90TH TEXAS LEGISLATIVE SESSION

Priorities for the North Texas Region

Approved by NTC Board of Directors 9-17-26

Business Competitiveness

SUPPORT: Incentives that enhance job creation, innovation, and capital investment in Texas.

SUPPORT: The use of and timely decision-making for economic development incentive programs such as 380/381 agreements and tax abatements that enhance job creation and capital investment in Texas.

SUPPORT: Revisions to the JETI program which increase accessibility and efficiency, alleviate compliance standards, and improve Texas' competitive advantage.

SUPPORT: Legislation that maintains Texas's appeal for business growth and retention.

OPPOSE: Legislation that would damage Texas's reputation as a business-friendly state and inhibit the attraction of talent for employers.

SUPPORT: Workforce re-entry programs that accelerate training and create career pathways for individuals to return to work and fill high-demand positions.

SUPPORT: The renewal of a robust Texas Workforce Commission charged with comprehensive review of Texas workforce needs and solutions.

SUPPORT: Productive tourism tools that stimulate local economies.

SUPPORT: Efforts to make childcare more accessible and affordable.

SUPPORT: Policies that improve the affordability, availability, and reliability of homeowners insurance.

SUPPORT: Economic policies that encourage the expansion of general aviation maintenance, repair, and overhaul activity in Texas.

SUPPORT: Legislation to allow Texans to vote on a constitutional amendment regarding destination casino resorts in Texas.

SUPPORT: Modernization of government systems.

> **SUPPORT:** Policies that direct artificial intelligence responsibility and ensure business, consumer, and government safety.
>
> **SUPPORT:** Efforts to modernize systems across government agencies to reduce administrative burdens, increase efficiency, and provide cost savings to businesses and taxpayers.

Education & Workforce

PK-12

SUPPORT: Restoring public school funding to levels established by HB3 (2019), to meet growing workforce needs.

> **SUPPORT:** Implementation of a sustainable and long-term funding model with inflationary factors for Texas schools.
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> **SUPPORT:** Implementation on an enrollment-based funding model.
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> **SUPPORT:** Increased funding for school programs including SPED, transportation, CTE, school safety, and the recently created allotment for basic costs.
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> **OPPOSE:** Measures which restrict a school's ability to receive local property tax revenue.

SUPPORT: Funds for full-day pre-K programs and the early child allotment to improve student outcomes and alleviate workforce pressures.

OPPOSE: The transfer of increased funds to nonpublic education entities through education savings accounts (ESAs).

> **SUPPORT:** Increased transparency and accountability with checks and balances for non-public education institutions that receive public funding.
>
> **SUPPORT:** Robust data collection to be used for outcome-based reporting.
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> **OPPOSE:** Expansion of the ESA program until we have comprehensive outcome-based data on the current program.
>
> **SUPPORT:** Revisions to the FIIE process to reduce the cost burden on public schools and ensure students are adequately evaluated.

SUPPORT: The existing Texas College, Career, and Military Readiness (CCMR) accountability system which measures the whole child impact.

HIGHER EDUCATION

SUPPORT: Investments in higher education that increase research funding, support base formula funding, account for M&O, enhance campus infrastructure, and expand financial aid opportunities.

> **SUPPORT:** Campus improvement projects through Capital Construction Assistance Program requests.
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> **OPPOSE:** Any adjustments to the performance-based funding model for GAIs and community colleges that fails to adequately match existing funding.
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> **SUPPORT:** Dedicated and sustainable funding formulas that recognize and incentivize student success, credential attainment, and workforce outcomes for adult and part-time learners.

SUPPORT: Efforts to accelerate training, increase workforce supply, and keep talent in Texas.

> **SUPPORT:** Career readiness programs that fill the gaps in vocational jobs and training programs.
>
> **SUPPORT:** Increased funding for both comprehensive regional and emerging research universities to meet growing workforce demands.
>
> **SUPPORT:** Employer-sponsored upskilling programs by expanding tax incentives or matching funds, allowing education institutions to more easily co-design programs with employers, and supporting earn-and-learn, apprenticeships and paid externships embedded in higher education.

