



# EVERY TEXAN

Formerly Center for Public Policy Priorities

## Texas House Higher Education Committee 60x30TX Interim Hearing

Skyler Korgel, Higher Education Policy Analyst, Every Texan

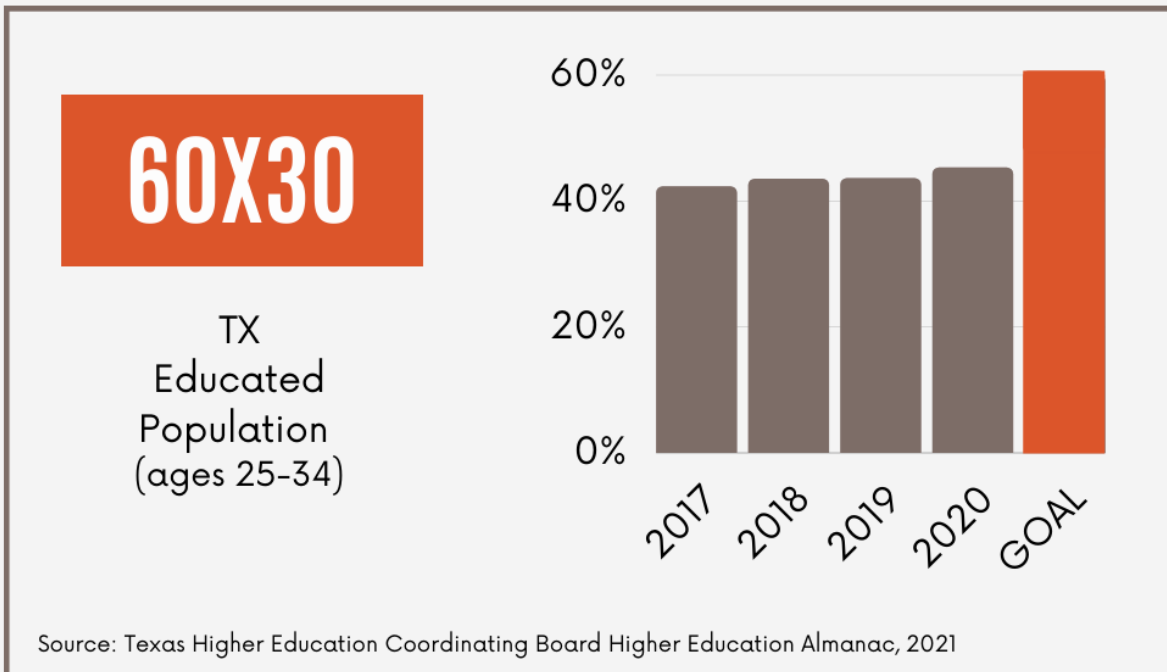
May 5th, 2022

Chairman Murphy and members of the Committee,

The 60x30TX plan was launched in 2015 by the Texas Higher Education Coordinating Board (THECB) to ensure that Texas will have a globally competitive workforce by 2030. The strategic plan has four goals: attainment, completion, marketable skills, and student loan debt. The goals are well-intended markers to advocate for increased postsecondary education accessibility for Texan families. As we approach the midpoint of the 60x30TX plan, let's look at the progress Texas has made toward meeting these ambitious goals. We'll also look at a recent expansion called Building a Talent Strong Texas, with new targets beyond those in the 60x30TX plan.

