

FORGING DATA-DRIVEN SOLUTIONS.





The past year was a perfect encapsulation of why we founded Texas 2036.

It was, of course, a year of unforeseen obstacles, adverse circumstances, and life-changing moments. It was also a demonstration of what we can achieve when we come together to take on those challenges, inspired by a shared vision and guided by purposeful data.

The COVID-19 pandemic made clear that we can't take anything for granted, and that unexpected problems can derail the best plans without warning. Unlikely events can have impacts that are simply too significant to ignore, and if future generations are going to enjoy the same opportunities we've had, we must help prepare them for whatever comes their way.

As we approach Texas' bicentennial in 2036, I have no doubt we can both overcome our challenges and also come out ahead. Texas is blessed with vast resources, an entrepreneurial spirit, a growing, diverse population — and remains the most vibrant state in the nation.

But we have work to do.

And that's what we're doing here at Texas 2036. As you see all that our organization accomplished in 2020, I know you will be as proud and optimistic as I am about the future of Texas.

Thank you,

Tom Luce

Founder and Chairman of the Board

Board of Directors

Pat Avery	Roberto Coronado	Hunter Hunt	Kyle Miller	Sam Susser
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Amy Chronis	Maynard Holt	Elaine Mendoza	Nicole Small	



Board Member Wynn Rosser, Executive Vice President AJ Rodriguez, and Policy Analyst Luis Acuña strategize about broadband policy.

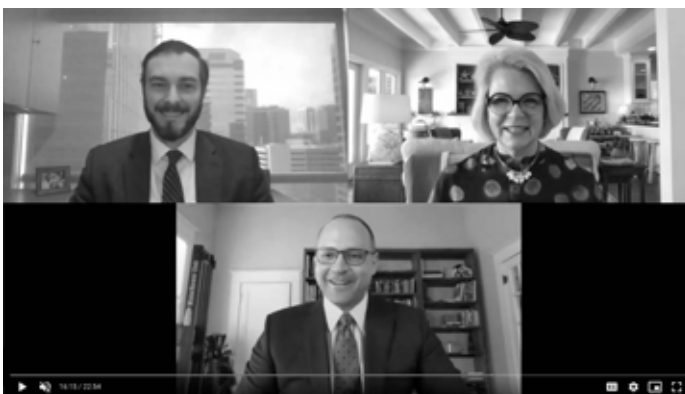


“These 8 Basic Steps Will Let Us Reopen Schools”

The Atlantic
July 9, 2020



President and CEO Margaret Spellings with President George W. Bush at a donor reception.



Vice President of Policy John Hryhorchuk, President and CEO Margaret Spellings, and Executive Vice President A.J. Rodriguez brief supporters on the legislative agenda and plans for the 2021 legislative session.

“Covid-19’s Painful— and Essential— Lessons for America’s Schools”

Wall Street Journal
December 14, 2020



Dear Fellow Texan,

When Tom asked me to join Texas 2036 two years ago, we knew the business community and general public had a strong appetite for state leaders to act on issues that can really improve the lives of Texans. We also knew the only way to set the table on these discussions was to rely on the best available data to inform our policy recommendations. What nobody knew was that a global pandemic was about to interrupt our lives and change our priorities.

When COVID-19 hit, we shifted our focus and did what we do best — developed the data to accelerate our work in the areas directly impacted by the pandemic. The data pointed to addressing COVID learning loss in our schools; improving access to quality, affordable health care; and expanding broadband access across the state.

Today, we look back on what we accomplished in 2020, and are proud to present our first annual report.

This report includes the highlights of this endeavor, which focuses on ensuring our state remains the best place to live and work before and after our bicentennial in 2036; publishing a strategic framework to guide the state's future; commissioning public opinion polls and research to learn more about Texans' top priorities; facilitating conversations with state officials, issue experts, and community leaders; and developing online dashboards that put crucial data in the hands of Texans.

We are proud of our accomplishments, none of which would have been possible without the contributions and collaboration of many people. First and foremost, Texas 2036 would like to thank our financial supporters, many of whom have championed our efforts from the very beginning. We are grateful for their generosity and ongoing commitment to our state's long-term wellbeing.

We continue to look ahead to the future, and are already building on the achievements outlined in this annual report. We invite you to read this report not as a view of the past, but as a preface to what is possible.

