TEXAS 2050

A Framework for Long-Term Economic Growth

In recent years Texas has received numerous accolades for our business climate, job growth, and economic development success, including:

Best State for Economic Climate and Future Job Growth 2014
(Forbes Magazine)

Top exporting state in the nation for the 14th consecutive year, with over $251 billion in goods exported in 2015
(U.S. Bureau of Economic Analysis)

"Best State for Business 2016" by Chief Executive Magazine for the 12th straight year

CNBC "Top State for Economy and Infrastructure"

A "Top State for Fortune 500 HQ"
(Fortune Magazine)

Site Selection Magazine "Governors Cup" award in 2015 that recognizes the state with the most qualifying new and expanded facilities per capita for the 4th year in a row

Texas is #1 in private sector jobs added over the last 10 years
(BLS, December 2015)

At 4.7 percent, a state unemployment rate at or below the national average for 108 consecutive months
(Bureau of Labor Statistics, December 2015)

To continue this level of success and remain the leader in many economic metrics let's take a long-term view:

EDUCATION AND WORKFORCE DEVELOPMENT.

Raise education standards and align skills to better prepare children in Texas; ensure that Texas students have pathways to high-paying, skilled careers in high growth STEM (Science, Technology, Engineering, and Mathematics) areas and graduate career or college ready - with the skills and training expected by an increasingly diverse employee economy.

- High-quality CTE (Career Technical Education): Ensure CTE programs advance academic, technical, and industry-relevant technology skills that prepare all students for success in college and technology-rich careers.
- Increase opportunities, like P-Tech and other models, for students to pursue dual-credit course offerings, internships and other educational experiences that integrate high school, college and workplace learning and help our students transition from the classroom to careers.
- Improve postsecondary educational attainment and completion; support the 60x30TX plan *(By 2030, at least 60 percent of Texans ages 25-34 will have a certificate or degree)*.
- Computer science: Give Technology Applications/computer science courses the same formula funding weights as CTE; fund a state-level computer science certification grant program so Texas can double the number of high school computer science teachers
- Digital learning: Ensure districts have the funding necessary and flexibility to purchase the technological equipment, services, and instructional materials
- Classroom Connectivity: Support measures that focus finances, partnerships and strategies to ensure that all schools have sufficient infrastructure and network connectivity with the necessary speed, capacity and reliability to support technology in the classroom.

INFRASTRUCTURE.

Regions foster start-ups and innovative companies through world-class talent, capital, and mentorship. Policies that support efficient and effective infrastructure assets, including ICT (Information & Communications Technology), transportation, energy, and water will help build capacity needed to accommodate our growing population and help us remain competitive with other states.

INVESTMENT CAPITAL.

Support our entrepreneurs and small businesses via a healthy ecosystem of capital to grow and keep our best companies in Texas. Innovative, high-growth companies require significant and specialized capital resources;

- Establish and promote slight preference for in-state money managers over out-of-state managers in public investment, all other investment objectives and past performance being equal.
- Support the development of a domestic venture industry through the use of long term incentives.
- Support investment in rural Texas

INNOVATION.

Invest in world-class research to spur groundbreaking innovation. Maintaining a vibrant and modern economy will be dependent on our ability to create and cultivate innovation intensive companies;

- Continue full funding and include eligibility for recruiting commercialization-oriented rising stars in Governor's University Research Initiative.
- Continue full funding for Cancer Prevention and Research Institute of Texas (CPRIT)
- Support the promotion and leveraging of partnerships between private industry and academia, which are essential to building research and commercialization capacities in the state. Provide pathways for Texas universities to step up tech commercialization to help bridge innovation and the marketplace and ensure technological breakthroughs are translated into economic opportunities for all of Texas.
- Provide pilot "proof of concept" funding to accelerate university tech transfer and commercialization
- Maintain R&D (Research & Development) tax credit
- Oppose any unnecessary regulations or legal requirements that increase cost, reduce consumer choice, hamper innovation, and limit technology advancement and availability.

TOOLS TO COMPETE.

Provide state and local tools to compete for corporate expansions and re-locations that add jobs to our economy, including property tax limits under Chapter 313 of the tax code and the Texas Enterprise Fund; and

- Refresh the Texas Enterprise Fund with adequate funding to keep it competitive (maintain a $200 million balance at the beginning of each biennium)
- Maintain Chapter 313 to attract new capital investment in the state;
- Eliminate or reduce business inventory tax.