SUPPORT: Expanding Texas' outcomes-based funding model to provide community colleges with credit for successful student transfers to all accredited four-year institutions.

SUPPORT: Funding for mental health services and degree programs to enhance workforce expansion.

SUPPORT: Continued investment in Small Business Development Centers and their professional business advising and training programs, which are proven resources that strengthen the Texas economy.

Health & Well-Being

SUPPORT: Efforts to increase access to healthcare.

SUPPORT: Efforts to reduce the number of uninsured and underinsured Texans.

SUPPORT: Behavioral and mental health policies that improve access, integrate care, support the workforce, and ensure sustainable reimbursement for providers.

SUPPORT: Efforts to ensure adequate and stable reimbursements to healthcare providers at rates that ensure access to care, including the use of supplemental payment programs to finance Medicaid hospital programs for underserved consumers.

SUPPORT: Locally generated solutions, such as Local Provider Participation Funds (LPPFs), and protections ensuring the flexibility to generate the non-federal share of Medicaid supplemental payments which defray uncompensated care costs.

SUPPORT: The renewal of the Texas Health and Human Services Commission charged with supporting providers and patients throughout the state.

SUPPORT: Efforts that reduce overall costs and increase value in the healthcare system through proven prevention, well-being, and chronic disease management initiatives that address the nonmedical drivers in health.

SUPPORT: Regulatory and administrative relief from burdensome policies that take caregivers away from providing patient care and increase costs for patients and the healthcare system.

SUPPORT: Efforts to improve or better support our child welfare system for children in imminent danger.

SUPPORT: Modernization efforts to increase access to care, reduce barriers, and provide cost savings for Texans, including the utilization of telehealth and other innovative care models.

SUPPORT: Policy frameworks for artificial intelligence that foster continued innovation while supporting privacy and patient safety.

SUPPORT: Federal and state investments and cross-agency collaboration in improving health IT infrastructure like broadband, Wi-Fi access, cybersecurity and digital literacy, especially in rural and underserved areas of the state.

SUPPORT: Increasing workforce pipeline and supply for critical healthcare roles.

SUPPORT: Policies that address the workforce shortages in healthcare by increasing the supply of trained industry professionals through enhanced funding for faculty, student scholarships, financial aid, upskilling, and job-training programs.

SUPPORT: Efforts that promote safety and security and mitigate the risk of violence in the workplace.

Local Government

OPPOSE: Efforts to censor local government officials.

> **OPPOSE:** Any attempt to prohibit a local government's ability to employ government relations professionals, engage subject matter experts, or join associations to efficiently educate, advocate or lobby on behalf of their community and communicate with state legislators or agencies.

SUPPORT: Efforts to preserve locally driven public resource management.

> **SUPPORT:** Efforts that ensure home rule cities can govern properly, fully fund services, and adopt and enforce charters, zoning ordinances, building codes, and land use policies that best serve their geographic, housing, and growth needs.
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> **SUPPORT:** Allowing local governments to fund essential services, including public safety, public works, and the infrastructure that ensures safe mobility, economic vitality, and resilient communities.
>
> **OPPOSE:** Additional limits on municipal finance and efforts to increase voter-approval thresholds which undermine long-term economic growth strategies.
>
> **OPPOSE:** Legislation that limits, restricts, or otherwise diminishes a municipality's authority to utilize economic development tools authorized under Chapters 312, 380 and 381 of the Texas Local Government Code.
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> **SUPPORT:** Programs that allow local governments to promote tourism.
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> **SUPPORT:** Expanded county authority over limited land use and development standards to promote public safety, infrastructure capacity, and community well-being in unincorporated areas.

OPPOSE: Legislation that eliminates the current uniform election dates and/or restricts a local government's ability to determine appropriate ballot language.

Water & Infrastructure

SUPPORT: Funding for water planning and development.

SUPPORT: Capital investment in North Texas water projects to meet the needs of our growing economy and population.

SUPPORT: A redefinition of an interregional conflict to allow water authorities to negotiate conflicts in good faith and ensure finality in decisions made during negotiations.

