotment and the permissible uses of funding under the Foundation School Program.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB120, As Passed 2nd House: a negative impact of (\$213,466,252) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2026	(\$105,911,449)
2027	(\$107,554,803)
2028	(\$106,732,322)
2029	(\$107,732,152)
2030	(\$107,871,442)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund 1</i>	Probable Savings/(Cost) from <i>Foundation School Fund 193</i>	Probable Revenue Gain/(Loss) from <i>Recapture Payments Atten Crdts 8905</i>	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$3,396,344)	(\$102,515,105)	(\$5,904,754)	21.0
2027	(\$3,137,575)	(\$104,417,228)	(\$10,478,095)	16.5
2028	(\$1,755,769)	(\$104,976,553)	(\$6,636,910)	15.0
2029	(\$1,755,769)	(\$105,976,383)	(\$14,385,364)	15.0
2030	(\$1,755,769)	(\$106,115,673)	(\$14,310,371)	15.0

Fiscal Analysis

The bill would require the Texas Education Agency (TEA) to post on TEA's Internet website certain de-identified data, disaggregated by school district or open-enrollment charter school, high school campus, and annual cohort for the most 10 recent annual cohorts.

The bill would allow students who have graduated from high school but are enrolled in a district or charter school designated as a Pathways in Technology Early College High School (P-TECH) or Rural Pathway Excellence Partnership (R-PEP) school and are completing a course of study offered through the P-TECH or R-PEP programs to enroll at no cost in a dual credit course under the Financial Aid for Swift Transfer (FAST) program.

The bill would include courses under a junior ROTC program in what is considered career and technology education programs and for which a district could generate entitlement under the Career and Technology Education (CTE) Allotment under the Foundation School Program (FSP).

The bill would increase the number of subsidies students may receive for CTE certification examinations from one to two and would provide a subsidy to teachers completing certain certification examinations related to CTE instead of cybersecurity.

The bill would increase the per student amount under P-TECH from \$50 per ADA to \$150 per ADA.

The bill would increase the cap on the R-PEP Allotment and Outcomes Bonus under the FSP to \$20.0 million in each year.

The bill would extend the allowable uses of funds under New Instructional Facility Allotment (NIFA) and would increase the amount appropriated for NIFA from \$100 million to \$150 million each year.

The bill would cap Certification Examination Reimbursements provided under the FSP to \$20.0 million each year; of which not more than \$500,000 could be used to reimburse costs incurred from fingerprinting or criminal history record information reviews.

The bill would require the Texas Workforce Commission (TWC) to work with employers to enhance reporting of certain employment and earnings data.

Methodology

The Texas Higher Education Coordinating Board states that costs relating to providing dual credit courses to students who have graduated under the FAST program cannot be determined at this time as data on the number of students who would qualify for the additional funding is not available.

TEA assumes there would be a cost to the state if the State Board of Education (SBOE) were to adopt Texas Essential Knowledge and Skills (TEKS) for JROTC courses to be included in a CTE program. TEA assumes \$34,200 in committee costs would be required in fiscal year 2026 to develop TEKS recommendations.

TEA estimates the cost of increased student subsidies for passing CTE examinations would be \$1.9 million annually and that costs to provide a subsidy for passing CTE certification examinations, including any costs paid for associated fingerprinting or criminal history record information review, would be \$0.4 million annually. These amounts are included in FSP totals below.

Based on information provided by TWC, this estimate assumes the agency would require 19.0 additional FTEs in fiscal year 2026, 14.5 FTEs in fiscal year 2027, and 13.0 FTEs in subsequent fiscal years. Additionally, to capture all the data elements as required by the bill, TWC would need \$501,270 as a one-time cost in fiscal year 2026 to upgrade their Unemployment Insurance Tax System. The total annual costs for TWC are \$2,648,237 in fiscal year 2026, \$1,560,794 in fiscal year 2027 and \$1,488,186 in each fiscal year from 2028 through 2030 in General Revenue Funds.

The bill would amend or create allotments under the FSP as outlined in the Fiscal Analysis section above. TEA estimates that the total cost to the FSP would be \$102.8 million in fiscal year 2026, \$104.4 million in fiscal year 2027, increasing to \$106.1 million in fiscal year 2030.

