# SUPPORT HB 1703 | Support Texans Finding Good Jobs
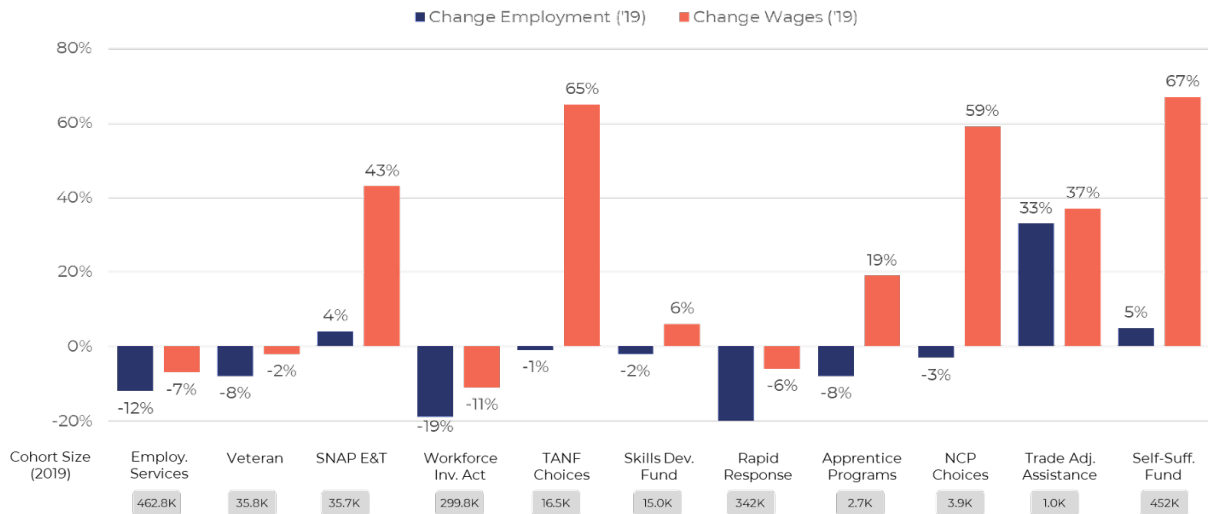
TX 2036

*What gets measured gets fixed.*
*Better workforce data can help Texans get a good job after exiting a workforce program.*

## Certain state workforce development programs lead to worse employment and wage outcomes for Texans

The negative employment and wage outcomes of veterans and large-enrollment state workforce development programs seen below have been persistent since 2015.

### Workforce Development Program Employment & Wage Outcomes, 2019

■ Change Employment ('19)  ■ Change Wages ('19)



| Cohort Size (2019) | Employ. Services | Veteran | SNAP E&T | Workforce Inv. Act | TANF Choices | Skills Dev. Fund | Rapid Response | Apprentice Programs | NCP Choices | Trade Adj. Assistance | Self-Suff. Fund |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 462.8K | 35.8K | 35.7K | 299.8K | 16.5K | 15.0K | 342K | 2.7K | 3.9K | 1.0K | 452K |

Change Employment: Employ. Services -12%, Veteran -8%, SNAP E&T 4%, Workforce Inv. Act -19%, TANF Choices -1%, Skills Dev. Fund -2%, Rapid Response -20%, Apprentice Programs -8%, NCP Choices -3%, Trade Adj. Assistance 33%, Self-Suff. Fund 5%

Change Wages: Employ. Services -7%, Veteran -2%, SNAP E&T 43%, Workforce Inv. Act -11%, TANF Choices 65%, Skills Dev. Fund 6%, Rapid Response -6%, Apprentice Programs 19%, NCP Choices 59%, Trade Adj. Assistance 37%, Self-Suff. Fund 67%

## State data necessary to address these poor outcomes is currently insufficient. HB 1703 seeks to remedy the following issues and ensure the state has actionable data:

- Many workforce development programs offer multiple types of services to participants, but state data does not provide enough information to determine the efficacy of each program service.
- Wage outcomes currently reported do not provide context on whether the wage earned after exiting a program is enough for a Texan and their family to achieve and maintain self-sufficiency.

## ⚙ HB 1703 Provisions in Focus

### Statewide Improvements

**Improved Organization:** HB 1703 requires organization of outcomes data by the various services offered through each workforce development program, leading to a better understanding of which program components are working versus which require improvement.
**Better Wages:** HB 1703 will produce state data necessary to inform Texans whether their wages are high enough to be considered self-sufficient and, if not, which workforce development programs provide them with their best chance of achieving self-sufficiency.
**Disaggregation:** In addition to categorization by veteran status, HB 1703 will disaggregate workforce outcomes data by race, ethnicity, sex, income, and location to allow targeted diagnoses of necessary workforce program improvements.

### Borderplex Pilot Program

In addition to workforce development programs, it is a state goal that career and technology education programs, work-based learning programs (i.e. apprenticeships), and postsecondary workforce education programs all lead to a self-sufficient wage. *State data systems do not uniformly collect wage and employment outcomes for many of these programs*.

