
DALLAS REGIONAL CHAMBER®

2009 State Legislative Agenda Summary of Priority Positions

As the largest metropolitan area in the state, the economic vitality of Texas is closely tied to the continued economic health of Dallas/Fort Worth. D/FW currently represents one-quarter of the state's population and accounts for one-third of its gross domestic product. The Dallas Regional Chamber supports the following priority initiatives in the 81st Texas Legislature:

Higher Education

Area universities, colleges and community colleges are keys to the economic vitality of our region. Ensuring regional equity and adequate funding for our institutions including full formula and financial aid funding while maintaining tuition flexibility is essential. Long term policies addressing incentive and research funding and support for additional national research universities are a priority.

Transportation

Providing adequate funding to maintain and expand Texas' transportation infrastructure can be assisted by: adopting enabling legislation for Proposition 12; indexing the motor fuels tax; recapitalization of the Texas Mobility Fund and ending diversions of motor fuels tax revenue to non-transportation related programs.

Water

The Chamber supports the protection of all designated viable reservoir sites of unique value for the construction of reservoirs and the elimination of unreasonable restrictions on interbasin transfers.

Area Health Care Initiatives

To ensure our region remains competitive, the Dallas Regional Chamber advocates for programs that (1) decrease the **cost** of health care to business and consumers, (2) increase the **access** of health care to all and (3) increase the **quality** of health care.

Economic Development

Preservation of and increased funding for the Texas Enterprise Fund and the Emerging Technology Fund are critical to closing deals and promoting job creation. Increasing funds to the Skills Development Fund and preserving local option incentives are also important.

Prek-12 Public Education

The Chamber supports a strong improved K-12 education accountability and assessment system; adequate state funding; initiatives that improve teacher availability and quality; and the opportunity for students to participate in effective early childhood programs.

Environment

Appropriating all funds collected for the Texas Emissions Reduction Plan (TERP) Program and the Low Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP) are necessary to meet new federal air quality standards.

Immigration

The Dallas Regional Chamber supports national immigration reform and asks the state legislature to defer from policymaking at the state level.

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Position Statement for the 81st Texas Legislature Higher Education

The Dallas Regional Chamber recognizes our area universities, colleges, community colleges, and medical schools are the key to the future economic vitality of our region and places high priority on their legislative issues and funding requests for the 81st Texas Legislature. Higher education has a significant impact on the Texas economy, returning more than \$5.00 for every \$1.00 of state general revenue invested and creating significant economic impact for the region and the state. Recent state budgets have increased the funds dedicated to special item funding and we are concerned over the share allocated to the North Texas area.

Therefore the Dallas Regional Chamber:

- Supports sufficient funding of all our institutions of higher education including general academic institutions, community colleges, and medical schools, specifically focusing on achieving regional equity for the North Texas area in special item funding;
- Supports a long term policy to address funding for institutions of higher education including full formula funding relating to operations, infrastructure and growth with consideration of additional funding for degrees granted, particularly in critical areas;
- Supports providing meaningful incentives for competitively awarded research for all academic and medical institutions;
- Supports resources for the development of the emerging national research universities from among those listed by the Texas Higher Education Coordinating Board;
- Supports maximum funding for financial aid to under-represented students including the TEXAS Grant, the B-On Time Loan programs, Texas Opportunity grants and the Texas Equalization Grant programs;
- Supports retaining tuition deregulation to provide flexibility for universities to develop excellence.

Background

With continued commitment to the Closing the Gaps campaign to enroll 630,000 more students in higher education by 2015, and in recognition that general revenue funding comprises only 10%-40% of the operating budgets of community colleges, colleges, and universities, it is crucial that the state continue its support for tuition flexibility, as well as increased state funding for public higher education institutions, including funding for grants and scholarships to help increase the number of graduates in critical need areas.. It is vital that North Texas receive its fair share of state dollars for higher education. The Chamber also places high priority on the specific appropriations requested by the universities and community colleges in the region. The Chamber supports the development of a long term policy to address incentive funding for institutions of higher education, including research funding. The Chamber recognizes the need for additional national research universities for Texas to remain competitive in the global market.

Implementation

Communicate this position to members of the Texas Legislature.

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Position Statement for the 81st Texas Legislature Transportation

The Dallas Regional Chamber recognizes the value of a robust transportation system. Transportation investment plays a large role in determining our future economic success and sustaining a great quality of life in Texas.

