



Public Comment

Comments Submitted to the Tri-Agency Workforce Initiative HB 3767 Strategies Interim Charge

by Anthony Jones and Erin Davis Valdez

Priority 1 – Pathways

Many of the goals and strategies formed by the Tri-Agency have merit and could provide substantial value to the state of Texas. However, the Texas Public Policy Foundation believes that state resources could be most effectively deployed if directed toward two strategies, namely the development and maintenance of a credential library and longitudinal data portal dashboards.

[1.2] In defining credentials of value, the Tri-Agency should incorporate the fundamental guiding principle defined by the Texas Higher Education Coordinating Board (THECB) in *Building a Talent Strong Texas* (p. 10): “The credentials that students earn must, at a minimum, provide a positive return on investment: The economic benefits exceed the costs to receive them, and students leave higher education better off financially than they would otherwise be.” The Tri-Agency should ensure that this standard applies to the [criteria](#) for inclusion on the Texas Education Agency’s (TEA) industry-based certification (ICB) list.

This list is used for both high school college, career, and military readiness (CCMR) accountability and outcomes bonuses. These are high stakes for local education agencies, and as a result, getting the incentives [aligned](#) with high-wage, high-demand occupations is vitally important.

Local education agencies should be rewarded when they provide opportunities for students to attain certifications and credentials of value and/or placement in above median-wage jobs within a reasonable timeframe after graduation through revising the [college, career, and military readiness](#) indicators for both accountability and the CCMR outcomes bonuses.

To ensure certifications and credentials reflect labor market demand, the Tri-Agency should leverage existing state resources created by the Texas State Technical College to evaluate credentials. Namely, both the THECB–approved data platform *SkillsEngine* and the adjoining web-based application *Calibrate* should be used to facilitate a common skills language and validate a positive return on investment for all credentials and certifications.

In conjunction with this improved definition of credentials of value, the Texas Workforce Commission’s plan to create and maintain a library of credentials of value should be as comprehensive and frequently updated as possible: both credentials (issued by institutions of higher education) and industry-based or recognized certifications should be evaluated under the same positive return-on-investment standard.

In his recent presentation before the Senate Committee on Higher Education, Commissioner Daniel stated that industry-based certifications (IBCs) will be inventoried in the Tri-Agency Credential Library. The Texas Public Policy Foundation is encouraged by this commitment and specifically recommends that the TEA’s IBC list be a subset of the Tri-Agency Credential Library.

Formal and ongoing employer engagement through the Industry-Based Certification Advisory Council, created by HB 3938 (87R), in determining credentials of value would also help align the library with shifting labor market demand, profiting both students and employers.

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TPPF recommends that the TEA create and maintain alternative application methods for certifications not referred by the TWC and that it provide applicants feedback about the specific reasons for exclusion from the list and potential remedies for inclusion in future applications.

Priority 3 – Infrastructure

The value to the taxpayers of Texas provided by data portals created under the Data Modernization Initiative and Tri-Agency Master Data Sharing Agreement will be dependent on the availability of longitudinal data on the employment outcomes of publicly funded career and technical programs.

The briefing provided to the Senate Higher Education Committee on May 10 by Commissioners Morath, Daniel, and Keller (p. 5) stated that the intent of the Tri-Agency Workforce Initiative was to make the “privileged dashboards” available to “institutional leaders and authorized institutional users” and that it would provide more disaggregated information, including TEA and TWC data.

To ensure transparency to taxpayers, the privileged data portal dashboards should be available to non-governmental institutions so that independent researchers can hold taxpayer-funded programs accountable. If the data provided at this level of access are only available to the institutions that are funded by the state, there is very limited accountability to taxpayers. The process for non-governmental institutions to be granted this level of access should not be burdensome, time-consuming, or costly.

Currently, the available outcomes data are lacking important elements. Thus, the Tri-Agency should ensure that data systems have accurate, anonymized information through improving the unemployment insurance wage records. This can be done by including additional elements, namely hourly wages, job title, and county employment worksite. TPPF only recommends the inclusion of these reporting elements if they are voluntary on the part of employers.

[1.1; 4.2] With data gathered and promulgated by the Texas Workforce Commission and the Texas Education Agency, the Texas Public Policy Foundation has identified several high-wage, high-demand jobs within regions that do not have an adequate number of corresponding career and technical education programs of study located within those regions. These gaps can most likely be attributed to the inadequate communication between Workforce Boards and ESC Regions. Some of the most striking disparities are that only 8% of school districts offer a program of study in HVAC, less than 10% offer electrical studies, less than 11% offer web development, and finally, less than 6% offer diesel or heavy equipment mechanics. This is despite the statewide need for these programs to fill these occupations.

To begin addressing this issue, the Texas Public Policy Foundation supports the Tri-Agency’s goal to effectively and efficiently engage employers to improve alignment between training pathways and labor market needs, particularly for students who are participating in career and technical education programs in Texas public high schools.

Additionally, the Tri-Agency should prioritize strong, [employer-led partnerships](#) with educational institutions, including the creation of “earn-while-you-learn” programs. The Tri-Agency should also work with the same institutions to pilot [paid apprenticeships](#) for high school students that allow employers to develop talent pipelines for high-wage, in-demand careers under the [PTECH](#) high school model. These innovative efforts could help bring much needed relief to students and employers seeking opportunities for growth in today’s constantly shifting economy. ★

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