

# Community Reinvestment In Texas

# Fiscal Years 2024-2026



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# Introduction

The 76th Texas Legislature created the Community Reinvestment Work Group in 1999, a statewide collaboration with the financial industry to implement community reinvestment strategies in Texas. Authorized by Finance Code, Chapter 395, the group's strategies focus on financial growth through investment pools and financial literacy outreach, as well as leveraging private capital from banks, insurance companies and other financial institutions to be used in community development projects.

The Community Reinvestment Work Group is comprised of the following entities:

- Texas Comptroller of Public Accounts (CPA).
- Texas Department of Banking (DOB).
- Texas Department of Insurance (TDI).
- Governor's Office of Economic Development and Tourism (EDT).
- Texas Department of Housing and Community Affairs (TDHCA).

Each biennium, the work group reports on community reinvestment programs it administers. Other state agencies such as the Texas Department of Agriculture (TDA) have contributed to this publication in prior years and are included in this update.

This report summarizes the Community Reinvestment Act (CRA) and the work group's activities. It features national and state standards on financial growth, and it depicts community development, small business lending and business demographics in Texas. Also showcased are state agencies' community reinvestment goals, strategies and community reinvestment initiatives, plus financial literacy workshops and surveys held across the state.



Members of the Community Reinvestment Work Group.

The primary statutory responsibilities for the agencies comprising the Work Group as well as other participating agencies are as follows:

## Texas Comptroller of Public Accounts

CPA is the bookkeeper for the multi-billion-dollar business of state government. The Comptroller is Texas' chief tax collector, accountant, revenue estimator, treasurer and purchasing manager; and as chief financial officer, the Comptroller's office collects taxes and fees owed to the state. Legislators rely on the Comptroller's office to chart the course of the Texas economy, produce annual financial reports and estimate future state revenues. Also, as the state's cashier, the Comptroller's office receives, disburses, counts, safeguards, records, allocates, manages and reports on the state's cash. Additionally, the Texas Comptroller chairs the state's Treasury Safekeeping Trust Company, which oversees more than \$50 billion in assets. Lastly, the Comptroller's office is also the state's purchasing manager, awarding and managing hundreds of statewide contracts on behalf of more than 200 state agencies and 1,750 cooperative purchasing members.<sup>1</sup>

## Texas Department of Banking

DOB's mission is to ensure Texas has a safe, sound and competitive financial services system. DOB's statutory duties include the chartering or licensing, regulation, supervision, and/or examination of state-chartered commercial banks; state-chartered trust companies; bank holding companies; foreign bank offices; money services businesses; perpetual care cemeteries (death care provider); and prepaid funeral contract providers (death care provider). The DOB also registers check verification companies.



## Texas Department of Insurance

TDI regulates the state's insurance industry, by enforcing the laws regarding the Texas workers' compensation system, performs the duties of the State Fire Marshal's Office, and provides administrative support to the Office of Injured Employee Counsel — a separate agency.

Texas Insurance Code requires TDI to: (a) regulate the business of insurance in Texas; (b) protect and ensure the fair treatment of consumers; (c) ensure fair competition in the insurance industry to foster a competitive market; (d) administer the Texas' workers' compensation system as provided by the Texas Labor Code; (e) ensure that the insurance code and other laws regarding insurance and insurance companies are executed. The Texas Department of Insurance's mission is to protect insurance consumers by regulating

the insurance industry fairly and diligently, promoting a stable and competitive market, and providing information that makes a difference.

## Governor's Office of Economic Development and Tourism

EDT serves to positively impact the economic prosperity of Texas. To accomplish this mission, EDT:

- Markets and promotes Texas as a premier business location and tourist destination.
- Facilitates new jobs and investment through the location, expansion, and retention of national and international investment.
- Administers state incentive programs for business and community development.
- Provides businesses assistance exporting products and services to international markets.
- Serves as a central source of economic research.
- Establishes strategies to address economic growth in targeted industries.

## Texas Department of Housing and Community Affairs

TDHCA is the lead agency responsible for affordable housing. TDHCA's programs address a range of housing and community service needs of lower income individuals, households and special needs populations. TDHCA also promotes safe, decent, affordable home ownership; financing of the development and rehabilitation of affordable rental housing; and supporting community and energy assistance programs and colonia housing programs.

## Texas Department of Agriculture

TDA's Trade and Business Development (TBD) Division provides financial and technical assistance to promote Texas agriculture and improve the economic environment of rural Texas. There are four primary teams within TBD that implement these programs: Texas Community Development Block Grant, Office of Rural Programs and Financial Assistance, Marketing and Outreach, and the Office of Produce Safety and Livestock Export Pens.

# Community Reinvestment Act Overview

Passed in 1977 (12 U.S.C.2901), also known as Title VIII of the Housing and Community Development Act, the Community Reinvestment Act (CRA) encourages federally insured depository institutions to help meet the credit needs of local communities. The CRA applies to all federally insured depository institutions, national banks, thrifts and state-chartered commercial and savings banks. Banks are required to follow regulations and laws governing the CRA in return for the benefit of deposit insurance protection and access to the Federal Reserve's discount window.

Before passage of the CRA, “redlining” — refusing or limiting loans in specific areas — was prevalent. The Homeowners’ Loan Corp created “residential security maps” that depicted four classes of lending and investment risks across 239 communities, and as a result, private lenders started to redline marginalized communities. Such practices led to an increase in urban decay and underdevelopment in communities where residents did not have access to purchasing capital.<sup>2</sup>

The table below showcases four key lending acts that outlawed lender discrimination in housing and consumer credit. These laws promoted the use of public loan data to determine whether financial institutions were meeting the housing needs of their communities and helped public officials attract public investment to areas in need. As a result, several discriminatory lending patterns were identified, and banking institutions were encouraged to assist low- to moderate-income neighborhoods.

## Key Lending Acts

Name	Year	Description
<b>Fair Housing Act</b>	<b>1968</b>	Part of the Civil Rights Act of 1968. The Fair Housing Act (FHA) makes it unlawful for any lender to discriminate in housing-related lending activities against any persons because of their race, color, religion, national origin, disability, family status or sex.
<b>Equal Opportunity Credit Act</b>	<b>1974</b>	Prohibits discrimination based on race, color, religion, national origin, sex, marital status, age, source of income or whether a person exercises rights granted under the Consumer Credit Protection Act for any credit transaction and through the life of the loan.
<b>Home Mortgage Disclosure Act</b>	<b>1975</b>	Provides the public loan data that can be used to assist: <ul style="list-style-type: none"> <li>• In determining whether financial institutions are serving the housing needs of their communities.</li> <li>• Public officials in distributing public-sector investments so as to attract private investment to areas where it is needed.</li> <li>• In identifying possible discriminatory lending patterns.</li> </ul>
<b>Community Reinvestment Act</b>	<b>1977</b>	Intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low-and-moderate-income neighborhoods, consistent with safe and sound operations.