Priority Transportation Initiatives to Actively Pursue

As we look toward the 81st Texas Legislature, the Dallas Regional Chamber has identified the following transportation initiatives as priority issues:

- Adopt enabling legislation for Proposition 12.
- Index the motor fuels tax to the Consumer Price Index (CPI) or another index that would enable the revenue that funds transportation to grow with inflation.
- Recapitalize the Texas Mobility Fund.
- Stop diversions of motor fuels tax to non-transportation programs.

Transportation Initiatives to Support

- Support regional toll authorities. Support the revision of SB 792 to enhance the ability of regional toll authorities to perform their duties while investing excess toll revenue in their regions. This may include legislative adjustments regarding regional primacy, Comprehensive Development Agreements (CDAs), market valuation, etc.
- Authorize metropolitan regions the ability to call public referendums to consider transportation taxes and fees for regional transportation and transit investments. This does not include exceeding the 8.25% sales tax cap. The Chamber additionally supports a constitutional amendment, provided it has no negative impact on public school funding, that directs 100% of any increase in the motor fuels tax (should a region choose this tax for a LOTT) to transportation.
- Support Sunset Commission recommendations that will make TxDOT more efficient and responsive.
- Capitalize the Rail Relocation and Improvement Fund

Implementation

Communicate this position to members of the Texas Legislature.

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Position Statement for the 81st Texas Legislature Water

The Dallas Regional Chamber recognizes the need for an adequate well planned water supply. Dallas-Fort Worth lies in Region C, one of the state's 16 water planning regions. Region C produces over 33% of the state's Gross Domestic Product, and is home to more than 26% of the state's population, yet has only 8% of the state's water usage. Failure to provide an adequate water supply could reduce this region's projected 2060 population by 7.7% or our projected 2060 employment by 17%.

In response to the projected water supply shortfall, Region C has increased their reliance on conservation and reuse. Conservation and reuse strategies in the Region C water plan will reduce average per capita municipal water use in North Texas by 29% over the next 20 years. By 2060 conservation and reuse will account for 1,012,755 acre-feet per year. To quantify this, Lake Lavon provides 100,000 ac-ft/yr, meaning that conservation and reuse will provide water equal to 10 Lake Lavons by 2060. However, conservation and reuse alone cannot meet future water needs, 18% of projected water supply will of necessity come from new reservoirs.

The Dallas Regional Chamber supports water management strategies such as increased conservation, reuse and recycle projects, connection of existing supplies and development of needed new sources of water, including reservoirs. The Dallas Regional Chamber will support legislation in furtherance of the 2007 state water plan (to include financing, environmental water needs, conservation, expedited regional amendment process, and indirect reuse). The chamber particularly supports:

- Protecting designated viable reservoir sites of unique value for the construction of reservoirs under Texas Water Code, Section 16.05 (g) that were provided for in SB 3 passed in the 80th legislative session and are identified by the Texas Water Development Board and planning groups in the 2006 Regional Water Plans and the 2007 State Water Plan.
- Provide statutory provisions that eliminate unreasonable restrictions on interbasin transfers of surface water (Amend Texas Water Code, Section 11.085).
- The Dallas Regional Chamber will oppose any legislation that would unreasonably prevent the State or water providers from exercising their ability to follow water management strategies in the Texas 2007 State Water Plan.

Implementation

Communicate this position to members of the Texas Legislature.

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Position Statement for the 81st Texas Legislature Area Health Care Initiatives

High quality health care is a key component in recruiting businesses and talent to the greater Dallas area. To ensure our region remains competitive, the Dallas Regional Chamber advocates for programs that (1) decrease the **cost** of health care to business and consumers, (2) increase the **access** of health care to all and (3) increase the **quality** of health care.

COST: Health care costs are growing on average 2.5% faster than the growth of inflation, according to the Kaiser Family Foundation. This trend makes purchasing health care services increasingly unaffordable. The Chamber recommends:

- Adopting measures to promote health care prevention and wellness in Texas that specifically address:
 - Obesity, diabetes and chronic diseases;
 - Physical and health education requirements in schools; and,
 - Immunizations (pediatric and adult);
 - Personal responsibility for healthy behaviors and lifestyles.
- Developing and expanding primary and preventive health care for the uninsured and underinsured, including ensuring 12-month eligibility requirements for Medicaid as well as CHIP, and funding for caseload projections at levels that maximize federal matching funds; and,
- Offering incentives to encourage physicians to provide a medical home for Medicaid, CHIP and Medicare populations.
- Protect tort reform that positively impacted medical liability cost.

