

### **Key Takeaways:**

- There are not enough Texans with the skills needed to fill the state's available jobs.
- Providing funding for innovative short-term education and training can help efficiently fill those jobs, now and in the future.
- Small and rural Texas communities were hit particularly hard by the pandemic recession, which will require dedicated resources and strategies for a strong recovery.

### **Background:**

Though Texas continues to break employment records, the state is also averaging over 936,000 unfilled jobs over the past year. With low unemployment rates, the pool of available Texas talent for skilled jobs is not keeping pace with job growth. The Texas Higher Education Coordinating Board (THECB) employed innovative higher education solutions, such as support for valuable, short-term credential programs, during the pandemic. Other strategies to provide Texans with credentials of value, reskilling and upskilling programs, and work-based learning opportunities can help spur the pandemic economic recovery. This is particularly important for small and rural Texas communities disproportionately impacted by the pandemic.

### **Proposed Action:**

Texas 2036 proposes adoption of THECB's exceptional item request item #4, Innovation and Collaboration, to provide Texans with innovative, alternative pathways into the workforce. Texas 2036 also proposes authorization for 8 Full-Time Equivalent (FTE) positions requested by THECB to support small, mid-sized, and rural-serving higher education institutions.

### **Budget Cost Estimate:**

THECB estimates this exceptional item to cost \$47.5 million over the biennium and includes 8 FTEs for each year of the biennium.

### **Public Policy Impact:**

Expanding Texans' access to short-term reskilling, upskilling, or work-based learning programs will help efficiently place those Texans back into the workforce. Building this capacity will also have long-term benefits to meeting skilled labor needs, especially in smaller and/or rural communities.