Source: St. Louis Federal Reserve, <https://www.stlouisfed.org/on-the-economy/2018/january/community-reinvestment-act-history-future><sup>3</sup>

While implementing these laws was crucial to standardize lending and investing practices, new technologies highlighted the need to revise and update their terms. More than 40 years later, in October 2023, the Office of the Comptroller of the Currency, the Federal Reserve Board, and the Federal Deposit Insurance Corporation issued a rule to strengthen and modernize the CRA. The ruling aimed to better aid the agencies’ recognition that the CRA must evolve with the changes in the banking industry. The rule’s objectives and key elements can be found on the [Office of the Comptroller of the Currency](#) webpage.<sup>4</sup>

# Community Reinvestment Act and Texas Economic Facts and Figures

- Between March 2021 and March 2022, 95,495 Texas establishments opened and 68,032 closed, for a net increase of 27,463. Employment expanded at 188,253 establishments and contracted at 137,687. Small businesses accounted for 88,643 openings and 63,428 closings.
- Opening and expanding Texas establishments added 1.7 million jobs, while closing and contracting establishments lost 953,976, for a net increase of 728,311 jobs. Small businesses contributed a net increase of 458,082 jobs, or 62.9 percent of that total.



Between August 2021 and August 2022, Texas added approximately 327,000 civilian jobs, from 14.2 million jobs to 14.5 million jobs.

- In 2021, reporting banks issued \$9.5 billion in loans to Texas businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less totaled \$11.0 billion. Total reported new lending to businesses through loans of \$1 million or less was \$31.5 billion.

- The construction industry constituted the highest number of small businesses in Texas, with 421,216 businesses reported, or 13.3 percent of the 3,160,424 total.
- A total of 39,889 identified firms exported goods worth \$343.4 billion from Texas in 2021. Of those exporters, 36,984 (or 92.7 percent) were small businesses. Exports by small firms reached \$147.8 billion, making up 43.0 percent of exports by identified firms.
- In 2023, women made up 45.5 percent of workers and owned 43.5 percent of businesses in Texas, and veterans made up 5.0 percent of workers and owned 6.4 percent of businesses.
- Hispanics made up 37.1 percent of the labor force and owned 30.9 percent of Texas businesses in 2023, and racial minorities made up 26.2 percent of the labor force and owned 22.2 percent of businesses.<sup>5</sup>
- The Texas labor market reached historic highs in 2023, surpassing the nation's employment and civilian labor force growth by a full percentage point (Texas 2.7 percent annual growth vs. U.S. 1.7 percent annual growth). In December 2023, the Texas seasonally adjusted job count reached 14,103,300.<sup>6</sup>
- The Texas seasonally adjusted unemployment rate dropped from 4.1 percent in January 2023, to 3.9 percent in January 2024.<sup>7</sup>
- The Texas median home sales price reached \$330,950 in the first quarter of 2024, a 1.6 percent increase compared to the same quarter in 2023.<sup>8</sup>
- Texas received 501,398 new business applications in 2023, a 4.4 percent increase in comparison to 2022. Texas also ranked No. 14 in business applications per capita in the U.S., with 7.0 percent of applications projected to become an employer business.<sup>9</sup>

# 88th Legislature: House and Senate Bills

In 2023, the 88th Legislature passed several bills that affected some of the agencies comprising the CRA Work Group and community reinvestment in Texas:

**House Bill 1058:** The bill aims to increase interest and investment in affordable housing throughout Texas. It does so by entitling a taxable entity to a credit against the franchise tax given that the entity has interest in a low-income housing development that has been approved by the TDHCA. Providing tax housing credit incentivizes private investors to invest in affordable housing developments, which otherwise would not generate sufficient profit to justify an investment without tax incentives.

**House Bill 1515:** The bill mandates that EDT develops a stakeholder engagement plan for all its lending programs. It changes the annual tourism plan to a biennial plan and requires it to be submitted by Dec. 1, 2024. Additionally, the bill grants EDT the authority to establish submission procedures for the tourism plan from other agencies subject to the tourism’s memorandum of understanding. The EDT is mandated to establish rules for access to capital programs and details the windup of the Product Development and Small Business Incubator program. On the completion of the windup process, the Bank would be required to deposit any remaining investment earnings to the credit of the Texas Economic Development Bank Fund. The EDT is to consolidate new and existing reporting requirements into one detailed report for all incentive programs. The bill would allow a nominating body to electronically submit a digital scan of a certified copy of certain necessary documentation for the Texas Enterprise Zone program.

**House Bill 4539:** The bill seeks to address the qualifications for participation in the moving image industry incentive program by decreasing the percentage to 55 percent of the production crew that must be Texas residents for a project to qualify for such a grant. As a result, Texas will become more attractive to film production companies seeking to apply for the program, leading to a boost in employment rates and a positive economic impact on communities throughout the state. The bill amends current law relating to qualifications for participation in the moving image industry incentive program.



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**House Bill 4550:** The bill makes several changes to the low income housing tax credit program administered by TDHCA including tying the calculation of cost per square foot (one of the key scoring factors in the program) to adjust for inflation using 2021 as the base year for the adjustment; directing TDHCA to use the Consumer Price Index for All Urban Consumers, or its successor, for the calculation; and mandating TDHCA provide final commitment of an allocation of housing tax credits no later than the 120th day following the date a complete cost certification package is submitted to the department.

**Senate Bill 2325:** The bill would change the “Formula One automobile race” title to “The Formula One United States Grand Prix” to ensure Circuit of the Americas (COTA) is eligible for Major Events Reimbursement Program (MERP) funding. The bill amends current law relating to the eligibility of certain events for funding under MERP.

# Actions Undertaken in 2023-2024

The table below is a list of webinars and conferences that CRA Work Group members have organized and presented since 2023 that touch on CRA directly or indirectly.

## Webinars/Videos/Conferences

Date	Presenter	Topic
Nov. 30, 2022	Texas Department of Banking and Texas Office of Consumer Credit Commissioner	<a href="#"><u>Avoiding the Risk of Financial Exploitation</u></a> Helped attendees identify and recognize financial exploitation, including the most prevalent types of financial scams and the population that is typically targeted. Attendees also received a series of helpful tips on how to spot a scam and avoid becoming a victim.
January-December 2023	Office of the Texas Governor	<a href="#"><u>2023 Governor’s Small Business Summits in the following locations:</u></a> Events held in the following cities throughout the year: Abilene, Amarillo, Arlington, Beaumont, Fredericksburg, Horizon City, Houston, Kingsville, Marshall, McAllen, San Angelo, San Antonio, Temple, The Woodlands and Stephenville.
Feb. 14, 2023	Office of the Texas Governor	<a href="#"><u>Ready, Set, Export!</u></a> Is your business export ready? Exporting is a valuable step in the lifecycle of a business that can lead to great opportunities. But how and when do we take the first step?  In partnership with the International Trade Center at the University of Texas at San Antonio, this Governor’s Small Business Webinar will help businesses and business owners identify steps to take to get export ready and learn how to expand products into international market.
March 16, 2023	Office of the Texas Governor	<a href="#"><u>Food Trucks 101</u></a> With a diversity of delicious and convenient food offerings, it’s no wonder food trucks have been growing in popularity. In this Governor’s Small Business Webinar, learn from experts on the process of developing and creating a successful food truck business. This includes finding the right location, choosing a truck, working through the permit process, creating an engaging customer experience and brand, and everything else leading up to opening day!
March 22, 2023	Texas Department of Banking and Texas Office of Consumer Credit Commissioner	<a href="#"><u>Making a Streetwise Vehicle Purchase</u></a> Explained how to calculate the true cost of vehicle ownership, discussed the pros and cons of buying a new car versus a used one, and compared financing and lease/purchase options. Additionally, attendees learned about state and federal laws regarding vehicle ownership and tips for avoiding vehicle-related scams.
April 30, 2023- May 2, 2024	Texas Department of Housing and Community Affairs	First-time homebuyer programs — National Association of Minority Mortgage Bankers Annual Conference.
June 16, 2023	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Affordable Homes of South Texas Conference.
July 24-26, 2023	Texas Department of Housing and Community Affairs	Multifamily housing development and community reinvestment — Texas Housing Conference.