A handwritten signature in black ink, which reads "Margaret Spellings". The signature is fluid and cursive.

Margaret Spellings

President and Chief Executive Officer

2020 Timeline

Q1

Updated the **Data Lab**, which offers Texans unique and timely data visualization tools across hundreds of datasets that speak to a litany of Texas issues.

Provided input and feedback on the Tri-Agency Commission Report, a collaboration among the Texas Education Agency, the Texas Higher Education Coordinating Board and the Texas Workforce Commission.

Released a report illustrating and examining Texas' climate through historic and future weather trends from 1900 to 2036.

Q2

Released **Shaping Our Future**, a strategic framework for the state of Texas that provides a comprehensive look at forces shaping the state's future. The framework lays out 36 strategic goals in seven policy areas that can be measured by 160 performance indicators to gauge Texas' progress.

Launched **Straight Talk Texas**, a virtual series of online conversations with key thought leaders across the



state, including more than two dozen interviews with local, state, and national leaders.

Convened an advisory group of nearly two dozen experts in Texas education policy and finance, including local school district leaders, to help develop a plan to study how spending on various reforms impacts students' educational outcomes.

Launched our **COVID-19 Dashboard**, which provides a comprehensive set of state and county data that includes vaccination data, coronavirus cases, hospital capacity, employment data, and mobility data.

Provided cost modeling and strategies for securing \$200 million in federal Coronavirus Relief Funds as part of "*Operation Connectivity*," a collaboration of the Governor's office, Texas Education Agency and Dallas ISD, resulting in 2 million e-learning devices for students, and secured 500,000 mobile hotspots to provide broadband services.

Developed a first-of-its-kind education and workforce resource that makes it possible for Texans to evaluate paths from kindergarten to the workforce.

Q3

Launched **Aim Hire Texas**, a statewide initiative to help create a more skilled workforce, both for pandemic recovery and for the long-term needs of our economy.

Developed the 2021 legislative agenda, approved by the Board of Directors in September.

Convened statewide business leaders for a briefing by Texas Education Agency Commissioner Mike Morath about Texas' plans to ensure schools operate safely during the pandemic.



Q4



Launched **Digital Texas**, a coalition of coalitions committed to addressing Texas' digital connectivity issues.

Opened the Texas 2036 Austin office at the UT System Administration Building staffed by a growing team of experts.

Interviewed more than two dozen Texas CEOs across the state about workforce, education, health, and infrastructure issues, and used this data to inform our legislative agenda and engagement strategies.

Created a groundbreaking interactive, web-based data tool, the **Health Coverage Policy Explorer**. This allowed the public and policymakers to compare and combine approaches to providing health coverage to more Texans, such as Medicaid Expansion, a revised 1115 Waiver, ACA Improvements, and 1332 Waivers, to determine which policy options would provide Texas the best value and Texans the best care.

Research & Data

Comprehensive and relevant data can break down divisions and unify Texans seeking pragmatic solutions. By using data to inform the debate around the real challenges facing Texans, we serve as a trusted broker of information and catalyze action. During the past year-and-a-half, Texas 2036 assembled hundreds of datasets to shape and inform our work.

Data Lab

In the Data Lab, we aggregated, analyzed, and made readily available data that for too long has been difficult to access or understand. The Data Lab houses hundreds of data sources on education, workforce, health, infrastructure, natural resources, justice and safety, and government performance in aggregations from statewide to counties to census blocks.

A key resource is the County Profiles generator, which provides local snapshots on health, education, and workforce status, and other policy areas. The Data Lab also allows users to view dashboards on selected topics and create individualized dashboards, enabling state and local organizations to support their own needs and empowering philanthropic entities across Texas to identify needs and measure progress in their interest areas.

Extreme Weather Report

In partnership with the Office of the Texas State Climatologist at Texas A&M University, we released an Assessment of Historic and Future Trends of Extreme Weather in Texas, 1900–2036 that was cited in the State of Texas 2022 State Water Plan.

COVID-19 Dashboard

We launched our COVID-19 Resource Dashboard in June to help Texans understand the scope of the outbreak and their

possible exposure, and also the economic and social impacts of the pandemic. Texas Monthly described our dashboard as “a clear picture of the state of the pandemic in Texas” in a June 2020 profile.

