

March 25, 2025

Chairman Wilson and Committee Members:

My name is Megan Mauro, and I am honored to testify today in support of House Bill 2110 on behalf of the Texas Association of Business (TAB). As the State Chamber of Commerce and the state affiliate for the National Association of Manufacturers, TAB represents businesses across every industry sector and size, as well as local chambers throughout Texas. Our mission is to champion the best business climate in the world, unleashing the power of free enterprise to enhance lives for generations.

During the last legislative session, thanks to the diligent efforts of Representative VanDeaver, the Texas legislature, and Governor Abbott, Texas made a historic investment in workforce development through an outcomes-based community college funding model.

House Bill 2110 builds upon this model by incentivizing work-based learning and investing in employer partnerships to meet the evolving needs of Texas employers. By encouraging community colleges to award credentials of value, Texas will produce more graduates with high-demand skills in the labor market. We believe the refinements proposed in HB 2110 would further assist businesses in addressing skill gaps and recruiting qualified employees for hard-to-fill positions. These refinements include:

- 1. Adjusted program evaluations based on specific credentials, incorporating opportunity cost considerations
- 2. Establishing an earnings threshold for credential of value designation
- 3. Allowing flexibility for critical workforce credentials in healthcare and education, including early childhood, to be classified as credentials of value (COV)

Furthermore, we strongly endorse the provisions in HB 2110 that expand funding eligibility to include successful transfers to four-year universities, as this is likely to increase the number of students pursuing advanced degrees.

We commend this committee's commitment to continued investment in workforce training to innovate and keep pace with changing industry needs. Specifically, we appreciate the support for a dynamic, responsive, and effective community college system that better serves Texas businesses by producing graduates with relevant skills and qualifications aligned with current and future workforce demands.

The Texas Association of Business is proud to support HB 2110 and looks forward to the ongoing positive impact community colleges will have on the Texas workforce. Thank you for the opportunity to speak in support of this legislation.

Thank you,

Megu Mans

Megan Mauro EVP & Chief of Staff Texas Association of Business