

The Fort Worth Chamber of Commerce 2011 Position Statement

Economic Development

POSITION

The Fort Worth Chamber of Commerce recognizes that competitively positioning Texas for business relocations and expansions is essential to Fort Worth's economic growth. In light of the current economic uncertainty and budget challenges, the Fort Worth Chamber encourages the 82nd Legislature to maintain all existing tax treatments that spur investment, stimulate economic development, create jobs and contribute to local tax bases.

We encourage the state legislature to take the following actions:

- Continued funding to the Texas Enterprise Fund, continued funding of the Emerging Technology Fund; both at the current level or above, and continued funding of the Skills Development Fund for workforce training at the current level or above; and
- The chamber recommends that the Economic Development Act be extended until December 31, 2013. This would allow the eligibility of any capital investment project of \$100 million or greater, regardless of research and development status, and all eligible HB1200 projects meeting or exceeding the average weekly wages for Texas.

BACKGROUND

Texas Enterprise Fund

As of August 2010, the Texas Enterprise Fund (TEF) has contributed \$397 million that successfully secured economic development agreements resulting in more than 53,600 jobs statewide with \$14.4 billion of new capital investment. The Texas Legislature created the TEF in 2003 and appropriated funding in every subsequent session. The Fort Worth Chamber supports continued appropriations to the TEF to maintain this vitally important economic development tool.

Emerging Technology Fund

As of August 2010, the Emerging Technology Fund (ETF) has awarded more than \$290 million to Texas companies and universities to develop the next generation of commercial technology. The Texas Legislature created the ETF in 2005 and appropriated funding in every subsequent session. The Fort Worth Chamber supports continued appropriations to the ETF to continue investment in high-impact, high-growth economic development for the future.

Together, the ETF and TEF maintain Texas as a national leader for business success especially in the following targeted industry clusters: Advanced Technologies and Manufacturing; Aerospace and Defense; Biotechnology and Life Sciences; Information and Computer Technology; Petroleum Refining and Chemical Products; and Energy.

Texas Economic Development Act: Chapter 313, Texas Tax Code

Created by the Texas Legislature in 2001, the Texas Economic Development Act enhances the state's economic development efforts especially with securing large-scale capital investment. Through June 2008, economic development agreements under Chapter 313 have resulted in nearly \$41 billion in capital investment. The Fort Worth Chamber supports maintaining and strengthening this program to promote continued investment in large-scale projects such as manufacturing, research & development, and energy.

Texas Franchise Tax

Small business success is important to the long-term economic health of the state. Maintaining a lower tax burden for these businesses is vital to their survival. The Fort Worth Chamber supports maintaining the no tax due threshold amount of \$1,000,000 for franchise tax reports due in all future years.

Adopted by the Fort Worth Chamber of Commerce Board of Directors on this the 21st day of October, 2010.

William J. Thornton
President & CEO