State of Texas Higher Education Harrison Keller, Ph.D. Commissioner of Higher Education November 21, 2019

Good afternoon. I'm happy to be with you today to talk about the state of Texas higher education. I've been on this job for less than two months. So, I'd like to start by sharing some personal background, with a few things that don't show up in my standard bio but might help give you a sense of how I approach higher education policy. Then, I'll talk about the national context, where we are as a state, and what we're working on at the Higher Education Coordinating Board.

I'm a sixth-generation Texan. I grew up in a town called Plainview, which is a farming community in the Panhandle. The school district is what we call "property poor." For generations, most of my people were farmers, but my parents were schoolteachers. Like a lot of teachers' kids, I grew up in their classrooms. I became a good student, mostly unaware of how the lack of resources available to my schools affected the opportunities that were available to me. By high school it became clearer, especially when I ran out of math courses to take my junior year. Still, when I went away to college I was feeling pretty confident.

My freshman year at the University of Notre Dame was a reality check. I'll never forget what it felt like to get that first paper back with the first 'D' I'd ever seen in my life, and to realize that although I hadn't had math my senior year, most of the students sitting next to me had AP Calculus. It took about three semesters and a lot of suffering to recalibrate to the new expectations. Fortunately, I had a lot of support from family, friends, and faculty. And, Notre Dame let me count my suffering toward Purgatory time.

But, that experience stuck with me. It helped fuel my passion for improving students' transitions from high school to college, especially first-generation college students, low-income students, and students from rural communities.

From undergrad, I went right into a PhD program in philosophy at Georgetown. I studied moral and political philosophy, because I'm very interested in how we can ensure that everyone has an opportunity to realize their potential. Of course, in education policy we have the privilege of working directly on these issues, which are so fundamental to our American democracy.

So, I came home to Texas to work in the legislature, and later at UT Austin. Over more than two decades I was able to work on almost every aspect of Texas public and higher education budget and policy as legislative staff, and as a UT administrator and faculty member. I had the privilege of serving in the Navy as a reserve intelligence officer. Most importantly, I am a dad to four of the best kids ever. However, a little over a year ago, my wife and I tragically lost our youngest daughter to a rare brain cancer.

Now, I'm excited and humbled to serve our great state as commissioner, and I'm grateful to the appointed board and Governor Abbott for this opportunity. I know the transformative power of education firsthand. I understand that opportunities for students to prepare for college and participate in the great benefits of Texas still vary dramatically across our state. And, I appreciate how much our great state depends on higher education institutions to drive opportunity, innovation, and public health.

National context

The need for postsecondary education has never been greater than it is today. And, the strength of our colleges and universities in research and development has never been more vital for our state, our society, and our economy. This is especially true as the pace of change in technology and the economy accelerates, and as other nations invest in their own higher education systems.

In the Great Recession, the United States lost approximately 7.2 million jobs, including 5.6 million that required only a high school diploma. The good news is that the recovery has been strong. By 2016, the US economy had added more than 11.4 million net new jobs. But, the recovery didn't reach everyone. As Georgetown's Center for Education and the Workforce <u>pointed out</u>, only about 80,000 jobs that required only a high school diploma had come back. Another way to say this is that through 2016, American workers with only a high school education experienced almost no recovery. Almost all job growth—99 percent—went to workers with at least some postsecondary education.

Students' financial <u>returns</u> on their investments in postsecondary education can <u>vary</u> substantially by major, degree level, <u>institution</u>, and other factors. Still, the <u>data</u> is clear. Most new job opportunities in the United States require at least some postsecondary education. Not surprisingly, unemployment and labor participation rates are far better for college graduates than for adults with only a high school diploma. The differences

aren't subtle. In 2018, unemployment for Americans with only high school diplomas was more than 80 percent greater than for those holding bachelor's degrees.

Despite these compelling statistics, public skepticism about higher education has been increasing rapidly. Last year, a <u>Pew</u> study found that a solid majority of American adults, 61 percent, believe that higher education is heading in the wrong direction. <u>Gallup</u> also reported unusually steep declines in the numbers of Americans who say they have confidence in higher education. Now, some of these findings might reflect cultural and political concerns more than economic concerns. <u>Other</u> studies have found large majorities who agree that education beyond high school is something most students should pursue, and who agree that postsecondary education makes it easier to find a good job. But, in one of the most troubling findings, half of respondents without college degrees in a recent national study said they didn't think college would be a good investment "because it will lead to debt with little chance of finding a good paying job."

The picture that emerges suggests great tension. On one hand, the leading American research universities and academic medical centers are still the envy of the world. The majority of Americans and <u>Texans</u> seem to agree that postsecondary education is important, and they understand that employers value graduates. On the other hand, there are deep concerns about debt and the costs of higher education. Adults without college degrees are <u>divided</u> about whether they think college is accessible and whether the financial risks would be worth the potential rewards *for them*. This last finding should be a wake-up call for every American college and university.

