Written Testimony FOR Committee Substitute House Bill 120

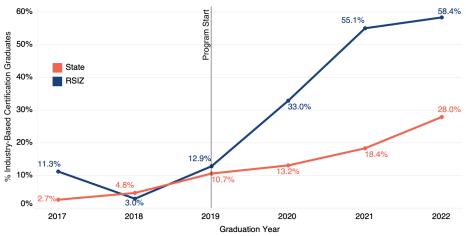
House Subcommittee on Academic & Career-Oriented Education March 5, 2025

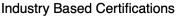
Chairman Ashby, Vice Chair Talarico, and members of the subcommittee:

Empower Schools and the ____12___ organizations undersigned thank you for the opportunity to submit public comment on CSHB 120, especially as it relates to the expansion of the Rural Pathway Excellence Partnership (R-PEP) Program. We deeply appreciate your commitment to expanding opportunities for rural students and the thoughtful improvements made to the Rural Pathways Excellence Partnership (R-PEP) program through this legislation.

The R-PEP Program is Designed for the Needs and Assets of Rural Communities

Today, **Texas is responsible for educating just over one million rural students** - **more rural students than any other state**.¹ Further, over one-third of Texas schools are located in rural areas.² Despite their significance within the state, rural communities have lagged in college attainment and access to high-paying careers. While rural students graduate high school at a higher rate than their urban peers, only 28% of rural high school graduates have college degrees compared to 41% of their urban counterparts.³ Despite these challenges, rural Texans have come together to create innovative approaches to expanding opportunity. The Rural Schools Innovation Zone, the inspiration for R-PEP, shows that rural communities can design programs that outperform the state in the attainment of key postsecondary indicators, including Industry-Based Certifications.





Source: Calculations by Texas 2036; Data from Texas Education Agency – Texas Academic Performance Reports.

¹ National School Boards Association, Center for Public Education. Educational Equity for Rural Students: Out of the Pandemic, but Still Out of the Loop, 2023, nsba.org/-/media/CPE-Growing-Diversity-of-Rural-Students.pdf.

² Greater Texas Foundation. Issue Brief: Rural Students, 2017, www.greatertexasfoundation.org/wp-content/uploads/2021/08/Brief-Rural.pdf. ³Lim, V. (2024, March 6). Reinventing the rural education experience. WorkingNation.

https://workingnation.com/reinventing-the-rural-education-experience/#:~:text=Throughout%20the%20state%20of%20Texas,41%25%20of%20their%2 0urban%20counterparts

CSHB 120 takes a significant step forward in addressing this gap by ensuring that more students in rural communities have access to career-aligned pathways that lead to postsecondary success and economic mobility.

The R-PEP program has catalyzed widespread interest in the successful R-PEP model, but districts have faced barriers

Since the Texas Legislature established the R-PEP program through the passage of HB 2209, 88th Legislative Session, 2023, interest in the R-PEP model has expanded significantly. More than eligible 50 school districts have expressed interest in planning R-PEPs⁴, and 8 groups of school districts have already submitted letters of intent to the Texas Education Agency seeking designation for R-PEPs launching in 2025. If approved, these new R-PEPs will more than triple the number of designated R-PEPs in the state.

Unfortunately, some interested districts have faced financial barriers in launching R-PEPs stemming from:

- 1. Lack of planning and implementation grants from the Texas Education Agency and
- 2. Uncertainty about the availability of R-PEP allotment and outcomes bonus funding in the future due to the annual \$5M cap in the original bill

<u>CS-HB120 improves upon the current R-PEP statute in important ways while maintaining the program's</u> <u>original flexibilities and incentives</u>

The CSHB 120 expands opportunity for rural students while building on the key design features of the original enabling legislation (HB 2209) by:

- 1. Repealing 48.118 (f), **effectively removing the annual \$5 million cap on R-PEP funding**. By eliminating this cap, the legislature is ensuring that more rural districts across Texas can benefit from this program, significantly expanding opportunities for students in communities where high-quality pathways have historically been out of reach.
- 2. Preserving the requirement that pathways offered by R-PEPs all align to high-wage, high-demand jobs in the region, recognizing the rigorous process planning regions go through to strategically select pathways aligned to labor market demand without mandating particular programs of study. Allowing R-PEPs to retain this flexibility within guardrails ensures that partnerships are built around real regional needs rather than a one-size-fits-all approach.
- 3. Clarifying that the R-PEP program can be **effectively combined with P-TECH and the FAST** program under HB 8 (88R), ensuring that R-PEPs are able to offer consistent support to all students participating in a pathway regardless of their home school district.
- 4. Retaining incentives for longitudinal outcomes through the **R-PEP outcomes bonus**, anticipating a further refinement of the definition of credentials of value by the THECB that will clarify how these bonuses can be calculated and operationalized going forward.
- Separating planning, implementation, and expansion grants into a separate dedicated pool of funds to ensure consistency and predictability in grant program offerings. A rider to allocate these grant funds will be a crucial component of R-PEP expansion in the years to come.

⁴ Texas 2036: How Texas Lege 2025 Can Invest In Rural Students, January 2025 https://texas2036.org/posts/how-texas-lege-2025-can-invest-in-rural-students/

In conclusion, we support the goals of CSHB 120 and the impact it will have on expanding access and quality of postsecondary pathways for rural Texas students. As the state continues to implement and continuously improve and invest in this programming, supporting new regions to plan new R-PEPs and removing obstacles in their path will lay the groundwork for statewide success. We are confident that R-PEP will yield valuable opportunities for rural students across the state.

Sincerely,

