

The Texas Education Agency (TEA) adopts new §74.1007, concerning college and career readiness. The new section is adopted without changes to the proposed text as published in the January 1, 2021 issue of the *Texas Register* (46 TexReg 41) and will not be republished. The new rule specifies applicable guidelines for the annual calculation of the College, Career, or Military Readiness (CCMR) Outcomes Bonus added by House Bill (HB) 3, 86th Texas Legislature, 2019.

REASONED JUSTIFICATION: HB 3, 86th Texas Legislature, 2019, established the CCMR Outcomes Bonus. The CCMR Outcomes Bonus allows TEA to annually award school districts funds based on the district's number of annual graduates in excess of the statewide 25th percentile for CCMR, disaggregated by economically disadvantaged status and by enrollment in a special education program under Texas Education Code (TEC), Chapter 29, Subchapter A.

Adopted new 19 TAC §74.1007 establishes the threshold percentage (25th percentile) of statewide college, career, or military readiness for the cohort of annual graduates during the 2016-2017 school year for annual graduates who are educationally disadvantaged, annual graduates who are not educationally disadvantaged, and annual graduates who are enrolled in a special education program. The adopted new rule includes the time period by which an annual graduate must enroll at a postsecondary educational institution, earn an associate degree, earn an industry-accepted certification, earn a level I or level II certificate, or enlist in the armed forces of the United States in order to demonstrate college, career, or military readiness. TEA issued final CCMR Outcomes Bonus funds for the 2019-2020 school year and preliminary CCMR Outcomes Bonus funds for the 2020-2021 school year.

SUMMARY OF COMMENTS AND AGENCY RESPONSES: The public comment period on the proposal began January 1, 2021, and ended February 1, 2021. Following is a summary of the public comments received and the corresponding responses.

Comment. One school district staff member requested the rule align the CCMR Outcomes Bonus with accountability measures. The commenter stated that the proposed rule would make it necessary for school personnel to stay in contact with graduates over the summer and help them individually enroll in colleges across Texas and the United States. The commenter proposed the rule have local educational agencies ensure students are admitted and ready for enrollment by graduation.

Response. The agency disagrees. TEC, §48.110, defines college readiness as achieving college readiness standards on the SAT®, ACT®, or Texas Success Initiative (TSI) assessment and enrollment at an institution of higher education. The agency obtains these data from the National Student Clearinghouse and the Texas Higher Education Coordinating Board, which alleviates the need for school districts to track students post-graduation.

Comment. One individual commented that the bonus is beneficial for both students and school districts and provides districts with the resources to offer students extra tools and resources.

Response. The agency agrees.

Comment. Advancement Via Individual Determination (AVID) recommended the inclusion of higher education persistence rates as a CCMR Outcomes Bonus indicator.

Response. The agency disagrees. TEC, §48.110, defines college readiness as achieving college readiness standards on the SAT®, ACT®, or TSI assessment and enrollment at an institution of higher education.

Comment. The College Board recommended the inclusion of College-Level Examination Program (CLEP) for future consideration as a CCMR Outcomes Bonus indicator.

Response. The agency disagrees. TEC, §48.110, defines college readiness as achieving college readiness standards on the SAT®, ACT®, or TSI assessment and enrollment at an institution of higher education.

Comment. The Fast Growth School Coalition and the Texas School Alliance (TSA) recommended the term "military readiness" in the proposed rule language be changed to "military enlistment proxy" or "military enlistment" to align with TEC, §39.053(c)(1)(B)(iv).

Response. The agency disagrees. The statutory authority for the CCMR Outcomes Bonus is TEC, §48.110(f)(3), which uses the term "military readiness."

Comment. The Fast Growth School Coalition and TSA proposed the indicators used to calculate CCMR Outcomes Bonus thresholds be consistent with the indicators used to calculate the bonus payouts. The comment provided two recommendations: (1) the thresholds should be recalculated without the 2017 graduates' military enlistment Public Education Information Management System (PEIMS) data; and (2) when/if TEA obtains the Department of Defense (DoD) military enlistment data, then re-calculate the thresholds and the payouts for the next group of annual graduates.

Response. The agency disagrees with the recommendation relating to recalculating thresholds. The thresholds will be set one time based on 2017 annual graduates and adopted in rule. The agency included the 2017 annual graduates military enlistment as reported in PEIMS in the threshold calculations. The agency partially agrees with the recommendation relating to DoD military enlistment data. The agency will not recalculate thresholds once DoD enlistment data is received. The agency will recalculate the 2018 and 2019 annual graduate outcomes, and the updated outcomes will be used to recalculate funding for the 2019-2020 fiscal year and applicable future fiscal years.