Strategic Framework

Our Strategic Framework identifies Texas’ most pressing issues and articulates a vision for the future of Texas built on seven core state policy areas representing the most significant drivers of Texans’ prosperity and well-being. In this Framework, we lay out 36 ambitious but achievable goals, along with more than 160 performance indicators for evaluating Texas’ progress toward these goals. It includes a comparative analysis against 11 peer states with which Texas competes for talent and business.

Health Coverage Policy Explorer

In anticipation of the 2021 Texas legislative session, we developed a Health Coverage Policy Explorer that models the impact of more than 500 health coverage policy options to reduce the number of uninsured Texans and show the resulting financial impact to the state.

For a comprehensive review of our engagement in the 87th legislative session, please see the accompanying Legislative Report.



Policy & Engagement

Texas is vast and diverse, and our engagement with Texans is just as deep and wide.

To inform our Strategic Framework and legislative agenda, we convened policy advisory groups comprising industry, business, civic, and community leaders from across Texas to ensure we heard voices representing all corners of the state.

And when major events broke, like the onset of the COVID-19 pandemic, we helped bring answers and insights to the public through our Straight Talk Texas interviews with experts in the field.

In addition to the 26 episodes of Straight Talk Texas, we participated in nearly 100 events throughout the state, visiting dozens of Chambers of Commerce, Rotary Clubs, and industry associations from Lubbock to El Paso to Corpus Christi to Dallas and everywhere in between.

Over the past year, we also launched two statewide coalitions, **Aim Hire Texas**, which focuses on preparing our workforce for success in the new economy; and **Digital Texas**, which helps ensure our state is equipped with the digital infrastructure to remain a competitive leader in the emerging economy.

Both coalitions grew quickly in the runup to the 2021 legislative session, each eventually bringing together more than 40 organizations to inform and guide our policy decisions.

Our work has generated hundreds of op-eds and news stories in *FOX News*, *MSNBC*, *The Atlantic*, *The Economist*, *The Wall Street Journal*, *Texas Monthly*, *The Texas Tribune*, *The Dallas Morning News*, *the Houston Chronicle*, and dozens of other media outlets across the state and the nation.

We have also cultivated a following of more than 50,000 individuals across social media platforms, and our posts have reached millions of people, keeping them informed and engaged on key issues for the state of Texas.



Staff & Partnerships

Leading up to the rollout of our Strategic Framework and 2021 legislative agenda, Texas 2036 president and CEO Margaret Spellings and founder and chairman Tom Luce expanded Texas' 2036 leadership, policy, data and communications teams to move our work forward.

While our new team members came from diverse backgrounds, they all shared a common love for Texas and a recognition that long-term, data-driven strategies were needed for Texas to be all that it can be for years to come.

To build momentum across the state, Margaret and Tom focused on expanding our reach from Dallas by building out a presence in Austin, San Antonio, and Houston with the additions of San Antonio leader A.J. Rodriguez, as Executive Vice President, to open and lead our new Austin office and build out our external affairs engagement; John Hryhorchuk as Vice President of Policy to build out a policy team to lead our 2021 legislative agenda; and Dr. Holly Heard as Director of Data and Analytics to update and build out our 350+ data sets and research.

The additions of these key leaders brought our staff to nearly 20 and ensured Texas 2036 was prepared to advance our legislative agenda in 2021 and beyond.

Strategic partnerships with policy and data experts are also essential in developing the work we do. Throughout 2020, we built relationships with a wide range of Texas leaders, researchers, experts, and respected practitioners from across the state, including:

- Dell Medical School at The University of Texas at Austin
- The Institute for Urban Policy Research at the University of Texas at Dallas
- The Texas Transportation Institute and the Natural Resources Institute both located at Texas A&M University
- The Meadows Center on Water and the Environment at Texas State University
- The Center for Houston's Future
- Axene Health Partners
- Carruth and Associates
- Education First
- January Advisors
- The Meadows Mental Health Policy Institute
- Boston Consulting Group
- Chambers of Commerce across the state.

