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S.R. No. 447

R E S O L U T I O N

1           WHEREAS, Since this recession began, a staggering number of  
2 Americans have lost their jobs, and the heavy burden of  
3 unemployment is causing the economy to weaken further; and

4           WHEREAS, The American Recovery and Reinvestment Act signed by  
5 President Barack Obama on February 17, 2009, appropriates \$787  
6 billion in federal funds to jumpstart economic recovery; the  
7 stimulus package is designed to help economically devastated cities  
8 and states, to create or save some 3.5 million jobs, and to invest  
9 in infrastructure, green energy, and technological innovation; and

10           WHEREAS, In order for the stimulus funds to have the greatest  
11 impact and to maximize the creation and preservation of jobs, they  
12 should be spent, as much as possible, on domestic materials, goods,  
13 and services; and

14           WHEREAS, The Congressional Budget Office has noted that the  
15 most effective type of fiscal stimulus is one that directs money to  
16 people who are most likely to spend it quickly; thus, when a  
17 stimulus allows a United States household to purchase the items it  
18 needs, demand in this country is increased, and the initial  
19 stimulus sets in motion further periods of economic consumption in  
20 a process known as a "multiplier" effect; the degree of stimulus  
21 provided depends on how much of the resultant spending goes to  
22 purchase domestically produced goods, because if the additional  
23 consumption is satisfied by imported goods, the income of foreign  
24 producers rises, and the stimulus is essentially exported; and

1           WHEREAS, The number of American workers drawing unemployment  
2 aid jumped to a record high of nearly five million in early February  
3 2009, and this labor market deterioration is sending the economy  
4 into a deeper spiral; in order to maximize the effectiveness of the  
5 stimulus package at this crucial moment, it is imperative that the  
6 funds be spent domestically whenever practicable, using American  
7 tax dollars to amplify aggregate demand and create the greatest  
8 number of American jobs possible; now, therefore, be it

9           RESOLVED, That the Senate of the 81st Texas Legislature  
10 hereby express its intent that funds provided to the State of Texas  
11 by the American Recovery and Reinvestment Act be spent, as far as  
12 practicable, on domestic goods, materials, and services.