



May 5, 2017

Texas Legislature:

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 chamber regions comprise more than 20,000 Texas companies, 19.4 million residents and \$1.2 trillion in GDP in 2015, and represent some of the fastest growing areas of the state.

Metro 8 supports modest use of the Economic Stabilization Fund (ESF) for limited purposes during the 2018-2019 biennium. With the Comptroller estimating the ESF to reach \$11.9 billion by the end of the coming biennium, the fund will be at its largest level in history and be the largest state ESF in the nation. As business organizations, we understand the importance of managing debt and investing for future growth. Modest use of the ESF for limited purposes is good financial policy.

The ESF was created to provide the state a measure of financial and budgetary certainty and fiscal reserves during economic downturns, and allow Texas to maintain the smooth funding and operation of vital programs. This session, lawmakers appear to be debating reforms to several programs in a manner which would be consistent with the ESF's intended use.

A modest use of the ESF provides a financially responsible means of meeting the states budgetary needs without compromising or cutting other state programs. Metro 8 believes such a use is a prudent approach to funding the 2018-2019 biannual budget.

Regards,

Bob Harvey, President and CEO, Greater Houston Partnership, 2017 Metro 8 Chair
Mike Rollins, President and CEO, Austin Chamber of Commerce
Michael Jacobson, President and CEO, Arlington Chamber of Commerce
Annette Medlin, President and CEO, United Corpus Christi Chamber of Commerce
Dale Petroskey, President and CEO, Dallas Regional Chamber
Richard Dayoub, President and CEO, El Paso Chamber of Commerce
Bill Thornton, President and CEO, Ft. Worth Chamber of Commerce
Richard Perez, President and CEO, San Antonio Chamber of Commerce