SUPPORT: Continued pursuit of outside water sources to deliver economically beneficial transfers of water.

SUPPORT: Adequate and equitable disbursements of the Texas Water Fund to North Texas to accommodate our growing population and economy.

SUPPORT: Funding to address flooding in Texas with the goal of protecting all Texans from natural disasters.

OPPOSE: Increased regulations or barriers to water supply development.

SUPPORT: Inter-regional project development and transfer of water.

SUPPORT: The use of viable public-private partnerships to meet increased water supply and wastewater needs while stimulating the economy and creating jobs through the planning, design, and construction projects.

SUPPORT: Efficient transportation and mobility for the safe movement of people and goods.

SUPPORT: The use of public-private partnerships to meet increased needs while stimulating the economy and creating jobs through the planning, design, and construction of multimodal surface transportation systems of choice.

SUPPORT: Legislative action which would codify the updated Dallas Area Rapid Transit governance structure.

SUPPORT: Programs that enhance roadway safety.

SUPPORT: Alternatively fueled vehicle infrastructure, including EV charging and hydrogen fleet fueling.

SUPPORT: The development of an efficient and safe regulatory framework for advanced air mobility in Texas.

SUPPORT: Local decision-making solutions that allow regional mobility authorities to fund and manage their systems to best serve their member cities and their riders' needs.

SUPPORT: Regulations favorable to the deployment and operation of autonomous vehicles without the need for a human operator.

SUPPORT: High speed rail in Texas.

SUPPORT: Reliable energy development and delivery

SUPPORT: Ensuring the state's electric grid will be able to reliably, efficiently, and sustainably serve the needs of the state while planning for future technologies' demand for electricity.

SUPPORT: The use of domestic production of efficient energy sources, including all fuel sources, to further Texas' position as a global energy leader, all while being responsible to consumers.

SUPPORT: Investments in electric transmission infrastructure.

SUPPORT: Policies for micro-grids, large-scale battery storage, and other technologies at critical facilities which can be accessed during peak demand stresses on ERCOT.

SUPPORT: Accessible broadband internet.

SUPPORT: The implementation of a statewide broadband plan that equitably serves all Texans.

SUPPORT: Policies that encourage expansion of wireline and wireless broadband infrastructure.

PROPERTY TAX REFORM PRINCIPLES

Property Tax Reform in Texas

The North Texas Commission supports responsible, sustainable property tax relief that enhances affordability while preserving the fiscal capacity necessary to maintain public safety, quality education, infrastructure, and economic competitiveness.

Texas communities have operated under increasingly restrictive property tax limitations for seven years. Many local governments have already exhausted discretionary efficiencies and are increasingly confronting difficult decisions involving infrastructure investment, parks and recreation, libraries, personnel, and other essential services.

OUR CORE PURPOSE

To convene and educate public and private sector leaders to ensure that state and federal public policies promote strong local governments, support excellence in public schools, increase the skilled workforce pipeline, and safeguard a thriving business environment. Together as a unified region, we will continue to improve the sustainability and inclusivity of our growing economy.

Policy considerations for the 90th Legislature

As legislators consider proposals including lower spending caps, new election requirements, appraisal restrictions, additional exemptions, and school property tax reductions, policymakers should recognize several realities:

1. Communities have already adapted to existing revenue limitations and, in many cases, have little discretionary spending remaining.
2. One-size-fits-all limitations disproportionately affect fast-growing communities facing increasing demands for public safety, water, transportation, and infrastructure investments.
3. Additional uncertainty in local revenue authority may adversely affect municipal bond ratings and increase borrowing costs for taxpayers.
4. State budget surpluses are cyclical and should not be relied upon to fund permanent property tax reductions without long-term replacement strategies.

THE THROUGH LINE

Tax policy should preserve local decision-making and recognize that community service demands differ significantly across Texas.

THE FUNDAMENTAL TRADEOFF

Every proposal requires one of three outcomes

1

Reduce taxes and replace the revenue.

2

Reduce taxes and accept service reductions.