Date	Presenter	Topic
Sept. 7-10, 2023	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Texas Association of REALTORS® Annual Conference.
Sept. 14-16, 2023	Texas Department of Housing and Community Affairs	First-time homebuyer programs — National Association of Minority Mortgage Bankers Annual Conference.
Sept. 15, 2023	Texas Department of Housing and Community Affairs	First-time homebuyer programs — El Paso REALTORS® Conference.
Oct. 14-17, 2023	Texas Department of Housing and Community Affairs	First-time homebuyer programs — National Council of State Housing Agencies Annual Conference.
Oct. 18-20, 2023	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Texas Association of Local Housing Finance Agencies Annual Conference.
Dec. 13, 2023	Office of the Texas Governor	<p><b><u>Challenges that Businesses Face</u></b></p> <p>We surveyed thousands of Texan entrepreneurs to discover what were the most common business challenges in 2023. Join the Governor’s Small Business Team and representatives from the U.S. Small Business Administration’s Houston District Office, Tarrant County College’s Small Business Development Center, Texas A&amp;M University – Central Texas, and the Texas State University’s Small Business Development Center as we address these challenges and how to overcome them.</p>
Dec. 13, 2023	Texas Department of Banking and Texas Office of Consumer Credit Commissioner	<p><b><u>Financially Surviving the Holidays</u></b></p> <p>Advice about managing your budget and safeguarding financial information during the holiday season. This presentation also provided suggestions on how to quickly pay off seasonal debt, guidance about cybersecurity and ways to avoid holiday scams.</p>
January 2024-Present	Office of the Texas Governor	<p>2024 Governor’s Small Business Summits in the following locations:</p> <p>Events held in the following cities throughout the year: Buffalo, Corpus Christi, El Paso, Galveston, Kaufman, Lufkin, New Braunfels, Odessa, Pampa, Plainview, Round Rock, Sweetwater, Weatherford, Weslaco and Wichita Falls.</p>
Feb. 15, 2024	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Houston Veterans Association of Real Estate Professionals Conference.
Feb. 21, 2024	Texas Department of Banking and Texas Office of Consumer Credit Commissioner	<p><b><u>Ready, Set, Get Organized!</u></b></p> <p>Guidance about recognizing different organizational systems, determining when to review specific files and best practices for keeping important records.</p>
April 3, 2024	Texas Department of Banking and Texas Office of Consumer Credit Commissioner	<p><b><u>Inform, Inspire, and Ignite</u></b></p> <p>How to boost public financial know-how and sharpen money management skills. The agencies jointly discussed various money mindsets that affect financial decisions.</p>

Actions Undertaken in 2023-2024

Date	Presenter	Topic
April 24, 2024	Texas Department of Insurance	<p><a href="#"><u>Hearings for network adequacy waiver requests</u></a></p> <p>An overview of the network adequacy waiver hearings process. Learn how to participate in the hearings, submit evidence, and review network data.</p>
May 19-21, 2024	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Texas Association of Mortgage Bankers Association Annual Conference.
June 2024	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Housing Channel Conference.
June 11, 2024	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Fannie Mae Affordable Housing Conference.
June 14, 2024	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Austin Board of REALTORS® Conference.
June 15, 2024	Texas Department of Housing and Community Affairs	First-time homebuyer programs — Affordable Homes of South Texas Conference.
June 26, 2024	Texas Department of Banking and Texas Office of Consumer Credit Commissioner	<p><a href="#"><u>Preparing Financially for Natural Disasters</u></a></p> <p>Discuss how financial setbacks can leave consumers struggling to meet their financial obligations in the short term and what consumers can do to minimize the financial hardships of natural disasters.</p>
July 22-24, 2024	Texas Department of Housing and Community Affairs	Multifamily housing development and community reinvestment — Texas Housing Conference.
Sept. 12, 2024	Texas Department of Insurance	<p><a href="#"><u>Agent and adjuster licensing updates and best practices</u></a></p> <p>An overview of the Agent and Adjuster Licensing Office, recent changes in licensing, and best practices for getting and maintaining an insurance license.</p>

Below is a list of CRA-related publications that the CRA Work Group members have published since 2023. The Texas Bank Report, a Department of Banking publication that is issued twice each year, has included financial education articles. The Comptroller’s office has a monthly publication, *Fiscal Notes*, addressing a wide variety of topics that impact Texas and its economy.

Publication Date	Articles
November 2022	<p><a href="#"><u>Texas Bank Report</u></a></p> <ul style="list-style-type: none"> <li>• Financial Education Spotlight – First Community Bank</li> <li>• Financial Education Spotlight – Texas Regional Bank</li> </ul>
January 2023	<p><a href="#"><u>Texas Bank Report</u></a></p> <ul style="list-style-type: none"> <li>• Financial Education Spotlight – Rio Bank</li> <li>• Financial Education Spotlight – IBC Bank</li> </ul>
March 2023	<p><a href="#"><u>Texas Broadband Development Office Charging Ahead</u></a></p> <p>The Comptroller’s office highlighted the Texas Broadband Development Office’s mission to help bring high-speed internet to Texas communities.</p>
April 2024	<p><a href="#"><u>Texas Bank Report</u></a></p> <p>Publication Spotlight – Banks Use Financial Education to Help Communities Thrive</p>
August 2024	<p><a href="#"><u>Six Ways Texas is Closing the Digital Divide</u></a></p> <p>The Comptroller’s office expanded on the programs and incentives that will expand broadband service in underserved areas.</p>
2024-2025	<p><a href="#"><u>2024-2025 Texas Business Licenses &amp; Permits Guide</u></a></p> <p>Texas Economic Development and Tourism, within the Office of the Governor, offers a comprehensive listing of state permits and licenses required for persons wanting to operate a business enterprise in Texas.</p>
October 2024	<p><a href="#"><u>Housing affordability gap hits Texas</u></a></p> <p>The Comptroller’s office offers a comprehensive view into the rapid decline of housing affordability in Texas since 2019.</p>



# Work Group Goals and Strategies

**Goal 1:** The TDHCA provides for the housing needs of individuals and families of low, very low, and extremely low income and families of moderate income who may seek housing in reinvestment zones.

