



## BLUEPRINT FOR A STRONGER TEXAS OF TOMORROW

*"We dare to dream, to innovate. We look to the possibilities — not for ourselves, but for our children and their children. Yet even as we continue to grow, we will keep Texas, Texas. And make it even bigger for the generations yet to come." – Governor Greg Abbott*

Texas has made headlines as a national leader in population growth, job creation, innovation, and business attraction for years. We won the Governor's Cup a record-breaking 12 years in a row for attracting the most corporate relocation and expansion projects in the nation.<sup>44</sup> We lead in exports and produce nearly 10 percent of all goods manufactured in the U.S.<sup>45</sup> And we have been the dominant state for population growth over the last two decades.<sup>46</sup> Texas has excelled on the national stage, and we are now advancing to compete globally on the international stage.

The *Blueprint for a Stronger Texas of Tomorrow* section establishes a vision for our economic future and includes objectives and initiatives that position Texas to capitalize on our momentum and grow the prosperity of our state and our regions. The blueprint will act as a guide for the Texas Economic Development & Tourism Office as we work to ensure that Texas remains the top destination for businesses to locate and expand.

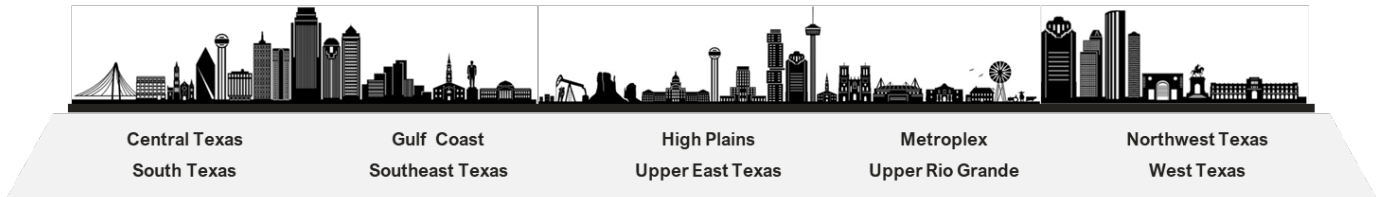
This section is guided by a strategic framework — depicted in Figure 21 shown on the following page — that encapsulates our vision and identifies focus areas and priorities that will help us achieve our goals.

**Figure 21. “Bigger. Better. Texas.” Strategic Framework**

**Vision Statement**

Texas is a **global economic powerhouse**. Our rich culture, diverse workforce, and entrepreneurial spirit make Texas the **premier place** to live, work, and visit.

**Texas Regions**



**Target Industry Sectors and Clusters**

<b>Advanced Manufacturing</b> <ul style="list-style-type: none"> <li>Aerospace Vehicles, Aircraft &amp; Defense</li> <li>Automotive</li> <li>Computers, Electronics &amp; Semiconductor Manufacturing</li> <li>Production Technology &amp; Heavy Machinery</li> </ul>	<b>Energy Evolution</b> <ul style="list-style-type: none"> <li>Electric Power Generation and Transmission</li> <li>Oil and Gas Extraction, Production, and Transportation</li> <li>Renewables</li> </ul>	<b>Food &amp; Livestock Products</b> <ul style="list-style-type: none"> <li>Food Processing</li> <li>Livestock Processing</li> </ul>	<b>Hospitality, Tourism &amp; Culture</b> <ul style="list-style-type: none"> <li>Film, Music and Culture</li> <li>Hospitality and Tourism</li> </ul>	<b>Information Technology</b> <ul style="list-style-type: none"> <li>Information Technology &amp; Artificial Intelligence</li> </ul>
<b>Life Sciences &amp; Biotechnology</b> <ul style="list-style-type: none"> <li>Biotechnology, Pharmaceuticals and Medical Devices</li> <li>Agricultural Science &amp; Technology</li> </ul>	<b>Petroleum Refining &amp; Chemicals</b> <ul style="list-style-type: none"> <li>Industrial Chemical Products</li> <li>Petroleum Refining</li> <li>Plastics</li> </ul>	<b>Professional Services &amp; Corporate Operations</b> <ul style="list-style-type: none"> <li>Business Services &amp; Corporate Headquarters</li> <li>Financial Services</li> </ul>	<b>Rare Earth Elements &amp; Mineral Mining</b> <ul style="list-style-type: none"> <li>Metal Mining</li> <li>Nonmetal Mining</li> </ul>	<b>Transportation &amp; Logistics</b> <ul style="list-style-type: none"> <li>Distribution and E-Commerce</li> <li>Transportation and Aviation Services</li> </ul>

**Economic Development Pillars**

<b>Thriving Businesses &amp; Industries</b> <p>Strengthen and accelerate economic growth through targeted business support, expansion, attraction, and retention efforts.</p>	<b>Robust Innovation &amp; Entrepreneurship Ecosystem</b> <p>Identify and promote assets that foster innovation, incentivize entrepreneurship, and enable Texas to remain a global economic leader.</p>	<b>Nimble Workforce Training Environment</b> <p>Inform and advocate for resources that prepare the workforce to meet industry needs and drive business growth.</p>	<b>Resilient Infrastructure Network</b> <p>Support the development of infrastructure that is resilient and equipped to meet community and industry needs.</p>
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**Lead:** EDT will take an active role in leading and coordinating initiatives related to these pillars

**Align and Signal:** EDT will support other stakeholders and partners with initiatives related to these pillars.

**How to read this framework:** The strategic framework summarizes our vision for the future and establishes the focus areas and priorities that will help us realize this vision. The framework includes Texas' 10 economic regions, our 10 target industry sectors and associated clusters, and the four pillars that serve as priority areas for EDT.

## **The framework includes four elements:**

### **VISION: Our future is big and bright.**

Positioned at the top of the strategic framework shown on the previous page, our vision statement establishes a shared understanding of the desired future economy in Texas. This vision statement emphasizes Texas' global leadership, diversity, and position as the top place to live, work, visit, and start a business. The first sentence — *Texas is a global economic powerhouse* — indicates our continued aspiration to lead in economic growth. This bold statement is balanced by the very next sentence shown in the strategic framework — *Our rich culture, diverse workforce, and entrepreneurial spirit make Texas the premier place to live, work, and visit* — indicating that we do not just want to grow, but also to maintain the unique character and communities that define our state.

