

The Texas Education Agency (TEA) proposes an amendment to §74.1003, concerning college and career readiness. The proposed amendment would update the criteria used to identify the industry-based certifications to be used for public school accountability.

**BACKGROUND INFORMATION AND JUSTIFICATION:** Section 74.1003 defines the industry-based certifications that are recognized for the purpose of accounting for students who earn industry certifications in the public school accountability system.

New subsection (a) would establish tiers for industry-based certifications for purposes of public school accountability.

Existing subsection (a), relating to the 2017-2018 and 2018-2019 school years, would be removed.

Existing subsection (b), which references the list of certifications provided in the annual accountability manual, would be removed.

Existing subsection (c), re-lettered as subsection (b), would be amended to specify that the list of industry-based certifications used for public school accountability will be reviewed and updated every five years beginning in 2028.

New subsection (c) would establish the criteria industry-based certifications must meet to be recognized for the purpose of public school accountability beginning in the 2025-2026 school year. To be included on the list, a credential must be a certification or license, industry recognized and valued, attainable by a high school student, portable, and offered as a capstone or at the end of a program.

Subsection (d) would be modified to clarify the subsection's applicability to the 2022-2023 through 2024-2025 school years.

New subsection (e) would specify the circumstances under which a credential will not be included on the list of industry-based certifications for public school accountability.

**FISCAL IMPACT:** Monica Martinez, associate commissioner for standards and programs, has determined that for the first five-year period the proposal is in effect, there are no additional costs to state or local government, including school districts and open-enrollment charter schools, required to comply with the proposal.

**LOCAL EMPLOYMENT IMPACT:** The proposal has no effect on local economy; therefore, no local employment impact statement is required under Texas Government Code, §2001.022.

**SMALL BUSINESS, MICROBUSINESS, AND RURAL COMMUNITY IMPACT:** The proposal has no direct adverse economic impact for small businesses, microbusinesses, or rural communities; therefore, no regulatory flexibility analysis, specified in Texas Government Code, §2006.002, is required.

**COST INCREASE TO REGULATED PERSONS:** The proposal does not impose a cost on regulated persons, another state agency, a special district, or a local government and, therefore, is not subject to Texas Government Code, §2001.0045.

**TAKINGS IMPACT ASSESSMENT:** The proposal does not impose a burden on private real property and, therefore, does not constitute a taking under Texas Government Code, §2007.043.

**GOVERNMENT GROWTH IMPACT:** TEA staff prepared a Government Growth Impact Statement assessment for this proposed rulemaking. During the first five years the proposed rulemaking would be in effect, it would expand an existing regulation by updating the criteria industry-based certifications must meet to be recognized for the purpose of public school accountability and including additional criteria to tier industry-based certifications.

The proposed rulemaking would not create or eliminate a government program; would not require the creation of new employee positions or elimination of existing employee positions; would not require an increase or decrease in future legislative appropriations to the agency; would not require an increase or decrease in fees paid to the agency;

would not create a new regulation; would not limit or repeal an existing regulation; would not increase or decrease the number of individuals subject to its applicability; and would not positively or adversely affect the state's economy.

**PUBLIC BENEFIT AND COST TO PERSONS:** Ms. Martinez has determined that for each year of the first five years the proposal is in effect, the public benefit anticipated as a result of enforcing the proposal would be to provide school districts with clarification regarding the criteria an industry-based certification must meet to be recognized for the purpose of academic accountability. There is no anticipated economic cost to persons who are required to comply with the proposal.

**DATA AND REPORTING IMPACT:** The proposal would have no data and reporting impact.

**PRINCIPAL AND CLASSROOM TEACHER PAPERWORK REQUIREMENTS:** TEA has determined that the proposal would not require a written report or other paperwork to be completed by a principal or classroom teacher.

**PUBLIC COMMENTS:** The public comment period on the proposal begins January 10, 2025, and ends February 10, 2025. A request for a public hearing on the proposal submitted under the Administrative Procedure Act must be received by the commissioner of education not more than 14 calendar days after notice of the proposal has been published in the *Texas Register* on January 10, 2025. A form for submitting public comments is available on the TEA website at [https://tea.texas.gov/About\\_TEA/Laws\\_and\\_Rules/Commissioner\\_Rules\\_\(TAC\)/Proposed\\_Commissioner\\_of\\_Education\\_Rules/](https://tea.texas.gov/About_TEA/Laws_and_Rules/Commissioner_Rules_(TAC)/Proposed_Commissioner_of_Education_Rules/).

