

AGENDA MEMORANDUM

Future Item for the City Council Meeting of October 14, 2014 Action Item for the City Council Meeting of October 21, 2014

DATE: October 9, 2014

TO: Ronald L. Olson, City Manager

FROM: Tom Tagliabue, Director, Intergovernmental Relations

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RESOLUTION

Adopting the City of Corpus Christi's State Legislative Agenda for the 84th Texas Legislature.

CAPTION:

Adopting the City of Corpus Christi's State Legislative Agenda for the 84th Texas Legislature.

PURPOSE:

The City Council regularly adopts a legislative agenda prior to a new state and federal legislative session convening. The resolution identifies the policy and appropriations priorities of the City Council for the 84th Regular Legislative Session, which will run from January 13, 2015, through June 1, 2015, in Austin.

BACKGROUND AND FINDINGS:

The City Council conducted a workshop on legislative issues on September 16, 2014, and made a number of suggested additions to the issues previously identified by City staff.

<u>City's Internal Timeline for 84th Regular Session</u>

September 16, 2014 – City Council Workshop on Legislative Priorities September 29-October 3, 2014 - TML Annual Conference – Mayor Nelda Martinez becomes President of TML. TML approves legislative policy priorities. October 14, 2014 – Future Agenda – Legislative Priorities Presentation October 21, 2014 – Adoption – Legislative Priorities

The schedule for the 84th Session was corrected to reflect the January 1, 2015, inauguration date for new statewide elected officials (See Table 1 below).

TABLE 1 - 84th Legislature Schedule

| Monday, November 10, 2014 | Pre-filing of legislation for the 84th Legislature begins | | |
|---------------------------|------------------------------------------------------------|--|--|
| Thursday, January 1, 2015 | Attorney General, Comptroller, Land Commissioner, | | |
| | Agriculture Commissioner and Railroad | | |
| | Commissioner(s) sworn in | | |
| Tuesday, January 13, 2015 | 84th Legislature convenes at noon | | |
| Tuesday, January 20, 2015 | Governor and Lieutenant Governor are sworn in | | |
| Friday, March 13, 2015 | Deadline for filing bills and joint resolutions other than | | |
| | local bills, emergency appropriations, and bills that | | |
| | have been declared an emergency by the governor | | |
| Monday, June 1, 2015 | Last day of 84th Regular Session; corrections only in | | |
| | house and senate | | |
| Sunday, June 21, 2015 | Last day governor can sign or veto bills passed during | | |
| | the regular legislative session | | |
| Monday, August 31, 2015 | Date that bills without specific effective dates (that | | |
| | could not be effective immediately) become law | | |

The City's General State Legislative Policy (see Table 2 below) is used to guide the City's contract lobbyists and the Intergovernmental Relations Department in evaluating state and federal legislative proposals not covered by the City's specific legislative policy initiatives. No changes have been made to this list previously approved by Council.

TABLE 2. General State Legislative Policy

| TABLE 2. General State Legislative Folic | y |
|---------------------------------------------|-----------------------------------------------------|
| The City <u>SUPPORTS</u> legislation and/or | The City <u>OPPOSES</u> legislation and/or |
| administrative actions that: | administrative actions that: |
| Protect and enhance City revenues. | Undermine the principle of home rule and local |
| | control by the City. |
| Reduces or eliminates costs to the | Results in the loss of revenue or negatively |
| City. | impacts potential revenue growth to the City. |
| Supports local control. | Diminishes the authority of cities to regulate and |
| | manage their growth and development. |
| Protects policies previously established | Nullifies or undermines the City's policies |
| by City leadership through the | contained in existing provisions of the Charter, |
| Charter, ordinances, resolutions, and | ordinances, resolutions, and master plans, unless |
| master plans. | such changes expand the City's ability to manage |
| | its own affairs. |
| Provides increased educational | Imposes unfunded mandates that requires any |
| opportunities and job | expenditures by the City unless all costs are fully |
| creation/retention for the citizens of | reimbursed by the mandating governmental |
| Corpus Christi and the Coastal Bend | entity. |
| region through the Port of Corpus | |
| Christi authority, public schools, | |
| community colleges and universities | |

How the City Prioritizes State Legislative Policy Issues

The City's IGR Department identified three levels of importance on state legislative issues, which the City Council selects for each of the state appropriations or policy recommendations.

- ✓ Priority means the City will actively pursue and support/oppose the policy, including, if necessary, seeking introduction and passage of legislation. This would include purely local Corpus Christi bills, as well as very important legislation of statewide application.
- ✓ Actively Support/Oppose means the City will aggressively attempt to influence passage/defeat of a measure if it is introduced by some other entity.
- ✓ **Endorse** means the City will make its support or opposition known, but will not actively pursue the issue.