**Strategy 1:** The Section 8 Housing Choice Voucher Program provides rental assistance payments on behalf of low-income individuals and families, including the elderly and persons with disabilities. The program provides financial assistance for decent, safe and sanitary housing to eligible households whose annual gross income does not exceed 50 percent of U.S. Department of Housing and Urban Development’s (HUD) median income guidelines. HUD requires 75 percent of all new households admitted to the program be at or below 30 percent of the area median income.

for Bootstrap. This self-help housing construction program provides opportunities for very low-income households and persons with special needs to purchase or refinance real property on which to build new housing or repair existing homes through “sweat equity.”

**Program Background:** The Section 8 Housing Choice Voucher Program was created by the Housing and Community Development Act of 1974. Funds for Section 8 are provided by the U.S. Department of Housing and Urban Development. If a community is interested in utilizing Section 8, the local unit of government must adopt a resolution agreeing to administer the program in accordance with all applicable rules and regulations. TDHCA is one of several different public housing authorities that run Housing Choice Voucher Section 8 programs across Texas. Each public housing authority covers a specific service area.

The Program of Potential Ownership Opportunities in Reinvestment Zones is a self-help housing construction program that assists very low-income households (owner-builders) to purchase or refinance real property on which to build or repair housing by contributing the labor themselves. The maximum Bootstrap loan is \$45,000 per household and 0 percent interest for a term of up to 30 years. Owner-builders leverage their Bootstrap loan with additional funds from other sources.

**Goal 2:** The DOB promotes financial education through webinars, publications and consumer information available on the agency website.

**Strategy 1:** The DOB promotes financial education initiatives through quarterly webinars. These events will be primarily conducted in collaboration with the Office of Consumer Credit Commissioner (OCCC), federal agencies and statewide organizations.

**Program Background:** The DOB, in collaboration with the OCCC, promotes financial education as part of its effort to assist in increasing financial education for Texans. These presentations are free and usually followed by a 15-minute question and answer session. Some of the topics address the needs of unbanked communities. In addition, webinars may be presented in collaboration with associations, such as the Texas



The maximum Bootstrap loan is \$45,000 per household and 0 percent interest for a term of up to 30 years.

**Strategy 2:** Provide Potential Ownership Opportunities in Reinvestment Zones. TDHCA administers the Owner-Builder Loan Program, commonly known as the Texas Bootstrap Loan Program (Bootstrap). Each year, the TDHCA is required under Texas Government Code, Section 2306.753(d) to set aside at least two-thirds of Bootstrap funds for owner-builders whose property is in a census tract that has a median household income not greater than 75 percent of the median state household income for the most recent year statistics available.

For fiscal 2022, TDHCA announced the availability of \$5.1 million from the Texas Housing Trust Fund

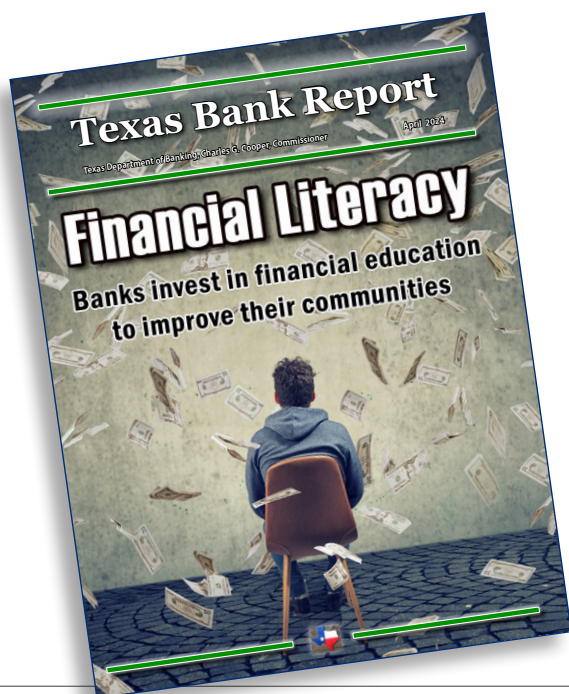
Bankers Association (TBA), and federal agencies, including the Federal Deposit Insurance Corporation (FDIC) and the Federal Reserve Bank of Dallas (FRB-Dallas), promoting programs that enhance financial education.

Webinars are promoted through [Industry Notices](#) sent to state-chartered banks; school districts; TBA and Independent Bankers Association of Texas (IBAT); and advocacy organizations such as Texas Appleseed, RAISE Texas, and Every Texan. Industry Notices are also sent to the Texas Credit Union Department, FDIC, FRB-Dallas, Office of the Comptroller of the Currency (OCC), and Consumer Financial Protection Bureau (CFPB). DOB publishes notices of all webinars on its website and promotes them on LinkedIn.

As part of its efforts to promote financial education, DOB also participates in conferences sponsored by the TBA.

**Strategy 2:** In partnership with other state and federal agencies, the DOB promotes financial education through publications and providing links to state-wide financial education resources in the Consumer Information section of the agency's [website](#).

**Program Background:** The [Texas Bank Report](#) is published semi-annually by the DOB, which contains articles on regulatory developments and “hot topics” for banks and trust companies. In addition, the Texas Bank Report routinely contains articles related



to financial education initiatives by Texas state-chartered banks. This report is also available on the [Publications](#) page of the agency's website.

In-School Banking is a financial education initiative promoted on the DOB's website. State-chartered banks may establish an In-School Banking program as authorized by [7 TAC Section 15.44](#). The Finance Commission of Texas, the oversight body of the DOB, adopted this rule in 2008, which outlines the requirements for establishing a Center of Monetary Education for Texans (COMET). The COMET program provides a state-chartered bank with the opportunity to educate students on the principles of personal financial management, banking operations and the advantages of saving for the future via in-school banking programs. To take full advantage of this opportunity, a state-chartered bank must provide the DOB 30 days' written notice of its intent to open a COMET.

The [Consumer Information](#) page contains material and links to a variety of resources designed to help consumers make informed decisions about budgeting, credit, asset building, savings and debt management through financial education. This page also includes resources for bankers. Additionally, information and links to a variety of financial education programs and curricula are provided in the DOB's financial education [brochure](#). The brochure highlights financial education material from federal organizations such as the FDIC, FRB-Dallas, and the CFPB, as well as non-profit organizations such as Junior Achievement and Texas Jump\$tart Coalition.

In addition, the DOB maintains the [Texas Prepaid Funeral Contracts](#) website, which provides information to enable consumers to make informed decisions relating to the purchase of prepaid funeral contracts. The website includes [Frequently Asked Questions](#), [General Information](#) on funeral planning, and a [Prepaid Funeral Planning Brochure](#).

**Goal 3:** The TDI will protect the fair treatment of consumers and ensure fair market competition in regulated insurance markets. Benefits to consumers and companies include greater choices in insurance products and meaningful resources on insurance question.

**Strategy 1:** TDI oversees residual markets in Texas. Residual insurance markets or “markets of last resort” exist to provide coverage when people are unable to

get insurance in the private market. The programs that fulfill this strategy are:

- TWIA (Texas Windstorm Insurance Association) – Wind and hail insurance coverage for residents of 14 coastal counties who have been declined for coverage.
  - » Policies in force: 268,050.
  - » Exposures: \$109,262,489,100.
  - » Premium Written Fiscal Year Ending Aug. 31, 2024: \$519,453,476.