**STATUTORY AUTHORITY.** The amendment is proposed under Texas Education Code (TEC), §39.001, which requires the commissioner to adopt rules as necessary to administer TEC, Chapter 39; and TEC, §39.053, which requires the commissioner to adopt a set of indicators of the quality of learning and achievement, including improving student preparedness for success in entering the workforce, the military, or postsecondary education.

**CROSS REFERENCE TO STATUTE.** The amendment implements Texas Education Code, §39.001 and §39.053.

<rule>

### **§74.1003. Industry-Based Certifications for Public School Accountability.**

- (a) Industry-based certifications to be used in the public school accountability system shall be categorized as follows using U.S. Department of Labor and Texas Workforce Commission data with thresholds determined by the Texas Education Agency (TEA).
- (1) A Tier 1 certification meets the criteria in subsection (c)(1)-(5) of this section and is in demand and directly aligned to one or more high-wage occupations.
- (2) A Tier 2 certification meets the criteria in subsection (c)(1)-(5) of this section and is directly aligned to an occupation that is:
- (A) in demand and high wage; or
- (B) high skill.
- (3) A Tier 3 certification meets criteria in subsection (c)(1)-(5) of this section and:
- (A) does not meet indicators in paragraph (1) or (2) of this subsection; or
- (B) requires curriculum (whether purchased as a package or to access the certification assessment), unless the curriculum is required by a Texas or federal government agency.
- ~~[(a) The list of certifications provided in this subsection will be recognized for the purpose of accounting for students who earn industry certifications in the public school accountability system for the 2017-2018 and 2018-2019 school years.]~~

[Figure: 19 TAC §74.1003(a)]

~~(b) Beginning in the 2019-2020 school year, the list of certifications provided in the annual accountability manual adopted as a figure in §97.1001 of this title (relating to Accountability Rating System) will be recognized for the purpose of accounting for students who earn industry certifications in the public school accountability system.~~

(b) ~~(e)~~ The list of industry-based certifications to be used in the public school accountability system shall be reviewed and updated every five ~~two~~ years beginning in 2028 ~~2021~~ .

(c) Certifications recognized for the purpose of public school accountability in the 2025-2026 through the 2029-2030 school years shall meet the following criteria.

(1) Certification. A certification is defined as a validation or license that indicates an individual possesses certain industry-specific skills and that meets the following criteria:

(A) the certification is:

(i) related to the performance requirements of a specific occupation and measured against a set of industry-accepted standards; and

(ii) earned by successfully completing an assessment that is provided by or evaluated by an independent, third-party certifying entity and demonstrates an individual's proficiency of the prescribed standards; or

(B) the certification is issued by the State of Texas and requires students to demonstrate proficiency of the prescribed standards through courses within a TEA-approved statewide or regional program of study.

(2) Industry recognized and valued. A certification is industry recognized and valued if:

(A) the certification is a license awarded by the State of Texas, the federal government, or a national board;

(B) the certification is included on the Department of Labor's CareerOneStop Certifications List as being:

(i) third-party industry-endorsed; or

(ii) in demand;

(C) the certification is included on the Texas Workforce Commission's (TWC's) Eligible Training Provider List;

(D) the certification is referred to TEA by TWC as a result of determined correlation between certification attainment and job-related salary;

(E) a certifying entity provides evidence of industry recognition and value that is validated by TEA; or

(F) the certification is referred to TEA by TWC as part of the inventory of industry-recognized credentials approved by the industry-based certification advisory council authorized by Texas Labor Code, §312.002, and meets indicators in subparagraphs (A), (B), (C), (D), or (E) of this paragraph.

(3) Attainable by a high school student. A certification is attainable by a high school student if the certification:

(A) does not require a bachelor's degree;

(B) does not require over 1,500 hours of documented work, unless the certifying entity provides verifiable documented evidence that Texas high school students have earned the certification in one of the past two years;

(C) does not require a certification applicant to be 21 years of age or over; and

(D) coursework is not required after a student graduates from high school.