The cost to the FSP includes estimated decreases in Recapture Payments - Attendance Credits revenue of \$5.9 million in fiscal year 2026, \$10.5 million in fiscal year 2027, increasing to \$14.3 million in fiscal year 2030.

This analysis assumes TEA could implement provisions of the bill with 2.0 FTEs at an annual cost of \$0.3 million.

Technology

TEA estimates the IT cost to implement provisions of the bill would be \$1.7 million for the biennium.

Local Government Impact

This analysis assumes local education agencies would receive additional funding through the FSP under the bill.

Source Agencies: 320 Texas Workforce Commission, 701 Texas Education Agency, 781 Higher Education Coordinating Board

LBB Staff: JMc, NC, ASA, ENA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 18, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB120** by Bell, Keith (relating to college, career, and military readiness in public schools, including career and technology education programs, the Financial Aid for Swift Transfer (FAST) program, and the Rural Pathway Excellence Partnership (R-PEP) program, funding for those programs under the Foundation School Program, and workforce reporting to support those programs, to the public school accountability system, and to the new instructional facility allotment and the permissible uses of funding under the Foundation School Program.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB120, Committee Report 2nd House, Substituted: a negative impact of (\$184,619,561) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2026	(\$91,448,117)
2027	(\$93,171,444)
2028	(\$92,229,025)
2029	(\$93,228,855)
2030	(\$93,368,145)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Probable Revenue Gain/(Loss) from <i>Recapture Payments Atten</i> <i>Crdts</i> 8905	<i>Change in Number of State</i> <i>Employees from FY 2025</i>
2026	(\$6,636,309)	(\$84,811,808)	(\$4,254,754)	21.0
2027	(\$6,457,513)	(\$86,713,931)	(\$8,828,095)	16.5
2028	(\$4,955,769)	(\$87,273,256)	(\$4,986,910)	15.0
2029	(\$4,955,769)	(\$88,273,086)	(\$12,735,364)	15.0
2030	(\$4,955,769)	(\$88,412,376)	(\$12,660,371)	15.0

Fiscal Analysis

The bill would require the Texas Education Agency (TEA) to post on TEA's Internet website certain de-identified data, disaggregated by school district or open-enrollment charter school, high school campus, and annual cohort for the most 10 recent annual cohorts.

The bill would allow students who have graduated from high school but are enrolled in a district or charter school designated as a Pathways in Technology Early College High School (P-TECH) or Rural Pathway Excellence Partnership (R-PEP) school and are completing a course of study offered through the P-TECH or R-PEP programs to enroll at no cost in a dual credit course under the Financial Aid for Swift Transfer (FAST) program.

The bill would include courses under a junior ROTC program in what is considered career and technology education programs and for which a district could generate entitlement under the Career and Technology Education Allotment under the Foundation School Program (FSP).

The bill would increase the number of subsidies students may receive for career and technology education (CTE) certification examinations from one to two and would provide a subsidy to teachers completing certain certification examinations related to CTE instead of cybersecurity.

The bill would establish the Military Pathway Grant Program which would provide funds to school districts to establish a Junior ROTC program for students enrolled in high school in the district, administer the Armed Services Vocational Aptitude Battery test, and provide college and career counseling to participating students. Each participating district would receive a grant of \$50,000 and the total amount of grants that could be awarded would be limited to \$2 million each year.

The bill would increase the per student amount under P-TECH from \$50 to \$150 per average daily attendance.

The bill would cap funding provided under the CTE allotment for JROTC courses at \$20 million in each fiscal year.

The bill would extend the allowable uses of funds under New Instructional Facility Allotment (NIFA) and would increase the amount appropriated for NIFA from \$100 million to \$150 million each year.

The bill would require the Texas Workforce Commission (TWC) to work with employers to enhance reporting of certain employment and earnings data.

Methodology

The Texas Higher Education Coordinating Board (THECB) estimates that to provide TEA with identified data on postsecondary outcomes would require an annual \$1.2 million contract to obtain national student data.