3

Shift costs and infrastructure needs to future taxpayers.

Texas can continue delivering meaningful property tax relief while preserving the investments that make North Texas one of the nation's leading regions for business, innovation, and quality of life. Sustainable reform should provide certainty for taxpayers while ensuring communities retain the ability to educate students, maintain infrastructure, protect public safety, and support continued economic growth.

The North Texas Commission

SUPPORTS	Sustainable property tax relief paired with recurring state replacement funding, transparency, and local fiscal flexibility.
OPPOSES	Additional expenditure caps, appraisal restrictions, or election requirements that create fiscal instability, impair municipal and school finance, or undermine infrastructure investment without providing sustainable replacement funding.
SUPPORTS	Performance-based budgeting and benchmarking initiatives that encourage efficient government operations.
OPPOSES	One-size-fits-all limitations that restrict local decision-making and fail to account for the differing needs of fast-growing Texas communities.

ABOUT THE COMMISSION

A unique and powerful public-private partnership, the North Texas Commission achieves impactful outcomes benefiting our robust 13-county region. The Commission manages the region's unified advocacy voice at the state and federal levels. As the lead convener of subject matter experts, the NTC improves the workforce pipeline and cultivates future leaders in North Texas.

DATA CENTER POLICY PRINCIPLES

Data Centers in North Texas

North Texas has emerged as one of the nation's premier destinations for data center investment due to its available land, business-friendly environment, robust infrastructure, and growing role in artificial intelligence and advanced computing. At the same time, the rapid pace of development has raised legitimate concerns regarding electricity demand, water resources, community impacts, and the utilization of economic development incentives.

The North Texas Commission supports a balanced approach that preserves Texas' competitive advantage while ensuring that infrastructure investments and community concerns are responsibly addressed. Recent proposals from Governor Greg Abbott, including requiring data centers to fund their own infrastructure costs, mandating water-efficient technologies, improving reporting requirements, establishing community standards, and reviewing existing tax incentives, demonstrate that responsible growth and economic competitiveness are not mutually exclusive.

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Who has a stake

STAKEHOLDER	PRIMARY INTEREST	KEY CONCERNS
Large Employers & Industry	Reliable power, competitive tax climate, speed-to-market	Regulatory uncertainty, rising electricity costs
Cities & Counties	Economic development, tax base growth, infrastructure investment	Water demand, land use conflicts, public concerns
ISDs	Property tax value growth, workforce opportunities	Tax limitation agreements, uneven fiscal impacts
Utilities & ERCOT	Load growth management, infrastructure planning	Reliability risks, transmission constraints
Residents & Community Groups	Jobs, local investment, property tax dispersion	Noise, environmental impact, utility costs
Chambers & Regional Coalitions	Regional competitiveness, business recruitment	Balancing growth with public acceptance

NTC POLICY RECOMMENDATIONS

The Guiding Principle

SUPPORT

A balanced statewide framework that promotes transparent, resource-efficient, and economically competitive data center development by protecting ratepayers, encouraging responsible infrastructure investment, preserving local planning authority, and ensuring Texas remains the nation's leader in advanced technology and AI infrastructure development.

Five policies we support

1 Infrastructure Cost Responsibility and Grid Reliability

Support policies that ensure large-load customers bear the direct costs of infrastructure necessary to serve their operations while maintaining grid reliability to support taxpayers and protect residential and small-business ratepayers.

2 Water Stewardship and Resource Efficiency

Support policies that encourage the use of the most water-efficient technologies available while preserving flexibility for future innovation.

3 Transparency and Community Engagement

Support reasonable transparency measures concerning utility usage that improve public understanding and confidence in data center projects while avoiding unnecessary regulatory burdens.

4 Local Planning and Infrastructure Coordination

Support local planning tools that enable communities to responsibly accommodate data center development while preserving Texas' competitive business climate.

5 Competitive Economic Development Policies

Maintain Texas' position as a national leader in AI, cloud computing, and digital infrastructure investment by ensuring local and state economic development tools remain intact and available to drive growth and attract capital investment in Texas communities.

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