### **I. Attainment: "At least 60 percent of Texans ages 25-34 will have a certificate or degree by 2030."**

When the 60x30 plan was developed, only 40% of this age group had a certificate or degree. By 2020, the number rose to 45.3% – a 1.7% increase from the previous year, but only a 3% increase from 2017. If attainment continues to increase at this rate, Texas is unlikely to meet the goal of 60% by 2030. Texas would need to average a 1.47% increase over the remaining 10 years (2020-2030) to reach 60%. We neither can nor want to rely on attracting a more educated out-of-state workforce via tax incentivized businesses and corporations relocating to our state to fuel this growth alone. Texas must put in more work to ensure that the students who graduate from a Texas high school enroll and keep up with a certificate or degree program by providing adequate funding to K-12 public schools that meets the needs of low-income and emergent bilingual students to substantially raise college readiness rates. For Texans in the workforce with only a high school diploma, reputable, time manageable, and affordable local degree programs need to be accessible and supported by adequately funded community colleges, particularly to accomplish the Talent Strong Texas attainment goals. For Texans enrolled in a public institution, the state needs to better ensure students are sufficiently supported academically, healthily, and financially to curb dropout pressures and can be achieved with great efficiency by bridging the tenfold gap in funding between TEXAS Grants for 4-year university students and Texas Equal Opportunity Grants (TEOG) for the nearly equivalent number of community college students in our state, for whom less than 18% eligible are awarded.



**II. Completion: “In 2030, at least 550,000 students will complete a certificate or an associate, bachelor’s, or master’s degree from an institution of higher education in Texas.”**

The initial higher education completion level was a little over 310,000 Texans in 2015. Since then, annual completion numbers have increased by 12%. However, 2019 to 2020 saw only a 0.2% increase in the overall number of students who completed a degree or certificate. This is a small increase compared to prior years and the average rate of increase between 2018-2020 of 1.4%. Students who identified as Black (0.5%), Hispanic (2.9%), and/or “economically disadvantaged” (0.8%) saw a larger increase in certificate and degree completions compared to students overall, despite the onset of the pandemic. However, these groups are still below their target growth rates due to the daily challenges of systemic racism and oppression. This completion goal is impossible to reach without also ensuring that Black and Hispanic students are completing their programs at a significantly higher rate.

Part of the small increase in the completion of certificate and degree programs can be attributed to the onset of COVID-19. While some students canceled their plans to enroll, or made the difficult decision to quit or postpone their programs due to a lack of funding or added pressures from the pandemic, other students were forced to adjust to the immediate changes in the way

their classes were formatted or switch their educational goals to a different certificate or degree. Community college enrollment also significantly decreased, which may eventually result in a smaller than anticipated number of students graduating from degree and certificate programs in the upcoming years.

Ultimately, additional support is needed for Texas to have at least 550,000 students complete a degree or certificate in 2030. This support includes better financial aid packages (with grants, scholarship and workstudy programs), mentorship, and access to tutoring programs and targeted summer transition programs that help students matriculate into postsecondary programs immediately after graduating from high school.

## COMPLETION

In 2020, a little over 348,000 students earned a degree or certificate – 63% of the 60x30TX goal of 550,000 students



Source: Texas Higher Education Coordinating Board Higher Education Almanac, 2021

### **III. Marketable Skills: “All graduates (target 80%) from Texas public institutions of higher education will have completed programs with identified marketable skills.”**

The purpose of this goal is for public colleges and universities to ensure that students are graduating from programs with the ability to clearly identify and signal specific skill sets to potential employers. Therefore, this goal requires that institutions explicitly list the skills that students will obtain from their programs. Clearly outlining the goals of certificates and programs can help students align their career goals with the right program. Private or independent institutions are not included in this goal, which means some students won't get the needed

information. But, both private and career institutions are included in the measurement of these marketable skills.

This goal is measured by how many students who obtained a degree or certificate within Texas continue to reside in the state and work and/or re-enroll into another higher education program within a year. We are close to meeting this goal: in 2020, 79% of graduates had marketable skills. Unfortunately, the percent has not moved much in the last three years, which means the state and institutions have not significantly improved how they assist and connect students to jobs or additional certificate and degree programs.

Additional concerns lie within the fact that the measurement window is twice the average amount of time it takes a graduate to find employment, and it includes re-enrollment into another certificate or degree program. There is also no measurement of the type of employment students are obtaining, or demographics of students who are securing jobs. Excluding this information does not allow for stakeholders to know if students are finding employment that matches their goals or if all Texans — regardless of race, ethnicity, and gender — are securing jobs at an equitable rate.

