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## **PRESS RELEASE**

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### **FOR IMMEDIATE RELEASE**

**CONTACT:** Susan Cates, Director of Economic Development

**PHONE:** 979-337-7231

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### **Economic Development Organizations Visit State Capitol**

Carolyn Miller, Assistant City Manager, and Susan Cates, Economic Development Director  
meet with Senator Lois Kolkhorst

South Central Texas economic developers took time out from their bi-annual state legislative meeting to visit Senator Lois Kolkhorst at her Capitol office on Thursday, February 21. Senator Kolkhorst represents 21 counties in the Texas Senate, which include Economic Development Organizations located in Brenham, Cuero, Gonzales, Katy, Victoria, Wharton, and Yoakum. Representing the City of Brenham were Carolyn Miller, Assistant City Manager, and Susan Cates, Economic Development Director.

The group discussed several issues, including the need for adequate funds for our public schools as well as the issue of property taxes. For economic developers, our state's exceedingly high property taxes make the renewal of the state tax abatement law, referred to as Chapter 312, one of the top legislative priorities. These abatements are granted on only new construction or significant improvements, and never on land value. Under current law, abatements are negotiated with a business at the city and county level, typically lasting ten years or less with a sliding scale.

Senator Kolkhorst is a past CEO of the Brenham Economic Development Foundation and supports renewal of the Chapter 312 economic tool, which affect abatements for local government taxes. On the issue of the renewal for a similar program that offers school tax abatements, known as Chapter 313, Senator Kolkhorst expressed more caution, "Texas school financing is already very complicated with calls for more funding from many local leaders. That means that the billions of dollars in abatements against local school tax levies since the program began may be negatively affecting our statewide school financing formula," The Senator continued,

"The original Chapter 313 legislation that I voted for as a freshman state representative 16 years ago is not something I can easily support as a state senator in 2019 unless there are major changes to more closely verify that jobs are actually being created and that schools are still funded adequately without a burden on other taxpayers."

Senator Kolkhorst said she will propose a bill requiring detailed job verification on future tax abatement agreements to ensure the jobs promised by a company receiving an abatement actually occur throughout their contract. She is also working on legislation to increase funding for state and local parks, as well as a bill to protect landowners from excessive use of eminent domain.

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**Attachment:** Photo

