

1 **Ending the Middle Skills Gap**
2 **Developing a Library of High-Value Credentials in Texas**
3 **Discussion Paper**

4 **Background**

5 To support Texas Workforce Commission’s (TWC’s) work in closing the middle skills gap and
6 in meeting the goals of the Tri-Agency initiative, funds are available for procuring and
7 implementing a comprehensive library of credentials such as diplomas, certificates,
8 certifications, digital badges, apprenticeships, licenses, or degrees.

9 House Bill 3767, 87th Texas Legislative Session (Regular), establishes the Tri-Agency
10 Workforce Initiative. In the bill, TWC and Texas Higher Education Coordinating Board
11 (THECB) are allowed to establish “. . . a publicly accessible web-based library of credentials”
12 that are:

- 13 • delivered, issued funded or governed by the state;
14 • aligned with recognized skills and industry standards;
15 • available to residents of the state; and
16 • used by employers in the state.

17 While exploring the credential library (also referred to as a credential inventory), staff identified
18 an opportunity to partner with Texas Higher Education Coordinating Board (THECB), one of its
19 Tri-Agency partners, to implement a library that is responsive to the needs of both agencies and
20 to the recently established statutory language. Given the complexity and depth of this work,
21 TWC and THECB see the development of a credential library as a multi-phase process.

22 For initial development and implementation of the library, TWC will partner with a vendor in the
23 development of a repository of openly licensed resources and technologies which are made
24 available to entities seeking to establish credential libraries.

25 In this first phase, information gathered and provided through the credential library will focus
26 on:

- 27 • the competencies and skills included in a credential,
28 • the quality assurance and outcomes of a credential,
29 • the alignment of credentials with industry standards,
30 • the value of a credential as seen by an employer, and
31 • the role of a credential in a career pathway.

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33 This first phase will also focus on the credentials that typically lead to and secure middle skills
34 occupations.

1 Workforce Innovation and Opportunity Act (WIOA) Statewide Initiative and Vocational
2 Rehabilitation (VR) funds are available to support the initial development and, after
3 development, the ongoing costs that are estimated to be approximately \$200,000 each year.
4 Parallel to the development of the credential library, THECB will provide one-time financial
5 support to entities asked to publish credential data to the library with other federal funds.

6 **Decision Point**

7 Staff seek direction on:

- 8 • partnering with a vendor for development and implementation of a statewide credential
9 library with WIOA and VR funds totaling \$525,000 (WIOA \$446,250; VR \$78,750); and
- 10 • using \$98,185¹ WIOA for a Project Manager II (one full time employee) for one year to
11 support the implementation of the credential library and other Tri-Agency work².

¹ \$65,400 annual salary plus benefits

² HB 3767, Sec. 2308A.003. INTERAGENCY AGREEMENTS AND STAFFING. (b) The time spent by an employee of the agency, coordinating board, or commission in supporting the work of the initiative is not included in calculating the number of full-time equivalent employees allotted to the respective agency under other law.