The THECB states that costs relating to providing dual credit courses to students who have graduated under the FAST program cannot be determined at this time as data on the number of students who would qualify for the additional funding is not available.

TEA assumes there would be a cost to the state if the State Board of Education were to adopt Texas Essential Knowledge and Skill (TEKS) for JROTC courses to be included in a CTE program. TEA assumes \$34,200 in committee costs would be required in fiscal year 2026 to develop TEKS recommendations.

TEA estimates the cost of increased student subsidies for passing CTE examinations would be \$1.9 million annually and that costs to provide a subsidy for passing CTE certification examinations, including any costs paid for associated fingerprinting or criminal history record information review, would be \$0.4 million annually.

The agency assumes the cost to provide grants to districts to establish a JROTC program would be limited by the \$2.0 million cap each fiscal year.

Based on information provided by TWC, this estimate assumes the agency would require 19.0 additional FTEs in fiscal year 2026, 14.5 FTEs in fiscal year 2027, and 13.0 FTEs in subsequent fiscal years. Additionally, to capture all the data elements as required by the bill, TWC would need \$501,270 as a one-time cost in fiscal year 2026 to upgrade their Unemployment Insurance Tax System. The total annual costs for TWC are \$2,648,237 in fiscal year 2026, \$1,560,794 in fiscal year 2027 and \$1,488,186 in each fiscal year from 2028 through 2030 in General Revenue Funds.

This analysis assumes TEA could implement provisions of the bill with 2.0 FTEs at an annual cost of \$0.3 million.

The bill would amend or create allotments under the FSP as outlined in the Fiscal Analysis section above. TEA estimates that the total cost to the FSP would be \$84.8 million in fiscal year 2026, \$86.7 million in fiscal year 2027, decreasing to \$88.4 million in fiscal year 2030.

The cost to the FSP includes estimated decreases in Recapture Payments - Attendance Credits revenue of \$4.3 million in fiscal year 2026, \$8.8 million in fiscal year 2027, increasing to \$12.7 million in fiscal year 2030.

Technology

TEA estimates the IT cost to implement provisions of the bill would be \$1.9 million for the biennium.

Local Government Impact

This analysis assumes local education agencies would receive additional funding through the FSP under the bill.

Source Agencies: 320 Texas Workforce Commission, 701 Texas Education Agency, 781 Higher Education Coordinating Board

LBB Staff: JMc, NC, ASA, ENA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 7, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB120** by Bell, Keith (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.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB120, As Engrossed: a negative impact of (\$349,808,138) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2026	(\$149,131,862)
2027	(\$200,676,276)
2028	(\$215,495,487)
2029	(\$219,944,277)
2030	(\$217,796,838)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Probable Revenue Gain/(Loss) from <i>Recapture Payments Atten</i> <i>Crdts</i> 8905	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$2,602,493)	(\$146,529,369)	(\$13,744,440)	1.0
2027	(\$2,917,452)	(\$197,758,824)	(\$25,460,917)	1.0
2028	(\$2,386,281)	(\$213,109,206)	(\$27,457,819)	1.0
2029	(\$2,386,281)	(\$217,557,996)	(\$32,293,352)	1.0
2030	(\$2,386,281)	(\$215,410,557)	(\$27,016,327)	1.0

Fiscal Analysis

The bill would allow students who have graduated from high school but are enrolled in a district or charter school designated as a Pathways in Technology Early College High School (P-TECH) or Rural Pathway Excellence Partnership (R-PEP) school and are completing a course of study offered through the P-TECH or R-PEP programs to enroll at no cost in a dual credit course under the Financial Aid for Swift Transfer (FAST)

program.

The bill would include courses under a Junior Reserve Officers' Training Corps (JROTC) program in what is considered career and technology education (CTE) programs and for which a district could generate entitlement under the Career and Technology Education Allotment under the Foundation School Program (FSP).

The bill would increase the number of subsidies students may receive for CTE certification examinations from one to two and would provide a subsidy to teachers completing certain certification examinations related to CTE instead of cybersecurity.