### **REGIONS: Our thriving regions form the bedrock of Texas' economy.**

For the purposes of this strategic plan, we have split the over 268,000 square miles of our state into 10 regions that highlight our rich cultural history and unique economic strengths. Texas succeeds if and only if each of our regions are thriving; therefore, our 10 regions are at the center of the framework, and we will focus our efforts on promoting their individual and collective success. Regardless of your ZIP code, this plan aims to support all of our residents and businesses that choose to call Texas home. This portion of the framework is supported by regional profiles in Appendix A that provide data on each of the 10 regions and identify strengths and opportunities.

### **TARGETS: Target industry sectors and clusters will drive growth and create jobs for Texans.**

Our state and our regions need strong businesses and industries to flourish even more. Through data analysis and stakeholder engagement, we identified 10 industry sectors and 23 supporting industry clusters, shown in Figure 21 on the previous page, that are anticipated to be engines of both job and economic growth for our regions and across our state. These sectors build and expand on the success of the state's current Target Industries: Advanced Manufacturing; Aerospace, Aviation and Defense; Biotechnology and Life Sciences; Corporate Services; Creative; Energy; Information Technology; Petroleum Refining and Chemical Products. The expanded list of target sectors and underlying clusters and industries is included in Appendix D. While all industries and businesses in Texas are important, we will make intentional efforts to grow and expand these target sectors through tailored marketing and outreach efforts. This component of the framework is also backed up by industry sector profiles in Appendix B that provide data on the sectors and clusters and identify opportunities that the state, regions, and business community can use to advance growth.

### **PILLARS: Our efforts will advance regional priorities and target sector growth.**

The four economic development pillars at the base of the framework — Business and Industry, Innovation and Entrepreneurship, Workforce, and Infrastructure — establish priority areas the state and partners can pursue to promote thriving regions and growing target sectors. The pillars were designed to reflect regional priorities and represent key ingredients required for sustainable economic growth. In the following pages, we outline the objectives and initiatives EDT will focus on to advance each of these areas.





Champion X, Odessa

## BUSINESS AND INDUSTRY

*“When attracting businesses and jobs from around the globe, one Texas advantage tops them all: We want businesses to succeed in Texas; when businesses succeed, all Texans succeed.” – Governor Greg Abbott*

Businesses of all sizes and industries thrive in Texas, with more than 10 percent of the nation’s Fortune 500 headquarters and over 3 million small businesses calling our state home.<sup>47</sup> Our businesses and industries create jobs, provide important services like health care, and bring vibrancy and character to our communities. When our businesses and industries succeed, Texans benefit from plentiful and diverse job opportunities, and investment and opportunity flow into our state.

The opportunity to start and grow a business is open to all Texans; approximately 20 percent of the nation’s Hispanic business owners and 10 percent of the nation’s Black business owners are located in Texas, along with over 1.3 million women business owners.<sup>48</sup> Texas’ industries are also critical to our national and international economies. From supplying resources like energy and food to delivering aviation and aerospace components and creating technological solutions that revolutionize industries, Texas does it all.

To continue to create jobs and grow our business community, the Texas Economic Development & Tourism Office takes a leading role in bringing businesses of all types to Texas. The Business and Industry pillar of our strategy aims to build on Texas’ historic strengths while fostering the growth of new and emerging industries. Through targeted marketing efforts, technical assistance, and national and international outreach, we will pursue diversified economic growth and expanded global leadership. The following section outlines the objectives and initiatives we will undertake to accelerate the growth of our state’s businesses and industries and also highlights connected partner plans and initiatives across the state.

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## **BUSINESS & INDUSTRY Objective 1: Accelerate target sector and cluster growth.**

**The target sectors and clusters identified in this plan** (see Appendix D for full list) represent the marquee industries currently thriving in Texas, such as aerospace, aviation and defense, energy, and semiconductor manufacturing, as well as emerging industries like biotechnology, artificial intelligence (AI), and rare earth elements. Growing the identified target sectors and clusters offers the greatest potential for creating significantly more high-quality jobs, attracting record new investment, and exponentially expanding opportunities for more Texans across all regions. EDT will take the following actions to accelerate that growth.

### **ACTION ITEMS:**

#### **1.1 Identify policies and procedures at the state level that adversely affect industry and small business growth; recommend actions to remove roadblocks and increase efficiency.**

EDT will work with state agency partners to identify policies and practices at the state level and across industries that unnecessarily hamper business formation, operation, and growth in Texas and develop recommendations to remove roadblocks and increase efficiency.

#### **1.2 Expand promotion of existing incentives and financing programs.**

EDT will expand our promotion of the portfolio of grants, financing, and tax rebate programs offered by EDT and state agency partners and proactively connect target sector businesses to local and regional governments that offer other incentives and financing programs to attract, retain, and accelerate growth of target sector companies in Texas.

#### **1.3 Execute targeted sector and cluster-specific marketing strategies.**

EDT and our partners at the Texas Economic Development Corporation (TxEDC) will execute sector and cluster-specific marketing strategies that promote our state's competitive advantages to businesses, decision-makers, and site selection

consultants around the world. Travel Texas in EDT will work with their partners in the tourism and hospitality industry on advertising and marketing programs and domestic and international trade shows and missions that will drive increasing travel and tourism spending to Texas.





#### **1.4 Assign industry specialists within EDT for each target sector.**

EDT provides premier business expansion and relocation support for companies of all sizes and across all industries: generating and identifying leads, providing permitting and licensing support, promoting international trade, and connecting companies to financial tools. To further accelerate industry growth, we will assign a designated point of contact within EDT for each of our 10 target sectors. That industry specialist will work with target sector businesses to connect them to regional and state supports, incentive programs, and export services.