Our response must be even greater commitment to our public mission. For decades, American colleges and universities have taken public trust and confidence for granted. Today, students, families, employers, and policymakers are asking pointed questions about cost and value. The intensity of this criticism is not going away. It will more than likely increase, especially given the ways higher education issues are being framed in national debates and political campaigns.

Texas context and 60X30TX

Texas has a rich history of going our own way, so it is no surprise that we're not experiencing all the trends we see in other states. In particular, unlike in Mid-Atlantic, New England, and Midwestern states, our population of high school graduates is steadily <u>increasing</u>. Texas is relatively young and diverse, and our economy has been expanding rapidly.

Although the Great Recession was painful for Texas, we didn't experience the same job losses the rest of the nation did. Between 2008 and 2010, we lost about 260,000 jobs that required high school diplomas or associate's degrees. In the same period, however, we *added* more than 293,000 jobs that required bachelor's degrees or higher. Since 2010, we have gained more than 400,000 jobs that only require a high school diploma, and 680,000 jobs that require some postsecondary education or associate's degrees. We've also added *another* 1.3 million jobs that require bachelor's degrees or higher.

Today, Texas has more students in public schools than twenty nine other states have people. Texas enrolls more students in higher education than the total population of ten other states. If Texas were an independent country we would be the world's <u>tenth</u> <u>largest economy</u>, bigger than Canada, with a geographic footprint <u>larger than France</u>.

I say these things partly because I love to say them out loud, in the tradition of "it ain't bragging if it's true." More importantly, they suggest to me that for Texas to maintain and advance our competitive position, we can't mimic what other states have done. We have to innovate and lead in ways that work for Texas, that build trust with our public, and that reinforce our increasingly important role in the national and global economies.

Truly, Texas is like a whole 'nother country. As Texas higher education leaders, we have to recognize and embrace our unique public responsibilities, expand opportunities for more students than we've ever served before, and innovate on behalf of tomorrow's Texas. The future of our state and our nation depend on it.

In 2015, the Texas Higher Education Coordinating Board convened a distinguished group of leaders to consider state goals for Texas higher education. The result was called *60X30TX*. It includes four broad goals, with the central goal being that by 2030, 60 percent of our younger working population, aged 25-34, should have some sort of postsecondary credential.

In a few minutes you'll hear a detailed briefing about where we are on the <u>60X30TX</u> goals. On most of these goals, we've made modest progress or held steady. But, it's been a few years since 60X30TX was adopted, and it's a good time to ask whether some of the goals might need to be refined or updated.

So, as you examine these <u>data</u>, I'd ask you to consider three points.

First, I'd argue that we shouldn't stop with the general concept of *60X30TX*. All of us here would probably agree that it's desirable to increase educational attainment in Texas. But, it isn't enough to say 60 percent of current high school and college students and young adults ought to achieve *any* sort of postsecondary certificate or degree, whatever it may be. Some credentials will be especially important for the future of our state. Some will be more valuable for Texas students and their families.

On a related note, we have large numbers of adult learners who are too often ignored. More than <u>3.9 million</u> Texans have some college and no degree. At the agency, we estimate that more than a third of these have student debt. As the economy changes, many Texans with or without degrees will need to reskill and <u>upskill</u>.

All Texans deserve to be able to access affordable, high-quality learning opportunities that lead to credentials of value—postsecondary credentials that will unlock their potential, help them provide for their families, and pursue their dreams.

The second point is that *60X30TX* as defined today is silent about a fundamental responsibility of great colleges and universities: their essential role in research and development. Governor Abbott was right to highlight this role five years ago when he set a goal for multiple Texas universities to be counted among the top ten American public research universities, and the Texas Legislature has been right to invest in this mission. Over the past few years, the State of Texas has been moving in a strong positive direction in state <u>support for R&D</u>. However, we still seriously lag in federal research obligations to our institutions, and are not where we should be in venture capital coming to Texas. This issue is critical for the future competitiveness of our state.

The third point is that over the past year, I've heard increasing skepticism about *60X30TX*. As you'll see in the data, some of this skepticism might seem well-founded. It simply isn't possible to achieve the attainment goal of *60X30TX* by making marginal improvements and doing the same things we're doing today, but just a little better.

As higher education leaders, it's important to confront the deep challenges before us. In part, they are arising because a strong and growing consensus that postsecondary education is essential and leads to a better quality of life is *colliding* with deep and growing public concerns about access, cost, and debt. In that context, holding steady isn't good enough. We have to be open to doing things differently, and accelerating the pace of educational innovation.

