May 20, 2023

The Honorable Nathan Johnson Texas Senate P.O. Box 12068 Austin, TX 78711-2068

Dear Senator Johnson,

We, the undersigned, urge you to oppose H.B. 5, which is bad for taxpayers, bad for schools, and bad for the environment.

House Bill 5 seeks to revive the failed "Chapter 313" economic development program, which ended in 2022 amid criticism that the program used precious public dollars to lure new manufacturing facilities, many of which would have located in Texas without the support, and subsidized factories which pollute our air and water.

HB5 kicks renewable energy projects out of the program and expands beyond Chapter 313 by allowing abatements for expansion of existing oil and gas facilities. It is bad for taxpayers, bad for schools, and bad for the environment.

- BAD FOR TAXPAYERS The Chapter 313 program has already committed Texas taxpayers to \$31 Billion in subsidies to large corporations, most of which goes <u>out of state</u>. HB 5 would not only keep the floodgates of unnecessary tax breaks open, but broadens qualifications to include expansion into more industries and to expansion projects of corporations already located here. This bill would continue the long history of <u>abuse of taxpayer money</u> and at the expense of Texas schoolchildren.
- **BAD FOR SCHOOLS** 95% of schoolchildren were in districts <u>that lose potential funding</u> <u>because of Chapter 313</u>. The program costs state taxpayers over \$1Billion/year, money which could be going to schools or other state priorities.
- **BAD FOR THE ENVIRONMENT.** In 2021, recipients of chapter 313 agreements dumped more than 100 million tons of pollution into Texas skies. HB 5 would continue to subsidize polluters while removing clean, renewable energy from eligibility.

In conclusion, we respectfully request that you vote against the renewal of Texas Tax Code Chapter 313 in the form of HB 5. Instead, we urge you to support alternative policies that promote fair and transparent economic development, adequately fund our public education system, and ensure a level playing field for all businesses, including renewable energy, in Texas.

Thank you for your attention to this critical issue, and we look forward to your support in safeguarding the interests of Texas communities, taxpayers, and our children's future.

Sincerely,

Luke Metzger Executive Director, Environment Texas

Kathleen Thompson Executive Director, Progress Texas

Honorable Carolyn Arnold Dallas Mayor Pro Tem

Honorable Tennell Atkins Dallas City Councilman

Honorable Omar Narvaez Dallas City Councilman

Honorable Rachel McGowan Richardson ISD Trustee

Honorable Vanessa Pacheco Richardson ISD Trustee

Honorable Shirley Daniels Cedar Hill City Councilwoman

Harrison Blair Dallas Black Chamber of Commerce President

Honorable Myrtis Evans DCDP Precinct Chair

Honorable Joyce Foreman Dallas ISD Trustee

Honorable David Griggs Sierra Club Dallas Chair

Honorable Tracey Gulley Dallas County Constable

Honorable Katy Hubener Former JP and Downwinders at Risk Clean Air Activist Honorable Sylvia Lagos DCDP Precinct Chair

Honorable Katherine McGovern DCDP Precinct Chair

Honorable Phyllis Arcenaux DCDP Precinct Chair

Honorable Carol Donovan Former DCDP Party Chair

Honorable Janice Schwarz DCDP Precinct Chair

Honorable David Bradley Former SDEC Member

Honorable Susan Bradley SDEC Member

Iria Ganious Teamsters Union Retirees Chair

Kimberley Mitchell Dallas Area Rapid Transit Union Steward

Shelby Vance CWA Local 6215 Secretary

Senada Rustic Dallas Lions Club Director

Augustine Jalomo City of Dallas Office of Arts & Culture Board of Directors

Honorable John Creuzot Dallas County District Attorney

Honorable Craig Holcomb President, Friends of Fair Park

Dr. Catalina E. Garcia Dallas College Board Trustee Elizabeth Ginsberg Democratic Nominee '22 and Candidate '24 for House District 108

Honorable Martin Burrell DCDP Precinct Chair

Marsha Jackson Executive Director, Southern Sector Rising

Barbara Steele Faith Outreach Leader

Honorable Jeff Strater SDEC Member

Earnest Tilley Executive VP, CWA Local Union 6215