Texas Windstorm Insurance Association has provided wind and hail insurance coverage for residents of 14 coastal counties who have been declined for coverage.

- FAIR Plan (Fair Access to Insurance Requirements) – Residential insurance for consumers in Texas who have been declined residential coverage.
  - » Policies in force: 101,205.
  - » Exposures: \$27,322,250,215.
  - » Premium Written Fiscal Year Ending Aug. 31, 2024: \$156,059,146.
- TAIPA (Texas Auto Insurance Plan Association) – Auto liability insurance coverage for consumers in Texas who have been declined auto liability coverage.
  - » TAIPA received 1,391 applications (1,228 private passenger and 163 commercial) as of Aug. 31, 2024.

**Program Background:** Each of these programs (TWIA, FAIR Plan and TAIPA) provide coverage to Texans declined coverage in the private market. Private market insurers are required to participate in the operations of these programs.

**Strategy 2:** The State Fire Marshal’s office provides oversight for the Public Protection Classification (PPC).

- The Texas State Fire Marshal’s PPC oversight officer provides the following services:
  - » Approve/disapprove PPC rating recommendations.
  - » Mediate complaint resolution.
  - » Technical assistance to departments.

**Program Background:** PPC is the countrywide classification system used by the Insurance Services Office, also known as ISO Mitigation, to grade a community’s local fire protection. ISO Mitigation is an organization that provides property and casualty insurance risk information to insurance companies.

Communities get a PPC score from one to 10.

- One means the community has superior property fire protection.
- Ten means the community’s fire protection efforts don’t meet ISO’s minimum criteria.

Most home and business insurers use PPC scores to determine insurance premiums. Businesses and individuals in a community with a good PPC score typically pay less for fire insurance.

**Goal 4:** TDI will increase consumer education through publications and videos by providing information on available insurance options and insurance-related topics.

**Strategy 1:** TDI develops helpful information to demystify insurance, remind consumers to check their coverage and policy language, and hosts websites for consumers to shop and compare coverage. TDI also produces information for insurance companies and professionals to ensure Texans are being served in consumer-friendly ways and in accordance with the law.

TDI develops and disseminates consumer education materials to increase financial and insurance literacy, reduce confusion, and increase understanding of insurance. Content includes:

- Insurance tips.
- Videos.
- Blogs.
- Podcasts.

TDI offers InsurED webinars. The webinars are opportunities for TDI staff to share information and tips with those in the insurance industry. The four webinars so far have had more than 1,367 attendees.

**Strategy 2:** TDI Customer Operations helps Texans through the review and resolution of insurance-related complaints. TDI administers the independent dispute resolution system for out-of-network claim disputes between medical providers and health plans.

- Resolved more than 18,000 complaints, helping consumers get more than \$67 million in additional claim payments and premium refunds during fiscal 2024.
- Processed 465,986 eligible independent dispute resolution requests representing \$4.1 billion in disputed payment amounts.

**Program Background:** TDI provides consumer tips and information, issues news releases, and develops content for social media and other communications. The agency maintains a website and social media accounts, produces videos and oversees an email subscription service to send out agency news and updates to provide information to Texans.

Also, Senate Bill 1264, passed in 2019, bans balance billing for certain medical services or supplies received on or after Jan. 1, 2020. Health plans and out-of-network providers and facilities must use the Independent Dispute Resolution Portal to mediate or arbitrate disputes:

**Mediation:** Used for billing disputes between out-of-network facilities and health plans.

**Arbitration:** Used for billing disputes between out-of-network health care providers (not facilities) and health plans.

**Goal 5:** TDI will protect and ensure the fair treatment of all consumers and implement statutory programs to increase transparency and public resources.

**Strategy 1:** TDI administers websites as directed by legislation that allow Texas consumers to compare insurance coverage and health care costs.

- TDI requires the top 25 insurance groups to report automobile and residential property sample rate data for use in the HelpInsure website for consumers to compare rates and coverage types.

- TDI collects information from health plans regulated by TDI to create [TexasHealthPlanCompare.com](https://www.texashealthplancompare.com) for consumers to find and compare health plans. Consumers can view monthly costs, deductibles, the maximum amount they will need to pay for covered services and more.

TDI collects data from health plans to determine how much they pay doctors and hospitals for specific medical services. This is used to create information on more than 200 of the most common surgeries, tests and other procedures. Consumers can search [TexasHealthCareCosts.org](https://www.texashealthcarecosts.org) by ZIP code to get the average amount billed for a medical service and the average insurance payment.

**Program Background:** TDI collects data from insurers for these statutorily created programs and compiles the information in a user-friendly website. Consumers can compare automobile, residential property and health insurance coverages to help them make informed insurance decisions. Consumers can also find the average cost of common medical procedures in their area to help them assess estimates they receives from providers and insurers.



TDI collects data from health plans that are used to create information on more than 200 of the most common surgeries, tests and other procedures.

**Goal 6:** The EDT serves to positively impact the economic prosperity of Texas by:

- Marketing and promoting Texas as a premier business location and tourist destination.
- Facilitating new jobs and investment through the location, expansion, and retention of national and international investments.
- Administering state incentive programs for business and community development.
- Providing businesses assistance exporting products and services to international markets.
- Serving as a central source of economic research.
- Establishing strategies to address economic growth in targeted industries.

**Strategy 1:** EDT will administer economic development programs to benefit private companies and the communities in which they locate or expand.

**Program Background:** The EDT, within the Office of the Governor, markets and promotes the state of Texas as a premier business location and travel destination. Under Governor Greg Abbott’s leadership, the office works closely with regional and community partners to ensure that Texas remains the top state for business in the country. Economic development programs, funds and grants administered by EDT include the Texas Enterprise Fund (TEF), Texas Small Business Credit Initiative (SBCI), the Texas Travel Industry Recovery Program (TTIR), the Texas Micro-Business Disaster Recovery Loan Program, and the Office of Small Business Assistance (OSBA).

1. TEF awards “deal-closing” grants to companies considering a new expansion project for which one Texas site is competing with other out-of-state sites. The fund serves as a performance-based financial incentive for those companies whose projects would contribute significant capital investment and new employment opportunities to the state’s economy.

Award amounts are determined using an analytical model applied to each TEF applicant. This model determines whether Texas will see a full return on its investment within the period of a project contract due to the resulting increase in sales tax revenues. Variations in award amounts are influenced by the number of jobs to be created, the expected timeframe for hiring, and the average wages to be paid. Each applicant undergoes a thorough 11-step due diligence process. Corporate activity, financial standing, tax status, legal issues, credit ratings, and estimated economic impacts, as well as the business climates of competitive locations are assessed for each project and taken into consideration for all award decisions. Past awards have generally ranged from \$1,000 to \$10,000 per job.

2. EDT administers the TSBCI, which comes from the federal State Small Business Credit Initiative (SSBCI). On March 11, 2021, the U.S. Congress enacted the American Rescue Plan Act, which, in part, provides \$10 billion to fund SSBCI. Administered by the U.S. Department of the Treasury, this initiative is the second installment of the program originally passed under the Small Business Jobs Act of 2010.