An improved marketable skills goal includes these indicators and works with certificate and degree programs to ensure that they have support in place to help students successfully transition into a fulfilling career.

#### **IV. Student Debt: “Undergraduate loan debt will not exceed 60 percent of first-year wages.”**

In 2014, the student loan debt of graduates from a public four-year institution was 71% of their first-year wages. In 2017, the debt-to-earnings ratio was 55% for graduates of two- and four-year public institutions. Three years later, the debt-to-earnings ratio appears to have decreased to 51%. However, we are unable to compare data from the 2021 progress report to 2014 data, because THECB has changed the way debt statistics are calculated. Prior to the previous two reports, THECB included the debt that parents incurred in the total. Now, the student debt rate excludes the debt incurred by the parents of students.

With the new definition, there was only a 0.5 percentage point decrease in the percentage of undergraduates completing school with debt from 2019 to 2020. While Texas has been able to ensure that fewer than half of graduating students have debt (44.1%), [student loan debt is a burden that many Texans are carrying, and it disproportionately impacts people of color and women.](#)

Texas has taken up an additional target within this goal to reduce excess semester credit hours to an average of three by 2030. The purpose of this target is to ensure that students are taking the courses that will help them achieve their desired credentials, while decreasing completion time and reducing student debt. In 2017, the average credit hours attempted by students

earning associate or bachelor's degrees was an excess of 19 credit hours. By 2020, that average had been reduced to 14 excess student credit hours, a one-credit reduction from the previous year. On average, this is a statewide savings of about \$92 or \$317 in tuition and fees for a student who attends either a community college or public university, respectively.

It is also important to note that at the start of this year, THECB announced an expansion of the 60x30TX plan through the creation of a new plan that builds upon previous goals. This updated plan is titled Building a Talent Strong Texas. It seeks to connect additional students to “college degrees, certificates, and other credentials that offer purpose in the economy, value in the labor market, and opportunities for good jobs and meaningful careers.” Specifically, the plan includes these new targets:

- 60% of Texans ages 35-64 with a degree, certificate, or other high-value postsecondary credential by 2030;
- 95% of graduates having either no undergraduate student loan debt at all or manageable levels of debt in relation to their potential earnings;
- \$1 billion increase in annual private and federal research expenditures by 2030; and
- 7,500 research doctorates awarded yearly by Texas institutions of higher education.

With only eight years to go, additional strategies and resources are needed to meet or exceed the college attainment goals of the 60x30TX plan and the Building a Talent Strong Texas plan. Considering the ongoing impacts of the pandemic and the needs of Black and brown students as they navigate historical and present forms of systemic racism, Every Texan's policy roadmap clearly articulates the need for state and local leaders to prioritize ways to expand affordable access to college and implement state-level student borrower protections to safeguard students. Affordable access to college can be improved if the state:

- fully funds financial aid grants, especially TEOGs; and
- eliminates tuition and fees for low-income families.

Texas could also use federal stimulus funding to support college students who are facing housing, food, and employment insecurities. The goal of increasing the number of research doctorates will require additional state and institutional funding for graduate students to afford the cost of living in the city and program expenses.

Lastly, Texas needs to address the issue of student loan debt by:

- creating state-based student loan forgiveness programs;
- implementing borrower protections for students; and
- using federal stimulus funding to help undocumented/DACA students—who are excluded from federal support—fund their certificate or degree program.

Every Texan, along with TX PACE Coalition partners, are organizing to bring needed student voice and perspective to the Commission on Community College Finance (CCCCF)

recommendation process via the Texas Community College Student Advisory Council composed of 12 community college students from across Texas.

*For more information, please contact Skyler Korgel, Higher Education Policy Analyst for Every Texan, at [korgel@everytexan.org](mailto:korgel@everytexan.org).*