



Testimony

Testimony Before the House International Relations and Economic Development Committee

by Erin Davis Valdez, Policy Director, Next Generation Texas

My name is Erin Davis Valdez, and I am policy director of Next Generation Texas at the Texas Public Policy Foundation. I'm here to share some resources relating to the interim charge on workforce, especially on institutional strategies that better incorporate demand signals from the marketplace. TPPF has long supported ensuring that institutions provide students, employers, and taxpayers with a positive return on investment, especially for workforce and career and technical education programs.

We believe that better aligning career and technical education with regional workforce demand will strengthen communities and local economies. To accomplish this end, we believe that the incentives of institutions providing this kind of education must be aligned with labor market demand.

We are grateful that the [Tri-Agency Workforce Initiative](#), created by [HB 3767](#) (87R), provides a framework for addressing pressing issues contributing to our state's middle-skill workforce shortage. TPPF will be submitting public comments for the Tri-Agency Workforce Initiative's proposed priorities relating to pathways and infrastructure later this month. These comments will incorporate the following strategies that TPPF's research has identified for improving workforce readiness in Texas:

Priority 1 – Pathways: “Support efficient and flexible pathways to earning degrees, certificates, and other credentials linked to high-wage, in-demand jobs.”

- The Tri-Agency Workforce Initiative should create and maintain a library of credentials of value that includes credentials from higher education institutions, degree programs, industry-recognized and industry-based certifications, and micro-credentials. We support the Higher Education Coordinating Board's definition of a credential of value 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.”***
- This standard should apply to the industry-based certification list, which is used for high school college, career, and military readiness accountability and outcomes bonuses. Shifting from the [current criteria](#) would better [align](#) career and technical education programs with high-wage, high-demand occupations.
- Local education agencies should be rewarded when they provide opportunities for students to attain 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.
- CTE funding for students should be made portable to support multiple pathways at multiple institutions if a student's school does not provide a program of study the student is interested in pursuing.
- [Competency-based education](#) that allows students to progress at their own pace and in a way that ensures they have mastered skills before moving on should be prioritized.

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- Community colleges should be encouraged to adopt a version of TSTC’s [returned-value funding](#) model to better align workforce, vocational, and vocationally focused dual credit and dual enrollment programs with regional workforce demand.

Priority 3 – Infrastructure: “Create a robust infrastructure for interagency collaboration around common goals, data, and processes to ensure improved student outcomes and meet employers’ needs.”

- Prioritize strong [employer-led partnerships](#) with educational institutions, including creation of “earn-while-you-learn” programs.
- Create 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.
- Ensure that taxpayers and prospective students have a clear understanding of the wage and employment outcomes of publicly funded career and technical programs through improving longitudinal [data systems](#); specifically,

Ensure that data systems within the Tri-Agency Workforce Initiative have accurate, anonymized information through improving the unemployment insurance wage records. This can be done by including additional elements, such as hourly wages, job title, and county employment worksite, so that both taxpayer-funded career and technical programs and prospective students have a clear idea of the wage and employment outcomes of these programs. TPPF only recommends the inclusion of these reporting elements if they are voluntary on the part of employers.

- Increase data transparency by ensuring that the data portal—permitted under HB 3767 and currently being created within the Tri-Agency Workforce Initiative—allow within its institutional access level non-governmental institutions so that independent researchers can hold taxpayer-funded programs accountable.

We applaud this committee’s focus on integrating the continuum of educational opportunities for young and not-so-young Texans. When individuals are empowered to reach their potential, Texas communities and businesses thrive, and our liberty is preserved. For more information, please contact Erin Valdez at evaldez@texaspolicy.com.



Erin Davis Valdez is the policy director for Next Generation Texas, an initiative of the Foundation. She has been passionate about the transformational power of education all her life, having been given the gift of being homeschooled. She taught for over a decade in Austin-area schools and served as an assistant principal at a charter school in Lewisville. These experiences have given her the opportunity to see first-hand how students can thrive when they have excellent options. Since joining the Foundation, Valdez has conducted research on career and technical education at the secondary and post-secondary levels, civics education, and welfare to work programs in Texas.

Valdez earned an M.A. in classics from the University of California, Santa Barbara and a B.A. in classical studies from Hillsdale College.

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