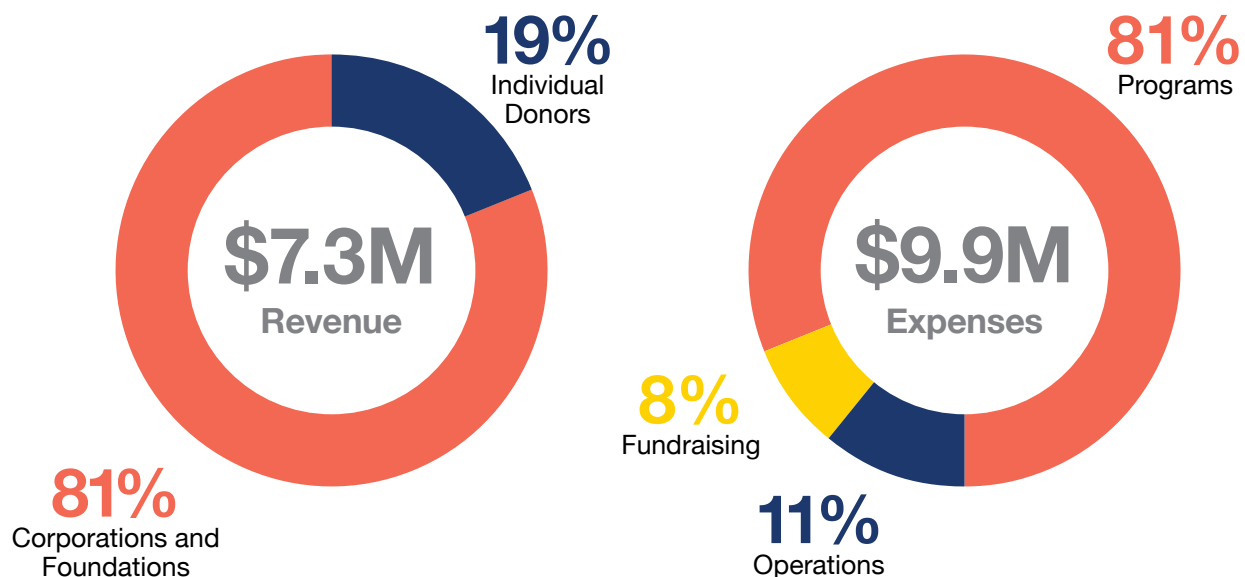
Financial Review

Texans expect our leaders to be wise stewards of state resources, and at Texas 2036 we hold ourselves to that same standard. The generous financial support Texas 2036 has received from across the state, more than \$7.2 million in Fiscal Year 2020 (January 1, 2020 to December 31, 2020), has allowed us to grow the organization both in size and impact while maintaining net assets in excess of \$5 million, ensuring a healthy financial position that will continue support our long-term goals.

As Texas 2036 began to grow in early 2019, the organization initiated a financial operations enhancement plan to ensure the necessary policies, practices, and operational capacities were established to enable good stewardship of the resources invested in Texas 2036 by our donors. Work on this plan included bringing in a new accounting firm and software, establishing and revising financial and operational policies at both the Board and staff levels, and creating new and improving existing processes.

As a result, Texas 2036 received an unmodified opinion on its first annual audit, covering FY2020, as a fully independent organization. The audit for FY2020 is available upon request as is the organization's 2020 990 which is also available at Texas2036.org.

Fiscal Year 2020



FY2020 Supporters

Anonymous Donors	The Prentice Farrar Brown & Alline Ford Brown Foundation	Anne and Jarrett Davies	Hillwood, a Perot Company
Suzanne Gamboa and Luis M. Acuña	Shari Bryan	Merrill Davis	Hirsch Family Foundation
Elaine and Neils Agather	Linda C. Buford Fund	Sandy Dochen	Yvonne Ho
Arnold Ventures	Byrne Family Foundation	Eighth Summit Fund and Trinbrook Fund	Hoblitzelle Foundation
AT&T	Shannon Callewart	Episcopal Health Foundation	Ann and Lee Hobson
Bank of America	Amon G. Carter Foundation	Ed Escudero	Marguerite Steed Hoffman
Victoria and Peter Bartholow Family Fund	Children's Health	Evans Family Fund	The Hoglund Foundation
Aline Bass Callahan Fund	Amy and John Chronis	R.W. Fair Foundation	Maynard Holt
Barbara Bass Moroney and Jim Moroney	Cicero Philanthropic Fund	Fidelity Charitable	Houston Endowment
Bonnie Bass Smith	Clements Foundation	George A. Finley, III	John Hryhorchuk
Jim Bass	Rita Crocker Clements Foundation	Shannon Fletcher	Mimi and Ward Huey
Richard D. Bass Foundation Trust	Karen Clevenger	Bill & Melinda Gates Foundation	The Woody and Gayle Hunt Family Foundation
Baylor Scott & White	Coastal Bend Community Foundation	Google Community Fund	Jewish Community Federation and Endowment Fund
Marsha and Michael Baylor	Communities Foundation of Texas	Lisa and Sandy Gottesman	JPMorgan Chase and JPMorgan Chase Foundation
Andy Beal	Justin Coppedge	The Hamon Charitable Foundation	Jennifer and Kevin Kirksey
Nancy and Randy Best	The Trammell and Margaret Crow Foundation	James R. Harris	Mr. and Mrs. Melvyn N. Klein
Monique Black	The Dallas Foundation	Hibbs Family Foundation	
Kerri Briggs		Lyda Hill Philanthropies	
Garnett T. Brooks			

