

METRO8

Texas' Leading Chambers of Commerce

2017

LEGISLATIVE AGENDA

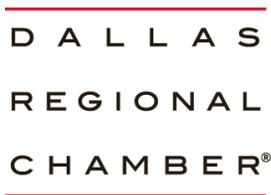
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Metro 8 represents the business sectors of Texas' eight largest metropolitan areas: Arlington, Austin, Corpus Christi, Dallas, El Paso, Fort Worth, Houston, and San Antonio. Collectively, the Metro 8 chambers serve more than **20,000** Texas companies and employ a large portion of the state workforce.

According to 2015 population estimates from the Texas Department of State Health Services, the Metro 8 MSAs include 19.4 million residents, or 70.1% of Texas' total population. The U.S. Department of Commerce recognizes the Metro 8 MSAs as accounting for \$1.2 trillion GDP in 2015, which is 80% of Texas' total GDP.

While each Metro 8 organization operates separately, we also work cooperatively to support pro-growth policies that keep Texas competitive, and serve the interests of our unique constituents. Since its creation, the Metro 8 has focused largely on economic development, mobility, and workforce policies that will benefit state and local economies.



ECONOMIC DEVELOPMENT

The Metro 8 Chambers work with the state and local governments to drive economic development across the entire state. Working with elected officials, Metro 8 identifies state and local incentives needed to secure job creation and business capital investment that is critical to sustaining economic growth.

- Metro 8 strongly supports appropriating sufficient funding to maintain the Texas Enterprise Fund balance of at least \$200 million per biennium, to attract high-value companies to Texas. TEF is an important tool that works to complement our tax environment. Since its 2004 inception, the TEF helped Texas create more than 70,000 direct and 250,000 indirect jobs and attract \$21 billion in capital investment.
- Metro 8 strongly supports the Texas Economic Development Act incentive program in Chapter 313, to attract capital investment projects to Texas. Since 2009, these projects have garnered more than \$21.1 billion in investments and a projected \$47.3 billion investment over the lifetime of the projects' agreements..
- Metro 8 supports protecting economic development tools that attract new jobs and companies to Texas, including but not limited to: the Skills Development Fund, CPRIT, Sales & Use Tax Exemptions (to include the R&D tax credit), Enterprise & Tax Increment Financing Districts, other statues related to economic development such as Ch.312, 380, 381, and the \$1 million small business franchise tax exemption.

EDUCATION AND WORKFORCE DEVELOPMENT

Texas employers have nearly 500,000 open positions and more than half require a minimum of an associate or bachelor degree. Our current education system is not fulfilling employer needs. During the 2015 legislative session, the Legislature made substantial investments in higher education infrastructure. However, grades K-12 continue to suffer from largely flat per-pupil funding, while local school property taxes have increased. The Metro 8 Chambers urge the following legislative actions and appropriations in 2017 to enhance the state's competitive workforce:

- Create a well-funded and updated school finance system, which includes: sufficient resources so schools prepare, determine and report whether Texas students graduate college and career ready; updated and utilized indices and weights; appropriate funds for English learners and low-income students; and formula-funded, high quality pre-K programs. State funding formulas have not kept pace with the changing demographics and educational needs of local communities.
- Invest to achieve the Texas Higher Education Coordinating Board's 60x30TX plan, including but not limited to full TEXAS Grants awarded to eligible students. Support both 4-year and community college institutions to increase the number of Texas students who graduate with a college degree or certificate, as essential to keep the state globally competitive, now and in the future.
- Increase opportunities for academic approaches such as Innovative Academies, P-TECH, and equivalent models that allow students to obtain dual-credit, certifications and work-based learning experiences in high-demand industries.

TRANSPORTATION AND INFRASTRUCTURE

The efficient movement of goods and people is crucial to fostering continued economic growth and a desirable quality of life. Metro 8 supports the following positions:

- Preserve the billions of dollars in new road and highway funding added by Proposition 1 and Proposition 7 funding. Both measures obtained overwhelming voter support. Prop. 1 will increase funding for roads by \$5.7 billion statewide by 2020. Prop. 7 will increase annual road funding by up to \$3 billion in the same period.
- Support the development of roads, freight rail, high speed rail, and passenger rail as part of an integrated, multi-modal transportation network to maximize our capacity to move goods and services throughout the state. Texas' population currently stands at 27 million people and is expected to double by 2050. In 2015, \$178 billion worth of freight goods from Mexico alone utilized Texas' transportation network. Texas' ports handle \$277 billion in goods. Sufficient transportation infrastructure that can handle the growth in population and trade requires consistent, long-term investment throughout the state.
- Protect the ability of local areas to pursue their own policies for improved transportation, including toll roads, managed lanes, and additional transit options.

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