#### **1.5 Expand EDT industry outreach across targeted sectors.**

To ensure continuing growth across regions, all divisions within EDT, including the Texas CHIPS Office, the Texas Film Commission, the Texas Music Office, and Travel Texas, will accelerate industry outreach in all targeted sectors to attract new business investments and production activity as well as destination travel and event hosting to spur local job creation and economic expansion and support a high quality of life in communities across Texas.

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## **BUSINESS & INDUSTRY Objective 2: Aggressively advance Texas' global economic leadership.**

**Texas' businesses of all sizes are essential to the global economy.** We are the nation's leader in exports, and nearly 93% of all Texas exporters are small businesses. Texas is also home to over 1,900 foreign corporations and the top destination for foreign direct investment (FDI) over the last two decades. As economies become increasingly interconnected, Texas has an opportunity to increase foreign direct investment and international trade through enhanced marketing, collaboration, and export efforts. EDT will take the following action to aggressively advance our global leadership.

### **ACTION ITEMS:**

#### **2.1 Identify red tape at the state level that impedes the expansion of Texas exports, recommend actions to increase efficiency, and assist Texas exporters.**

Within EDT, the International Business and Trade team works with small and medium-sized Texas businesses to support expansion into international markets. EDT will work with our state agency partners to identify regulatory red tape at the state level that impedes expansion of exports, especially for small businesses, and recommend solutions to increase efficiency and speed to market. EDT will provide enhanced technical assistance for Texas

businesses to grow their foreign and domestic exports and promote similar efforts at the local and regional level.

#### **2.2 Ensure Texas remains competitive in attracting new global business investment.**

Because Texas operates on a global stage, EDT will evaluate incentives offered and develop recommendations to enhance Texas' ability to attract new global business investment. Through research and data-driven analysis, EDT will develop recommendations to accelerate growth in the target sectors.

### **2.3 Catalyze growth of essential supply chain materials and components from Texas-based manufacturers.**

EDT will focus on catalyzing business growth in critical industries in Texas to help mitigate any future global supply chain interruptions, including through promotion of state incentive programs such as the Texas Enterprise Fund (TEF), the Texas Jobs, Energy, Technology, and Innovation (JETI) program, and the Texas Semiconductor Innovation Fund (TSIF).

### **2.4 Expand participation in international delegations to promote Texas exports and foreign direct investment.**

EDT leads international trade missions and partners with TxEDC on foreign direct investment missions to deepen Texas' collaboration with countries across the world, attract job-creating business investments, and expand awareness of the Texas brand. Together, EDT and TxEDC, along with business and community partners, will aggressively promote the growth of exports and foreign direct investment by expanding participation in international delegations and trade missions to targeted, high-impact locations.

### **2.5 Leverage Texas' growing international presence to drive increased exports and investment.**

The State of Texas Mexico Office and the new State of Texas Taiwan Office, recently opened with funds appropriated in the 88th Texas Legislature, bridge the business communities of Texas and our international partners. EDT will capitalize on this expanded global presence to accelerate the growth of Texas exports and investments. We will also partner in and promote local and regional governments' efforts to also establish additional international presence.

### **2.6 Promote cross-border collaboration and accelerate growth of industry clusters that span jurisdictional boundaries.**

Connected through over 1,200 miles of common border stretching from the Gulf of Mexico to El Paso, Texas' partnership with Mexico is a key economic asset. To promote increased cross-border collaboration and accelerate our shared industry cluster growth, EDT will increase participation in international stakeholder groups, to include the International Bridges Steering Committee and the Border Trade Advisory Committee (BTAC).



World Trade Bridge, Port Laredo

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## **BUSINESS & INDUSTRY Objective 3: Expand local and regional economic development capacity.**

**Local and regional economic development organizations across Texas** are fundamental to our ongoing economic success, as they are best positioned to understand their communities' needs and to develop initiatives that align with their goals and unique advantages. They also provide tailored business assistance services that help companies find the locations, facilities, and workforce required to locate and expand within their region. However, not all local and regional economic development organizations in Texas have the capacity or tools required to effectively meet the needs of their communities. EDT will take the following actions to expand the effectiveness of Texas' local and regional economic development efforts.



Waco Skyline, Waco CVB

### **ACTION ITEMS:**

#### **3.1 Increase community outreach by EDT Regional Offices.**

Community Relations representatives within EDT are located across the regions of Texas and support local and regional economic development efforts, providing economic development education and resources, representing EDT and the Office of the Governor at community events and industry conferences, and meeting with local business and government leaders. EDT and its regional team members will proactively expand outreach to local economic development partners to leverage the strategic planning, small business, and research and analysis expertise within EDT.

#### **3.2 Amplify local and regional economic development efforts by expanding networking and knowledge sharing.**

Economic development resources and tools along with best practices from other communities can amplify the impact of local and regional economic development efforts. With support from the Texas Economic Development Council (TEDC) and other statewide associations, EDT will raise awareness



of the portfolio of available tools and guides, such as TEDC's economic development courses and EDT's **Innovation & Entrepreneurship Catalog** introduced with this plan, which lists hundreds of innovation and entrepreneurship assets throughout Texas, including incubators, accelerators, venture capital firms, angel investor networks, and higher education resources.

### **3.3 Expand community participation in EDT force-multiplier programs.**

To provide communities the tools and resources needed to attract new business investments in Hospitality, Tourism, and Culture, support local job growth, draw visitors from across the country and around the world, and attract and retain talent across a range of industries, EDT will expand the Digital Media Friendly Texas, Film Friendly Texas,

Music Friendly Texas, and Tourism Friendly Texas Certified Community programs and other ongoing community outreach efforts of the Texas Film Commission, the Texas Music Office, Travel Texas, and our EDT Regional Offices.

### **3.4 Launch a Small Business Friendly Texas Certified Community program.**

To ensure all Texas communities, especially small and rural communities with limited resources, have the tools to support aspiring entrepreneurs and small business owners in their hometowns, EDT will work with stakeholders to develop a Small Business Friendly Texas Community Certification program for communities modeled after the highly impactful Digital Media Friendly Texas, Film Friendly Texas, Music Friendly Texas, and Tourism Friendly Texas Certified Community programs.