Mary Potishman Lard Trust	Jennifer and Jon Mosle	Deedie Rose	Texas Education Grantmakers Advocacy Consortium at Educate Texas
Joe and Tayler Lonsdale	Amy Mueller	Wynn and Manda Rosser	
Tom W. Luce, III	Colleen Murray	Andria Rucker	Texas Instruments and Texas Instruments Foundation
Anne MacDonald	Mike A. Myers	Sheryl Sculley	
Jack Matthews	Richard Peacock	Tanny Shelburne	Texas Townhomes, LLC.
Lawrence R. Maxwell	Nancy Perot and Rod Jones	Bill Sims	
Trent McBride	The Honorable Jeanne L. Phillips	Nicole and Justin Small Fund	Lee and David Thompson
Libby and Murray McCabe	Phillips Family Fund	Bliss Smith	Toyota Motor North America, Inc.
McCombs Foundation	Pioneer Natural Resources	Pat Snider and Annie Snider Reece	Trellis Foundation
Mignon McGarry	The Powell Foundation	Maryann and David Snyder	Malissa and Hans Voss
McKesson Corporation	Raise Your Hand Texas	Southwest Airlines	
McKinsey & Co.	Anne and Rob Raymond	Southwestern Medical Foundation	Chris Walters
Drayton McLane, Jr., and Drayton McLane, III	Katy Rhodes	James Speights	The Graham and Elizabeth Weston Gift Fund
The Meadows Foundation	Ray Rhodes	The Honorable Margaret Spellings	Kate Wetzel
Christopher Mendezona	Sid W. Richardson Foundation	John Stephens	Jeanne Whitman Bobbitt
Morton Meyerson Family Foundations	Riggs Family Foundation	Jo and Kevin Sullivan	The Woody and Gayle Hunt Family Foundation
David B. Miller	A.J. Rodriguez	Susser Family Foundation Fund	Zierk Family Foundation
Yanela Montoya	The Mark and Rachel Rohr Foundation	T.L.L. Temple Foundation	

The Path Forward

Over the coming months, our focus will continue to be on cultivating robust data tools and diverse coalitions to inform and advocate for our policy priorities as we look ahead to future legislative sessions. Here are a few of the key projects we have planned:

OVERALL

Maximizing Impacts with Federal Funds

Texas 2036 will advise policymakers on opportunities to strategically invest federal dollars allocated to Texas in response to COVID-19 in ways that address key challenges and reap long-term dividends for the state.

Texas Voter Public Opinion Research

Texas 2036 will release statewide public opinion polls this fall and spring to inform our work and provide state policymakers with information about how Texans view a wide variety of topics.

Strategic Framework Updates

Texas 2036 is collecting new data and updating the progress indicators associated with our Strategic Framework. As part of this process, we will be evaluating progress toward existing goals and ways to address additional areas of concern identified since the initial release. We will also identify top issues to watch as we plan the agenda for the 2023 Legislative Session.

Policy Advisory Groups

To inform our approach to data, policies and our strategic framework for Texas, Texas 2036 is working to convene subject matter experts from across the state for a series of Policy Advisory Group discussions.

Texas 2036 Road Show

Texas 2036 is scheduled to visit 10 regions throughout Texas, with a focus on visiting key cities within each area. Each Road Show stop will include engagement with Texas 2036 board members, residential experts, city and state officials, editorial boards, and other stakeholders to consider state and local issues and continue to build relationships with organizations throughout the state. In addition, Texas 2036 will share our pillars and goals, our legislative accomplishments, as well as future legislative plans and other activities.





