

Proposed New 19 TAC

**Chapter 127. Texas Essential Knowledge and Skills for Career Development and Career and Technical Education**

- (G) evaluate the ethical course of action for entrepreneurs using applicable rules, laws, and regulations;
  - (H) demonstrate leadership skills by participating in career and technical student organizations, leading a team project, or facilitating a group discussion;
  - (I) demonstrate coachability skills by receiving and giving constructive feedback; and
  - (J) demonstrate critical and analytical thinking skills when comparing business decisions.
- (2) The student demonstrates an understanding of entrepreneurship. The student is expected to:
- (A) distinguish between the terms entrepreneurship and entrepreneur;
  - (B) define small-, medium-, and large-sized businesses;
  - (C) differentiate between the various routes to entrepreneurship, including start-ups, franchising, acquisition, mergers, and non-profit ownership;
  - (D) identify and discuss the risks and benefits of an entrepreneurial way of life;
  - (E) analyze and discuss the advantages and disadvantages of entrepreneurship; and
  - (F) distinguish between intrapreneurship and entrepreneurship.
- (3) The student researches corporations, franchises, partnerships, and sole proprietorships to understand business structures. The student is expected to:
- (A) evaluate the advantages and disadvantages involved with the ownership of each business structure, including control, tax implications, risk, and liability;
  - (B) differentiate between management structures for different types of business;
  - (C) investigate local businesses and classify them by their business structures; and
  - (D) compare the difference between shareholders and stakeholders.
- (4) The student engages in discovery activities related to entrepreneurship. The student is expected to:
- (A) complete a career interest inventory and personality assessment to identify personality traits, strengths, and weaknesses;
  - (B) identify characteristics of successful entrepreneurs; and
  - (C) identify opportunities for personal growth through self-reflection activities.
- (5) The student identifies problems and creates solutions to address market wants and needs. The student is expected to:
- (A) identify and analyze problems in the marketplace through an ideation process; and
  - (B) describe possible solutions for the marketplace problems identified.
- (6) The student understands the key components included in a business plan. The student is expected to:
- (A) define and explain basic accounting terms, including revenue, expenses, cash, accounts receivable, accounts payable, fixed assets, liquid assets, inventory, liabilities, cost of goods sold, gross profit, net profit, forecasts, cash flow, return on investment, and owners' equity;
  - (B) identify possible revenue streams for a business;
  - (C) define and explain variable, fixed, and mixed costs;
  - (D) identify the components of key financial statements of a business plan, including balance sheet, profit and loss statement, and cash flow statement;
  - (E) calculate a break-even point using sample data;

- (F) define and explain different channels of distribution;
- (G) define and explain demographics, psychographics, and geographics as related to potential customer segment;
- (H) provide examples of market segments;
- (I) compare various pricing strategies such as price skimming, penetration pricing, premium pricing, and value-based pricing;
- (J) define and explain a competitive analysis;

**§127.276. Entrepreneurship II (One Credit), Adopted 2023.**

- (a) Implementation. The provisions of this section shall be implemented by school districts beginning with the 2024-2025 school year.
- (b) General requirements. This course is recommended for students in Grades 10-12. Prerequisite: Entrepreneurship I. Students shall be awarded one credit for successful completion of this course.
- (c) Introduction.
  - (1) Career and technical education instruction provides content aligned with challenging academic standards and relevant technical knowledge and skills for students to further their education and succeed in current or emerging professions.
  - (2) The Business, Marketing, and Finance Career Cluster focuses on planning, managing, organizing, directing, and evaluating business functions essential to efficient and productive business.

- (C) describe franchise opportunities and ownership requirements;
  - (D) define scaling as it applies to growing a business; and
  - (E) self-reflect and evaluate personal strengths for becoming a successful entrepreneur.
- (3) The student engages in the ideation process and determines the feasibility of an entrepreneurial venture. The student is expected to:
  - (A) identify and analyze problems in the marketplace through an ideation process;
  - (B) analyze market research to identify possible solutions to a problem;
  - (C) identify the customer segment affected by a problem;
  - (D) evaluate the feasibility of possible solutions to a problem, including a competitive analysis such as a strength, weakness, opportunities, and threats (SWOT) analysis; and
  - (E) select and present the most viable solution to a problem based on market research, feasibility, and customer segmentation.
- (4) The student creates a minimum viable product (MVP) for a start-