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## **BUSINESS & INDUSTRY Objective 4: Pursue strategic funding opportunities.**

**Federal funding enables us to increase our support for businesses,** invest in the growth of our target sectors, and expand export assistance. Capitalizing on strategic federal funding opportunities that align with our goals will increase the impact and capacity of our efforts. EDT will take the following action to achieve this objective.

### **ACTION ITEM:**

#### **4.1 Identify federal funding opportunities that align with areas of strategic focus.**

New state programs and incentives, such as those administered in the Texas CHIPS Office in EDT, were established to leverage the funding available through federal programs such as the

federal CHIPS and Science Act. EDT will identify and advise on other opportunities for Texas to more actively leverage federal funding programs that align with goals identified in this plan, such as target sector growth and regional economic development capacity.



Samsung Austin Semiconductor, Austin

## Selection of Connected BUSINESS & INDUSTRY Plans and Initiatives

A variety of organizations across Texas are working to promote the success of our businesses and industries. Below is a list of selected plans and initiatives led by the Office of the Governor and other economic development stakeholders that are aimed at promoting business and industry growth throughout the state:

- **Texas CHIPS Office, Texas Economic Development & Tourism:** The Texas CHIPS Office is a new division within EDT created to encourage semiconductor-related companies to expand in the state, further develop the expertise and capacity of institutions of higher education in Texas, and maintain the state's position as the national leader in semiconductor manufacturing. The semiconductor industry falls within Advanced Manufacturing in this plan's list of target sectors.
- **Texas Space Commission:** The Texas Space Commission, launched in March 2024 following the 88th Texas Legislative Session, is a panel of space experts and industry leaders that will convene to promote the growth of the space industry in Texas.
- **Texas Association of Business – Texas Competitiveness and Resiliency Strategy:** The Texas Competitiveness and Resiliency Strategy is a framework that outlines recommendations aimed at strengthening Texas' position as a global economic power and fostering the technologies of the future.
- **Various Regional Economic Development Organizations – Comprehensive Economic Development Strategies (CEDS):** Funded through the U.S. Economic Development Administration, CEDS are regionally driven economic development strategies that assess the current state of Texas' regional economic and include recommendations for growth.
- **Texas Department of Agriculture – State Trade Expansion Program:** The State Trade Expansion Program is a financial assistance program aimed at creating or expanding the export capacity of small businesses.
- **Texas Economic Development Council – Economic Development Courses and Workshops:** The Texas Economic Development Council supports regional economic development capacity through the facilitation of basic courses as well as tailored workshops and webinars on hot topics such as sales tax, lead generation, and foreign trade zones.



## INNOVATION AND ENTREPRENEURSHIP

*“The story of Texas has long been written by men and women willing to take a risk, to dig deep into their own pockets and stake their future on an idea. From our small-town downtowns to our big city centers, that pioneering spirit still fuels our shared prosperity today.” – Governor Greg Abbott*

Texas has a long and storied history of innovation and entrepreneurship. We've seen this legacy grow in recent years as an increased number of new and innovative businesses have chosen to make Texas home. The same business-friendly climate that attracts entrepreneurs also breeds innovation. Texas' predictable regulatory environment, young and dynamic workforce, and thriving economic centers provide all the ingredients needed to start a business, bring a new idea to life, or develop and employ cutting-edge technology.

The Lone Star State has established itself as a hub for entrepreneurs. Home to more than 3.2 million small businesses and startups, Texas has consistently been named the “Best State for Business” by America's CEOs.<sup>49</sup> Texas is also known for our spirit of innovation. Many inventions and scientific breakthroughs that shape today's industrial landscape were developed in Texas.

To promote continued innovation and entrepreneurship in Texas, the Texas Economic Development & Tourism Office will work collaboratively with our partners to market Texas as the premier destination for businesses and provide Texans the support and resources needed to establish thriving companies and innovate for the future. Together we can ensure Texas remains a magnet for entrepreneurs and an incubator for innovations that improve the lives of our citizens and shape the future of economies.



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## INNOVATION & ENTREPRENEURSHIP Objective 1: Promote the incentivizing of innovation and research.

Texas has a well-established brand as a destination for self-starters and free thinkers. We will capitalize and build on this brand by supporting Texas entrepreneurs and promoting Texas' innovation and research initiatives. EDT will take the following actions to secure Texas' global leadership.



### ACTION ITEMS:

#### **1.1 Expand awareness of existing Texas research and innovation initiatives.**

Texas offers a variety of competitive research and innovation incentives. At the state level, the Governor's University Research Initiative (GURI) attracts distinguished researchers from around the world to Texas; the JETI program brings new jobs and investment to the state; and the R&D tax exemption/credit encourages research and innovation. Additionally, many local and regional governments across the state offer innovation support, such as the Bexar County Innovation Fund. To increase the impact and utilization of these programs, EDT will promote these initiatives to Texas businesses, higher education institutions, and regional partners.

#### **1.2 Evaluate the economic impact of our existing research and innovation initiatives.**

EDT will conduct economic impact studies to measure direct, indirect, and induced employment, income, and economic outputs of the existing innovation programs such as GURI and TEF and new programs such as JETI and TSIF and provide that analysis to the Texas Legislature to inform future programs and enhancements.

#### **1.3 Catalyze research coming out of Texas higher education institutions.**

Together with our state agency and higher education partners, EDT will identify opportunities to catalyze research coming out of our higher education institutions, through programs such as TSIF, and by identifying levers at the state level to speed commercialization and technology transfer.



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## INNOVATION & ENTREPRENEURSHIP Objective 2: Cultivate innovation and entrepreneurship within the target sectors.

The target sectors identified in this plan offer the greatest potential to drive significant growth and job creation in Texas. Investing in innovation and entrepreneurship in these sectors will support their expansion, grow Texas' unique global competitive advantages, and further expand an already-robust startup ecosystem. EDT will take the following actions to cultivate innovation and entrepreneurship within our target sectors.

### ACTION ITEMS:

#### 2.1 Connect aspiring Texas entrepreneurs and small business owners to new funding opportunities supporting a flourishing startup ecosystem.

