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Rural Texas Development Report

Provided by
Boston Consulting Group

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BCG

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Executive Summary

Texas Rural Funders'
Collaborative

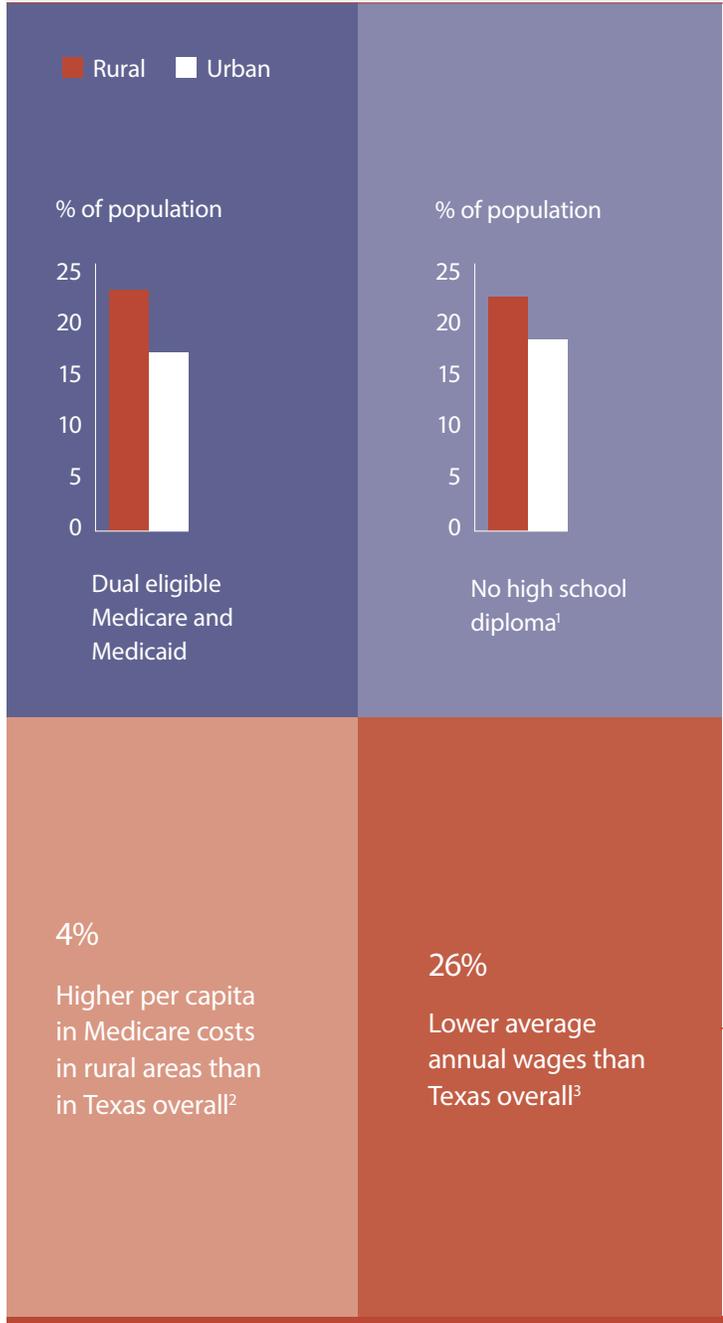


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Rural communities
present unique
opportunities
and challenges

Requiring targeted
strategies developed
for their unique context





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Rural investment enables three key outcomes for the state:



Maximizing potential of resources
Resources typically found in rural areas require human capital and local industry to be developed and utilized for local and statewide benefit



Increasing positive outcomes across state
Rural areas account for disproportionate per capita share of state spending, due to less scale and poorer outcomes across many measures



Continuing tradition of diverse opportunities and choices
Rural areas present Texans with opportunity to choose where and how they want to live and work
Sustainability of rural areas is key to ensuring long-term choice regarding Texas opportunities