ACCESS: Individuals should have access to adequate levels of health care. Texas has the highest uninsured rate in the nation at 25.1%; and this number is growing. The rising uninsured rate translates into an increased burden upon health care providers, hospitals, trauma centers and the communities which fund health services. The Chamber recommends:

- Enhancing the amount and timely distribution of emergency readiness funds directed to designated trauma centers by:
 - Supporting the Texas trauma network infrastructure;
 - Protecting and maximizing state funding for uncompensated trauma care;
 - Moving from a county-based model of indigent health care delivery to a regional, multi-county model for emergency and trauma care services to address in county and out of county care
- Restoring funding for Graduate Medical Education (GME) to teaching hospitals with designated resident training programs;
- Ensuring adequate funding for nursing academic institutions to address the nursing workforce shortage.
- Supporting industry efforts to remain union-free and avoid mandatory staffing ratios and;
- Opposing any hospital-based taxing mechanism that would reduce health care capacity and increase health care costs

QUALITY: The Chamber supports enhancing the quality of health care services available to all by:

- Promoting quality and patient safety by defining a common set of indicators for clinical quality;
- Encouraging hospitals and physicians to share complete and accurate quality data; and,
- Increasing available funds for investments in health information technology and applied research

Implementation

Communicate this position to members of the Texas Legislature.

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Position Statement for the 81st Texas Legislature Economic Development

The Dallas Regional Chamber believes Texas has created economic development tools critical to the state's business climate and economic development. Four tools in particular deserve the state's continued support and augmentation. The chamber supports:

- Continuation of critical funding including: maintaining the State's deal-closing fund, the Texas Enterprise Fund, at the current level of \$180 million; funding the Emerging Technology Fund program at the current level of \$200 million; maintaining the Skills Development Fund for workforce training at \$50 million.
- Local tax abatement authority including: continuation of local government authority to enter into tax abatement agreements, and; continue the HB 1200 tool to cap school property taxes for capital-intensive companies locating or expanding in Texas, and expand it to other facility types, such as data centers and major corporate offices.

Background

The Texas Enterprise Fund was created by the Legislature in 2003 so that Texas could compete for projects like Toyota's 2,000 employee auto assembly plant and Texas Instruments' \$3 billion chip plant. Since inception, the DFW region has received 38 percent of the \$366 million allocated and has been responsible for 17 of the 44 funded projects, or 39 percent. This is in proportion to the region's overall impact on the state's gross product, which is about a third. DFW has received a "fair share" of funds to date: approximately \$141 million.

The Emerging Technologies Fund was created in 2005 to support commercialization of advanced technologies. \$200 million was established and available to attract talent to Texas, match federal grants, and fund specific commercialization projects. Of the 55 projects funded and \$108 million awarded to date, 14 projects and \$31 million benefit DFW. The fund and associated Regional Centers for Innovation and Commercialization are critical to the research, development and commercialization of technology products in the North Texas region.

The Skills Development Fund is the state's primary job training fund, used by employers in partnership with local colleges and universities. In 2003, the fund stood at \$25 million, was increased in 2005 to \$40 million, and to \$50 million in 2007. DFW employers continue to utilize this fund, and it is available to both existing and new companies.

DFW communities have been able to compete nationally and globally for significant projects because they are allowed by Texas law to negotiate and offer abatements or rebates of sales and property taxes. HB 1200, for example, allows school taxes to be capped at a reasonable level for capital intensive manufacturing projects. Without a toolbox of these local-option incentives, our region's communities will not be considered for many projects.

The Dallas Regional Chamber encourages research, development and commercialization of sustainable energy technologies, including alternative fuels, renewable energy, green building, recycling, biofuels, construction technology and energy efficiency. We support government efforts working with the private sector aimed to promote R&D, extend production tax credits, and develop job training programs.

Implementation

Communicate this position to members of the Texas Legislature.

Position Statement for the 81st Texas Legislature Pre-K-12 Public Education

The Dallas Regional Chamber believes an effective Pre-Kindergarten through 12-education system in Texas is critical to enhance, support and ensure the state and region's economic competitiveness. Continued business growth in North Texas is fueled and sustained by diverse talented youth prepared to meet the increasing demands of the workforce. The productivity of our students relies on an education system focused on continuous improvement. Students must complete rigorous and relevant courses of study. The Chamber applauds the improvements that have been made in the public education system to date and challenges the 81st Texas Legislature to continue its focus on providing resources to graduate students college and workforce ready.