The bill would establish the Military Pathway Grant Program which would provide funds to school districts to establish a JROTC program for students enrolled in high school in the district, administer the Armed Services Vocational Aptitude Battery test, and provide career counseling to participating students. Each participating district would receive a grant of \$50,000 and the total amount of grants that could be awarded would be limited to \$2 million each year.

The bill would create a high school advising program, administered by TEA, which would support participating districts and open-enrollment charter schools in providing college, career, or military advising support to students.

Participating districts and open-enrollment charter schools would be required to have a partnership agreement with an institution of higher education to support students from high school graduation to postsecondary completion, and a partnership agreement with a career and technical education program at a institution of higher education, an employer, a branch of the armed services or National Guard, or a local workforce board, to support students from high school graduation to workforce entry.

Advisors would be required to be trained in practices relating to college, career, and military advising and supported by additional guidance provided by the agency. Advisors could not have caseloads of more than 200 students and must prioritize students in grade levels 11 and 12. Advisors would be required to spend at least 80 percent of their time on college, career, and military advising.

The bill would grant rulemaking authority to the commissioner to implement the high school advising program, and would require the commissioner to consult with Texas Workforce Commission (TWC) and Texas Higher Education Coordinating Board (THECB).

The bill would extend the allowable uses of funds under the New Instructional Facilities Allotment (NIFA) and would increase the amount appropriated for NIFA from \$100 million to \$150 million each year.

The bill would entitle districts to reimbursement for not more than two certification examinations per student.

The bill would establish the High School Advising Allotment under the FSP. The allotment would provide \$40,000 for each full-time equivalent advisor or contracted service provider under the high school advising program and would limit the number of advisors for whom a district may receive the allotment to one advisor per 200 students enrolled in the district in grade levels 11 and 12. Beginning in the fifth school year, the allotment would be reduced by 20 percent for each school year, unless the district's performance for the school year meets certain criteria.

Methodology

THECB states that costs relating to providing dual credit courses to students who have graduated under the FAST program cannot be determined at this time as data on the number of students who would qualify for the additional funding is not available.

TEA assumes there would be a cost to the state if the State Board of Education (SBOE) were to adopt TEKS for JROTC courses to be included in a CTE program. TEA assumes \$34,200 in committee costs would be required in fiscal year 2026 to develop TEKS recommendations.

TEA estimates costs to provide up to two subsidies per student and one subsidy per teacher for passing CTE certification examinations to be \$281,798 annually.

The agency assumes the cost to provide grants to districts to establish a JROTC program would be limited by the \$2.0 million cap each fiscal year.

THECB assumes any costs associated with implementation of the bill could be absorbed using existing resources.

TEA assumes 1.0 FTE would be required to implement the provisions of the bill for a cost of \$0.1 million in each fiscal year.

The bill would amend or create allotments under the FSP as outlined in the Fiscal Analysis section above. This analysis assumes that the total cost to the FSP would be \$146.5 million in fiscal year 2026, \$197.8 million in fiscal year 2027, increasing to \$215.4 million in fiscal year 2030.

The cost to the FSP includes estimated decreases in Recapture Payments - Attendance Credits revenue of \$13.7 million in fiscal year 2026, \$25.5 million in fiscal year 2027, increasing to \$27.0 million in fiscal year 2030

Technology

TEA assumes IT costs associated with implementing the provisions of the bill would be \$0.2 million in fiscal year 2026 and \$0.5 million in fiscal year 2027.

Local Government Impact

This analysis assumes local education agencies would receive additional funding through the FSP under the bill.