The objective of SSBCI is to support state programs that provide resources to assist small business growth and create new jobs through increased access to small business funding. In addition, the program will assist small businesses that are traditionally marginalized and those that have been impacted by the COVID-19 pandemic. TSBCI is expected to allocate more than \$472 million and the state of Texas is focused on staying apprised of the latest program information released by the U.S. Department of the Treasury.

Through participating financial institutions, Texas administers two TSBCI Programs: The Capital Access Program (CAP) and the Loan Guarantee Program (LGP).



The LGP provides guarantees of up to 80 percent of unpaid principal on enrolled loans.



## Capital Access Program

CAP supports small businesses by working with financial institutions including banks, credit unions, and Community Development Financial Institutions (CDFIs), to offer small business loans. To encourage lenders to make loans to small businesses that struggle to access capital, the CAP provides matching portfolio insurance premium payments to a Loan Loss Reserve (LLR) account created for each participating financial institution. The more loans a lender makes, the more coverage the lender has in the LLR. If a loan is charged-off, the lender can recover up to 100 percent of the charged-off principal. By reducing the lender's portfolio risk, the program provides financial institutions the additional assurance needed to extend loans to small businesses that otherwise face challenges in accessing capital.

## Loan Guarantee Program

LGP supports small businesses by working with financial institutions including banks, credit unions, and CDFIs to offer small business loan guarantees. The LGP provides guarantees of up to 80 percent of unpaid principal on enrolled loans. By providing loan guarantees, the program provides financial institutions the additional assurance needed to extend loans to small businesses that otherwise face challenges in accessing capital.

3. TTIR is administered by the Economic Development Finance team within EDT. The TTIR Program was established by Senate Bill 8 and signed into law by the governor following the 87th Legislature, Third Called Session to administer \$180 million received from the Coronavirus State Fiscal Recovery Fund under the American Rescue Plan Act of 2021.

The TTIR Program was established to provide one-time reimbursement grants of up to \$20,000 for the recovery of Texas businesses in the tourism, travel and hospitality industries that were negatively impacted due to COVID-19. This program closed on Aug. 31, 2024, with Economic Development Finance issuing 4,641 grants to reimburse eligible costs to qualifying businesses.

4. The Texas Micro-Business Disaster Recovery (MBDR) Loan Program was created during the 87th Legislature (House Bill 3271) and signed into law on June 18, 2021, by Governor Greg Abbott to facilitate loans from Community Development Financial Institutions (CDFIs) to micro-businesses

affected by declared disasters. The Texas MBDR Loan Program will provide zero-interest loans to eligible CDFIs for purposes of making interest-bearing loans to qualifying micro-businesses that have difficulty in accessing capital following a declared disaster. All income received on a loan made by a CDFI participating in the program is the property of the financial institution. Income received on a loan includes the payment of interest by a borrower micro-business and the administrative fees assessed by the CDFI.



The OSBA offers small business series events in-person and webinars to educate members of the entrepreneurial and small business communities about the challenges involved in starting, operating and growing a business.

5. OSBA promotes financial education through webinars, publications and consumer information available on the agency website. The OSBA works with local, state and federal partners to offer online webinars and host the Governor's Small Business Series events in cities across Texas. These in-person events and webinars educate members of the entrepreneurial and small business communities about the challenges involved in starting, operating and growing a business while highlighting available opportunities, tools and resources. The events allow business owners to meet lenders; learn about financing options, insurance, and health care concerns; licensing; professional development initiatives; exports; and other small business matters. They recognize the achievements of local small businesses and the contributions they make to their local economies. Events and webinars focus on:
  - Workforce and skills development.
  - Skills for Small Business program (Texas Workforce Commission).

- Business start-up essentials and demystifying the lending process.
- Marketing and social media tools, cybersecurity and data management.
- Networking, connecting to other businesses and building capacity.
- Contracts and procurement opportunities with federal, state and local government agencies.
- Promoting entrepreneurship and access to capital, opportunities and resources for small, mid-size and historically underutilized businesses.
- Export trade opportunities and resources.
- Governor’s Small Business Awards.

**Goal 7:** The Texas Broadband Development Office, housed within the Comptroller’s office, will administer state and federal grant programs to help bridge the digital divide in communities across Texas.

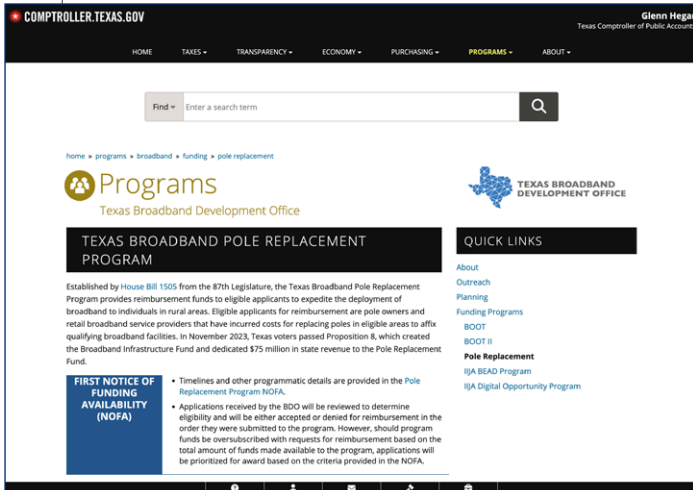
**Strategy 1:** The Broadband Development Office will award competitive grant funding to eligible communities and entities to increase access to high-speed internet.

in underserved areas. BDO also provides a variety of tools and resources supporting the expansion of broadband access across Texas. The digital divide is a significant issue that extends throughout Texas, where the latest data indicate almost 2.8 million Texas households and 7 million people lack broadband access. In 2016, well before the pandemic, the [Federal Reserve Bank of Dallas](#)<sup>10</sup> found that the gap between those with broadband access and those without — often called the digital divide — “leads to further economic, social and political disparities for low-income and underserved populations.” Many of the barriers to expansion in Texas concern the state’s size, varying population densities and even its terrain.

### American Rescue Plan Act Capital Projects Fund

The American Rescue Plan Act (ARPA) of 2021 established the Coronavirus Capital Projects Fund (CPF) to help states and territories respond to the COVID-19 pandemic by funding critical capital projects that enable work, education and health monitoring. The CPF allocated approximately \$500 million to the state of Texas to fund capital projects, including broadband needed to access critical services.

From CPF funds, BDO developed the Bringing Online Opportunities for Texas (BOOT) Program and awarded \$11.9 million to connect 1,578 locations across Texas (1,477 residences, 86 businesses and 15 community anchor institutions) with high-speed, affordable internet by Dec. 31, 2026. On July 11, 2024, the BDO published a second Notice of Funding Availability (NOFA) and made \$426.5 million available for the BOOT II Program. BDO also established and allocated \$6 million to the Technical Assistance Program (TAP) that is providing [32 counties](#) with broadband planning and consulting services at no cost. To close the digital divide across Texas, BDO awarded \$23.8 million to the Texas Rural Hospitals Broadband Program administered by TDA to improve high-speed internet access to eight rural Texas hospitals. BDO awarded \$9.4 million to the Library Infrastructure and Facility Access Improvement Grant Program administered by the Texas State Library and Archives Commission to improve the high-speed connectivity of 85 public libraries across the state. And BDO awarded \$6 million to the El Paso District Safety Rest Area Broadband Infrastructure Project administered by the Texas Department of Transportation to provide reliable



**Strategy 2:** The Broadband Development Office will provide resources and information on how to develop and improve digital literacy skills.