Therefore the Dallas Regional Chamber:

- Supports a strong improved K-12 education accountability and assessment system which is comprehensive and provides diagnostic information and promotes growth and improvement;
- Supports state funding that provides sufficient resources for schools to meet the needs of their students;
- Supports initiatives that improve the availability of qualified teachers especially in high need subject areas (STEM, language, special needs) and schools;
- Supports building the foundation for educational success through adequate funding for full-day Pre-K education programs for eligible children.

Background

The Chamber recognizes the work of the Select Committee on Public School Accountability and appreciates the Committee's comprehensive look at the current system, its purpose, its success and the areas where change is needed. The emphasis toward accountability and improvement and other changes require a system that measures the effectiveness of school, as well as the progress of individual students toward workforce and college readiness. The system should provide diagnostic information and reflect the growth and improvement that districts, schools and students have made.

The Legislature should review the funding formulas which have not been changed since the mid 1980s to ensure that the cost of educating students in various areas of the state is taken into consideration. Formulas should ensure that funding for English Language Learners and special needs students provides the necessary resources and that the high school allotment which provides resources to increase the number of graduates and college enrollees be retained and enhanced. As operating costs increase, districts should not have to eliminate essential programs that provide the resources to encourage students to stay in school and graduate.

Providing resources for teacher salaries, training and incentives for teachers to stay in the classroom is a key to having effective teachers. High quality programs providing alternative routes to certification should be encouraged to help meet the needs in high need areas

Texas needs to increase access to quality Pre-K programs and expand opportunities for voluntary collaboration between school districts and early childhood providers;

Implementation

Communicate this position to members of the Texas Legislature.

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Position Statement for the 81st Texas Legislature Environment

The Dallas Regional Chamber continues to be a strong advocate for programs and funding to address our region's air quality challenges. Companies consider a region's air quality when making decisions to relocate to our region or expand existing operations. It is imperative that our state continues to create and fund innovative programs that make our region a healthy and productive place to live and work. More than 70% of DFW emissions emanate from mobile sources, therefore it is crucial that the Texas Legislature continue to appropriate funds to programs aimed at the mobile source sector.

The Chamber supports the continued appropriations of funds for two crucial mobile source programs:

- The Chamber urges the Texas Legislature to appropriate all funds collected for the Texas Emissions Reduction Plan (TERP) Program. TERP provides grants for replacement and/or retrofitting of large, older heavy-emitting diesel engines, affecting real reductions in emissions from these heavy polluters.
- The Chamber supports the Low Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP) and urges the Legislature to appropriate all funds raised for the program to LIRAP or to other mobile source programs.

Background

Dallas-Fort Worth's current emissions inventory is as follows: 46% on-road mobile sources, 27% non-road mobile sources, 15% point sources and 11% area sources. Since approximately 73% of DFW emissions emanate from mobile sources, it is important that the Texas Legislature continues to appropriate funds to programs aimed at the mobile source sector.

Since TERP began in 2001, the TCEQ has awarded over \$545 million in grants to over 3400 different projects, 1192 of which have been in the DFW region. Through these TERP grants, NOx emissions have been reduced in Texas by over 127,000 tons and over 44,000 tons in North Texas.

The LIRAP program was designed to assist low-income families in making repairs to vehicles that fail the required emissions inspection. In the DFW and Houston-Galveston-Brazoria nonattainment areas, an additional \$6.00 fee on each emissions inspection funds this program. These fees are collected by the counties and sent to the Texas Commission on Environmental Quality (TCEQ). TCEQ then funds the LIRAP programs run by the Councils of Governments and their Metropolitan Planning Organizations (MPOs) in both DFW and HGB.

The emission reductions provided by the TERP and LIRAP programs will continue to be an important part of DFW's State Implementation Plan (SIP) to reach the new federal air quality standards.

Implementation

Communicate this position to members of the Texas Legislature.

**Position Statement for the 81st Texas Legislature
Immigration**

The Dallas Regional Chamber supports national immigration reform that gives employers access to a legal workforce to meet legitimate business needs in all sectors of the economy taking into consideration national security concerns together with fair and legal treatment of all parties involved. Given businesses need to have nationally consistent, comprehensive immigration standards, the Chamber encourages the Texas state legislators to defer from policymaking at the state level and promote continued debate and national policy development at the federal level.

Implementation

Communicate this position to members of the Texas Legislature.