





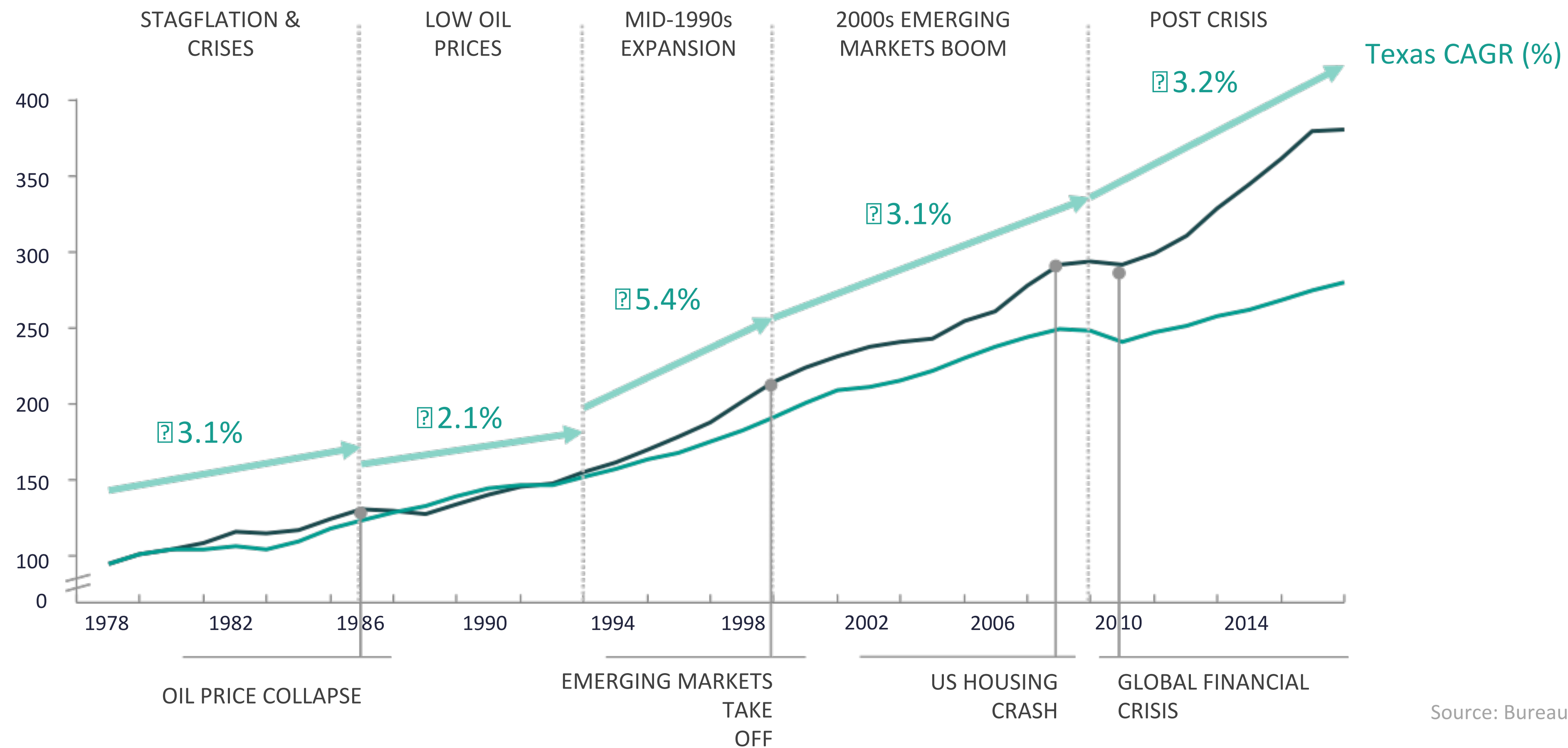


Ensuring Texas is the  
Best Place to Live and Work  
Through the Bicentennial and Beyond

# Texas Prosperity

Texas has outperformed the US economy for the last quarter century.

