

By: Menendez

H.C.R. No. 127

CONCURRENT RESOLUTION

1 WHEREAS, The diversity of the Texas economy helps the state
2 weather downturns in the business environment at the national
3 level, yet communities in the Lone Star State continue to seek ways
4 to ensure that they have sufficient resources to provide necessary
5 services; studies indicate that the gaming industry has the
6 potential to bring billions of tax dollars into Texas while
7 creating jobs and boosting local economies; and

8 WHEREAS, Estimates of Texans' annual discretionary spending
9 for gaming range from \$4 billion to \$6 billion, but the tax dollars
10 generated currently go to Louisiana, Oklahoma, New Mexico, and
11 other states with highly developed gaming industries; and

12 WHEREAS, Tax revenues that Texas could gain from gaming
13 exceed \$1 billion annually, factoring in the effects of the
14 construction of destination resort casinos, the licensing of
15 gambling at the state's Indian reservations, and the installation
16 of casino-style gaming at existing licensed horse and greyhound
17 racetracks; and

18 WHEREAS, Texas remains fiscally conservative, with a
19 pro-business regulatory and tax system that encourages job growth,
20 but in order to produce the well-educated workforce required to
21 compete in an increasingly global economy, the state must continue
22 to invest in our public education system; should Texas be required
23 to increase its funding of public schools, one of the options that
24 must be given consideration by the legislature is the recapture of

1 revenue leaving our state because of our current prohibition on
2 gaming; and

3 WHEREAS, Communities with racetracks are presently losing
4 business to other states where racetracks offer consumers
5 alternative gaming opportunities, and the state's racehorse
6 industry is losing business to competitors in states where income
7 from casino gaming at racetrack facilities supports breeding
8 programs and higher purses; and

9 WHEREAS, Development of destination resort casinos would
10 exert an economic stimulus in surrounding communities, initially
11 through construction employment and later through employment not
12 only at the casinos but also in the retail, restaurant, recreation,
13 convention, and other tourist businesses that would soon flourish;
14 and

15 WHEREAS, In order to maximize the economic benefits of the
16 gaming industry to the state and to local communities, Texas must
17 develop a comprehensive and coherent strategy that considers such
18 aspects as the areas of the state that would be most suitable for
19 specific types of gaming facilities, the types of gaming that would
20 be of economic benefit to individual communities, and the types of
21 gaming that would provide maximum financial benefit to the state;
22 and

23 WHEREAS, The vast potential for new tax revenue streams and
24 economic stimulus demands a careful evaluation of the business
25 environments in individual communities and of the direct and
26 indirect benefits of the gaming industry to those communities and
27 to the state; now, therefore, be it

1 RESOLVED, That the 83rd Legislature of the State of Texas
2 hereby respectfully request the lieutenant governor and the speaker
3 of the house of representatives to create a joint interim committee
4 to study the gaming industry in Texas and its potential direct and
5 indirect economic impact on specific markets and on the state as a
6 whole; and, be it further

7 RESOLVED, That any study or report on the gaming industry
8 expansion into Texas include a cost-benefit analysis that considers
9 both the social and economic costs related to the expansion of
10 casino-style gambling, the effect on existing sales tax revenue,
11 and the effect on Texas lottery sales, as well as an analysis of the
12 tax rates on dollars wagered in the casino business model and the
13 effect on the existing local economies and family-friendly tourism;
14 and, be it further

15 RESOLVED, That any study or report also include a complete
16 analysis of any agreements between the State of Texas and Indian
17 tribes regarding historic or real properties of Indian tribes in
18 the state, and that the analysis include but not be limited to a
19 complete review of Indian gaming expansion across the United
20 States, including current litigation and case law, and how Indian
21 historic and real properties have been leveraged to expand casino
22 gaming into areas that had not been previously considered Indian
23 land; and, be it further

24 RESOLVED, That the committee's proceedings and operations be
25 governed by such general rules and policies for joint interim
26 committees as the 83rd Legislature may adopt; and, be it further

27 RESOLVED, That the committee submit a full report, including

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1 findings and recommendations, to the 84th Texas Legislature when it
2 convenes in January 2015.