**Program Background:** The Broadband Development Office (BDO) was established by the Texas Legislature in 2021 and is operated by the Texas Comptroller of Public Accounts. BDO awards grants, low-interest loans and other financial incentives to internet service providers who expand access to broadband service

internet access to six safety rest areas in remote locations in the El Paso area.

### Infrastructure Investment and Jobs Act (IIJA) Programs

The 2021 IIJA supports state organizations and their push toward energy efficiency, sustainability and workforce development. Authorized by the IIJA, the Broadband Equity, Access, and Deployment (BEAD) Program has \$3.3 billion in funding availability to bring universal broadband access across the nation. The BDO expects to begin accepting applications in the first quarter of 2025. Funding will be used to support infrastructure connecting unserved/underserved homes and business to affordable, reliable internet.

Authorized by the IIJA, the State Digital Equity Planning Grant (SDEPG) Program totals \$3.1 million and is intended to assist states develop digital opportunity plans to access further federal funding. The BDO’s Texas Digital Opportunity Plan (TDOP) was approved on March 28, 2024, and it will identify barriers and opportunities for the state to ensure individuals and communities have adequate training, skills and devices needed to benefit from the internet.

Authorized by the IIJA, the State Digital Equity Capacity Grant (SDECG) Program totals \$55.6 million, and it intends to support states to operationalize the goals and strategies set through the SDEPG. On May 27, 2024, the BDO submitted its application to the federal government to access SDECG funds. Once awarded, the BDO will back up programs to support digital opportunities in Texas.

### Broadband Infrastructure Fund (BIF)

The BIF was created to improve broadband access and services in the state. The BIF totals \$1.5 billion from state revenue and it intends to support the BDO’s mission of closing the digital divide in Texas. BIF dedicates \$155.2 million to the Next Generation 9-1-1 Fund. Additionally, \$75 million will support the Texas Broadband Pole Replacement Program, which provides reimbursement for the expedited deployment of broadband in eligible rural areas. From this fund, \$18.5 million have been awarded to 17 counties across the state, helping rural areas achieve broadband speeds of 1 gigabit per second or greater. The remainder of the fund can be used to support a 25 percent match requirement through the BEAD Program, as well as support other broadband expansion efforts across the state.

**Goal 8:** The Work Group will periodically publish the status of the Work Group’s progress in meeting their respective goals and highlighting CRA related programs in Texas and how they impact Texans annually.

**Strategy 1:** The Comptroller will (a) make available space on the CPA’s Local Government and *Fiscal Notes* publication webpages; (b) publish articles highlighting the importance of community reinvestment; and (c) provide links to the report to all other members that can be shared with their constituencies.



**Program Background:** *Fiscal Notes* is one of the ways in which the Comptroller’s office strives to assist taxpayers and the people of Texas. The newsletter is a byproduct of the Comptroller’s constitutional responsibilities to monitor the state’s economy and to estimate state government revenues.

*Fiscal Notes* also provides a periodic summary of Texas state government’s financial statements.

Articles and analysis appearing in *Fiscal Notes* do not necessarily represent the policy or endorsement of the Texas Comptroller of Public Accounts. Space is devoted to a wide variety of topics of Texas interest and general government concern.

In March of 2023, *Fiscal Notes* published [“Texas Broadband Development Office Charging Ahead,”](#) highlighting federal grant initiatives for broadband expansion. The article indicates that broadband connectivity expansion in Texas will have a positive impact on state revenue, expand customer accessibility, and increase job opportunities across rural Texas.

Similarly, [“Six ways Texas is closing the digital divide,”](#) published in August of 2024, covers funding opportunities from the Broadband Development Office for projects that will expand internet service in underserved areas.

In October of 2024, *Fiscal Notes* issued [“Housing affordability gap hits Texas,”](#) which offers a comprehensive view into the rapid decline of housing affordability in Texas since 2019. Some of the reasons cited for such decline include a housing construction shortage fueled by the 2007-08 crisis and the accelerated domestic migration to metro areas across Texas.

*Fiscal Notes* provides information, original research, and balanced analysis on the Texas Economy.

**Goal 9:** Texas Department of Agriculture (TDA) will respond to 100 percent of all constituent calls and emails. Depending on the inquiry, TDA will refer the individual to the appropriate TDA team or partner agency.

**Program Background:** Texas Community Development Block Grant (TxCDBG) Program provides funding to support basic human needs and sanitary infrastructure to rural communities. Eligible communities may apply for financial assistance to address clean drinking water, sanitary sewer systems, disaster relief and urgently needed projects including housing, drainage and flood control, navigable streets and community centers.

Proposed activities funded through the TxCDBG Program must meet one of three U.S. Housing and Urban Development (HUD) National Program

**Objectives:** Principally benefit low- and moderate-income persons, aid in the elimination of slums, or meet other urgent community development needs that represent an immediate health or safety threat to community residents.

The program serves approximately 1,000 HUD-designated, non-entitlement cities and 244 HUD-designated, non-entitlement counties or rural communities. Non-entitlement cities are those with populations of fewer than 50,000; non-entitlement counties are those with fewer than 200,000 persons in their non-entitlement cities and unincorporated county areas.

- In fiscal 2022, 360,649 people were served via \$74,740,573 in funding.
- In fiscal 2023, 1,948,537 people were served via \$78,557,372 in funding.
- In fiscal 2024, 272,634 people were served via \$68,893,742 in funding.

Below is a summary of the TxCDBG Programs:

- The Colonia Construction Fund provides funds for water and wastewater improvements, housing rehabilitation for low- to moderate-income (LMI) households, and the payment of assessments levied against properties owned and occupied by LMI persons to recover the capital cost for a public improvement and other improvements.
- The Community Development Fund is the largest fund in the TxCDBG program. Every biennium, eligible cities and counties may apply through a regional competition. Eligible activities include infrastructure projects such as drainage, sewer, and water system improvements; housing rehabilitation; and improvements to bridges and streets.



Photo source: Texas Department of Agriculture

The Colonia Construction Fund provides funds for water and wastewater improvements, housing rehabilitation for low- to moderate-income (LMI) households.

**Strategy 1:** TDA provides business and community assistance daily by connecting and educating business owners, agricultural producers and rural communities throughout the state on the available resources both inside and outside the agency.

- The Downtown Revitalization Program provides funds to support infrastructure improvements that are contributing to the deterioration of a community’s downtown or main street area.
- The State Urgent Need Fund provides funding to address disaster-related damage to public infrastructure and utilities and mitigation measures. This program is available following natural disasters that are not eligible for federal disaster assistance.

### Marketing and Outreach

Texas helps lead the nation in the production, sales and export of agricultural, food and beverage products. TDA plays an active role in promoting the state’s diverse agriculture sector through programs to promote Texas agricultural products, goods and services, along with providing technical assistance to rural communities that are the backbone of the industry.

