

TPA LEGISLATIVE OUTREACH SERIES

The oil and gas industry, of which pipelines are an integral part, is vital to the economy of Texas and the nation. TPA has reached out to Texas state legislators to inquire about the importance of the industry to the residents and businesses of their districts. Here, Rep. Ken King (R-Canadian), speaks about his district, which includes 17 counties in the Panhandle and the South Plains of Texas. Rep. King serves on the House Public Education Committee, the Licensing and Administrative Procedures Committee and the Energy Council. He currently serves as chairman of the House Culture, Recreation and Tourism Committee and is a member of the House Public Education Committee and the Energy Council. He also serves on the House Research Organization (HRO) Board of Directors. The HRO is an organization that provides unbiased information regarding each bill that is heard on the House floor. In addition, Rep. King is a member of various caucuses in the House, including the Rural Caucus, the Republican Caucus, the Energy Caucus, the Texas Legislative Manufacturing Caucus and the Sportsman Caucus.



CHAIRMAN KING ON HOW PIPELINES DELIVER PROSPERITY TO HIS TEXAS HOUSE DISTRICT

- Q.** A businessman in the energy services sector, you are also a former Canadian ISD School Board president and one of Texas' top public education experts – which is a relevant tie-in with the oil and gas industry, as its contributions are essential to state education funding. Can you talk about how important the industry is to the overall Texas budget, as well as its education funding?

A. The oil and gas industry is vital to public education. Last year alone, the severance tax put more than \$1 billion into the Foundation School Program, which is the primary funding source for all Texas schools. In general, Texas' budget depends on the productivity of oil and gas as well. Because these commodities are taxed on a percentage of production, the more production, the more money the state collects. Additionally, the jobs in these sectors provide high wages, which vitalizes the Texas economy through sales tax collections. Oil and gas is probably THE most important industry to the state of Texas.

Q. Are energy services a substantial source of jobs and tax revenues in your district? What benefits does it provide and why are they important?

A. About half of my district is oil and gas. Because of the high-paying jobs, it increases our local sales tax, which helps the entire tax base in those areas. Those higher wages allow individuals to be able to afford property, which helps our housing market, and incentivizes people to stay in small towns instead of leaving to make more money in the urban areas.

Q. How has the pandemic affected your district, and do you see the oil and natural gas industry as part of the recovery?

A. There was a lot of job loss in my district, like the rest of Texas, and this put a real strain on the unemployment offices. As we recover, like most recoveries in the past, we recover from higher food, fuel and fiber costs, all three of which are produced in House District 88. I believe my district, and the oil and gas industry as a whole, will be front and center in the recovery efforts.