Now, I'm sure none of you came here to listen to a newly christened state bureaucrat drone on. You want to know what the Higher Education Coordinating Board, under my leadership, will mean for you and your institutions.

First, let me assure you that the board, the agency, and I are all committed to working *in partnership with* and *on behalf* of you and your institutions, with our Governor, legislators, employers, public school administrators, funders, national organizations, and accreditors. One of the statutory responsibilities of the Coordinating Board is to *advocate* for Texas higher education, and we will renew our commitment to that responsibility.

We will commit to *understand* your unique missions, challenges, and accomplishments. We will *support* your efforts to increase your students' successes. We will work with you and your teams to help *elevate the profile of Texas institutions* in Austin, in Washington, with the media, in national rankings, and with the general public. We will also work with you and with our state policymakers to *inform* development of ambitious, innovative Texas higher education policy.

I can't promise I will always make you happy, but I can promise I will always listen and be open to other ideas.

Over the next several months, you will be hearing more from the agency about degree productivity. The State of Texas has adopted an ambitious goal to educate more people to higher standards than ever before. As we work on this goal, we have to keep today's students in mind.

After I received my Plainview High School diploma, I enrolled in one postsecondary institution, and when I graduated four years later, all the credits that counted towards my college degree were awarded by that same institution. That isn't how most students go to college today. Most Texas students accumulate college credits from multiple institutions, often before they graduate high school. Sometimes they're co-enrolled at multiple institutions. An increasing number of our students have outside responsibilities that don't line up with a traditional residential campus experience.

To help accelerate the pace of educational innovation, there are a number of tools the agency can offer to support your institutions. One of the most important is rich data from school districts, colleges, universities, state agencies, and national partners. We will commit to making this data more accessible and *useful*, to help inform and support your planning and operations, and to better inform Texas students and their families about educational and career opportunities.

In particular, my team and I will work closely with your institutions to help make the pathways to high-value credentials clearer for Texas students and their advisers. We will also make changes in how we report data to better reflect institutions' contributions to student success. The State of Texas doesn't need to be constrained in how we measure student success by the federal methodologies for calculating graduation rates. We will do a better job of honoring multiple institutions' contributions.

Finally, one of the most important ways the Coordinating Board can support educational productivity and innovation is to renew our commitment to coordinate among higher education institutions. My emphasis will be on *coordinating*, which is importantly different from *micromanaging*. We will work diligently to carry out our statutory responsibilities and follow the law. However, there will be a higher bar for the agency to preempt local decisions about individual course and program design. We should be putting our energy into understanding and sharing information about the value of courses and credentials, not nitpicking course descriptions and creating arbitrary reporting requirements.

Now, as I've discussed with many of your chancellors and presidents, I need your help on multiple fronts. We'll ask you to work with us as we update and streamline agency processes and operations, and build new capabilities that allow us to work more effectively with you. We'll ask you to work with us on policy options for the upcoming Texas legislative session and the next Congress. We'll ask you to share your expertise and assist in data analysis, policy reviews, and program design. Most of all, we will need to maintain an ongoing and trusted dialogue, so we can work together to identify and address issues before they become major roadblocks.

When you feel like I'm doing a great job, please tell my mother. When you feel like we're going off the tracks, please tell me directly.

Conclusion

Today, the state of Texas higher education is uneven, but with tremendous potential. Although we face serious challenges—and in truth, what we're seeing in the data isn't where we want to be—we know there are many examples of Texas institutions that have been making great progress. They're producing exciting, innovative work on the ground we can learn from and build on.

The future competitiveness of Texas will depend on how well we unlock the potential of Texas talent, including high school and college students, adult learners, faculty, and higher education leaders.

We need to work together, across institutional boundaries, so all students, regardless of race, ethnicity, or income can fully participate in, benefit from, and contribute to the future of Texas. We need clearer and more flexible pathways to high-quality educational opportunities and high-value credentials. And, we need more focused attention on strengthening our research and development capabilities.

To keep Texas competitive, we can't just make incremental progress. We have to work with urgency, much faster than higher education institutions and the agency have historically operated. We have to work together to accelerate the pace of innovation.

At the agency, we will support your work to advance your students' academic and career success and strengthen our state's vital higher education infrastructure. I hope we can affirm to each other today that we won't let the way we've always done things hold Texas back.

In closing, I want to say thank you. There have not been many times in history when higher education leaders have had such an opportunity to make an impact for the future. Your leadership and service for your institutions is vitally important. I'm sure someday, many of the higher education leaders here will roll up our sleeves, show our scars, and remember with pride what we're embarking on right now.

Thank you for your commitment to our students, our institutions, and our great state. I look forward to working with you.