- (A) explain the importance of budgeting and cash flow, including burn rate;
  - (B) identify revenues and expenses for a start-up business;
  - (C) explain the importance of a profit and loss statement, balance sheet, and statement of cash flow;
  - (D) create an operational budget for a start-up business;
  - (E) create a projected three-year financial statement for a start-up business;
  - (F) identify accounting tools and services such as accounting and bookkeeping software, payroll services, and tax services; and
  - (G) select appropriate accounting tools and services for a start-up business.
- (9) The student demonstrates an understanding of the legal and regulatory environment for a business. The student is expected to:
- (A) differentiate ways to protect intellectual property;
  - (B) distinguish between the advantages and disadvantages of a patent;
  - (C) determine the types of licenses a start-up business might be required to obtain, including a business license, employer identification number, name registry, professional license, and occupational license;
  - (D) examine the role of government agencies that oversee business regulations and determine the regulatory implications for a start-up business;
  - (E) examine the role of workplace safety and health in the regulatory environment and determine its implications for a start-up business;
  - (F) analyze the purpose of legally binding contracts;
  - (G) explain the implications of tax laws on a business;
  - (H) describe the impact of labor laws when creating a start-up business;
  - (I) create a sample contract for a start-up business such as sales, employment, purchase, lease, or non-disclosure agreement; and
  - (J) examine implications of sexual harassment and workplace violence on a business.
- (10) The student demonstrates an understanding of ethical and moral obligations in entrepreneurship as they relate to shareholders, employees, customers, and the community. The student is expected to:
- (A) develop ideas to build a moral and ethical business culture;
  - (B) evaluate the impact of unethical and immoral practices on stakeholders;
  - (C) create the core values for a start-up business; and
  - (D) create purpose, vision, and mission statements for a start-up business.
- (11) The student understands the impact of leadership, human resources, and management on a start-up business. The student is expected to:
- (A) distinguish between leadership and management;
  - (B) explore and identify personal leadership style;
  - (C) develop recruitment, hiring, and retention strategies for a start-up business;
  - (D) examine and describe effective leadership and management strategies;
  - (E) create an organizational chart for a start-up business;
  - (F) create job descriptions for key roles in a start-up business; and

(G) explain how company culture impacts recruitment and retention.

(12) The student determines a pricing structure for a start-up business. The student is expected to:

(A) create and justify a pricing structure for a start-up business;

(B) develop and analyze pricing objectives;

(C) use sample data to calculate prices, markups, and discounts for a start-up business;

(D) calculate a break-even point for a start-up business; and

(E) explain the role of supply and demand on pricing.

(13) The student determines effective marketing and promotional strategies for a start-up business. The student is expected to:

(A) develop promotional objectives;

(B) create a marketing plan for a start-up business that includes the use of

- (G) create an executive summary.
- (17) The student understands the process for launching a start-up business. The student is expected to:
  - (A) research and identify the process for launching a start-up business in the local area;
  - (B) evaluate insurance costs, locations, and loan interest rates; and
  - (C) assess equipment needs and other resources needed to launch the business.

**§127.277. Practicum in Entrepreneurship (Two Credits), Adopted 2023.**

- (a) Implementation. The provisions of this section shall be implemented by school districts beginning with the 2024-2025 school year.
- (b) General requirements. This course is recommended for students in Grades 11 and 12. Recommended prerequisites: Entrepreneurship I and Entrepreneurship II or successful completion of at least two courses in a career and technical education (CTE) program of study. Students shall be awarded two credits for successful completion of this course. A student may repeat this course once for credit provided that the student is experiencing different aspects of the industry and demonstrating proficiency in additional and more advanced knowledge and skills.
- (c) Introduction.
  - (1) Career and technical education instruction provides content aligned with challenging academic standards and relevant technical knowledge and skills for students to further their education and succeed in current or emerging professions.
  - (2) This course can serve in multiple CTE programs of study, as it focuses on planning, managing, organizing, directing, and evaluating business functions essential to efficient and productive business management, finance, operations, and marketing related to the student's industry focus.
  - (3) Practicum in Entrepreneurship provides students the opportunity to apply classroom learning and experiences to real-world business problems and opportunities while expanding their skill sets and professional relationships as a real or simulated business owner versus the experience one would have as an employee. Students will prepare for an entrepreneurial career in their area of interest in their career cluster and build on and apply the knowledge and skills gained from courses taken in an array of career areas. Practicum experiences occur in a paid or an unpaid arrangement and a variety of locations appropriate to the nature and level of the student's need for work-based learning experience. Students implement personal and interpersonal skills to strengthen individual performance in the workplace and in society and to make a successful transition to the workforce or postsecondary education. It is recommended that students are paired with local business owners or employers in their specific industry program of study.
  - (4) Students are encouraged to participate in extended learning experiences such as career and



(C) demonstrate collaboration skills through teamwork;

(D) demonstrate professionalism by behaving in a manner appropriate for the profession and workplace;

(E)