Source Agencies: 701 Texas Education Agency, 781 Higher Education Coordinating Board, 966 Howard College, 978 San Jacinto College

LBB Staff: JMc, NC, ASA, MJe, GO, JPE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 21, 2025

TO: Honorable Brad Buckley, Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB120** by Bell, Keith (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.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB120, Committee Report 1st House, Substituted: a negative impact of (\$571,928,428) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2026	(\$254,360,823)
2027	(\$317,567,605)
2028	(\$352,325,096)
2029	(\$334,590,600)
2030	(\$332,785,126)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Foundation School Fund</i> 193	Probable Revenue Gain/(Loss) from <i>Recapture Payments Atten</i> <i>Crdts</i> 8905	<i>Change in Number of State</i> <i>Employees from FY 2025</i>
2026	(\$2,602,493)	(\$251,758,330)	(\$24,659,745)	1.0
2027	(\$2,917,452)	(\$314,650,153)	(\$49,610,432)	1.0
2028	(\$2,386,281)	(\$349,938,815)	(\$43,538,964)	1.0
2029	(\$2,386,281)	(\$332,204,319)	(\$69,400,040)	1.0
2030	(\$2,386,281)	(\$330,398,845)	(\$71,679,174)	1.0

Fiscal Analysis

The bill would allow students who have graduated from high school but are enrolled in a district or charter school designated as a Pathways in Technology Early College High School (P-TECH) or Rural Pathway Excellence Partnership (R-PEP) school and are completing a course of study offered through the P-TECH or R-PEP programs to enroll at no cost in a dual credit course under the Financial Aid for Swift Transfer (FAST)

program.

The bill would include courses under a Junior Reserve Officers' Training Corps (JROTC) program in what is considered career and technology education programs and for which a district could generate entitlement under the Career and Technology Education (CTE) Allotment under the Foundation School Program (FSP).

The bill would increase the number of subsidies students may receive for CTE certification examinations from one to two and would provide a subsidy to teachers completing certain certification examinations related to CTE instead of cybersecurity.

The bill would establish the Military Pathway Grant Program which would provide funds to school districts to establish a JROTC program for students enrolled in high school in the district, administer the Armed Services Vocational Aptitude Battery test, and provide career counseling to participating students. Each participating district would receive a grant of \$50,000 and the total amount of grants that could be awarded would be limited to \$2 million each year.

The bill would create a high school advising program, administered by the Texas Education Agency (TEA), which would support participating districts and open-enrollment charter schools in providing college or career advising support to students. Participating districts and open-enrollment charter schools would be required to have a partnership agreement with a public institution of higher learning, or a vocational program at a public institution of higher education, to provide college or career advisors. Advisors would be required to be trained in practices relating to college or career advising, and would be prohibited from having caseloads of more than 200 students in grade levels 9 through 12. Students in grade levels 11 and 12 would be prioritized. The bill would grant rulemaking authority to the commissioner to implement the high school advising program, and would require the commissioner to consult with the Texas Workforce Commission (TWC) and the Texas Higher Education Coordinating Board (THECB).

The bill would increase the per student amount under P-TECH from \$50 per ADA to \$150 per enrolled student.

The bill would extend the allowable uses of funds under the New Instructional Materials Allotment (NIFA) and would increase the amount appropriated for NIFA from \$100 million to \$150 million each year.

The bill would entitle districts to reimbursement for not more than two certification examinations per student.

The bill would establish the High School Advising Allotment under the FSP. The allotment would provide \$30,000 for each full-time equivalent advisor or contracted service provider under the high school advising program and would limit the number of advisors for whom a district may receive the allotment to one advisor per 200 students enrolled in the district in grade levels 9 through 12. The allotment would be reduced by 20 percent for each school year, beginning in the fifth school year, unless the district's performance for the school year met certain criteria.

Methodology

The THECB states that costs relating to providing dual credit courses to students who have graduated under the FAST program cannot be determined at this time as data on the number of students who would qualify for the additional funding is not available.

TEA assumes there would be a cost to the state if the SBOE were to adopt TEKS for JROTC courses to be included in a CTE program. TEA assumes \$34,200 in committee costs would be required in fiscal year 2026 to develop TEKS recommendations.

TEA estimates costs to provide up to two subsidies per student and one subsidy per teacher for passing CTE certification examinations to be \$281,798 annually.

The agency assumes the cost to provide grants to districts to establish a JROTC program would be limited by the \$2.0 million cap each fiscal year.

TEA assumes 1.0 FTE would be required to implement the provisions of the bill for a cost of \$0.1 million in

each fiscal year.