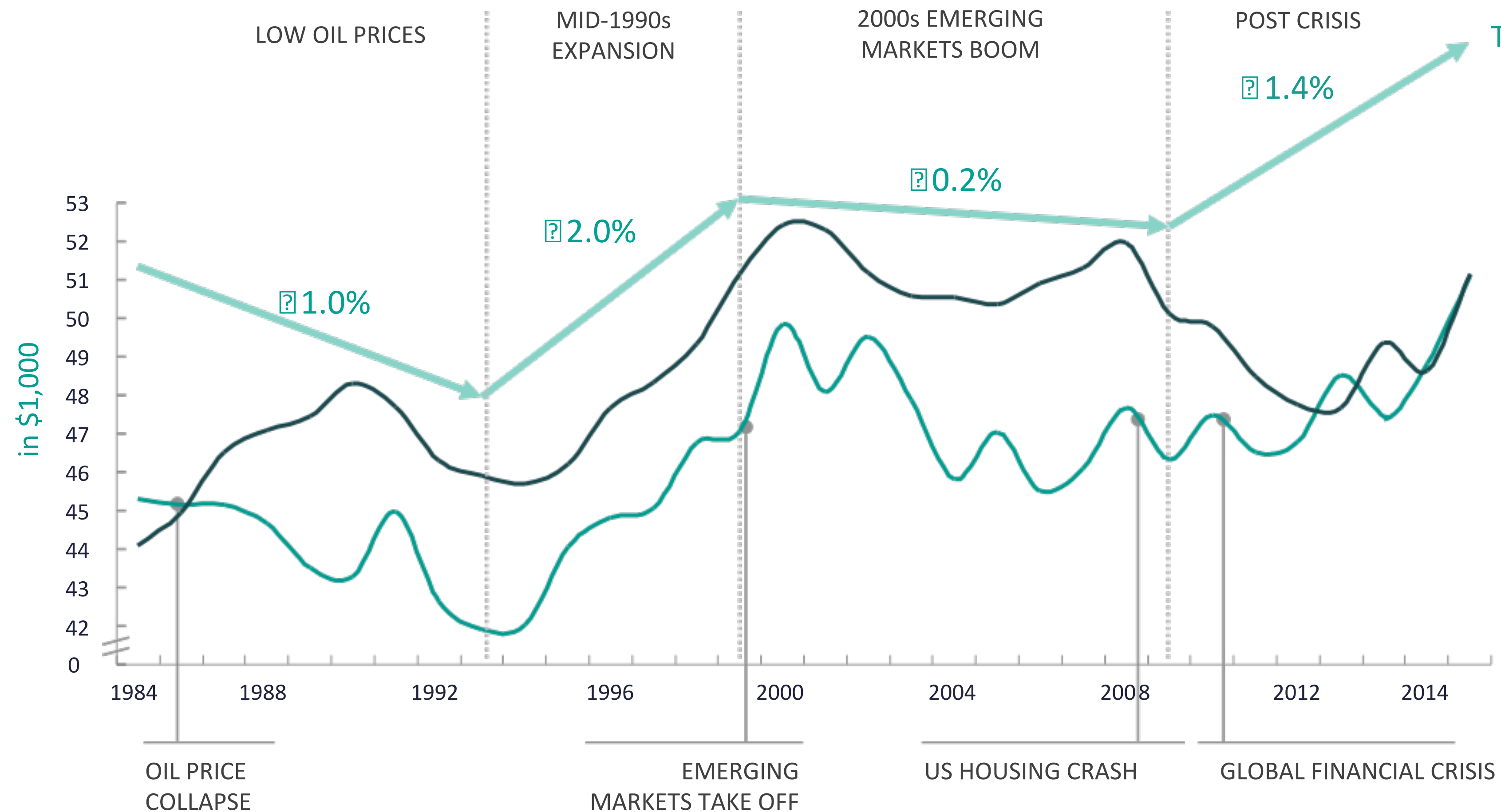
Real GDP in Texas and the US, Index 100 = 1977



# Texas Prosperity

Individual Texans and their families have benefited from rising wages and a low cost of living.

Real Household Median Incomes in Texas and the US, 1984-2015



## Cost of Living Index

U.S. Index 100  
Texas 92

Source: BOC: CPS,  
Missouri Economic Research and  
Information Center





# Texas Prosperity

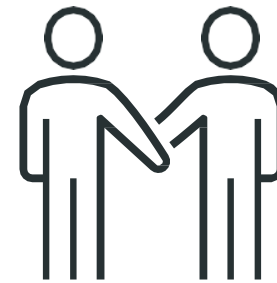
Texans have enjoyed decades of economic growth & prosperity made possible by:



**Large, employable  
workforce**



**Infrastructure to support  
economic expansion**



**Business-friendly  
environment**



**Vast natural  
resources**







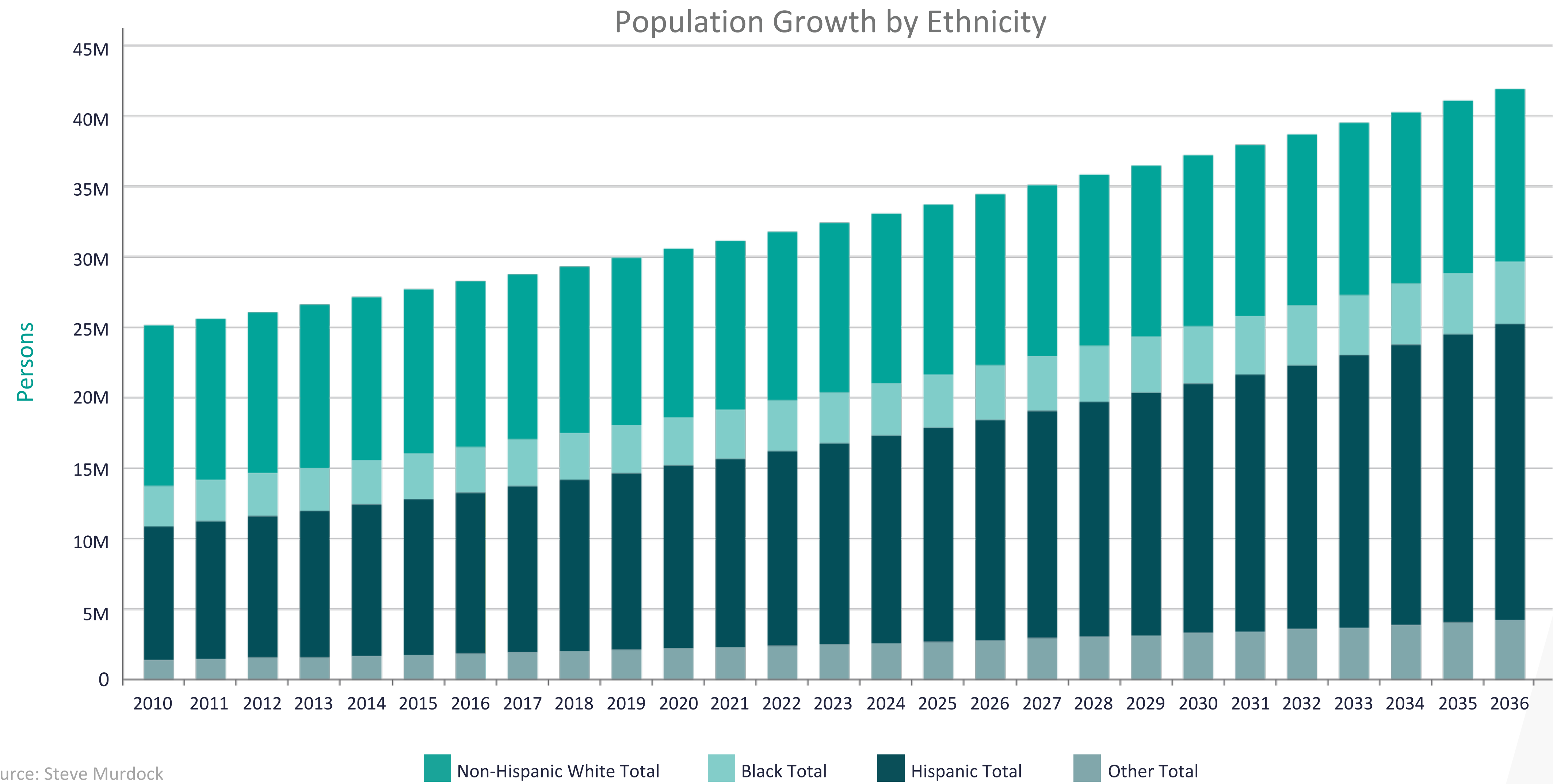
# Warning Signs

While Texas is still strong, our quality of life and economy are at risk.



# Significant population growth and demographic shifts will occur over next two decades,

THE CASE FOR ACTION



Source: Steve Murdock





Significant population growth and demographic shifts will occur over next two decades, necessitating substantial job creation.

THE CASE FOR ACTION

Must add around 6 million new jobs  
by 2036 to maintain today's rate of  
3.5% unemployment

Roughly the equivalent of the number of jobs in DFW & Houston  
metro areas today





## THE CASE FOR ACTION

Yet the current talent pipeline is insufficient,



in 2025 **77%**

of jobs will require a certificate  
or 2- or 4- year degree

in 2018 **23%**

of Texas students earn a certificate  
or 2- or 4- year degree





# Yet the current talent pipeline is insufficient, and educational outcomes are slipping.

THE CASE FOR ACTION

State Rankings On National Assessment Of Educational Progress (NAEP)

Grade/Subject	Texas' US Rank 2015	Texas' US Rank 2017	Change in Ranking
4 <sup>TH</sup> READING	40 <sup>th</sup>	46 <sup>th</sup>	↓ 6
4 <sup>TH</sup> MATH	11 <sup>th</sup>	19 <sup>th</sup>	↓ 8
8 <sup>TH</sup> READING	39 <sup>th</sup>	41 <sup>st</sup>	↓ 2
8 <sup>TH</sup> MATH	23 <sup>rd</sup>	24 <sup>th</sup>	↓ 1

Quality Counts Report State Rankings

Category	Texas' US Rank 2018
Overall	41 <sup>st</sup>
K-12 Achievement	29 <sup>th</sup>
Chance for Success	42 <sup>nd</sup>
School Finance	41 <sup>st</sup>

Source: National Assessment of Educational Progress; Education Week





# Healthcare costs are rising, crowding out investments in other priorities.

THE CASE FOR ACTION

Growth in health and human services (HHS) costs will outpace tax base growth going forward...

**\$49B**

in total state  
HHS spend

**6%**

annual  
healthcare  
spend increase

**2%**

growth of tax base  
(to fund costs)

while Texans struggle to access appropriate care,

**50<sup>th</sup>**

in uninsured rate

**45<sup>th</sup>**

in primary care  
physicians per capita

**200<sup>+</sup>**

counties have mental  
health physician  
shortage

and poor outcomes persist.

