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Noack explores local economic stimulus plan using CARES Act funds

SPRING – Montgomery County Precinct 3 Commissioner James Noack wants to put millions of dollars back in local taxpayers' hands in order to help stimulate the economy as the area recovers from the coronavirus pandemic.

Last Friday, the federal government deposited just under \$105 million into Montgomery County's account as part of the Coronavirus Aid, Relief, and Economic Security Act of 2020. The CARES Act provides that payments from this distribution cover costs incurred between March 1 and Dec. 30, 2020, which were necessary expenditures due to the COVID-19 public health emergency. Such expenditures cannot be accounted for in the current fiscal year budget as of March 27, the date the federal CARES Act was enacted.

Commissioner Noack understands that the country is facing two crises – one a worldwide pandemic; and the other involving the health of our economy, which has suffered crippling blows due to the ongoing government-mandated shutdowns.

Noack is proposing the use of a portion of local CARES Act funds go back to Montgomery County taxpayers in the form of stimulus checks. The amount of each check would be based on a percentage of last year's county property taxes paid by each individual or entity, similar to the federal government's formula of using AGI (adjusted gross income) to determine stimulus check amounts.

"The orders issued in Montgomery County and subsequently by Texas Governor Greg Abbott were to flatten the curve, not our economy," Noack said. "These federal funds are not a gift to Montgomery County taxpayers. These are their dollars; and the best use of these funds is to put them back in their hands."

Noack is committed to working with county, state and federal leaders to ensure that Montgomery County follows the guidelines of the CARES Act in order to make the best use of the funds allotted to Montgomery County. And he understands, for Montgomery County residents, that means providing economic relief and stimulus for the families and businesses that were drastically affected by the government-mandated shutdowns enacted to slow the spread of COVID-19.

“I hope state and federal leaders join Montgomery County in finding a way to make this happen,” Noack said. “We know it will take a total team effort at all levels to accomplish this.” One such example under Commissioner Noack’s proposal would be to distribute one-time stimulus checks representing a percentage of each property owner’s 2019 Montgomery County property taxes paid. This accounts for property taxes paid to the entity of Montgomery County, not school district, municipal or other governmental entities’ property taxes. Montgomery County collected approximately \$248 million in 2019 property taxes, each percent would put almost \$2.5 million back into the local economy to help jumpstart business.

After the distribution there would still be several millions of dollars for preparation of a potential second wave of COVID-19 this fall, such as to purchase PPEs, test kits and other COVID-related medical devices and services in order to benefit the healthcare community in its efforts to battle this ongoing pandemic.

“While the majority of Montgomery County residents were hardest hit in their pocketbooks over this time, everyone must recognize that we are not immune, and that we are all susceptible to this worldwide pandemic,” Noack said, “which is why the county should allot the remaining funds to battle this healthcare crisis by equipping our frontline first responders and medical professionals, and also provide quick and necessary testing for those affected.” The pandemic that swept across the states starting in early to mid-March has taken its toll over the past month and a half, with around a million confirmed cases and more than 53,000 deaths. With medical experts previously predicting hundreds of thousands of cases and tens of thousands of deaths across Texas, the local and state governments took action to curb the spread and protect the health of Texans.

As a result, non-essential businesses were asked to shut their doors for the time being and residents encouraged to stay home for the sake of long-term public health. Those efforts seemingly have paid off, even in Montgomery County where the 600,000-plus population had endured 506 cases and nine deaths as of Saturday.

Montgomery County was allotted \$104,983,285.40 of the \$11.2 billion given to Texas under the \$2 trillion federal economic relief effort that went into effect on March 27, 2020. This includes the \$150 billion coronavirus relief fund. The state of Texas was allocated approximately 55 percent of the \$11.2 billion, with the rest going to counties with a population of at least 500,000.

Commissioner Noack wants to provide relief for constituents who have sacrificed paychecks, jobs and even businesses for the health of Montgomery County, the state of Texas and the United States. What better way than to add another layer of economic relief through a local stimulus check.

Commissioner Noack knows that many other states, such as New York, have been devastated by the coronavirus and will be directing much of their federal funds toward medical care. However, for his constituents, the best use of the local allocated dollars will be to get residents back on their financial feet in order to provide for their families and put them in position to

provide for those in need, whether it be here in Montgomery County, across the Lone Star State or nation.

“Montgomery County has followed the president’s recommendations, CDC guidelines and the governor’s orders in directing our residents on best practices to prevent the spread of this dangerous and potentially deadly virus,” Noack said. “Now, as the CARES Act provision states, these funds should be used to cover the costs not accounted for. And the budgets hit the hardest by this pandemic are those of our hardworking citizens. These costs were incurred during the timeframe covered under the CARES Act and should be covered under the distribution and allotment of these federal relieve and stimulus dollars.”

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