

By: Lucio III

H.C.R. No. 147

CONCURRENT RESOLUTION

1 WHEREAS, Economic development is a driving force in making  
2 Texas one of the most prosperous and attractive states in the  
3 nation; around the state, however, economically distressed  
4 communities (EDCs), including urban, rural, and port regions, are  
5 not receiving adequate investment and are thus falling further  
6 behind their thriving urban counterparts; and

7 WHEREAS, As EDCs continue to struggle with generating new  
8 private equity for economic development, more are slipping below  
9 the poverty rate and experiencing decreases in median household  
10 income and employment rates; and

11 WHEREAS, Through the Community Renewal Tax Relief Act of  
12 2000, the United States Congress introduced the New Markets Tax  
13 Credit program, which is designed to increase capital to EDCs by  
14 providing modest tax incentives to businesses, private investors,  
15 and banks that produce new infrastructure and economic development  
16 in such communities; and

17 WHEREAS, Today, large portions of the Lone Star State are  
18 grappling with the negative effects caused by insufficient  
19 development, but the federal government has provided a worthy model  
20 for Texas to use in bolstering its low-income communities and  
21 unlocking its full economic potential; now, therefore, be it

22 RESOLVED, That the 85th Legislature of the State of Texas  
23 hereby request the lieutenant governor and the speaker of the house  
24 of representatives to create a joint interim committee to study the

1 feasibility of a state-based New Markets Tax Credit program; and,  
2 be it further

3       RESOLVED, That the study specifically:

4               (1) assess the short- and long-term impacts of  
5 deficient economic development and private capital growth on  
6 economically distressed communities;

7               (2) determine how a state-based New Markets Tax Credit  
8 program could promote economic development in EDCs; and

9               (3) analyze how EDCs could be affected by a state  
10 program drawing down additional federal credits; and, be it further

11       RESOLVED, That the committee's proceedings and operations be  
12 governed by such general rules and policies for joint interim  
13 committees as the 85th Legislature may adopt.