**40<sup>th</sup>**

in obesity  
ranking

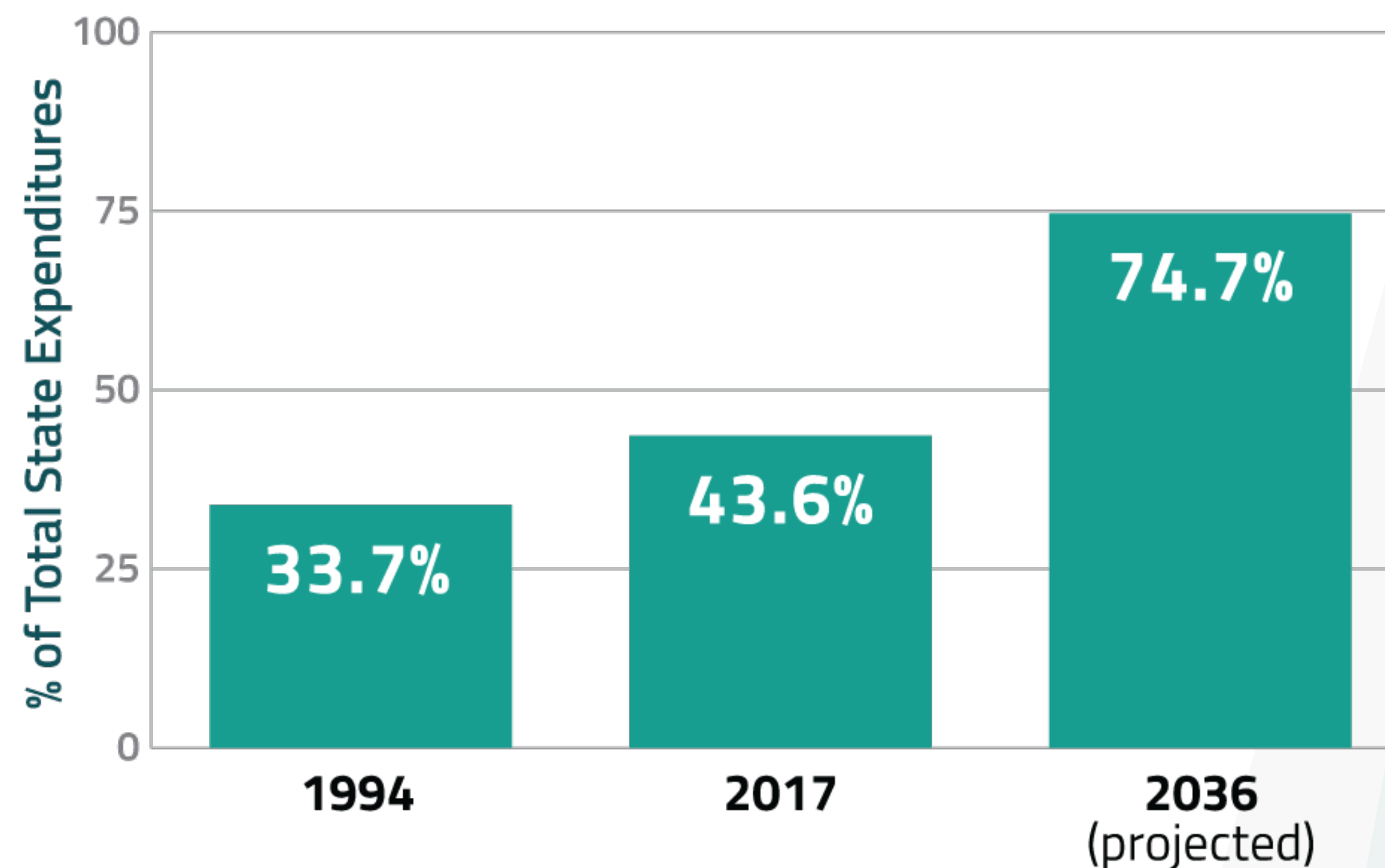
**43<sup>rd</sup>**

in maternal  
health outcomes

**33<sup>rd</sup>**

in mental health  
outcomes

STATE HEALTHCARE EXPENDITURES



Source: Texas Comptroller Data, America Health Ratings, 2016 Annual Report

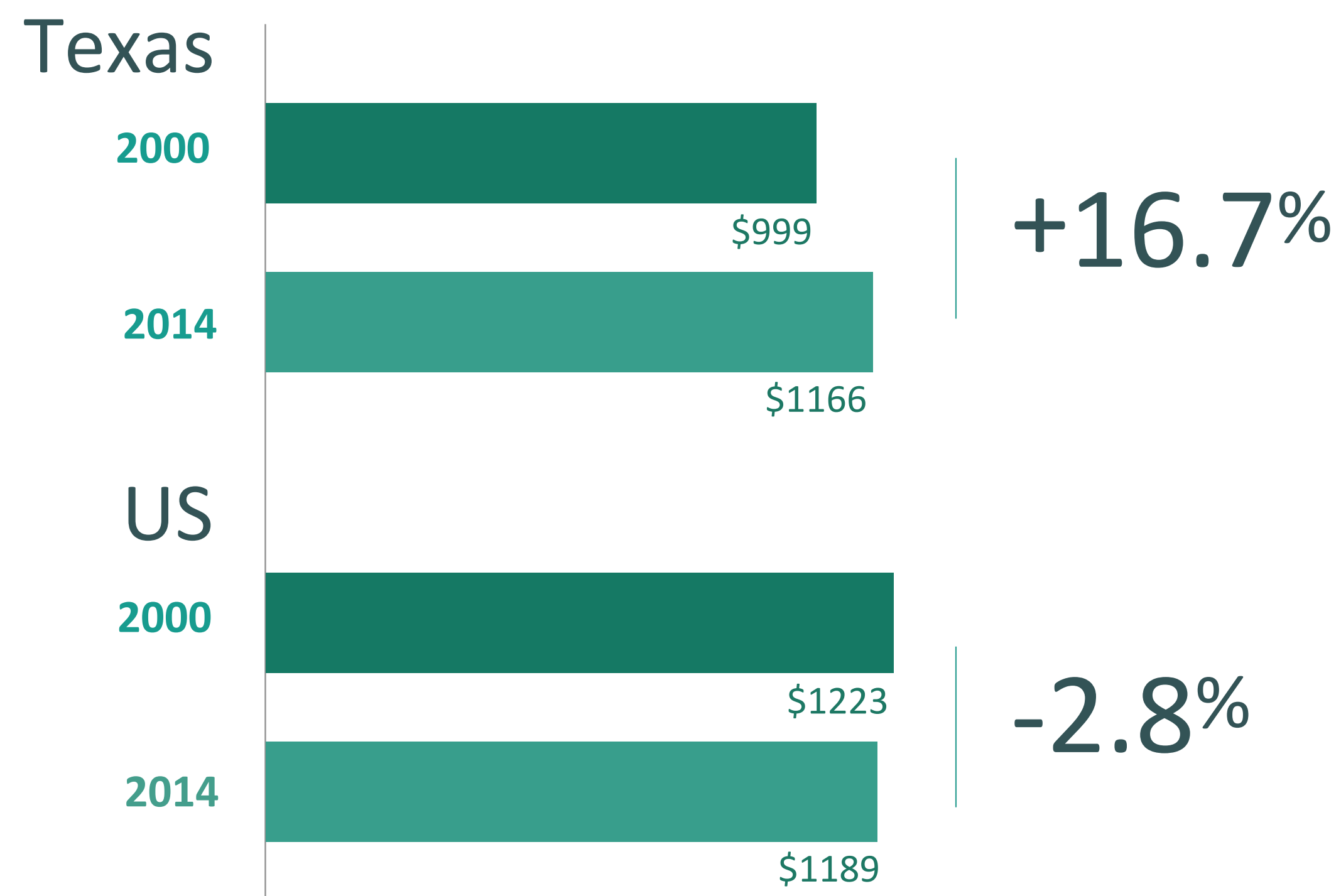


# Transportation Infrastructure needs and costs are increasing while funding falls short.

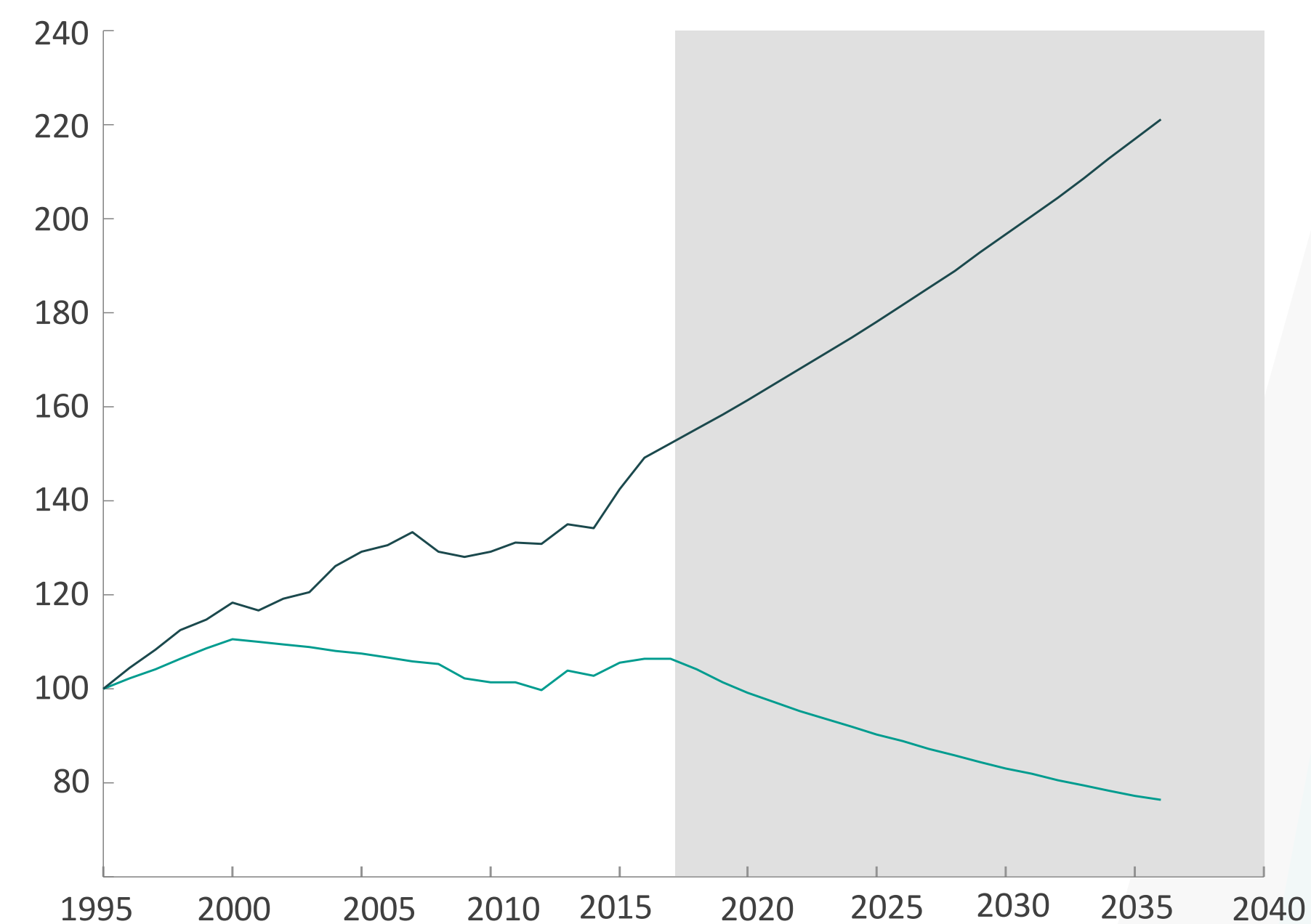
## THE CASE FOR ACTION

Since 2000, congestion costs in Texas have risen 1.7% per year while falling in the US overall, reducing one of Texas's historical advantages

Cost of congestion per auto commuter by metro area (non-truck),  
USD (2014)<sup>1</sup>



Vehicle miles traveled and revenue from gas tax,  
(actuals through 2017, projected 2018-2036)





