

April 10, 2023

House Ways and Means Committee

FOR HB 5 (Hunter) Texas Jobs and Security Act

Dear Chairman Meyer and House Ways & Means Committee Members,

My name is Glenn Hamer, I am the President and CEO of the Texas Association of Business and I am testifying in **strong support of HB 5**. TAB is the state affiliate of the National Association of Manufacturers and the state Chamber of Commerce. We represent businesses across every industry, and our local chamber partners across the state.

I'd like to thank Chairman Hunter for his leadership in authoring legislation that would make sure Texas has a new, modernized, and transparent economic development tool to keep us competitive not only as a state, but on the international level.

To date, Texas has deliberately planned to diversify and strengthen our Texas economy to ensure Texas is a favorable place for company investment and economic growth. Our pro-business regulatory climate, with no income tax, a robust infrastructure, and diverse workforce have made Texas a national and global economic powerhouse. The economic development tool, like the one HB 5 creates, seal the deal.

We all know that economic development is not multiple choice. You have to have 'all-of-the-above', to land these major projects. We also know that these strategies have worked really well, especially bringing investments in new industries to places long outside of the Texas success stories. These are all success stories who could go anywhere in the world and where everyone in the world will want them to invest. For example:

- Sinton, outside Corpus Christi attracted a steel mill.
- Bon Weir in Newton County attracted a \$3.4B commercial biorefinery investment.
- Amarillo attracted a major \$650M investment from CVMR (Chemical Vapor Metal Refining).
- Taylor and Sherman attracted the \$17B and \$30 billion in next generation semiconductor manufacturing plants, respectively.

In nearly every case, even with a tax limitation, these projects are all BY FAR the largest property tax payers in their community. HB 5 is critical in making sure we have a modernized tax system to continue to attract these projects.



THE TEXAS STATE CHAMBER

TAB's purpose is to champion the best business climate in the world, unleashing the power of free enterprise to enhance lives for generations.

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Samsung, Tesla, and Toyota are great examples of businesses that received property tax limitations and that have moved to and/or expanded operations in Texas and added value to their communities. Competitive incentives were instrumental in Texas winning these projects.

Not only do these large manufacturing commitments create direct opportunities, but they attract the supplier network required to support them, resulting in additional overall regional growth and opportunity. According to the U.S. Department of Commerce, every new job in manufacturing creates at least three additional construction, service, and supplier jobs within their community.

We need the right tools in place to continue the Texas Miracle and that is why the business community, including over 100 chambers of commerce, support HB 5.

On behalf of the Texas Association of Business, I thank Chairman Hunter, Chairman Meyer, and the members of this committee for addressing this important issue and allowing me to comment today.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben Jensen".

President & CEO
Texas Association of Business