

March 25, 2025

To: House Committee on Higher Education

Re: House Bill 2110 Position: FOR

Chairman Wilson and Members of the House Committee on Higher Education,

The Commit Partnership and the 21 organizations undersigned thank you for the opportunity to provide written testimony in support of House Bill 2110 (HB 2110) by Chairman VanDeaver.

I. COMMUNITY COLLEGES ARE INNOVATING TO MEET STATE WORKFORCE DEMANDS

Texas has the eighth-largest economy in the world and leads the nation in job growth. To sustain this momentum, the state must equip students with skills for high-demand industries. By 2030, more than 60% of jobs in Texas will require education or training beyond a high school diploma.¹ However, less than a quarter of Texas students are attaining a degree or credential in the state within six years of graduating high school.² Texas' economic success depends on aligning education and workforce systems with industry needs to prepare students for meaningful jobs with self-sufficient wages. Texas community colleges are central to this effort, enrolling over 43% of all higher education students in the state³ and awarding 96% of all career & technical education (CTE) credentials in the state.⁴

Last session, the Texas Legislature passed House Bill 8 (HB 8) unanimously, which transformed how the state funds community colleges to meet these workforce demands. The new outcomes-based formula prioritizes student success and aligns Texas community colleges with workforce needs by rewarding successful completion of dual credit, transfer to public 4-year institutions in the state, and credentials of value, with an additional premium when it is earned in a high-demand field and when students reach a positive return on investment sooner than the median. With the <u>Governor declaring career education as an emergency item this session</u>, it is critical to sustain and build on these efforts.

Texas community colleges are responding with innovations to better serve students and employers. For example, the Dallas Transfer Collaborative—a partnership between Dallas College, Texas A&M University-Commerce, Texas Woman's University, and the University of North Texas at Dallas—streamlines pathways from associate to bachelor's degrees. Community colleges also offer stackable credentials, allowing students to earn industry-recognized certifications that lead to advanced degrees and career growth. Austin Community College's advanced manufacturing program, for instance, provides pathways from short-term occupational skills awards to an Associate of Applied Science and even a Bachelor of Applied Technology in Manufacturing Technology. As Texas strengthens its investment in career education, community colleges remain at the forefront, driving workforce development and economic mobility statewide.

II. ENSURE ACCESS TO THE FINANCIAL AID FOR SWIFT TRANSFER (FAST) PROGRAM

HB 8 (88R) established the Financial Aid for Swift Transfer (FAST) program, providing free dual credit to economically disadvantaged high school students. This initiative expands access to high quality postsecondary experiences and strengthens the connection between PK-12 and higher education. In its first two years, FAST has increased dual credit enrollment by 22%, supported 260,000 students, and covered 1.46 million semester credit hours (SCH) at no cost to students. We support HB 2110's provision to expand FAST eligibility to students who qualify for free or

¹ Georgetown University Center on Education and the Workforce, *After Everything: Projections of Jobs, Education, and Training Requirements through 2031.*

² THECB 2012 8th Grade Cohort data.

³ Preliminary Enrollment Report THECB - Available for October Board Meeting.

⁴ THECB Interactive System, Degrees and Certificates Awarded by Type Major (CTC Only), 2023.

⁵ Texas House Appropriations Committee Hearing, September 10, 2024.



reduced-price lunch in the current and previous four years, ensuring the program reaches those it was designed to serve.

III. ENHANCING TRANSFER OUTCOMES TO REWARD TRANSFER TO ALL TEXAS INSTITUTIONS

Although the Legislature has created strong incentives for community colleges linked to student success, Texas has an opportunity to improve the funding formula this session by expanding the transfer outcome. Currently, community colleges are not awarded performance tier funding when students complete 15 SCH and successfully transfer to a private or independent college or university in Texas. Rather than disincentivizing transfer to private or independent colleges or universities in the state, the Texas Legislature should enhance the transfer outcome to reward community colleges for continued postsecondary success, regardless of the Texas institution to which the student matriculates.

IV. REFINING CREDENTIALS OF VALUE

Since HB 8's passage in 2023, the Texas Higher Education Coordinating Board (THECB) has worked to implement rules defining credentials of value. We **support refining this methodology** to ensure credentials are aligned with high-demand, self-sufficient wage careers. The flexibility in THECB's rulemaking process allows for adjustments as workforce needs evolve, ensuring that Texas remains responsive to economic shifts. As additional data becomes available, Texas can continue to refine its approach to maximize student success and economic impact.

V. STRONGER DATA LEADS TO STRONGER STUDENT OUTCOMES

We also support improving data collection in partnership with the Texas Workforce Commission to **enhance employment** and **earnings** data and produce regional labor demand assessments. Strengthening data on job demand and wage outcomes will ensure that state-funded programs remain tightly aligned with workforce needs. More accurate, real-time data will enable better decision-making in shaping education and training programs, ultimately helping Texans secure well-paying jobs and driving economic growth across the state.

Not only are these policy solutions data-driven, but they also have overwhelming public support—92% of Texas voters agree that investing in community colleges is essential as student outcomes improve. Texas has made significant strides in aligning education with workforce needs, but sustaining this progress requires a continued commitment from the Legislature. By fully funding the outcomes-based formula and strengthening policies that expand access, improve transfer pathways, and refine credentials of value, Texas can solidify its leadership in workforce development. Investing in community colleges is not just an education policy—it's an economic imperative. The success of our students is the success of Texas, and we urge legislators to uphold these critical investments in the next biennium.

Sincerely, **Katrina Fraser**Director of Postsecondary Education and Workforce Policy

The Commit Partnership

Supporting Organizations:









































⁶ Ragnar Research Partners, Commit Partnership Statewide Education Poll, November 2024.