# State government must be equipped to perform well in an age of increasing scale and complexity.

## THE CASE FOR ACTION

**108** state contracts over **\$100M** totaling **\$136B**

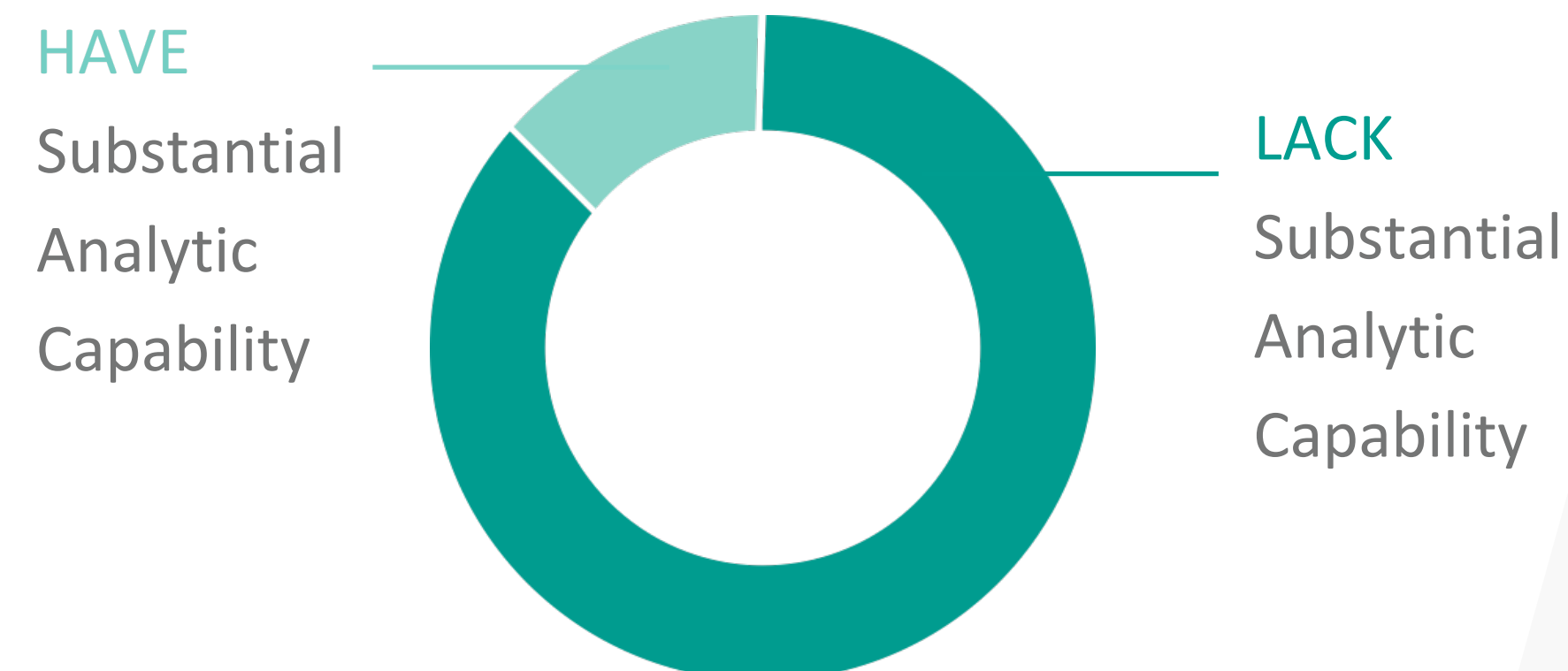


The largest contract is more than **\$16 BILLION**

Nearly **80%**

of state IT resources are dedicated to maintaining current systems

Percent of State Agencies with Substantial Data Analytic Capabilities







Rather than yield the future to a course of events imposed from outside, we are confident that Texans will choose to rely on a great, long-standing asset: the determination to shape their own destinies.