The bill would amend or create allotments under the FSP as outlined in the Fiscal Analysis section above. TEA assumes that the total cost to the FSP would be \$251.8 million in fiscal year 2026, \$314.7 million in fiscal year 2027, increasing to \$330.4 million in fiscal year 2030. The cost to the FSP includes estimated decreases in Recapture Payments - Attendance Credits revenue of \$24.7 million in fiscal year 2026, \$49.6 million in fiscal year 2027, increasing to \$71.7 million in fiscal year 2030.

Technology

TEA assumes IT costs associated with implementing the provisions of the bill would be \$0.2 million in fiscal year 2026 and \$0.5 million in fiscal year 2027.

Local Government Impact

This analysis assumes local education agencies (LEAs) would receive additional funding through the FSP under the bill.

Source Agencies: 701 Texas Education Agency, 781 Higher Education Coordinating Board, 966 Howard College, 978 San Jacinto College

LBB Staff: JMc, JPE, ASA, MJe

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 5, 2025

TO: Honorable Brad Buckley, Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB120** by Bell, Keith (Relating to career and technology education programs in public schools, 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.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB120, As Introduced: a negative impact of (\$495,810,541) through the biennium ending August 31, 2027.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2026	(\$224,866,487)
2027	(\$270,944,054)
2028	(\$300,175,237)
2029	(\$284,455,617)
2030	(\$282,353,403)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Foundation School Fund 193	Probable Revenue Gain/(Loss) from Recapture Payments Atten Crdts 8905	Change in Number of State Employees from FY 2025
2026	(\$2,324,182)	(\$222,542,305)	(\$21,622,021)	1.0
2027	(\$2,646,115)	(\$268,297,939)	(\$43,779,063)	1.0
2028	(\$2,104,483)	(\$298,070,754)	(\$36,927,339)	1.0
2029	(\$2,104,483)	(\$282,351,134)	(\$59,502,203)	1.0
2030	(\$2,104,483)	(\$280,248,920)	(\$61,363,725)	1.0

Fiscal Analysis

The bill would include courses under a junior ROTC program in what is considered career and technology education programs and for which a district could generate entitlement under the Career and Technology Education (CTE) Allotment under the Foundation School Program (FSP).

The bill would establish the Military Pathway Grant Program which would provide funds to school districts to establish a Junior ROTC program for students enrolled in high school in the district, administer the Armed Services Vocational Aptitude Battery test, and provide career counseling to participating students. Each participating district would receive a grant of \$50,000 and the total amount of grants that could be awarded would be limited to \$2 million each year.

The bill would create a high school advising program, administered by TEA, which would support participating districts and open-enrollment charter schools in providing college or career advising support to students. Participating districts and open-enrollment charter schools would be required to have a partnership agreement with a public institution of higher learning, or a vocational program at a public institution of higher education, to provide college or career advisors. Advisors would be required to be trained in practices relating to college or career advising, and would be prohibited from having caseloads of more than 200 students. Students in grade levels 11 and 12 would be prioritized. The bill would grant rulemaking authority to the commissioner to implement the high school advising program, and would require the commissioner to consult with TWC and the Texas Higher Education Coordinating Board.

The bill would establish the High School Advising Allotment under the FSP. The allotment would provide \$50,000 for each full-time equivalent advisor or contracted service provider under the high school advising program and would limit the number of advisors for whom a district may receive the allotment to one advisor per 200 students enrolled in the district in grade levels 11 and 12. The allotment would be reduced by 20 percent for each school year, beginning in the fifth school year, unless the district's performance for the school year met certain criteria.

The bill would increase the per student amount under P-TECH from \$50 per ADA to \$150 per enrolled student and would extend P-TECH funding to a student who has graduated from high school but is enrolled in the district under a P-TECH program for which the student could earn dual credit.

The bill would extend the allowable uses of funds under the New Instructional Facilities Allotment (NIFA) and would increase the amount appropriated for NIFA from \$100 million to \$150 million each year.

Methodology

TEA assumes there would be a cost to the state if the SBOE were to adopt TEKS for JROTC courses to be included in a CTE program. TEA assumes \$34,200 in committee costs would be required in fiscal year 2026 to develop TEKS recommendations.