The Borderplex local workforce development board is eager and already resourced through federal funds to conduct a pilot program that would produce the same data required by HB 1703 for all state career and education training programs. HB 1703 authorizes such a pilot program so that the state can consider future statewide scalability, ultimately helping meet state workforce goals.
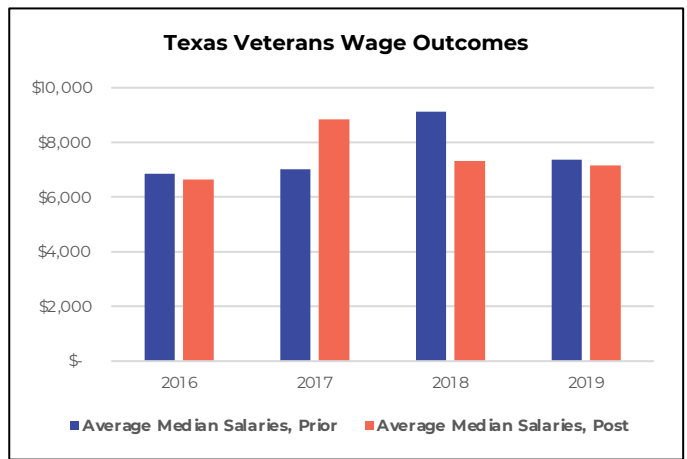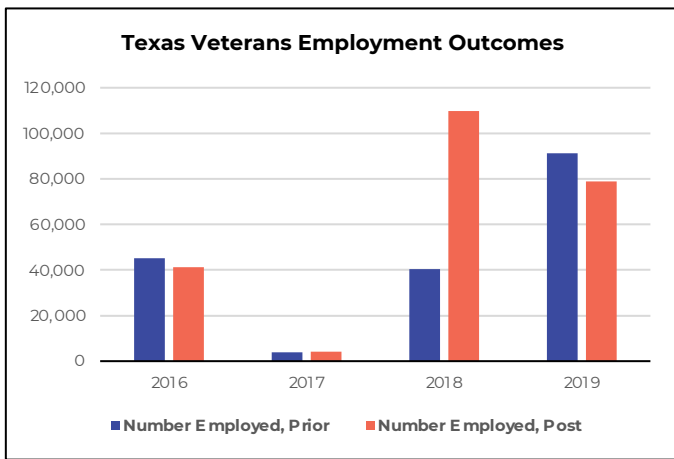
# Data Highlight: State workforce development programs lead to worse employment and wage outcomes for Texas veterans

Several taxpayer-funded workforce development programs provide services that are supposed to help Texas veterans find a good-paying job.

However, in 2019, state data showed many veterans who exited one of these programs **found themselves either unemployed or employed with worse wages** within their first year of leaving the program.

**148K** — Texas veterans served by taxpayer-funded workforce development programs in 2019

**-13%** — Texas veterans exiting a workforce development program found employed in 2019

**-3%** — Average median wages of Texas veterans exiting a workforce development program in 2019

**HB 1703 aims to obtain the data necessary to address these negative workforce outcomes which have been persistent for Texas veterans in the latter half of the past decade.**

### Texas Veterans Employment Outcomes



■ Number Employed, Prior   ■ Number Employed, Post

### Texas Veterans Wage Outcomes



■ Average Median Salaries, Prior   ■ Average Median Salaries, Post

Even in years like 2018 where there are seemingly positive employment outcomes for veterans, the programs ultimately led veterans to jobs with lower wages. Additionally, while 2017 was the most recent year where employment and wages were both positive, workforce programs only served 6,705 veterans that year – a minuscule fraction of veterans typically served.
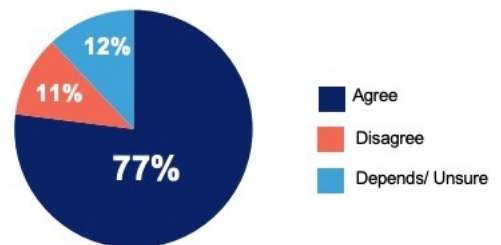
At the same time, the three-year average of Texas veterans receiving public assistance through the Supplemental Nutrition Assistance Program, or SNAP, was an **estimated 94,000 between 2017 and 2019.** As of 2021, it is now a state goal that state workforce development programs lead to a wage that is high enough to meet a Texan and their family's basic needs without public assistance. *However, state data is insufficient to create solutions for targeted improvement of these programs – we risk leaving Texas veterans behind in workforce improvements as a result.*

Texas spends $110 billion annually on its education-to-workforce pipeline.

A significant majority of Texas voters agree that goals for our state education and workforce systems should aim to ensure Texans earn wages **at least high enough to stay off all government benefits.**

**HB 1703 produces the data necessary for the state to measure its progress towards its workforce goals.**

### Texas 2036 Texas Voter Poll (Jan. 2022)



■ Agree — 77%
■ Disagree — 11%
■ Depends/ Unsure — 12%

**HB 1703 will reorganize the state outcomes data system for taxpayer-funded workforce development programs – ultimately allowing targeted improvements for these programs.**