4%
Higher per capita in Medicare costs in rural areas than in Texas overall²

26%
Lower average annual wages than Texas overall³

1. BCG Analysis, leveraging US Census American Community Survey 2016 Educational Attainment and OMB definition of rural vs. urban counties
2. BCG Analysis, leveraging CMS Geographic Variation County Tables and OMB definition of rural vs. urban counties
3. BCG Analysis, leveraging US Census American Community Survey 2016 Selected Economic Characteristics and OMB definition of rural vs. urban counties



6 priorities for rural Texas

1. Build on unique rural assets to create diversified economies, and to protect and nurture rural culture and way of life
2. Recognize natural resources are vitally and uniquely tied to rural life and economies, and need to be properly conserved and managed
3. Drive overall community wellbeing as an engine of economic growth
4. Strengthen connectivity to resources and the rest of the state economy
5. Improve rural educational outcomes and align rural education to rural workforce needs
6. Support the development and retention of home-grown leaders to drive change





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Supported by state actions



Competitively fund locally and regionally-led economic plans



Incentivize investment in connectivity to health education and workforce resources



Incentivize talent attraction, retention, and development

Enabled by



Reduction of state structural barriers



Competitively fund regionally-led economic plans

Vision: Local leaders drive economic and community development with support from state

Texas today

Funding primarily allocated by formula
Competitive grants exist, but limited in scope



State actions

Confirm regional structure for economic planning
Fund regional development plans competitively
Collect and analyze data to facilitate learning



Incentivize investment in connectivity

Vision: Rural Texans have access to remote opportunities through high quality broadband access

Texas today

Rural counties lagging in both physical and digital connectivity (e.g., 46% of rural Texans lack fixed advanced broadband)
Siloed efforts exist to improve access to and through digital tools



State actions

Improve understanding of access gaps
Incentivize closing of broadband gaps, and broadband usage and adoption
Fund remote education and healthcare opportunities



Incentivize talent attraction, retention, and development

Vision: Leadership and workforce gaps in rural Texas eliminated

Texas today



Access to and retention of talent a challenge in rural TX: 2500 people per primary care provider (compared to 1700 statewide), and 19.2% teacher turnover (vs. 15.2% statewide)

State actions

- Fund strategic talent attraction initiatives through reallocation of existing grants and creation of new grants
- Revise regulations based on existing supply
- Fund remote education and healthcare opportunities



Reduction of state structural barriers

Vision: No rural-specific barriers to accessing state resources

Texas today



Structural barriers limit development opportunities in rural TX (e.g., rural educators with fewer resources are less able to compete for grants)

State actions

- Design model of collaboration on rural issues among TEA, TWC, Department of Agriculture, THECB, DSHS, HHS
- Refine state grant application processes to allow for increased rural competitiveness

⚡ Action

Funding

Provide targeted funding to support initiatives and leaders showing demonstrable results

Program facilitation

Develop and support programs to test innovative strategies to improve outcomes

Convening

Assemble stakeholders, leaders, innovators, etc. from across the state to scale best practices and share learning



🗣️ Advocacy

Develop and leverage state-level relationships to drive policy change necessary to achieve strategic goals



State actions

Foundation opportunities



Competitively fund regional quality-of-life plans

- Consult on regional assignments
- Gather stakeholders for regional planning groups
- Provide matching funds for successful plans
- Promote regional planning among key state and local stakeholders (e.g., legislators)



Incentivize investment in connectivity

- Support improved understanding of access gaps
- Fund/develop targeted digital training programs (e.g., social media marketing tools training)



Incentivize talent attraction, retention, and development

- Connect business and education stakeholders to develop talent pipelines
- Develop / expand leadership cohort programs
- Promote adjustment of regulations limiting the scope of practice of teachers, mid-level healthcare providers, etc., to remove barriers for talent in rural areas



Reduce state structural barriers

- Engage state-level stakeholders in conversations on grant application reform
- Promote cross-agency round-tables and collaboration