EDT will actively promote the new **Innovation & Entrepreneurship Catalog** developed through this strategic planning process that lists hundreds of innovation and entrepreneurship assets in Texas, including incubators, accelerators, venture capital firms, angel investor networks, and higher education resources. EDT will work with local and regional partners to expand access to this catalog and other resources supporting a flourishing startup ecosystem.

#### 2.2 Expand EDT's promotion of existing innovation incentives and initiatives related to target sectors.

Texas has established a portfolio of programs and incentives at the state and local levels aimed at growing and encouraging innovation within our target sectors. Many of these programs, such as TEF and the Texas Moving Image Industry Incentive Program (TMIIP), have already had a positive impact on sector business attraction and growth efforts. EDT will leverage and expand promotion of these incentives to drive innovation and growth within our target sectors and clusters.



The Chosen, Filmed in Weatherford

### **2.3 Leverage new state programs to attract and grow innovative small and medium-sized companies in key target sectors.**

Legislation passed in the 88th Texas Legislature established new programs and incentives focused on innovation in key industries including space and semiconductor manufacturing and design. Newly established programs include TSIF as well as the Texas Space Exploration and Aeronautics Research Fund. EDT will work through the new Texas CHIPS Office and the newly established Texas Space Commission to incentivize innovative small and medium-sized companies to start, locate, and scale in Texas.

### **2.4 Identify opportunities for expansion of innovation and entrepreneurship programs in target sectors without an existing program.**

While Texas offers programs and initiatives for a selection of our target sectors, not all target sectors benefit from dedicated innovation and entrepreneurship programming. Working with our local and regional partners, EDT will gather information to establish or expand sector-specific initiatives to be shared with the Texas Legislature as well as local and regional governments to inform future planning efforts.

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## **INNOVATION & ENTREPRENEURSHIP Objective 3: Connect Texas innovators and entrepreneurs to education and resources.**

Texas boasts a strong network of innovation and entrepreneurship resources; however, some founders and business owners either do not have access to resources or are not aware of the tools at their disposal. By connecting more innovators and entrepreneurs to incubators, accelerators, funding sources, and other resources, we can help startups and small business not only survive but grow to become major job creators in Texas. EDT will take the actions below to better connect innovators and entrepreneurs to resources.

### **ACTION ITEMS:**

**3.1 Support and promote initiatives that encourage private funders to invest in Texas startups.** Access to capital is often cited as a top barrier to starting and growing a business in Texas. To increase the amount of available funding and spur business creation across our state, EDT will support initiatives that encourage private funders to invest in Texas startups. We will also partner with statewide associations to help promote investment in our target sectors.

**3.2 Connect Texas entrepreneurs and small businesses to funding opportunities.** EDT will actively promote the newly developed **Innovation & Entrepreneurship Catalog** that lists hundreds of innovation and entrepreneurship assets in Texas, including incubators, accelerators, venture capital firms, angel investor networks, and higher education resources. EDT will work with our local and regional partners to expand access to this resource.



**3.3 Expand education outreach for Texas startups and small businesses.** The Small Business Assistance team within EDT supports entrepreneurship and the growth of small and medium-sized businesses through entrepreneurial support, education, and technical assistance. To connect more Texas innovators and entrepreneurs with the opportunity to grow and thrive, EDT will expand programs such as the Governor's Small

Business Summits hosted across the state, the Governor's Small Business Resource Portal, the Governor's Small Business Webinar Resource Library, and other programs to connect more Texas entrepreneurs with our local, state, and federal partners offering the tools, training, and funding opportunities needed to start, strengthen, and grow a business.

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## **INNOVATION & ENTREPRENEURSHIP Objective 4: Promote Texas as a top global destination for innovation and entrepreneurship.**

The legend of Texas writes itself, but we can help spread the word. The more aspiring innovators and entrepreneurs understand what Texas has to offer, the more likely they are to start and grow their businesses in our state. By highlighting success stories of those who have launched and grown their businesses in Texas, we can inspire more innovators to bring their businesses to Texas and encourage those who are considering building a company to take the leap. EDT will take the following actions to promote Texas as the destination for innovation and entrepreneurship.

### **ACTION ITEMS:**

#### **4.1 Launch a marketing campaign spotlighting Texas innovators and entrepreneurs.**

Innovators and entrepreneurs from all industries and backgrounds have experienced success in Texas. Highlighting their stories from across all sectors and regions will demonstrate to the world the advantages that Texas offers and help inspire generations of Texan innovators and entrepreneurs. EDT will collaborate with our partners such as TxEDC to launch a new marketing campaign promoting innovation and entrepreneurship all across Texas.

#### **4.2 Promote entrepreneurs and innovators from Texas at select industry conferences and tradeshows.**

EDT teams regularly attend trade shows and conferences in the U.S. and abroad to promote Texas as the premier destination for business. To expose more Texas businesses to new markets and customers and market our state as the destination for innovation and entrepreneurship, EDT will invite our leading Texas innovators and entrepreneurs to attend select industry conferences and trade shows.



### **Selection of Connected INNOVATION & ENTREPRENEURSHIP Plans and Initiatives**

A variety of organizations across Texas are working to promote innovation and entrepreneurship. Below is a list of selected plans and initiatives led by state agencies and economic development stakeholders that are aimed at promoting innovation and entrepreneurship throughout Texas:

- **Texas Association of Business – Tech Means Business Coalition:** Led by tech industry leaders, this business coalition advocates for forward-looking policies that drive innovation and growth.
- **Texas Department of Transportation (TxDOT) – Texas Technology Task Force:** TxDOT's Technology Task Force consists of cross-industry subject matter experts from the public and private sectors who offer expert input on new technologies and develop strategic recommendations.
- **Texas Oil & Gas Association (TXOGA) – Energy Elevated Technology Showcase:** This annual showcase, held by TXOGA, highlights new technology solutions and successes in the oil and gas industry, bringing together industry leaders and promoting Texas as a hub of energy innovation.
- **Texas Higher Education Coordinating Board (THECB) – Technology Innovation & Commercialization (*Building a Talent Strong Texas*):** This plan, created by THECB, outlines goals for the future of Texas, including targets for R&D expenditures and research doctorates.