(4) Portable. The certification:

(A) can be transferred seamlessly to postsecondary work through acceptance for one or more core program courses at a Southern Association of Colleges and Schools Commission on Colleges-accredited institution of higher education and verified through the institution of higher education's website;

(B) counts toward a minimum of 5% of the hours required in an aligned apprenticeship program and can be verified through the apprenticeship's website;

(C) is part of a prescribed coherent sequence of industry-recognized credentials to show progressive skills development such as I, II, and III or User, Associate, and Professional;

(D) is documented by TWC as supporting employment in more than one region of the state;  
or

(E) is a license awarded by the State of Texas, the federal government, or a national board.

(5) Capstone or end-of-program. A certification assessment is taken at the culmination of a single high school course or multiple related courses within a secondary program of study. There must be at least 50% alignment between the certification assessment standards and the identified occupation-specific student expectations within at least one level 3 or 4 course in a program of study.

(d) Certifications [~~Beginning in the 2022-2023 school year, certifications~~] recognized for the purpose of public school accountability in the 2022-2023 through the 2024-2025 school years shall meet the following criteria.

(1) Certification. A certification is defined as a validation or license that indicates an individual possesses certain industry-specific skills and that meets two or more of the following criteria:

(A) the certification is related to the performance requirements of a career or occupation, measured against a set of industry-accepted standards, and not dependent upon a particular curriculum or program;

(B) the certification is earned by successfully completing an assessment that demonstrates an individual's proficiency of the prescribed standards; or

(C) the certification is a time-limited credential that must be maintained through ongoing professional training and/or testing requirements.

(2) Industry recognized and valued.

(A) A certification is industry recognized and valued if the certification is:

(i) referred to TEA [~~the Texas Education Agency (TEA)~~] :

(I) by TWC [~~the Texas Workforce Commission (TWC)~~] as part of the inventory of industry-recognized credentials approved by the industry-based certification advisory council authorized by Texas Labor Code, §312.002; or

(II) directly using a process identified and implemented by TEA and published on the TEA website if the certification is not referred to TEA by TWC under subclause (I) of this clause; and

(ii) determined to be valued by a representative sample of employers, as demonstrated in at least one of the following ways:

(I) inclusion of the certification in job postings as required or highly recommended;

- (II) use of the certification as a factor in selecting candidates for an interview or for hire; or
  - (III) offer of higher pay for individuals who possess the certification.
- (B) If a determination of value under subparagraph (A)(ii) of this paragraph is not made prior to referral under subparagraph (A)(i)(I) of this paragraph, TEA may use a third-party organization with expertise in gathering information from employers related to the value of industry-based certifications to directly contact groups of employers and report to TEA regarding whether the standards under subparagraph (A)(ii) of this paragraph have been met.
- (3) Attainable by a high school student. All eligibility requirements such as age and experience can be met and the certification awarded before or within the summer after a student's high school graduation.
- (4) Portable. The certification can:
  - (A) be transferred seamlessly to postsecondary work through acceptance for credit or hours in core program courses at an institution of higher education;
  - (B) be counted toward hours in an aligned apprenticeship program;
  - (C) be part of a prescribed coherent sequence of industry-recognized credentials to show progressive skills development; or
  - (D) support employment in more than one region of the state.
- (5) Certifying entity. The assessment of the knowledge and skills required to obtain the certification is provided by or determined by an independent, third-party certifying entity using predetermined standards for knowledge, skills, and competencies.
- (6) Capstone or end-of-program. A certification assessment is taken at the culmination of a single high school course or multiple related courses within a secondary program of study. There must be at least 50% overlap between the certification assessment standards and:
  - (A) the essential knowledge and skills for a secondary course aligned to the career cluster associated with the certification assessment; or
  - (B) the applicable essential knowledge and skills for a set of courses within a program of study in a secondary career and technical education program.
- (e) A credential shall not be included on the list of industry-based certifications for public school accountability if:
  - (1) the assessment for the credential is open book, open reference, or allows limitless retake opportunities without remediation or remuneration; or
  - (2) the credential is designed for high school students and not attainable by adults.