<u>Proposed State Legislative Agenda for 84th Texas Legislature in 2015</u>

The City's legislative agenda for the upcoming 84th Regular Session of the Texas Legislature in 2015 includes the following:

TABLE 3. City of Corpus Christi Legislative Agenda

| Category | Policy Area | Recommendation |
|----------|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Priority | Transportation Taxes | Support the passage of new, long-term, sustainable funding sources for transportation infrastructure; and the dedication of existing revenue generated from taxes, fees, or receipts related to transportation to the maintenance, improvement and expansion of roads, rail and public transportation. |
| Priority | | Provide cities and counties with additional local funding options and resources to address transportation needs that are not otherwise met by current funding sources or to offset any new transportation related costs or requirements by state or federal government. Examples could include gasoline tax, vehicle registration fee, an exemption of the sales tax cap, or other option. |
| Priority | Water Appropriations | Appropriate adequate funding for the Fiscal Years 2016-2017 biennium for the State of Texas to partner with local project sponsors to implement one or more seawater desalination projects to provide uninterruptible water supply and have corresponding positive impacts for water supplies in adjacent regions which will strengthen Texas' economy and sustain economic prosperity. |
| Priority | Military Appropriations | Appropriate \$150 million in grant funding to Texas Military Preparedness Commission to assist defense communities with military value projects that enhance the installation's mission, improve operational |

| | | efficiencies, and proactively address impacts from sequestration or other base realignment and closure activities that may happen in the future. |
|---------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Priority | Appropriation Military | Amend Chapter 436, Government Code, to increase the cap on project awards for the Defense Economic Adjustment Assistance Grant (DEAAG) program from \$2 million to \$5 million. |
| Priority | Tourism Taxes | Secure for Corpus Christi and Port Aransas an equitable two percent (2%) portion of the state's Hotel Occupancy Tax for Gulf and Bay beach cleaning, maintenance and coastal erosion exactly as already provided to other barrier island municipalities. |
| Priority | Windstorm Insurance | Windstorm insurance reform that restructures the governing board of the Texas Windstorm Insurance Association (TWIA) to put consumers on equal footing with insurance company members; creates incentives to promote voluntary coverage of windstorm and hail policies in the Texas seacoast; establishes a financial structure at TWIA that provides a stable, sustainable and affordable rate structure to be able to cover on an annual basis up to \$4.3 billion in loss claims at TWIA, would cover a 1-in-100 year storm; requires member insurance companies pay allowable assessments sooner; establishes a small statewide catastrophic storm fund to pay for excess losses, and structures a more financially beneficial re-insurance program. |
| Priority | Utilities Water | Amend Texas Utilities Code to allow municipalities to purchase energy wholesale from a co-generation facility to provide low-cost power for seawater desalination plant. |
| Priority | Municipal Authority Wind Farms | Amend Chapter 212, Local Government Code, to empower municipalities to regulate development of wind farms within a municipality's extraterritorial jurisdiction (ETJ). |
| Priority | Municipal Authority Design Build | Repeal the limitations in Chapter 2269, Government Code, on the number of design build civil works projects a governmental entity is allowed to undertake. |
| Actively Support | Transportation Appropriations | Appropriate funding to TxDOT and include specific riders in the General Appropriations Act for TxDOT securing funding for the construction of passing lanes for SH 361 between Corpus Christi and Port Aransas and for improvements to the Port Aransas ferry system. |
| Actively Support | Tourism Appropriations | Continue investing in Texas tourism promotion in the Governor's Office of Economic Development and Tourism |
| Actively Support | Tourism Public | Maintain the existing public school start date, which is vitally important to the tourism economy of the Coastal Bend. |

| | Education | |
|---------------------|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actively Support | Water | Amend statutes to eliminate impediments to development of water supply sources to meet the long-term needs of the State, whether it is through conservation, surface water, groundwater, aquifer storage and recovery, interbasin transfers, rainwater harvesting, or other strategies. |
| Actively Support | Transparency Local Government Taxes | (a) Oppose the improper expansion of ballot language designed to create confusion at the ballot box for taxpayers; (b) Minimize superfluous calculations that serve no meaningful or comparative purpose; (c) Resist information requirements which expand reporting without meaningful benefit; (d) Create consistent requirements for all political subdivisions, including the State of Texas; and (e) Eliminate data reporting redundancies. |
| Actively Support | Appropriations Air Quality | Texas Emission Reduction Program (TERP) – Free up \$1 billion of previously collected TERP funds to improve air quality in near non-attainment areas instead of using those funds to certify the state budget. |
| Actively Support | Municipal Authority | Amend Section 252.048 (c-1), Local Government Code, to increase in the administrative change order authority from \$100,000 to 5% of the base contract value, not to exceed \$500,000. |
| Actively Support | Natural Resources | Change notice requirements for public oil and gas waste disposal permit applications in watersheds. |
| | Water | |
| Endorse | Higher Education Appropriations Higher | Support appropriation requests by Texas A&M University-Corpus Christi for: (a) capital projects (Life Sciences Research and Engineering Building and Arts and Media Building) whether funded through tuition revenue bonds or other sources, (b) \$11.5 million exceptional item funding for the Lone Star Unmanned Aircraft System Center for Excellence and Innovation for engineering/computing support staff and research fellows critical to the continuing research and development and operation of the program, including support of command and control center operations, range management and operation, and increased test site programming efforts; (c) \$3 million exceptional item funding for expansion of engineering programs; and (d) \$400,000 exceptional item funding for two staff positions and operational funding to support clients and the continued development of the Coastal Bend Innovation Center program. Support appropriation/policy requests by Del Mar |