Preface, Texas 2000 Commission Report

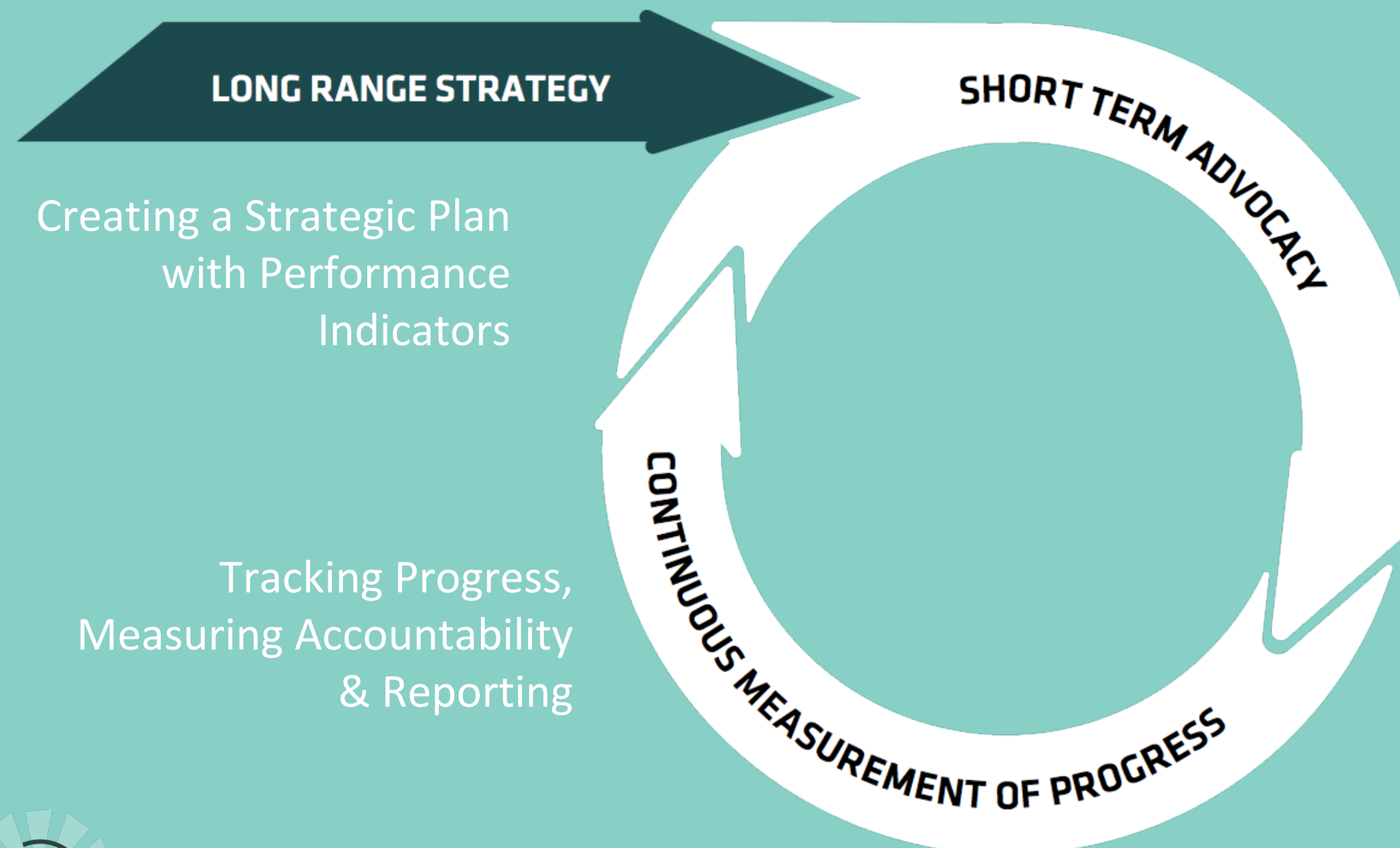






# An Approach for Systemic Change

## 3 Key Elements



Building Support with  
Focused Policy Agendas on  
Biennial Legislative Cycle





# Setting a Long-Term Vision with the 2036 Strategic Plan

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Focusing on 6 Core Functions of state government

Education & Workforce

Health & Human Services

Infrastructure

Natural Resources

Safety & Justice

Government Performance



# Focusing on Short Term Advocacy

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Drive change across 2-year cycles with targeted recommendations per legislative session

Create a statewide network of influencers to advocate for implementation of legislative recommendations that will impact their own communities