The agency assumes the cost to provide grants to districts to establish a JROTC program would be limited by the \$2.0 million cap each fiscal year.

TEA assumes 1.0 FTE would be required to implement the provisions of the bill for a cost of \$0.1 million in each fiscal year.

The bill would amend or create allotments under the FSP as outlined in the Fiscal Analysis section above. TEA assumes that the total cost to the FSP would be \$222.5 million in fiscal year 2026, \$268.3 million in fiscal year 2027, increasing to \$280.2 million in fiscal year 2030.

The cost to the FSP includes estimated decreases in Recapture Payments Attendance Credits revenue of \$21.6 million in fiscal year 2026, \$43.8 million in fiscal year 2027, increasing to \$61.4 million in fiscal year 2030.

Technology

TEA assumes IT costs associated with implementing the provisions of the bill would be \$0.2 million in fiscal year 2026 and \$0.5 million in fiscal year 2027.

Local Government Impact

This analysis assumes local education agencies (LEAs) would receive additional funding through the FSP under

the bill.

Source Agencies: 320 Texas Workforce Commission, 701 Texas Education Agency

LBB Staff: JMc, NC, ASA, MJe

LEGISLATIVE BUDGET BOARD
Austin, Texas

ACTUARIAL IMPACT STATEMENT

89TH LEGISLATIVE REGULAR SESSION

May 7, 2025

TO: Honorable Brandon Creighton, Chair, Senate Committee on Education K-16

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB120 by Bell, Keith (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.), **As Engrossed**

The bill would amend multiple sections of the Texas Education Code related to career and technology education programs for public schools. Among the changes, it would allow school districts that have participated in the Rural Pathway Excellence Partnership (R-PEP) program to continue participating regardless of the number of students in average daily attendance in the district for the current school year. Employees of coordinating entities that manage a partnership under R-PEP may be eligible for membership and benefits with the Teacher Retirement System (TRS) of Texas. According to TRS, the bill would not have an actuarial effect on the system.

SOURCE:

TRS email correspondence on April 29, 2025.

Source 338 Pension Review Board
Agencies:

LBB Staff: JMc, NC, ASA, ENA

LEGISLATIVE BUDGET BOARD
Austin, Texas

ACTUARIAL IMPACT STATEMENT

89TH LEGISLATIVE REGULAR SESSION

March 21, 2025

TO: Honorable Brad Buckley, Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB120 by Bell, Keith (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.), **Committee Report 1st House, Substituted**

The bill would amend multiple sections of the Texas Education Code related to career and technology education programs for public schools. Among the changes, it would allow school districts that have participated in the Rural Pathway Excellence Partnership (R-PEP) program to continue participating regardless of the number of students in average daily attendance in the district for the current school year. Employees of coordinating entities that manage a partnership under R-PEP may be eligible for membership and benefits with the Teacher Retirement System (TRS) of Texas. According to TRS, the bill would not have an actuarial effect on the system.

SOURCES:

TRS email correspondence on March 20, 2025.

Source 338 Pension Review Board

Agencies:

LBB Staff: JMc, JPE, ASA, ENA, NC

LEGISLATIVE BUDGET BOARD

Austin, Texas

ACTUARIAL IMPACT STATEMENT

89TH LEGISLATIVE REGULAR SESSION

March 5, 2025

TO: Honorable Brad Buckley, Chair, House Committee on Public Education

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB120 by Bell, Keith (Relating to career and technology education programs in public schools, 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.), **As Introduced**

The bill would amend multiple sections of the Texas Education Code related to career and technology education programs for public schools. Among the changes, it would allow school districts that have participated in the Rural Pathway Excellence Partnership (R-PEP) program to continue participating regardless of the number of students in average daily attendance in the district for the current school year. Employees of coordinating entities that manage a partnership under R-PEP may be eligible for membership and benefits with the Teacher Retirement System (TRS) of Texas. According to TRS, the bill would not have an actuarial effect on the system.

SOURCES:

TRS email correspondence on March 1, 2025.

Source

338 Pension Review Board

Agencies:

LBB Staff: JMc, NC, ASA, ENA