| | Education | College |
|---------|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Appropriations | |
| Endorse | Public Education | Ensure adequate resources (time, funding, Agency staffing levels, etc.) to support full implementation of House Bill 5 (83 rd Session, 2013). It takes time to expand course offerings to students so that they can choose among an array of endorsements. School counselors and registrars need professional development to assure that students and parents are making fully informed academic choices and that transcripts are interpreted consistently across the state. State and education service center leadership are needed to deliver sustained professional development, particularly at the middle and high school levels, to assure that instructional rigor is sufficient for students to be academically successful. |
| Endorse | Taxes Natural Gas | Allow the Corpus Christi Regional Transit Authority to sell compressed natural gas (CNG) to public (tax exempt) and private consumers (taxable) without losing its tax-exempt status. |
| Endorse | Texas Coalition for Affordable Power (TCAP) | Protect City Original Jurisdiction – Oppose efforts to reduce or eliminate the original jurisdiction of cities in rate cases. |
| Endorse | Texas Coalition for Affordable Power (TCAP) | Remove barriers to Utilizing Electric Transmission Right of Way for Municipally-Owned Hike and Bike Trails. |
| Endorse | Texas Coalition for Affordable Power (TCAP) | Promote public-private partnerships to develop small scale generation projects. This would renew an effort from the last regular legislative session. |
| Endorse | Appropriations Texas Recreation and Parks Society (TRAPS) | Maximize the use of revenues from the sporting goods sales tax and federal funds to increase funding for parks and recreation programs for both Local and State parks and that all Texas Recreation & Parks Account Local Park Grant Program (TRPA) and Urban Account funded park projects be subject to the established Texas Parks and Wildlife Department (TPWD) competitive scoring system. |
| Endorse | Appropriations Texas Recreation and Parks Society (TRAPS) | Restore funding to the TRPA and Urban accounts at Texas Parks and Wildlife Department in the amount of at least \$15.5 million per fiscal year (\$31 million for biennium). |
| Endorse | Credit Access Business Regulation | Support legislation to enhance state regulation of payday and auto title lending practices. Oppose legislation that preempts city regulations by ordinance. |
| Endorse | Workforce | Support \$3 million Exceptional Item request (\$1.5M per fiscal year) by the Texas Workforce Commission to |

| | Appropriations | enhance its Apprenticeship program for high-demand, |
|---------|----------------|----------------------------------------------------------|
| | | high skills jobs. |
| Endorse | Workforce | Support \$10 million Exception Item request (\$5M per |
| | | FY) by the Texas Workforce Commission for intensive |
| | Appropriations | and rapid response recruitment of high skills jobs for |
| | | companies expanding in or relocating to Texas. |
| Endorse | Workforce | Support \$20 million Exceptional Item request (\$10M per |
| | | FY) by the Texas Workforce Commission for the |
| | Appropriations | Accelerate Texas program to align high demand |
| | | occupational skill training with literacy and numeracy |
| | | training. |

ALTERNATIVES:

The Council can choose to:

- 1. Adopt the resolution.
- 2. Not adopt the resolution.
- 3. Make revisions to the resolution.

OTHER CONSIDERATIONS:

Additional legislative priority items may be presented to Council in the future as topics and circumstances warrant.

CONFORMITY TO CITY POLICY:

n/a

EMERGENCY / NON-EMERGENCY:

This is a non-emergency item.

DEPARTMENTAL CLEARANCES:

Deputy City Manager

Assistant City Manager for General Government and Business Support Services Assistant City Manager for Public Works and Utilities City Attorney

FINANCIAL IMPACT:

| □ Operating | □ Revenue | □ Capital | X Not applicable |
|-------------|-----------|-----------|------------------|
| | | | |

| Fiscal Year: 2014- 2015 | Project to Date Expenditures (CIP only) | Current Year | Future Year FY 15 | TOTALS |
|----------------------------|-----------------------------------------------|--------------|----------------------|--------|
| Line Item Budget | | | | |
| Encumbered / | | | | |
| Expended Amount | | | | |
| This item | | | | |
| BALANCE | | | | |

Comments: None

RECOMMENDATION:

Staff recommends adoption of the resolution.

LIST OF SUPPORTING DOCUMENTS: 1. Presentation 2. Resolution