Comment. An individual commented related to concerns on requiring ACT®, SAT®, or TSI assessment as COVID-19 impacted administrations of the assessments in 2020 and 2021. The commenter also proposed the use of other measures such as Advanced Placement/International Baccalaureate assessment scores, dual-credit course credit, or completion of a college prep course.

Response. The agency disagrees. TEC, §48.110, defines college or career readiness as achieving college readiness standards on the SAT®, ACT®, or TSI assessment in addition to enrollment at an institution of higher education or earning a certification.

Comment. An individual commented that industry-based certifications and level I or level II certificates should stand on their own as career ready without the ACT® or SAT® requirement as these assessments are not required for students to engage in a career related to their area of certification or certificate.

Response. The agency disagrees. TEC, §48.110, defines career readiness as achieving college readiness standards on the SAT®, ACT®, or TSI assessment in addition to earning a certification.

Comment. An individual commented that special education students with an individualized education program demonstrating workforce readiness, instead of SAT® and ACT®, along with certification or certificates should count toward the CCMR Outcomes Bonus.

Response. The agency disagrees. TEC, §48.110, does not provide alternative measures for students served by special education to meet the CCMR Outcomes Bonus indicators.

Comment. An individual commented that school districts may be directing students to level I and level II certificates because they are not being successful on the assessment instruments and suggested TEA consider switching from "either/or" to "and" for career readiness.

Response. The agency provides the following clarification. The proposed rule defines career readiness as achieving college readiness standards on the SAT®, ACT®, or TSI assessment in addition to earning a certificate.

Comment. An individual requested resources explaining how college, career, or military readiness differs between accountability and outcomes bonuses.

Response. The agency provides the following clarification. Resources that compare accountability and outcomes bonuses and data sources for both are available on the TEA website under Performance Reporting Resources at <https://tea.texas.gov/texas-schools/accountability/academic-accountability/performance-reporting/performance-reporting-resources>.

Comment. An individual requested detail on timing for including military readiness back in accountability.

Response. The agency provides the following clarification. TEA has yet to receive a timeline from the DoD regarding data requests.

Comment. An individual requested how to mitigate COVID-19 impact on college, career, and military readiness outcomes for the short term.

Response. The agency provides the following clarification. The agency will monitor and analyze the impact of COVID-19 on CCMR Outcomes Bonus data.

Comment. An individual proposed separating the indicators for earning an associate degree and enrolling in an institution of higher education.

Response. The agency disagrees. The associate degree and enrollment in an institution of higher education both align with the intent of college readiness as defined by TEC, §48.110.

STATUTORY AUTHORITY. The new section is adopted under Texas Education Code (TEC), §48.110(b)(1)-(3), as added by House Bill (HB) 3, 86th Texas Legislature, 2019, which require the commissioner to determine the threshold percentage for college, career, or military readiness for annual graduates who are educationally disadvantaged, annual graduates who are not educationally disadvantaged, and annual graduates who are enrolled in a special education program under TEC, Chapter 29, Subchapter A; TEC, §48.110(c), as added by HB 3, 86th Texas Legislature, 2019, which requires the commissioner to annually determine the minimum number of annual graduates in each cohort as described in TEC, §48.110(b), who would have to demonstrate college, career, or military readiness as described in TEC, §48.110(f), in order for the district to achieve a percentage of college, career, or military readiness for that cohort equal to the threshold percentage established for that cohort under TEC, §48.110(b); TEC, §48.110(f)(1)(B), as added by HB 3, 86th Texas Legislature, 2019, which requires the commissioner to establish by rule the time period by which an annual graduate must enroll at a postsecondary educational institution in order to demonstrate college readiness; TEC, §48.110(f)(2)(B), as added by HB 3, 86th Texas Legislature, 2019, which requires the commissioner to establish by rule the time period by which an annual graduate must earn an industry-accepted certification in order to demonstrate career readiness; TEC, §48.110(f)(3)(B), as added by HB 3, 86th Texas Legislature, 2019, which requires the commissioner to establish by rule the time period by which an annual graduate must enlist in the armed forces of the United States in order to demonstrate military readiness; and TEC, §48.110(g), as added by HB 3, 86th Texas Legislature, 2019, which requires the commissioner to establish threshold percentages under TEC, §48.110(b), using the 25th percentile of statewide college, career, or military readiness as described in TEC, §48.110(f), for the cohort of annual graduates during the 2016-2017 school year.

CROSS REFERENCE TO STATUTE. The new section implements Texas Education Code, §48.110(b)(1)-(3); (c); (f)(1)(A) and (B), (2)(A) and (B), and (3)(A) and (B); and (g).

<rule>

§74.1007. College, Career, or Military Readiness Outcomes Bonus.