## WORKFORCE

*“The students in our classrooms today are the job creators of tomorrow. The strategic investments we are making in education and workforce development will expand the path to prosperity for more Texas families for decades to come.” – Governor Greg Abbott*

Texas’ people are our greatest economic asset. The youth, size, diversity, and tenacity of our workforce are unique to Texas and have been instrumental in fueling our state’s economic growth. Businesses around the globe are attracted to Texas’ strong, skilled talent pool, and in turn, create jobs and opportunity across our regions.

To maintain our position as a global leader and set Texans up for success in the future economy, we will support efforts to cultivate a workforce that is skilled, flexible, and resilient. We will ensure our workforce is equipped to meet current and future industry demands to propel our state into the future. The Workforce pillar of our strategy aims to promote the development of a workforce system that continues to support our existing workforce, attract top talent, and prepare the next generation of Texans to fill the jobs of the future.

EDT will play an advisory role in the Workforce pillar, informing and publicizing efforts of workforce players such as the Texas Workforce Investment Council (TWIC), Texas state agencies, statewide associations, and the broader workforce system. Together, we will collaborate to efficiently forecast and communicate industry workforce needs, promote workforce development resources, and facilitate a streamlined flow of information from employers to education and training providers to Texans to create the best possible outcomes for Texas’ workforce.

Our Workforce pillar initiatives include and build upon goals in TWIC’s latest strategic plan, *“Accelerating Alignment: Texas Workforce System Strategic Plan”* (adopted in 2023), which established the framework that will drive Texas’ workforce system operations from 2024 through 2031. Workforce initiatives that were included or adapted from the TWIC strategic plan are identified with an asterisk. Accomplishing our strategic workforce objectives will underpin the state’s next phase of economic growth.



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## **WORKFORCE Objective 1: Build the target sector workforce pipeline.**

**A pivotal factor in the growth of our target sectors and clusters** is the availability of skilled workers ready to meet industry needs. As champions of the target sectors and clusters, we will focus efforts into facilitating the alignment of sector and cluster industry needs with workforce resources. By anticipating workforce needs and advocating for related programming, EDT will support the development of a workforce pipeline ideal for the attraction, retention, and growth of businesses within the target sectors. EDT will achieve this objective through the actions outlined below.

### **ACTION ITEMS:**

#### **1.1 Promote the diversity and availability of workforce opportunities within the target sectors and clusters to Texans seeking to advance and to other individuals interested in relocation.**

EDT helps to attract top talent to the state through marketing efforts both from a business and tourism perspective. To grow the talent pipeline for our target sectors and clusters, we will work with our state agencies and other partners to create marketing initiatives that increase awareness of the diversity and availability of job opportunities and promote workforce development opportunities aligned with sector skill needs. Through the Texas Film Commission and Texas Music Office in EDT, we will expand promotions of job opportunities in digital media, film, and music to connect more Texas talent and increase promotions of the skills development and educator outreach programs offered.

#### **1.2 Support research and outreach efforts that identify and predict workforce needs and gaps within target sectors and clusters.**

EDT regularly conducts research and analysis to understand the current state and future needs of our target sectors and clusters. We will coordinate and collaborate with TWIC and our other agency partners to ensure that this analysis informs the targeted development and the prioritization of workforce development initiatives across Texas.

#### **1.3 Support upskilling and reskilling programs in the target sectors and clusters.\***

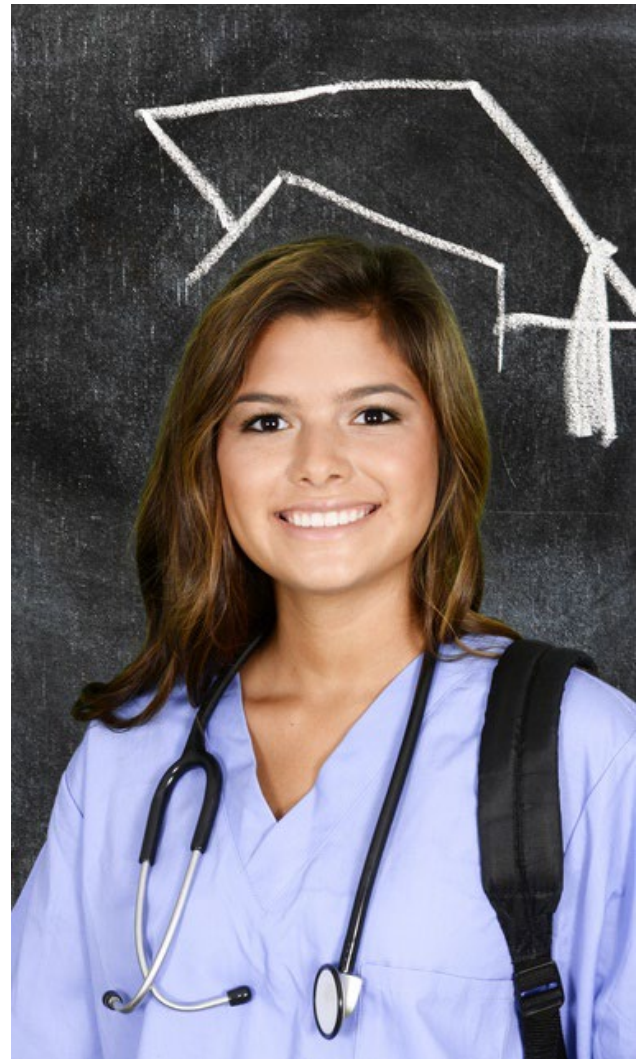
Upskilling and reskilling programs in Texas support the resiliency of our workforce by providing the training for Texans seeking to advance in their role or transition to a new role. Leveraging the efforts identified in the “Accelerating Alignment: Texas Workforce System Strategic Plan,” EDT will encourage the development of upskilling and reskilling programs in target sectors and clusters.

