



**Implementing HB 5  
(83<sup>rd</sup> Texas Legislative Session, 2013)  
Includes 2015 84<sup>th</sup> Legislative Session Update  
Talking Points**

*The Texas Association of Builders, a statewide trade organization, represents the interests of the residential construction industry. TAB has 28 local associations across the state and nearly 10,000 members, representing over 702,000 jobs and more than \$31 billion annually in the Texas economy.*

During the 2013 Texas Legislative Session, our Legislature unanimously passed HB 5 that created a new 22-credit Foundation High School Program. On January 31, 2014 the State Board of Education gave final approval to the Foundation High School Program and our local school districts are now working to implement the program. Students currently in the 8<sup>th</sup> grade (Class of 2018) will be the first group required to graduate under the Foundation High School Program.

The Foundation program allows students to earn performance acknowledgments and endorsements in specific subjects; in other words, students can work toward college credits and certifications and licenses that allow them to be better prepared to enter the workforce on graduation from high school.

The new Foundation Program does not discourage anyone from going to college. It simply allows students who are not interested in college to graduate from high school better prepared to immediately enter the workforce.

- It is estimated that only 40 percent of all college students complete their four-year degree plans.
- That leaves 60 percent of high school graduates without a clear career path – one that could have led them to vocational and technical education after high school and into a well-paying job in two years or less.

According to Texas Workforce Commission projections, Texas will have an average of nearly 44,000 job openings annually through 2016 for occupations requiring an associate degree or post-secondary vocational certification. In Texas, occupations that require an associate degree or vocational certificate pay an average of more than \$40,000 a year, compared to the average pay of less than \$25,000 for those with only a high school diploma or less.

Unfortunately, there is a perception that skilled workers are less intelligent than those who hold “white-collar” jobs. The truth is that welders, electricians and pipe fitters must understand math and science, although the standard high school curriculum may not provide the hands-on teaching approach that allows them to excel in these areas.

It is a myth that only those who attend college can make a good living. A welder newly accredited by a technical school can earn \$2,000 a week. In as little as three years, a master plumber can make \$75,000 a year.

The Texas Association of Builders supports the Foundation High School Program because we need a trained workforce.

There are several endorsements or paths to a high school diploma, but these talking points focus on the Business and Industry endorsement that is applicable to the architecture and construction industry.

- During the recession, we lost skilled workers to other industries, and now that the home building industry has recovered, we need to replace those workers and prepare for the future.
- The average age of a skilled craftsman such as a carpenter is 49; welder 55; plumber 56; and, stone mason 69.
- Over the next five years, 20 percent of skilled laborers in the construction industry will retire.
- Not only does this worker shortage delay the completion of the project, it adds to the cost of the home.
- According to the Real Estate Center at Texas A&M, for every \$1,000 increase in the cost of an average-priced home in Texas, approximately 27,000 households are priced out of the market.
- With an estimated 1,300 people moving to Texas every day, it is vital that we can provide housing at an affordable cost to meet this increased demand.

In addition to the benefits that business and industry will receive, the Foundation High School Program should encourage more students to stay in school, because they can pursue their individual interests and secure a meaningful high school diploma.

Under the new Foundation Program, how will high schools provide the necessary education to students who want, for example, to enter the building industry?

- School districts can partner with institutions of higher education – community colleges and career and technical schools – to provide a wide range of curriculum.
- Excellent, established courses already exist for the Business and Industry endorsement through internationally recognized certification programs.
- Many of these courses are already being offered through technical, community and junior colleges across the state of Texas.
- Technical, community and junior colleges have the opportunity to be a huge influence on school districts in their areas by partnering your high schools.

By earning the 22 credits required for graduation under the Business and Industry endorsement of the Foundation High School Program, a student can graduate with not only a high school diploma, but with college credits or even an Associates Degree, or an industry certification or license.

Briefly, here are the endorsements from which a student may choose:

- STEM endorsement – this path allows a student to focus on courses directly related to Science, Technology, Engineering and Math.
- Arts and Humanities endorsement lets students focus on courses related to the fine arts, English literature, foreign languages and social studies.
- Public Services endorsement prepares students for the public services field including education and government.
- Multidisciplinary Studies endorsement allows students to cross-study.
- And, the Business and Industry endorsement is a path that allows students to work toward joining the workforce immediately following graduation. (Business and Industry career clusters include, agriculture, architecture and construction, business administration, information technology, manufacturing and transportation.)

