

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

~~[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

(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

- (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)