#### **1.4 Promote the increase of adult education transition to employment within the target sectors and clusters.\***

Adult education helps adults ages 18 and older gain new skills and transition to in-demand job opportunities. As outlined in the “Accelerating Alignment: Texas Workforce System Strategic Plan,” TWIC’s agency partners are working to increase the impact of adult education in Texas by increasing learner persistence to completion, education, and employment. Through TWIC, EDT will collaborate with its workforce system partners to support the alignment of integrated education and training programs with our target sectors and clusters and encourage our industry partners to support the employment of graduates within the sectors.

#### **1.5 Support the increase of short-term credentials in high-demand occupations in the target sectors and clusters.\***

Short-term credentials (usually 12 months or less) support the flexibility of our workforce and allow our talent pipeline to quickly respond to industry needs. EDT through TWIC will collaborate with workforce system partners to identify and deliver programs that support the attainment of short-term credentials in high-demand occupations within the target sectors.



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## WORKFORCE Objective 2: Uplift all Texans through education and training opportunities.

**A successful workforce development system** is one that works to meet the needs of a diverse and growing population regardless of their stage in life or ZIP code. To maintain our status as a premier business destination and open doors for Texans, it is critical that we persist in evolving our workforce development system to meet the needs of both our current population and tomorrow's economy. This objective focuses on improving workforce opportunities for all Texans and will be completed in collaboration with TWIC, state agencies, statewide associations, and workforce system partners, as outlined below.



### ACTION ITEMS:

#### **2.1 Support growth of work-based learning opportunities.\***

Work-based learning helps create an experienced, informed workforce by exposing Texans to diverse employment opportunities while building tangible job skills. Work-based learning encompasses a variety of opportunities in the workplace, such as paid internships and pre-apprenticeship programs. As identified in “Accelerating Alignment: Texas Workforce System Strategic Plan,” TWIC’s system partners are focusing on the expansion of work-based learning opportunities as a core education and training pre-employment strategy for youth and adults. EDT will help expand awareness and use of work-based learning and pre-employment programming among employers, thereby ensuring more Texans have the opportunity to gain work-based learning experiences.

#### **2.2 Support growth of industry-recognized apprenticeship programs.\***

Apprenticeship programs help Texas employers develop their current and future talent supply and help Texans develop and demonstrate essential skills and improve career readiness by providing an “earn while you learn” work experience. As “Accelerating Alignment: Texas Workforce System Strategic Plan” notes, workforce system partners are working to expand registered and industry-recognized apprenticeship programs. EDT will



support TWIC and state agencies in increasing resident and employer awareness of the benefits of and participation in apprenticeship programs.

### **2.3 Facilitate cross-sector and cross-regional partnerships that increase the awareness and impact of Texas workforce resources.**

Texas has developed a rich array of workforce development resources and a broad collaborative network of workforce system partners at the state,

regional, and local levels. However, opportunities exist to improve the awareness and utilization of programs and initiatives that ensure that more Texans have the skills and credentials needed for economic advancement. EDT will work with TWIC, state agencies, statewide associations, and local and regional partners to promote existing cross-sector and cross-regional collaborations that foster the growth of regional talent pipelines to promote economic expansion.

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## **WORKFORCE Objective 3: Enhance the flexibility and responsiveness of the workforce development system in Texas.**

**Texas has a robust workforce development system** comprised of our school systems, higher education institutions, local workforce development boards, training providers, non-profit organizations, and more. However, the breadth of this ecosystem can make it challenging to quickly adapt to shifting resident and industry needs. By collaborating and sharing information across the ecosystem, EDT will help improve the flexibility and responsiveness of our workforce development system. The initiatives below detail how EDT plans to achieve this objective.

### **ACTION ITEMS:**

#### **3.1 Identify more partnership opportunities across state agencies and organizations and establish forums for collaboration.**

Enhancing collaboration across state agencies and other partner organizations will improve the impact and efficiency of the entire workforce system. Through our work with businesses and regions across Texas, as well as our regular interactions with agencies across state government, EDT has unique insight into the opportunities for partnership and collaboration. EDT will work with TWIC, state agencies, industry leaders, and local and regional economic developers to identify and facilitate the creation of partnerships across the ecosystem and establish forums for cross-agency and cross-region collaboration.

#### **3.2 Support coordination with workforce system partners to strategically engage with industry and employers on workforce needs and priorities.**

Efforts to anticipate and address industry and employer workforce needs continuously occur throughout the state. However, there is the opportunity to streamline efforts to improve their effectiveness and efficiency and minimize the burden on our industry partners. EDT will support TWIC and the Tri-Agency Workforce Initiative to ensure requests to businesses and industry are consolidated, that identified workforce needs are shared across state agencies, and that state agencies coordinate to address industry needs and priorities.



## Selection of WORKFORCE Connected Plans and Initiatives

A variety of organizations across Texas are working to advance workforce development. Below is a list of selected plans and initiatives led by the Office of the Governor and other economic and workforce development stakeholders that are aimed at promoting workforce success throughout Texas:

- **Texas Workforce Investment Council (TWIC) – Accelerating Alignment: Texas Workforce System Strategic Plan:** The 2024-2031 strategic plan developed by TWIC and its partners establishes the framework for the operation of Texas' workforce system. The plan identifies and coordinates goals to support and advance our state's workforce.
- **Texas Higher Education Coordinating Board – Building a Talent Strong Texas:** *Building a Talent Strong Texas* establishes the Texas Higher Education Coordinating Board's plan to expand opportunities for all Texans to earn degrees, certificates, and other credentials by 2030.
- **Office of the Governor – Texas Talent Connection Program:** This competitive grant program supports innovative education and workforce skills training programs that lead to successful job placement, increased wages, improved job retention, and enhanced quality of life.
- **Texas Education Agency – Pathways in Technology Early College High Schools (P-TECH):** P-TECH schools are innovative open-enrollment high schools that offer students least likely to attend college an opportunity to receive both a high school diploma and a credential and/or associate degree.
- **Texas Workforce Commission – Office of Apprenticeship Programs:** The Office of Apprenticeship Programs in TWC supports the development and expansion of apprenticeship programs that help employers build their current and future talent pipeline.
- **Texas Workforce Commission – Veterans Services Program:** The Veterans Services Program helps veterans attain an education, receive training, and secure a job. Veterans also receive priority service at Texas' Workforce Solutions offices.