Technical, community and junior colleges are in a position to make an impact on their communities by working with the local school districts to provide courses to high schools.

There has been criticism of the Foundation High School Program from some business groups and the high-tech industry in particular. Here are a few misconceptions about HB 5:

- #1. The Texas Legislature has “dumbed down” education and “lowered expectations” for students.

Nothing could be further from the truth. The Legislature has maintained a high level of rigor while providing more flexibility to students to pursue their own interests and talents.

For maybe the first time, we are bringing relevance to some students who may have questioned the need or value of a high school education.

- Myth #2. 8<sup>th</sup> graders are being forced to make crucial decisions about their futures much too soon.

Not necessarily. Picking an endorsement is simply a way for students to begin exploring areas of interest or talent, bringing real-world relevance to their high school experience. The one size fits all education of the past did not serve everyone well.

It is true that school districts will need to ensure that students and their parents have access to knowledgeable counselors and advisors.

- Myth #3. The idea of an endorsement – the terminology – is flawed.

No. Earning an endorsement simply means that the student has passed courses in a certain area of study and has a head start toward whatever secondary training or education they may need in that area. The term endorsement in this case does not mean expertise.

- Myth 4. We've touched on this. The new Foundation Program does not discourage anyone from preparing to go to college.

It simply allows students who are not interested in college to graduate from high school better prepared to enter the workforce.

The overall implementation of HB 5 is not intended to be solely completed by school boards, administrators, counselors, and teachers alone. It is intended to include us – the community – the owners of our local public schools. School districts across the state are working with stakeholders in their local communities – businesses, chamber groups, education partners, and local workforce development boards – to implement the new law.

The underlying promise in HB 5 is taking shape – to enhance student achievement. True success will depend on how successful school districts and communities come together to make education a priority. Partnerships between our local home builders associations, their local school districts, technical schools, community colleges and universities have proven to be successful for many years in many areas of the state, and the chance to further these initiatives is exciting and welcome.

Keep this in mind. Each school district is required to provide courses so that students can complete the requirements for at least one endorsement. School districts are not required to provide the curriculum for all of the endorsements.

The Texas Association of Builders hopes that the Business and Industry endorsement and classes in the architecture and construction fields will someday be available to every high school student in the state, and TAB members are at work across the state to provide assistance to their school districts to ensure the future of the building industry workforce. The Texas Association of Builders invites you to be a part of shaping the curriculums in your school districts so that our industry has the skilled workforce we need to continue to provide quality, affordable housing to the citizens of Texas.

Texas' changing demographics are placing new demands on the state's educational institutions and increase the need for workforce training. Public two-year colleges are in a unique position to provide direct work-related training to the state's increasingly diverse student population. Texas' relatively young, growing population offers it an economic advantage – if it can ensure that its workers have the education and skills that employers want.

#### **An Update – Legislation Passed in 2015**

In 2015, the 84<sup>th</sup> Texas Legislature passed and the Governor signed into law, House Bill 18 and House Bill 505 that removed the dual credits cap, thereby allowing students the opportunity to graduate from high school with not only an industry or trade certification, but with an Associate Degree.

The challenge that the building industry continues to face in this regard is that our high schools are not required to include construction courses in their curriculums; schools are mandated to choose at least one of five “endorsements.” The Business and Industry endorsement under which construction falls is *one* of the five choices.

Each year, the Texas Builders Foundation announces its scholarship application period to over 80 post-high school institutions in Texas that offer construction related training programs. In 2015, however, there was surprise that the interest from applicants for scholarships was not what was expected, considering the building industry’s demand for educated and skilled workers. (Qualified applicants must be enrolled in a building industry related program and indicate a desire to enter the construction workforce upon graduation.)

This clearly indicates that the residential building community ***must*** become an advocate for its industry by educating young people on the great career opportunities that exist in construction, the ability to earn a construction industry or trade certification or even Associate Degree in two years or less without the burden of excessive student loan debt, and the availability of well-paying careers upon graduation.

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