The GO TEXAN program is a TDA initiative dedicated to identifying and supporting Texas-based businesses and connecting them with customers across Texas and around the world. TDA continues to evaluate the GO TEXAN program to ensure the program continues to grow and that it can provide the more than 1,950 GO TEXAN Partners with unique and effective assistance and support.



In addition to its financial assistance programs, TDA provides extensive technical assistance to businesses and communities throughout the state.

In 2023, TDA assisted more than 3,400 individual businesses and 888 communities.

### Texas Agricultural Finance Authority (TAFE)

Through TAFE, TDA manages several programs to support agricultural producers and businesses throughout the state. Several TAFE programs are designed to stimulate agricultural lending in partnership with commercial banks.



Photo source: Texas Department of Agriculture

TAFE provides financial assistance to support Texas’ agricultural industry and further rural economic development.

The Agricultural Loan Guarantee Program provides financial assistance to Texas’ farmers, ranchers and other agricultural businesses as a loan guarantee. The program works in partnership with community banks to guarantee an eligible loan up to:

- \$750,000 or 70 percent of the loan, whichever is less.
- \$500,000 or 80 percent of the loan, whichever is less.
- \$250,000 or 90 percent of the loan, whichever is less.

The Interest Rate Reduction Programs facilitate lower interest rates to eligible applicants through a commercial lender that is an approved state depository.

The Agricultural and Community Economic Development (ACED) Loan provides a source of capital for Texas-based entities (non-profit or for-profit) in partnership with financial institutions to support the agricultural industry or promote rural economic development.

TDA in conjunction with TAFE launched the Texas Rural Community (TRC) Loan to provide access to needed capital with favorable terms to rural political subdivisions and economic development corporations supporting agricultural businesses and/or furthering rural economic development. Proceeds of these obligations may be used for a wide array of projects from infrastructure to business development activities.

TDA also manages the Young Farmer Grant (YFG) Program. The YFG Program is a competitive grant program to support Texas farmers and ranchers

between the ages of 18 and 46. The program is designed to support projects that are strengthening and supporting Texas agriculture, impacting the applicant's community, and meeting a financial need that is otherwise not met.

### State Office of Rural Health (SORH)

SORH serves approximately 350 rural health clinics, benefiting nearly 3 million rural residents and everyone who travels to or through rural Texas. The office works with local, state and federal partners to develop, support and coordinate programs and services to improve access to health services in rural areas of the state.

The AgriStress Helpline is a confidential resource that helps people in the agricultural community access mental health resources and information. The crisis service helpline was designed by TDA in partnership with the national nonprofit AgriSafe Network and the Southwest Ag Center at the University of Texas at Tyler. This initiative is part of the broader TDA Farmer Mental Health and Suicide Prevention Program that seeks to reduce the stigma around mental health.



The SORH serves approximately 163 rural health clinics, benefiting nearly 3 million rural residents and everyone who travels through Texas.

SORH also manages the Rural Health Facility Capital Improvement Program (CIP). CIP provides grant funding to rural public and non-profit hospitals to make capital improvements to existing facilities, construct new health facilities or to purchase capital equipment.

One of rural health care facilities' biggest challenges is employee recruitment and retention. SORH recently launched the Rural Nursing Recruitment and

Retention Program (RNRR). RNRR provides funds to eligible facilities to incentivize nurses to work, or continue to work, in their facility by providing a stipend assistance program.

**Goal 10:** TDA is planning to update the TxCDBG rural economic development grant program in 2025/2026.

**Strategy 1:** TDA continues to evaluate existing programs and funding streams to ensure TDA's portfolio of programs addresses the needs and priorities of our stakeholders. In 2022, TDA launched the Rural Economic Development Pilot Program to provide grant funding to rural communities to prepare a strategic economic development plan and subsequent funding to implement the plan. TDA will review the outcomes of the pilot to determine the best approach to fund rural economic development projects and address the unique challenges impacting rural Texas.

**Program Background:** The TxCDBG Program provides funding to support basic human needs and sanitary infrastructure to rural communities. The planned rural economic development program will provide rural communities with funding to address their unique economic development priorities.

This strategy is in development. Please reach out to TDA with any questions.

## Endnotes

- <sup>1</sup> Texas Comptroller of Public Account; “What Does the Agency Do?,” <https://comptroller.texas.gov/about/mission/#:~:text=The%20agency%20is%20committed%20to,officials%2C%20HUBs%20and%20everyday%20Texans>
- <sup>2</sup> Eugene A. Ludwig, James Kamihachi, and Laura Toh; Federal Reserve Bank of San Francisco; “The Community Reinvestment Act: Past Successes and Future Opportunities,” February 2009; <https://www.frbsf.org/research-and-insights/publications/community-development-investment-review/2009/02/cra-community-reinvestment-act-success-opportunities/>
- <sup>3</sup> Federal Reserve Bank of St. Louis; “The Community Reinvestment Act’s History and Future,” January 2018; <https://www.stlouisfed.org/on-the-economy/2018/january/community-reinvestment-act-history-future>
- <sup>4</sup> Office of the Comptroller of the Currency, the Federal Reserve Board, and the Federal Deposit Insurance Corporation; “Interagency Overview of the Community Reinvestment Act Final Rule,” October 2023; <https://www.occ.treas.gov/news-issuances/news-releases/2023/nr-ia-2023-117b.pdf>
- <sup>5</sup> U.S. Small Business Administration, Office of Advocacy; 2023 Small Business Profile-Texas; Pg 1-3; <https://advocacy.sba.gov/wp-content/uploads/2023/11/2023-Small-Business-Economic-Profile-TX.pdf>
- <sup>6</sup> Texas Workforce Commission; “Texas Labor Market Reached Historic Highs in 2023,” January 2024; <https://www.twc.texas.gov/news/texas-labor-market-reached-historic-highs-2023#:~:text=AUSTIN%20%E2%8E%AF%20The%20Texas%20labor,of%20new%20series%20employment%20highs>
- <sup>7</sup> Texas Workforce Commission; “Texas Labor Market Growth Continues into 2024,” March 2024; <https://www.twc.texas.gov/news/texas-labor-market-growth-continues-2024>
- <sup>8</sup> Texas Real Estate; First Quarterly Housing Report; March 2024; [https://www.texasrealestate.com/wp-content/uploads/2024\\_Q1\\_QuarterlyHousingReport.pdf](https://www.texasrealestate.com/wp-content/uploads/2024_Q1_QuarterlyHousingReport.pdf)
- <sup>9</sup> Texas Real Estate; First Quarterly Housing Report; March 2024; [https://www.texasrealestate.com/wp-content/uploads/2024\\_Q1\\_QuarterlyHousingReport.pdf](https://www.texasrealestate.com/wp-content/uploads/2024_Q1_QuarterlyHousingReport.pdf)

## Other Important Resources for Reference

- <sup>10</sup> Federal Reserve Bank of Dallas; *Engaging Workforce Development: A Framework for Meeting CRA Obligations*; 2016; <https://www.dallasfed.org/-/media/Documents/cd/pubs/workforce.pdf>

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