## INFRASTRUCTURE

*“Texas is the gateway to global trade. Reduced supply chain costs and improved logistical efficiency are two of the top advantages of Texas’ central location in North America and our proximity to Mexico, along with the state’s robust infrastructure and transportation networks that provide timely access to domestic and global markets via air, land, and sea.” – Governor Greg Abbott*

Businesses, residents, and visitors rely on Texas’ vast infrastructure and transportation network to access markets and destinations across Texas and around the world. From roads to ports to broadband, our infrastructure keeps us connected and competitive. Enhancing the resiliency, efficiency, and connectivity of Texas’ infrastructure is paramount to enabling future economic growth and building vibrant, sustainable communities.

The Infrastructure pillar of our strategy aims to support the creation and maintenance of an infrastructure network in Texas that facilitates growing industries and flourishing regions. The pillar is focused on both resilient core infrastructure — roads, rail, waterways, ports, electricity and gas, airports, etc. — as well as next-generation, industry-specific infrastructure such as testing facilities, spaceports, and oil pipelines.

EDT will play an advisory role in the Infrastructure pillar, informing and supporting state agency partners such as the Texas Department of Transportation whose core mission is to plan and develop infrastructure. As our population booms and new residents and businesses flock to Texas, state agencies will continue to work together to accommodate growth and ensure that high-quality infrastructure is accessible to all Texans from Beaumont to El Paso, from Amarillo to Brownsville, and all across the state.

Building and maintaining infrastructure for a state as large and diverse as Texas requires coordination, collaboration, and continuing investment. It takes the collective effort of state agencies, local and regional governments, business and industry leaders, and others to identify needs, secure funding, build infrastructure, and maintain our facilities. To support these efforts, EDT will work with our partners to anticipate, communicate, and address the infrastructure needs and priorities of our regions and target sectors.



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## **INFRASTRUCTURE Objective 1: Support regional infrastructure capacity, efficiency, and connectivity.**

Texas' core infrastructure grid is essential to the success of our economy. Our transportation, energy, water, and broadband networks connect businesses to markets and residents to economic opportunity. As a state government, we have an opportunity to strategically invest in the future of Texas by enhancing the capacity, efficiency, and connectivity of our infrastructure network. To support the creation and maintenance of world-class infrastructure, EDT will take the following actions.



### **ACTION ITEMS:**

#### **1.1 Provide agency partners with input on infrastructure project prioritization.**

EDT has unique insights into the infrastructure needs and priorities of communities and industries across Texas. Through industry and community engagement, we hear firsthand from business leaders and local economic developers on the types of infrastructure most impactful in growing their industries and building the resiliency of their regions. By sharing the knowledge and insight of local communities and industry partners, EDT will provide input to help state agencies, such as the Texas Department of Transportation, Texas Commission on Environmental Quality, Texas Water Development Board, and Public Utility Commission of Texas.

#### **1.2 Actively support state agency partners in competing for federal infrastructure funds.**

EDT will work collaboratively with state agency partners on competitive infrastructure funding opportunities. We will also support our local and regional partners in pursuing available federal funding opportunities where a Texas location is not in competition with another Texas applicant.

## INFRASTRUCTURE Objective 2: Inform the development of world-class infrastructure that catalyzes the growth of the target sectors.

To maintain and grow its global competitiveness, Texas needs both strong core infrastructure as well as cutting-edge, specialized industry facilities and assets. From the high-tech labs of the Life Sciences and Biotechnology sector to the hundreds of thousands of miles pipelines in the Energy Evolution sector to the large-scale testing facilities of the Advanced Manufacturing sector, Texas has an opportunity to create and expand distinctive, next-generation infrastructure assets that attract and catalyze the growth of our target sectors. EDT will take the following action to maintain and grow Texas' leadership in target sector and cluster infrastructure.

### ACTION ITEM:

#### 2.1 Increase collaboration with industry leaders and state agencies to anticipate and prioritize target sector infrastructure needs.

EDT interacts regularly with our target sector businesses, industry leaders, and statewide industry associations and has an in-depth understanding of their infrastructure needs and priorities, including core infrastructure such as roads and waterways as well as cutting-edge industry facilities and assets. EDT will develop appropriate reporting mechanisms to regularly communicate industry needs and priorities with applicable state and regional planning agencies to help identify trends and address both current and future sector infrastructure needs.

#### Selection of Connected INFRASTRUCTURE Plans and Initiatives

Various organizations across Texas are working to enhance the resiliency, efficiency, and connectivity of our infrastructure. Below is a list of selected plans and initiatives led by state agencies and other stakeholders that are aimed at promoting infrastructure development and maintenance throughout the state:

- **TxDOT – Unified Transportation Program:** This 10-year plan lays out 12 funding categories for infrastructure expansion and establishes guidelines on how TxDOT will work with elected officials, planning organizations, and the public to identify and distribute funds to the most impactful construction projects.
- **Texas Broadband Development Office – Texas Broadband Plan 2022:** The Texas Broadband Plan coordinates efforts across public and private infrastructure stakeholders to assist unserved and underserved communities in accessing broadband.
- **Texas Broadband Development Office – Broadband Infrastructure Fund:** Passed by a statewide vote in 2023, this \$1.5 billion fund is intended to support the execution of the Broadband Plan and match federally provided funds for broadband infrastructure.
- **Public Utility Commission of Texas – Texas Energy Fund:** The Texas Energy Fund provides grants and loans to energy generation facility projects including construction, maintenance, modernization, and operation projects.
- **Texas Water Development Board – Texas Water Fund:** The \$1 billion Texas Water Fund was passed by statewide vote in 2023 and is allocated to water-related funds designed to identify and support projects related to maintaining and expanding Texas' water supply.
- **Texas Dept. of Agriculture – Downtown Revitalization and Main Streets Program:** The Downtown Revitalization and Main Streets Program, aimed at developing historic downtown rural areas, provides grants to revitalize and improve public infrastructure and boost the economy in rural areas.