- (E) estimate how much money will be needed on-hand to operate the business until the break-even point;
  - (F) seek the advice of mentors from industry to analyze and discuss actual business situations and funding options to assist the student with a business idea;
  - (G) create and analyze financial statements to identify ways to improve business performance in a business model of choice; and
  - (H) define cash burn in relationship to a business's viability.
- (5) The student examines the obligations businesses have to employees and the community. The student is expected to:
- (A) explain the benefits of a business that contributes to the economic well-being of its employees and community;
  - (B) research and describe the methods in which a business can ensure economic growth and provide sustainable jobs;
  - (C) explore and analyze the health and safety responsibilities a business has to the community and its employees; and
  - (D) research and identify how businesses are making investments in community infrastructure.
- (6) The student analyzes for-profit and non-profit business growth and exit strategies. The student is expected to:
- (A) compare business growth strategies and identify and defend the most favorable for a potential business;
  - (B) describe methods that a business owner can use to obtain financial support to expand a business;
  - (C) identify and explain various methods an entrepreneur can use to determine how much a business is worth;
  - (D) analyze various paths to exit a business; and
  - (E) explain the factors an entrepreneur should consider when preparing to exit a business.
- (7) The student collaborates in small groups to complete a project-based research activity to develop critical thinking and creative problem solving. The student is expected to:
- (A) analyze a real-world work site and research an existing issue or problem the business is experiencing;
  - (B) research and report how to resolve the business problem;
  - (C) develop a proposal for future business opportunities; and
  - (D) determine how to create business relationships or alliances that would be beneficial to the business.

**§127.278. Extended Practicum in Entrepreneurship (One Credit), Adopted 2023.**

- (a) Implementation. The provisions of this section shall be implemented by school districts beginning with the 2024-2025 school year.
- (b) General requirements. This course is recommended for students in Grades 11 and 12. The practicum course is a paid or an unpaid capstone experience for students participating in a coherent sequence of career and technical education (CTE) courses in the Marketing Career Cluster. Recommended prerequisites: Entrepreneurship I and Entrepreneurship II or successful completion of at least two courses in a CTE program of study. Corequisite: Practicum in Entrepreneurship. This course must be taken concurrently with Practicum in Entrepreneurship and may not be taken as a stand-alone course. Students shall be awarded one

credit for successful completion of this course. A student may repeat this course once for credit provided that the student is experiencing different aspects of the industry and demonstrating proficiency in additional and more advanced knowledge and skills.

(c) Introduction.

- (1) Career and technical education instruction provides content aligned with challenging academic standards and relevant technical knowledge and skills for students to further their education and succeed in current or emerging professions.
- (2) This course can serve in multiple CTE programs of study, as it focuses on planning, managing, organizing, directing, and evaluating business functions essential to efficient and productive business management, finance, operations, and marketing related to the student's industry focus.
- (3) Extended Practicum in Entrepreneurship provides students the opportunity to apply classroom learning and experiences to real-world business problems and opportunities while expanding their skill sets and professional relationships as a real or simulated business owner versus the experience one would have as an employee. Students will prepare for an entrepreneurial career in their area of interest in their career cluster and build on and apply the knowledge and skills gained from courses taken in an array of career areas. Practicum experiences occur in a paid or an unpaid arrangement and a variety of locations appropriate to the nature and level of the student's need for work-based learning experience. Students implement personal and interpersonal skills to strengthen individual performance in the workplace and in society and to make a successful transition to the workforce or postsecondary education. It is recommended that students are paired with local business owners or employers in their specific industry program of study.
- (4) Students are encouraged to participate in extended learning experiences such as career and technical student organizations, local chamber of commerce meetings, and meetings with entrepreneurs, mentors, or industry experts.
- (5) Students are encouraged to transition from the idea phase to action and implementation of a business, including validation through sales in a real or simulated scenario.
- (6) Statements that contain the word "including" reference content that must be mastered, while those containing the phrase "such as" are intended as possible illustrative examples.

(d) Knowledge and skills.

- (1) The student demonstrates professional standards/employability skills as required by business and industry. The student is expected to:  
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- (B) apply active listening skills to obtain and clarify information;
  - (C) create and deliver formal and informal presentations effectively;
  - (D) analyze, interpret, and effectively communicate information; and
  - (E) exhibit positive customer/client communication skills to maintain effective internal and external business relationships.
- (3) The student implements advanced problem-solving methods. The student is expected to:
- (A) employ critical-thinking skills with increased fluency both independently and in groups to solve problems and make decisions;
  - (B) conduct technical research to gather information necessary for decision making; and
  - (C) analyze elements of a problem to develop creative and innovative solutions.
- (4) The student understands and applies proper safety and security techniques in the workplace. The student is expected to:
- (A) demonstrate understanding of and consistently follow workplace safety rules and regulations; and
  - (B)