



**MONTANA
ADMINISTRATIVE
REGISTER**



DEPARTMENT OF LABOR AND INDUSTRY

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2025-268.1

Summary

Implementing industry-recognized credentials rules and House Bill 252 (2025)

Hearing Date and Time

Monday, November 3, 2025, at 3:00 p.m.

Virtual Hearing Information

A public hearing will be held via remote conferencing to consider the proposed changes to the agency's rules. There will be no in-person hearing. Interested parties may access the remote conferencing platform in the following ways:

Join Zoom Meeting: <https://mt-gov.zoom.us/j/86809977153>

Meeting ID: 868 0997 7153; Password: 8486491174

Dial by Telephone: +1 646 558 8656

Meeting ID: 868 0997 7153; Password: 8486491174

Comments

Concerned persons may present their data, views, or arguments at the hearing. Written data, views, or arguments may also be submitted at dli.mt.gov/rules or P.O. Box 1728, Helena, Montana 59624. Comments must be received by Friday, November 7, 2025, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Monday, October 27, 2025, at 5:00 p.m.

Contact

Department of Labor and Industry
(406) 444-5466
laborlegal@mt.gov
Montana Relay: 711

General Reasonable Necessity Statement

The 2025 Montana Legislature passed House Bill (HB) 252 which was signed by the Governor May 8, 2025. Section 15 of the bill tasks the Department of Labor and Industry (department) with establishing a list of industry-recognized credentials, combinations of credentials, work-based learning experiences, factors for inclusion and exclusion, and the credit value for each credential. Further, the bill tasks the department with adopting a process for high school and K-12 school districts to submit proposed recognition for credentials and work-based learning experiences.

The adoption of this list is necessary to ensure transparency, accountability, and alignment between education, training programs, and workforce demand. A clear list ensures that approved industry-recognized credentials and work-based learning experiences are valued by employers, lead to in-demand occupations, and reflect current industry standards. By identifying credentials that are valued by employers across in-demand industries, the state ensures that students and job seekers gain relevant, verifiable skills that lead to meaningful employment opportunities.

Rulemaking Actions

ADOPT

The rules proposed to be adopted are as follows:

NEW RULE 1 (24.22.402) INDUSTRY CREDENTIALS LIST

- (1) The 2025 industry credentials list is adopted and incorporated by reference. The list is available at <https://montanaworks.gov/>.

Authorizing statute(s): [Section 15(3) of HB 252]

Implementing statute(s): [Section 15(1) of HB 252]

Reasonable Necessity Statement

To implement Section 15 of HB 252, the department is proposing to adopt NEW RULE 1. The department compiled a list of industry-recognized credentials, combinations of credentials, and work-based learning experiences that are aligned with high-demand occupations. This new rule will adopt and incorporate by reference the department's initial list of credentials approved using the qualifying factors set forth in NEW RULE 2. The list will be published on the department's website. The department will review credentials proposed through the petition process outlined in NEW RULE 3, and update the published list as needed.

NEW RULE 2 (24.22.405) INDUSTRY-RECOGNIZED CREDENTIAL CREDIT EVALUATION

- (1) The department reviews industry-recognized credentials against a combination of eligibility factors, requiring that multiple, but not all, of the following factors be satisfied:
 - (a) demonstrated connection to higher-level credentials that deepen industry knowledge;
 - (b) aligns with in-demand occupations and sectors across the state;
 - (c) widely recognized by industry employers, for example by showing that the credential is regularly listed as a required or preferred qualification in job openings;
 - (d) addresses existing skill gaps and identifies new or emerging occupations;
 - (e) accredited by an independent third party;
 - (f) displays evidence of employment in an occupation with average entry level wages of at least 80 percent of the statewide average wage;
 - (g) accessible to various populations for industry advancement;
 - (h) available as a registered apprenticeship through the department;
 - (i) evidence that a student has a job offer from an employer contingent upon completion of the credential.

- (2) The department assigns credit value for an industry-recognized credential against a combination, but not all are required, of the following factors:
 - (a) quality of the proposed curriculum;
 - (b) aligns with in-demand occupations as indicated by the department's employment projections and statewide workforce goals;
 - (c) demonstrates proficiency related to industry skills;
 - (d) evidence of strong assessment procedures;
 - (e) progress toward apprenticeship or further certification;
 - (f) amount of time and effort required for completion.

Authorizing statute(s): [Section 15(3) of HB 252]

Implementing statute(s): [Section 15(2)(a) of HB 252]

Reasonable Necessity Statement

This rule is necessary to establish a clear, consistent, and transparent framework for the department to evaluate and approve industry-recognized credentials that align with Montana's workforce and education priorities. The eligibility criteria outlined in (1) ensure that approved credentials deepen industry-specific knowledge, align with in-demand occupations, are widely recognized by employers, and address both current and emerging skill gaps across the state. The inclusion of third-party accreditation and registered apprenticeships further reinforces the credibility and workforce relevance of the credentials.

Section (2) provides a structured process for reviewing and assigning credit value to credentials, based on factors such as curriculum quality, time commitment, industry demand, proficiency level, and advancement toward apprenticeship pathways. This ensures that students and learners receive appropriate recognition for their efforts while progressing toward meaningful, high-value employment opportunities.

Adopting this rule supports a credentialing system that is rigorous, responsive to labor market needs, and aligned with the goal of preparing Montanans for high-skill, high-wage careers.

NEW RULE 3 (24.22.410) PETITION PROCESS

- (1) A high school district or K-12 school district may submit proposed industry-recognized credentials on a limited basis for review and recognition to the department.

- (2) The department shall make available a submission form, which a high school district or K-12 school district must complete for the purpose of proposing an industry-recognized credential.
- (3) The department shall evaluate the proposal based upon the factors provided in [NEW RULE 2], and make a determination as to:
 - (a) whether the proposed credential should be awarded; and
 - (b) the credit value of the industry-recognized credential.

Authorizing statute(s): [Section 15(3) of HB 252]

Implementing statute(s): [Section 15(2) of HB 252]

Reasonable Necessity Statement

This rule is necessary to establish a formal process by which high school and K-12 school districts may propose additional industry-recognized credentials for consideration by the department. Providing school districts with the opportunity to submit credentials ensures that the state's credential list remains responsive to local and regional workforce needs while maintaining statewide consistency and quality standards.

The rule outlines the required submission process and the department's responsibility to evaluate each proposed credential using the eligibility and credit factors established in NEW RULE 2. This ensures that all proposed credentials meet rigorous standards for industry relevance, quality, and learner value. It also allows for the determination of appropriate credit, supporting meaningful recognition of progress toward career readiness.

Adopting this rule supports local engagement in credential development while preserving the integrity and labor-market alignment of the credentialing system.

Small Business Impact

Pursuant to 2-4-111, MCA, the Montana small businesses that will probably be affected by this rulemaking are industry-specific independent operators. The proposed rules will not create a significant and direct impact on these small businesses.

Bill Sponsor Notification

The primary bill sponsor was contacted on July 9, 2025, by electronic mail.

Interested Persons

The agency maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the agency. Persons wishing to have their name added to the list may sign up at dli.mt.gov/rules or by sending a letter to P.O. Box 1728, Helena, Montana 59624 and indicating the program or programs about which they wish to receive notices.

Rule Reviewer

Quinlan L. O'Connor

Approval

Sarah Swanson, Commissioner