- (a) The standards and thresholds established by the commissioner of education under Texas Education Code (TEC), §48.110(b)(1)-(3); (c); (f)(1)(A) and (B), (2)(A) and (B), and (3)(A) and (B); and (g), shall be used to calculate annual college, career, or military readiness outcomes bonuses for school districts and open-enrollment charter schools.
- (b) The threshold percentages of annual graduates who demonstrate college, career, or military readiness as provided in subsection (c) of this section for each of the following cohorts are as follows:
 - (1) 11% of annual graduates who are educationally disadvantaged;
 - (2) 24% of annual graduates who are not educationally disadvantaged; and

- (3) 0% of annual graduates who are enrolled in a special education program under TEC, Chapter 29, Subchapter A, regardless of whether the annual graduates are educationally disadvantaged.
- (c) An annual graduate demonstrates:
- (1) college readiness if the annual graduate:
 - (A) achieves college readiness standards used for accountability purposes under TEC, Chapter 39, on the ACT, the SAT, or an assessment instrument designated by the Texas Higher Education Coordinating Board (THECB) under TEC, §51.334; and
 - (B) meets one of the following requirements:
 - (i) earns an associate degree by August 31 immediately following high school graduation; or
 - (ii) enrolls at a postsecondary educational institution by the tenth instructional day of the fall semester immediately following high school graduation;
 - (2) career readiness if the annual graduate:
 - (A) achieves college readiness standards used for accountability purposes under TEC, Chapter 39, on the ACT, the SAT, or an assessment instrument designated by THECB under TEC, §51.334; and
 - (B) earns an industry-based certification or a level I or level II certificate by August 31 immediately following high school graduation; and
 - (3) military readiness if the annual graduate enlists in the armed forces of the United States by December 31 immediately following high school graduation.
- (d) Each year, the commissioner shall determine for each school district and open-enrollment charter school the minimum number of annual graduates in each cohort described by subsection (b) of this section who would have to demonstrate college, career, or military readiness as described by subsection (c) of this section in order for the district or charter school to achieve a percentage of college, career, or military readiness for that cohort equal to the threshold percentage established for that cohort under subsection (b) of this section. Each year, the number of annual graduates in excess of the threshold percentage for each cohort provided in subsection (b)(1)-(3) of this section will be used to calculate college, career, or military readiness outcomes bonus funding for the applicable fiscal year.
- (e) Each June, beginning in June 2021, the Texas Education Agency (TEA) shall supply school districts and open-enrollment charter schools with a preliminary College, Career, or Military Readiness Outcomes Bonus Student Listing that provides the data used by TEA to calculate preliminary funding for the upcoming school year.
- (1) Upon release of the preliminary listing, school districts and open-enrollment charter schools have 30 days to file an appeal of student-level data. School districts and open-enrollment charter schools must file an appeal and submit all supporting documentation within 30 days of the release of the preliminary listing.
 - (2) An appeal must be filed by following the instructions provided with the release of the student listing. The basis for appeals should be a data or calculation error attributable to TEA or a testing contractor.
 - (3) The appeals process is not a permissible method to correct data that were inaccurately reported to TEA by the school district or open-enrollment charter school. A school district or open-enrollment charter school that submits inaccurate data must follow the procedures and timelines for resubmitting data as specified in the Texas Education Data Standards. Appeals from school districts and open-enrollment charter schools that missed data resubmission window opportunities will be denied.
 - (4) Decisions regarding appeals are final and not subject to further appeal.

- (5) Due to the delay in data availability for enrollment in institutions of higher education (IHEs), preliminary College, Career, or Military Readiness Outcomes Bonus Student Listings will not include IHE enrollment. For 2019 annual graduates, TEA will use a two-year IHE enrollment average for each school district. Beginning with 2020 annual graduates, TEA will use a three-year IHE enrollment average for each school district.
- (6) Each year, upon receipt of IHE enrollment data, TEA will reconcile College, Career, or Military Readiness Outcomes Bonus Student Listings with actual enrollment data for the applicable graduating class. Upon reconciliation, the college, career, or military readiness outcomes bonus funding will be updated for the applicable fiscal year.
- (f) Due to discrepancies between annual enlistment counts for Texas military enlistees aged 17-19 released by the United States Department of Defense and Texas Student Data System Public Education Information Management System military enlistment data for 2017 and 2018 annual graduates, TEA will exclude military enlistment data from College, Career, or Military Readiness Outcomes Bonus Student Listings as provided in subsection (e) of this section until such data can be obtained directly from the United States Armed Forces. Upon receipt of such data, previously released final College, Career, or Military Readiness Outcomes Bonus Student Listings will be updated to include military enlistment data. When the final College, Career, or Military Readiness Outcomes Bonus Student Listings are updated, as provided in this subsection, the number of annual graduates in excess of the threshold percentage for each cohort provided in subsection (b)(1)-(3) of this section will be updated and used to recalculate college, career, or military readiness outcomes bonus funding for the 2019-2020 fiscal year and applicable future fiscal years.