



March 28, 2017

Dear [House/Senate Appropriations Committee Members]:

On behalf of the Greater El Paso Chamber of Commerce, we would like to thank you for your support this legislative session of pro-growth public policies that will protect our region's dynamic business climate and enhance economic development throughout our state.

As you know, within the last decade El Paso has experienced steady economic growth which transformed our region into the southwestern powerhouse that it is today. However, our future success is not guaranteed and cannot be taken for granted. That's why we at the Greater El Paso Chamber of Commerce remain focused on the legislative priorities critical to our future success: Improving public education to strengthen our pipeline of talented workers; investing in infrastructure to enhance our commerce flow; and having enough economic development incentive funds available so we can continue attract more companies and jobs to our region.

We recognize that the Legislature has fewer dollars to work with over the next two years, largely as a result of fewer-than-normal tax revenues from the energy industry. We commend budget writers in both the House and Senate for working to craft a budget that meets the constitutional requirement of being balanced, while addressing the state's most pressing needs.

This is not easy work given the fact that our state's population will grow by nearly 1 million new residents over the next two years. While this growth is positive in nearly every way, we know that the costs for core services such as public education, health care, and Medicaid are driven up.

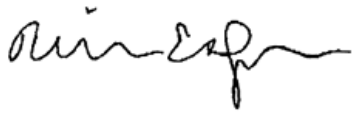
This is why we are supportive of the Legislature to prudently utilize our state's abundant Economic Stabilization Fund, also known as the "Rainy Day Fund," which was created in 1987 as a responsible way "to offset unforeseen shortfalls in revenue." Since its inception, the Legislature has withdrawn revenues from the fund seven times, and yet today the Rainy Day Fund is larger than it's ever been, with reserves projected to be at \$11.9 billion at the end of the upcoming budget cycle. If ever there was a time to responsibly deploy some of those resources, the time is now.

Limited use of the Rainy Day Fund would allow Texas to invest important resources into areas such as health and human services and education and prevent cuts which would be devastating to higher education institutions and communities such as ours. We hope that you will support

the utilization of the Rainy Day Fund to address our current budget shortfall and meet the needs of our region and our state. Because our state has been so well-managed in the past, we are fortunate to have the resources available to fund our budget priorities during times like this – and still have a very large umbrella available for the next rainy day.

Thank you for your service to our region and the great state of Texas.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard E. Dayoub". The signature is fluid and cursive, with a prominent initial "R" and a long, sweeping underline.

Richard E. Dayoub  
President and CEO

A handwritten signature in black ink, appearing to read "Jack T. Chapman". The signature is cursive and includes a large, stylized initial "J" and "C".

Jack T. Chapman  
Chairman of the Board