



August 10, 2022

Dear Chairman Murphy and Members of the House Committee on Higher Education,

Thank you for inviting TAB to speak on the Texas Reskilling and Upskilling Through Education Initiative (TRUE) and its impact on the business community. The TRUE initiative is an investment in Texas' future by helping community colleges close the skills gap to good-paying, high-demand jobs. We all know that the Texas economy is the most successful, dynamic, and growing ones in the nation, but we're also not immune from labor challenges as we emerge strongly from the pandemic. Thanks to Governor Abbott, the Texas Legislature, and the state's employers, Texas was one of the first states to regain lost jobs from the Pandemic.

The TRUE initiative provides support for community colleges, who provide over 92% of workforce credentials in Texas, which will better align displaced workers with the skills they need to successfully and quickly reenter the workforce.

In addition to reskilling and upskilling the incumbent workforce to acquire the skills needed for high-demand jobs in their region, we also know companies continue to move here because we have a great regulatory climate and population to fill their current and future workforce needs. Programs like TRUE will continue to help fill the workforce needs of our growing economy.

Community colleges are stepping up to meet these workforce demands and because of this important legislation, the Texas Higher Education Coordinating Board has already awarded \$15 million in grant funding to support the creation, expansion, or redesign of workforce education and training programs in high-demand occupations.

The business community also plays an important role, working with community colleges to meet the growing demand. IT companies have been particularly engaged. Cloud and other IT certifications are extremely valuable to employers and to workers paychecks and career paths as well.

There is a huge amount of reshoring and onshoring to Texas, due to our large capital-intensive tax limitations, our pro-business regulatory climate, our flexible talent base and our strong connection to export markets. These are rapidly bringing new industries to Texas, such as steel and rocket manufacturing in South and Central Texas and semiconductor manufacturing in North Texas, though we know we must remain competitive in 2023 and beyond. Additionally, the federal CHIPS act will mean more chip manufacturing and lots of construction and skilled labor work to stand-up and operate those plants.

As Texas continues to strengthen its position as a home to leading edge technologies and advanced manufacturing, Texas will need a stronger and more nimble training mechanism. TRUE has that potential with focused collaboratives. The Texas Association of Business also



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runs the Chamber of Commerce Executives (TCCE). We commend the Legislature for ensuring Chambers and employers have a seat at the table, and TAB and TCCE looks forward to helping our regional Chambers better understand the potential of this project and this initial source of funding. Solutions like TRUE support the Texas economy across the state and gives employers in Texas a competitive advantage.

On behalf of TAB, I thank Chairman Murphy and the members of this committee to allow me to comment on workforce needs, and I look forward to working with each of you in the future.

Thank you,

Glenn Hamer  
CEO, Texas Association of Business