# Continuous Measurement of Progress

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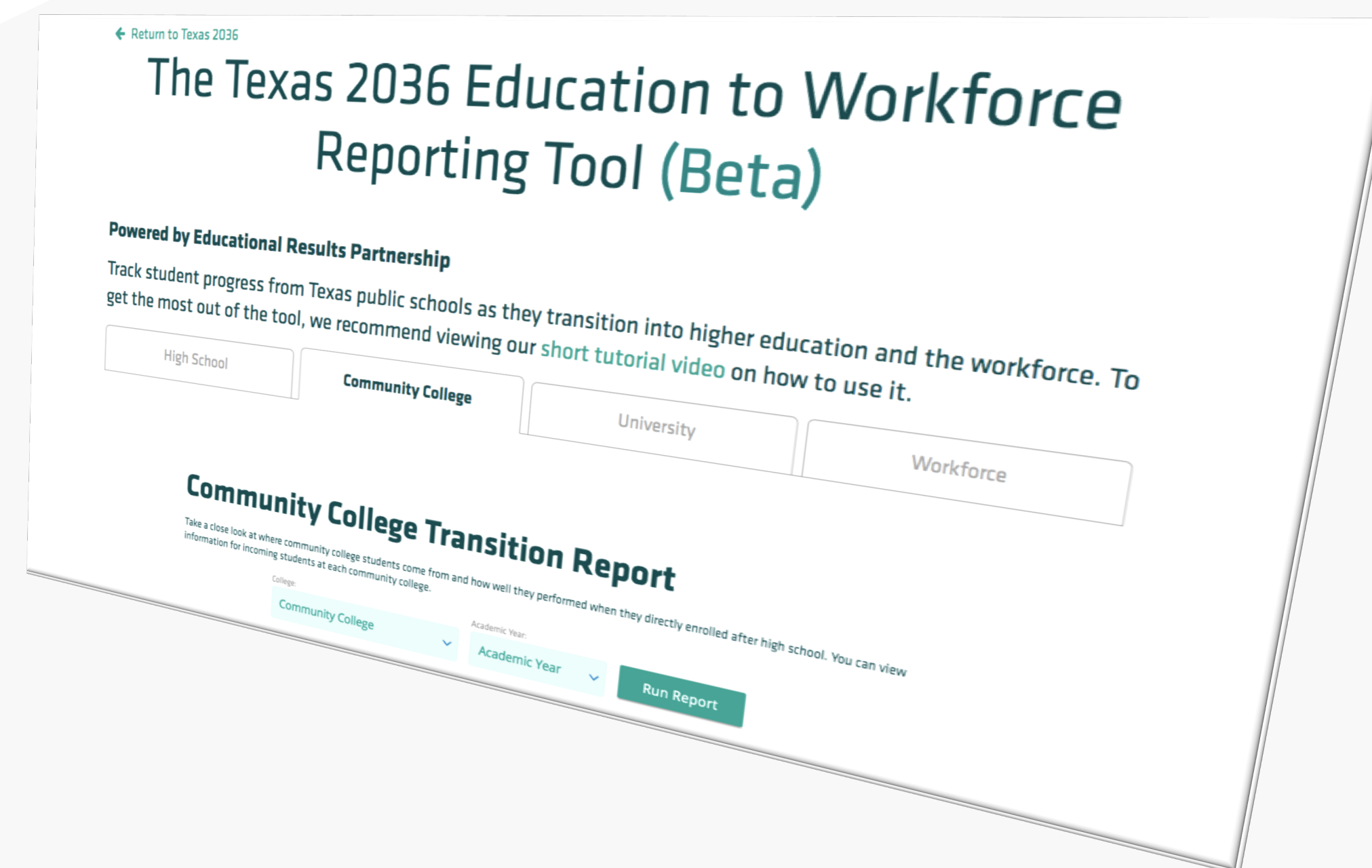
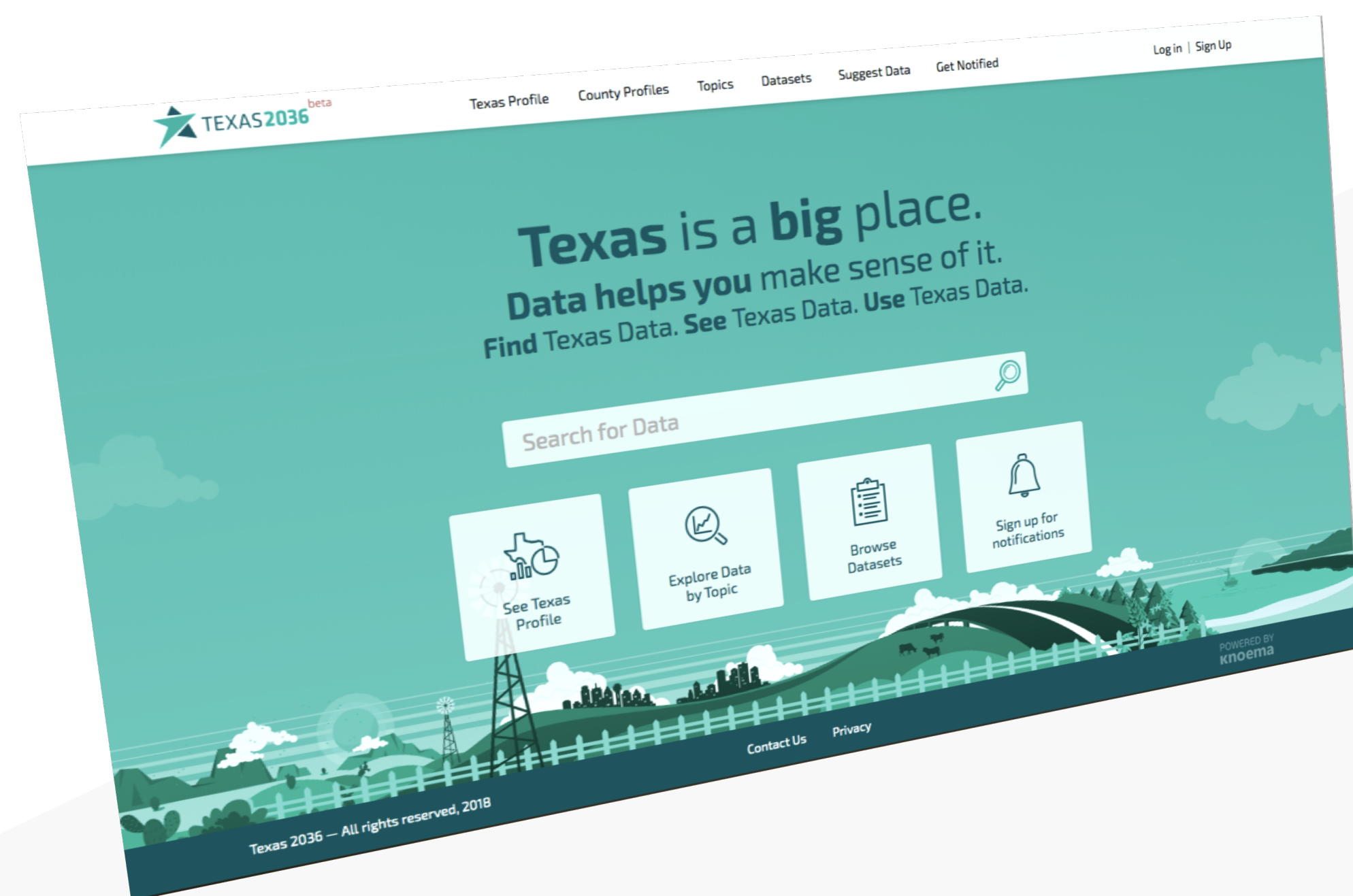
Monitor implementation for fidelity

Evaluate impact of legislation over time using data


Revise and adjust policy as necessary to achieve desired outcomes



# Insights for Action: [texas2036.org/data](https://texas2036.org/data)





A background image showing the silhouettes of five cowboys on horseback, facing away from the viewer and looking towards a bright sunset or sunrise over a flat landscape. The sky is a gradient of teal and blue, with the sun creating a large, bright glow in the center.

Systemic change requires a disciplined approach of incremental changes, informed by data, pursued over short-term cycles that are aligned to achieve long-term results.

**It takes deep commitment sustained over time.**