



To the Administrator Addressed

Commissioner Mike Morath

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DATE:	
SUBJECT:	House Bill 3 (HB 3) Implementation: Industry-Based Certification Reimbursements
CATEGORY:	Funding Implications
NEXT STEPS:	Share with appropriate staff

This letter details processes and procedures for districts regarding industry-based certification (IBC) exam reimbursements authorized by House Bill 3 (HB 3) of the 86th Legislative Session, 2019. Included below are the processes for reporting IBC exams for reimbursement.

Background

Texas Education Code (TEC) §48.156 states that a school district is entitled to a reimbursement to help defray the cost of IBC exams taken by students beginning in the 2019-2020 school year. School districts cannot receive more than **one reimbursement per student** for a passed exam. For the 2019-2020 school year, districts received estimated Foundation School Program funding allocations. The amount of estimated funding may be found on line 40 of the [Summary of Finance report](#).

Districts will receive estimated funding annually for IBC exam reimbursement. The Texas Education Agency (TEA) will settle up with districts in the spring of the following year once cost and certifying entity information has been collected through the Public Education Information Management System (PEIMS).

PEIMS Summer Submission 3

Districts are required to submit data in **2019-2020 PEIMS summer submission 3** for IBC exams passed by students enrolled in Grades 9-12 between September 1, 2019 and May 31, 2020.

The 2019-2020 PEIMS summer submission 3 will only allow districts to report certification earned; therefore, a separate process will be developed by TEA to collect the cost and certifying entity information for reimbursement. TEA will release additional information on this process in the fall of 2020.

PEIMS Fall Submission 1

Districts are required to submit data in **2020-2021 PEIMS fall submission 1** for IBC exams passed by students enrolled in Grades 9-12 (graduated seniors included) between June 1, 2020 and August 31, 2020. Beginning in the 2020-2021 school year and all subsequent submissions, districts will be able to report in PEIMS the certification earned, the cost of the certification, and the certifying entity.

TEA will reimburse the first certification earned that is reported in PEIMS with an associated cost. TEA will not issue a reimbursement if the cost field is left blank. Districts may request a reimbursement if an additional certification is passed in a future reporting period.

Only one reimbursement per student throughout Grades 9-12 will be provided; therefore, districts should only report a cost for the certification for which they wish to be reimbursed.

Tracking IBC Exams at the District Level

Districts should be proactive in developing internal processes to collect and maintain IBC exam information and be prepared to provide this information to TEA.

Funding Considerations

Districts may not use the IBC exam cost to meet the 55% expenditure requirement for the college, career, and military readiness (CCMR) outcomes bonus (program intent code 38) funding. Additionally, IBC exam costs may not be used for the 55% expenditure requirement for the career and technology education (CTE) state allotment (program intent code 22) funding since they are receiving a reimbursement from the state. However, districts may use the CCMR bonus or state/federal Perkins funds to pay for additional or certification exams that were not passed.

For Further Information

Support and guidance on this process is available on the TEA IBC Reimbursement [website](#). If you have additional questions regarding this correspondence, please contact Advanced Academics at advancedacademics@tea.texas.gov.

If you have any questions regarding IBC program support and/or CTE, please contact cte@tea.texas.gov.