



AGENDA MEMORANDUM
City Council Meeting of September 16, 2014

DATE: September 2, 2014
TO: Ronald L. Olson, City Manager
FROM: Tom Tagliabue, Director, Intergovernmental Relations Department
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361/826-3850

Workshop to develop state legislative policy priorities for 84th Regular Session of the Texas Legislature in 2015.

STAFF PRESENTER(S):

<u>Name</u>	<u>Title/Position</u>	<u>Department</u>
1. Tom Tagliabue	Director	Intergovernmental Relations

OUTSIDE PRESENTER(S):

<u>Name</u>	<u>Title/Position</u>	<u>Organization</u>
None		

BACKGROUND :

The City is being asked to develop a list of general guidelines and specific legislative proposals to advocate for and against during the 84th Regular Session of the Texas Legislature, which convenes on January 13, 2015, and adjourns *sine die* on June 1, 2015.

It is best practice for the City to provide recommendations of legislative policies to support and oppose. Typically these policy items are brought to the Council several months before a new Legislature has convened.

84th Legislature Make Up

There will be significant turnover in Texas Legislature in 2015, which could change the makeup, tenor, and tone of the decision making bodies. For the first time in more than 14 years, Texas will have a new governor in 2015. There will also be a new Lieutenant Governor, Attorney General, Comptroller of Public Accounts, and Commissioner of the Texas General Land Office – all leadership positions at agencies with which the City conducts business on a regular basis. In the Texas Legislature, there will be at least seven (more likely eight) new state senators out of 31 members (almost 23% turnover),

and potentially at least 23 new state representatives out of 150 members (about 15% new legislators with no experience). With the defeat or retirement of several moderate or mainstream Republican leaders in the Texas Senate and House, it is very possible that the already-conservative Texas Legislature could be an even more conservative body.

Table 1. 84th Legislature Schedule

Monday, November 10, 2014	Pre-filing of legislation for the 84th Legislature begins
Tuesday, January 13, 2015	84th Legislature convenes at noon Attorney General, Comptroller, Land Commissioner, Agriculture Commissioner and Railroad Commissioner(s) sworn in
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

Every session, thousands of bills are filed and many have the potential to either directly or indirectly impact the City, its programs and services, its citizens, the tax base, and community needs. An inordinate amount of effort and political capital are expended opposing bad or harmful legislation taking away from efforts to pass the City's actual priorities.

Table 2. Legislative Activity and Impacts to Cities

Session Number	Year	Total Bills Introduced*	Total Bills Passed	City-Related Bills Introduced	City-Related Bills Passed
73 rd	1993	4,560	1,089	800+	140+
74 th	1995	5,147	1,101	800+	140+
75 th	1997	5,741	1,502	1,100+	130+
76 th	1999	5,908	1,638	1,230+	130+
77 th	2001	5,712	1,621	1,200+	150+
78 th	2003	5,754	1,403	1,200+	110+
79 th	2005	5,369	1,397	1,200+	105+
80 th	2007	6,374	1,495	1,200+	120+
81 st	2009	7,609	1,468	1,500+	120+
82 nd	2011	6,303	1,410	1,500+	160+
83 rd	2013	6,061	1,437	1,700+	220+

**Includes bills and proposed Constitutional amendments; regular session only.*

Source: Texas Municipal League

The City’s General State Legislative Policy (see Table 3 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.

TABLE 3. General State Legislative Policy

The City <i>SUPPORTS</i> legislation and/or administrative actions that:	The City <i>OPPOSES</i> legislation and/or administrative actions that:
<ul style="list-style-type: none"> • Protect and enhance City revenues. • Reduces or eliminates costs to the City. • Support local control. • Protects policies previously established by City leadership through the Charter, ordinances, resolutions, and master plans. • Provides increased educational opportunities and job creation/retention for the citizens of Corpus Christi and the Coastal Bend region through the Port of Corpus Christi authority, public schools, community colleges and universities. 	<ul style="list-style-type: none"> • Undermine the principle of home rule and local control by the City. • Results in the loss of revenue or negatively impacts potential revenue growth to the City. • Diminishes the authority of cities to regulate and manage their growth and development. • Nullify or undermine the City’s policies contained in existing provisions of the Charter, ordinances, resolutions, and master plans, unless such changes expand the City’s ability to manage its own affairs. • Imposes unfunded mandates that requires any expenditures by the City unless all costs are fully reimbursed by the mandating governmental entity.

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.

City's Internal Timeline for 84th Regular Session

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 15, 2014 – Future Agenda – Legislative Priorities Presentation

October 22, 2014 – Adoption – Legislative Priorities

Potential State Legislative Priorities in 2015

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

Transportation

- 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.
- 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.

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 uninterrupted water supply and have corresponding positive impacts for water supplies in adjacent regions which will strengthen Texas' economy and sustain economic prosperity.
- 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.
- 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.
- Continue investing in Texas tourism promotion in the Governor's Office of Economic Development and Tourism

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.

Tourism

- 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.
- Maintain the existing public school start date, which is vitally important to the tourism economy of the Coastal Bend.

Natural Resources

- Change notice requirements for public oil and gas waste disposal permit applications in watersheds.
- 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.
- 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.

Municipal Authority

- Increase in the administrative change order authority from \$100,000 to the larger of \$500,000 or 5% of the base contract value.
- Amend statutes to empower municipalities to regulate development of wind farms within a municipality's extraterritorial jurisdiction (ETJ).

Higher Education

- 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.

The City Council is tentatively scheduled to consider the City's legislative priorities in late October 2015.

LIST OF SUPPORTING DOCUMENTS:

Presentation