

The State Board of Education (SBOE) proposes an amendment to §74.3, concerning the required secondary curriculum. The proposed amendment would update the list of high school courses for personal financial literacy and economics that are required to be offered to students to align with the requirements of House Bill (HB) 27, 89th Texas Legislature, Regular Session, 2025.

**BACKGROUND INFORMATION AND JUSTIFICATION:** In accordance with statutory requirements that the SBOE establish curriculum and graduation requirements, the SBOE has identified high school courses that school districts must offer. For social studies, §74.3 requires school districts to offer United States History Studies Since 1877, World History Studies, United States Government, World Geography Studies, Personal Financial Literacy, Economics with Emphasis on the Free Enterprise System and Its Benefits, and Personal Financial Literacy and Economics.

The 89th Texas Legislature passed HB 27 in 2025, requiring students to successfully complete a one-half credit personal financial literacy course instead of the option to complete either a one-half credit economics course or a one-half credit course in economics and personal financial literacy to satisfy the economics requirement under the Foundation High School Program. The bill changed the current one-half credit economics course to a one-credit course and permits students to select the third social studies credit required for graduation from economics, world geography, or world history. The bill also added new Texas Education Code, §28.025(b-24), requiring the SBOE to allow a student to comply with the personal financial literacy requirement by successfully completing an advanced placement course.

The proposed amendment would update the required secondary social studies course offerings in §74.3 to align with the requirements of HB 27.

The SBOE approved the proposed amendment for first reading and filing authorization at its January 30, 2026 meeting.

**FISCAL IMPACT:** Monica Martinez, associate commissioner for standards and programs, has determined that 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:** Texas Education Agency (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 limit an existing regulation by eliminating a course from the list of high school courses for social studies that are required to be offered to students.

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 expand 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 ensure the course titles in the required curriculum align with titles in the Texas Essential Knowledge and Skills. 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 or 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 SBOE requests public comments on the proposal, including, per Texas Government Code, §2001.024(a)(8), information related to the cost, benefit, or effect of the proposed rule and any applicable data, research, or analysis, from any person required to comply with the proposed rule or any other interested person. The public comment period on the proposal begins February 27, 2026, and ends at 5:00 p.m. on March 30, 2026. The SBOE will take registered oral and written comments on the proposal at the appropriate committee meeting in April 2026 in accordance with the SBOE board operating policies and procedures. 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 February 27, 2026.

STATUTORY AUTHORITY. The amendment is proposed under Texas Education Code (TEC), §7.102(c)(4), which requires the State Board of Education (SBOE) to establish curriculum and graduation requirements; TEC, §28.002(a), which identifies the subjects of the required curriculum; and TEC, §28.025(b-1), which requires the SBOE to determine by rule specific courses for graduation under the foundation high school program.

CROSS REFERENCE TO STATUTE. The amendment implements Texas Education Code, §§7.102(c)(4), 28.002(a), and 28.025(b-1).

<rule>

### §74.3. Description of a Required Secondary Curriculum.

- (a) (No change.)
- (b) Secondary Grades 9-12.
  - (1) (No change.)
  - (2) A school district must offer courses listed in subparagraphs (A)-(J) of this paragraph, unless selection from a list of courses is specified, and maintain evidence that students have the opportunity to take these courses:
    - (A)-(C) (No change.)
    - (D) social studies-- [~~United States History Studies Since 1877, World History Studies, United States Government, World Geography Studies, Personal Financial Literacy, Economics with Emphasis on the Free Enterprise System and Its Benefits, and Personal Financial Literacy and Economics;~~]
      - (i) United States History Studies Since 1877, United States Government, and Personal Financial Literacy; and
      - (ii) at least two additional social studies courses selected from Economics with Emphasis on the Free Enterprise System and Its Benefits, World Geography Studies, World History Studies, advanced level economics, world geography, world history, and personal financial literacy courses offered as dual credit as referenced in §74.11(i) of this title (relating to High School Graduation

Requirements) or a course selected from §74.12(b)(4)(E) of this title (relating to Foundation High School Program):

(E)-(J) (No change.)

(3) The following requirements may be reduced to one by the commissioner of education upon application of a school district with a total high school enrollment of less than 500 students:

(A) the requirement to offer two additional science courses; and

(B) the requirement to offer two additional social studies courses [both Economics with Emphasis on the Free Enterprise System and Its Benefits and Personal Financial Literacy and Economics] .

(4)-(5) (No change.)

(c) (No change.)