

2025 TOP 10 PRIORITIES 89TH LEGISLATIVE SESSION

The Texas Association of Manufacturers (TAM) actively represents more than 500 large and small companies from every manufacturing sector. Texas manufacturers employ more than 925,000 Texans in jobs that pay an average compensation of over \$105,700 annually - nearly 30 percent higher than other non-farm Texas workers. Manufacturing accounts for 11.2 percent of the total output in the state, contributing more than \$310 billion in 2023. On average, each manufacturing job created provides 5 additional jobs in our communities. Texas remains the number one exporting state for manufactured goods in the United States, now for more than 20 years running.

1 Tax Structures That Promote Economic Growth

SUPPORT: A competitive tax climate that incentivizes investment by new and existing businesses, including the new Jobs, Energy, Technology and Innovation (JETI) Act, a robust research and development (R&D) tax exemption and a consistent tax exemption for the maintenance, repair and overhaul (MRO) of general aviation aircraft.

Equity in Business Taxation

SUPPORT: Broad-based, low-rate tax policy that treats all taxpayers equally, recognizing that no franchise tax cut is a substitute for a competitive property tax environment.

Business & Personal Property Tax Reform

SUPPORT: Exempting either equipment used directly in the manufacturing process, or alternatively, all business inventories. This would provide competitive tax relief for all kinds of businesses and industries, large and small, and would create an ongoing and powerful stimulus for the Texas economy.

Transportation, Critical Infrastructure & Timely Permits

SUPPORT: Policies that will facilitate the flow of both interstate and intrastate commerce, alleviate supply chain disruptions and encourage efficient expansion – and timely permitting – of our infrastructure network of pipelines, utility rights-of-way, highway and rail corridors that will sustain the quality business environment in Texas.

Maintain a Reliable, Cost-Effective, and Competitive Wholesale Electricity Market

SUPPORT: Ensuring reliability and affordability by relying on market-based pricing for energy, ancillary services, and operational reserves; providing price signals for market participants who perform when the grid needs it most; offering robust demand response opportunities; limiting "out-of-market" actions, direct capacity procurements, and capacity markets.

6 Ensure that Monopoly Utility Rates are Transparent and Fair to Customers

OPPOSE: "Rate riders" that let monopoly utilities increase rates quickly, with very limited review. TAM's priority is to protect the ratemaking process against ongoing utility efforts to reduce oversight and transparency and to ensure that Texas businesses are not forced to pay more than they should for electricity.

Career and Workforce Readiness

SUPPORT: Robust career and technical education (CTE) programs and funding in all school districts, as well as a strong system of career, college and military advising beginning in middle school, with a particular emphasis on "return on investment" and a recognition that many careers do not require a 4-year degree, which is often accompanied by crippling student loan debt.

SUPPORT: A strong accountability system for both public schools and institutions of higher education, with outcomes being paramount.

SUPPORT: High-quality workforce training programs and funding that provide exceptional rate of return for the Texas economy – programs administered by the Texas Workforce Commission and local workforce boards including: the Skills Development Fund (SDF), Jobs and Education for Texans (JET) Program, and learn-while-you-earn apprenticeships.

3 Support Commonsense Regulations and Sufficient Funding for TCEQ Operations

SUPPORT: TCEQ's use of clear and consistent regulations that have a market-driven and incentive-based foundation rather than heavy handed mandates or a one-size-fits-all approach, as well as increased inspections at manufacturing facilities that are consistent across the state's geographic regions.

SUPPORT: Providing adequate funding for Texas Commission on Environmental Quality (TCEQ) to ensure the agency has the resources and staff they need to efficiently process permits, hire additional inspectors, and provide enhanced salaries and training opportunities for TCEQ staff to maintain a qualified, experienced workforce.

School and Workplace Health

SUPPORT: Policies that encourage prevention of infectious disease in schools and the workplace and eliminate attempts to create barriers and access to vaccinations for employees and communities.

Funding for Water Infrastructure Projects

SUPPORT: Establishing a dedicated funding stream for the Texas Water Fund to support Texas' population and economic growth, as well as additional market-based solutions that proportionally distribute any costs in developing regional water infrastructure among end users.

SUPPORT: Water reuse incentives and sustainability initiatives developed in collaboration with innovative manufacturing partners to reduce the burden on water infrastructure.





Learn more: https://www.manufacturetexas.org/#top-10



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