EDUCATION

Regional Workforce Data Profiles

Texas 2036 will be launching regional data profiles for education and workforce data allowing researchers, advocates, and policymakers to see more information about the education-to-workforce pipeline in their region, including projections for our workforce needs in the year 2036.

Data Democracy Platform

The Data Democracy project brings together education and workforce data collected by our state government agencies and displays it in a publicly available, online data platform for various stakeholders to view answers to research questions and download data behind each visualization on the site. In coordination with the launch of this platform, Texas 2036 will host a “Data Challenge” competition for teams to use the data on the site and perform new and unique analyses.

Higher Education Finance Simulator

Texas 2036 is developing an online, public higher education finance simulator that will allow Texans to identify how funding to two-year community colleges is allocated and what the impacts of potential changes to current policies might be. The development of this tool coincides with the convening of the state’s Commission on Community College Finance.

Aim Hire Texas

Texas 2036 will continue working with our partners in Aim Hire Texas and engaging with our state’s education and workforce agencies to increase the number of Texans earning a living wage and ensure our state emerges from the pandemic with a strengthened workforce.

State Workforce Goals Implementation

In implementing HB 3767, state agencies will use early 2022 to develop state workforce goals and inter-agency strategies to achieve those goals. In addition, Texas 2036 will work to ensure that the unified goals are aligned with workforce needs.

HEALTHCARE

Who Are the Uninsured?

Texas 2036 is exploring ways to better understand Texas' uninsured population – why individuals and families remain without insurance when some likely qualify, and the barriers that exist to expanding the number of people covered. By better understanding this group, their needs, and their perceptions, we hope to craft more tailored and effective legislative and administrative strategies to meet their needs.

Price Transparency Data Project

Texas 2036 is also working to collect, understand, and analyze price data that hospitals and insurers will be required to disclose. Our project will work to identify flaws in the way existing data is reported that can be improved by administrative rule and by better legislation, as well as to utilize the data to better understand where Texans can obtain the best value in their health care.

All Payor Claims Database Improvement

This past session, the legislature established an all-payor claims database. While the data that is being collected is valuable, the type of data that can be disclosed – even to researchers – has serious limitations. Texas 2036 will work with stakeholder groups to produce recommendations for how disclosure of this data can be improved so that researchers, policymakers, and Texans can make more informed decisions about the health care being provided in this state.



INFRASTRUCTURE & NATURAL RESOURCES

Digital Texas

Through Digital Texas, Texas 2036 will continue to implement and pursue policies to expand broadband access, improve digital literacy, and close the digital divide in Texas.

Energy Transition

Texas 2036 is launching a major research initiative surrounding the future of energy in Texas, to understand potential scenarios for ensuring affordable, resilient, sustainable energy extraction, generation, distribution, and consumption; the implications of a carbon transition in Texas; and corresponding implications on the state's economy, workforce, revenue, water, and air quality.

Extreme Weather Trends

Texas 2036 is working with the state's climatologist, Dr. John Nielsen-Gammon, to update research on Texas' extreme weather trends, including temperatures, precipitation, drought, flooding, thunderstorms, and what Texans could expect through 2036 if these climate trends continue through 2036. Will we experience more 100+ degree days, polar vortexes, urban flooding, droughts, severe thunderstorms or hurricanes?



“

Rather than yield the future to a course of events imposed from outside, we are confident Texans will choose to rely on a great, long-standing asset: the determination to shape their own desires.

”

– Preface, Texas 2000 Commission Report

The image features a solid blue background with a grid of 100 small, dark blue stars arranged in 10 rows and 10 columns. In the center of the grid, the text "TEXAS 2036" is displayed in a white, sans-serif font. The word "TEXAS" is in a larger font size than the year "2036", which is positioned to its right. The text is centered horizontally and vertically within the star grid.

TEXAS 2036



Texas 2036 is a non-profit organization building long-term, data-driven strategies to secure Texas' continued prosperity for years to come. We engage Texans and their leaders in an honest conversation about our future, focusing on the big challenges. We offer non-partisan ideas and modern solutions that are grounded in research and data to break through the gridlock on issues that matter most to all Texans. Smart strategies and systematic changes are critical to prepare Texas for the future.

texas2036.org