

Texas Municipal League (TML) Midyear Conference



Ryan Skrobarczyk
Director, Intergovernmental Relations
April 9, 2024



TML Midyear Conference

TML Midyear Conference is designed for all city leaders and takes a strategic look at the big issues affecting our cities with executive briefings from top state officials.



Doug Griffiths
President and CEO
13 Ways Inc.



L'Oreal Stepney, P.E.
Board Member
Texas Water Development Board



W. Nim Kidd
Chief
Texas Division of Emergency Management



Gregory D. Winfree Esq.
Agency Director
Texas A&M Transportation Institute



Kathleen Jackson, P.E.
Commissioner
Public Utility Commission of Texas



Kel Seliger
Former Texas Senator



John Daly, Ph.D.
Professor
University of Texas at Austin



Texas Economic Development & Tourism (EDT)

Speaker: Larry McManus, Director of Business & Community Development

- Governor Abbott's EDT office has 7 offices or functions under its umbrella which provide for economic development



Economic Strength



Texas is the 8th largest economy in the world based on GDP, ahead of Russia, Canada, Italy & Brazil.



In 2023, Texas was the nation's top exporter for the 22nd year in a row.



Texas has the second largest civilian labor force in the nation—more than 15.2 million industrious people



With no corporate income tax and no individual income tax, Texas has one of the lowest tax burdens in the country.



Texas was #1 in the nation for jobs added in 2023 with 369,600 jobs.



Texas ranks #1 in the nation for foreign trade zone economic impact.



Texas Economic Development & Tourism (EDT)

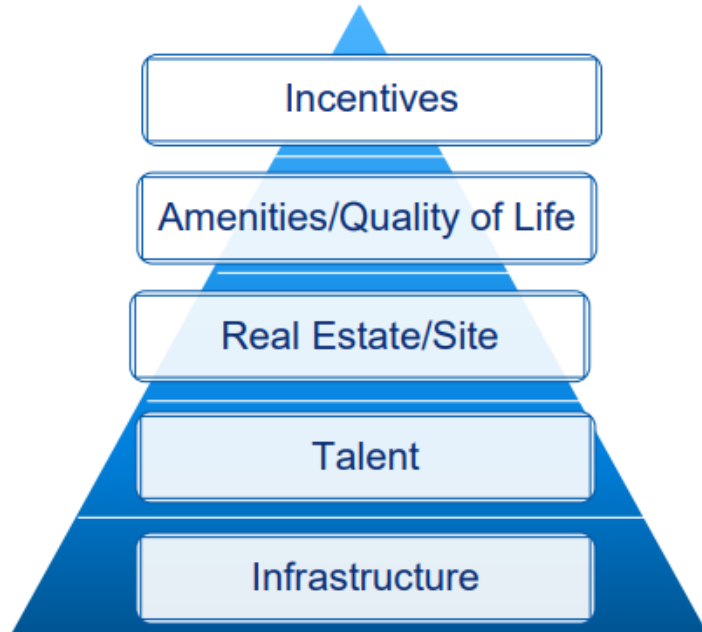
Key industries targeted for growth by Governor Abbott's team include:

- Information Technology
- Advanced Manufacturing
- Petroleum Refining & Chemical Products
- Biotechnology & Life Sciences
- Corporate Services
- Aerospace, Aviation, & Defense
- Energy
- Creative



Texas Economic Development & Tourism (EDT)

• “Hierarchy of Needs”



What is our comparative advantage?

- Workforce
- “Business Friendly”
- Tax Structure
- Reasonable Regulations
- Universities & Innovation
- Infrastructure
- Geographic location
- Cost of doing business
- Affordability



State of Water

**Speaker: L'Oreal Stephney, Texas Water Development Board
Commissioner**

- Texas Water Development Board has three primary functions:
1) Science, 2) Planning, & 3) Financing
- These functions cover research, policy, and projects in water, flooding, and wastewater.
- The planning function results in the State Water Plan and State Flood Plan



State of Water

- Current 2022 State Water Plan includes:
 - 5,800 strategies that equal 7.7 million acre-feet of water
 - 2,400 projects
 - Capital Costs of \$80 billion

There is a potential shortage of 6.9 million acre-feet in 2070 in a drought of a record year with projected population growth.



State of Water

- TWDB operates 8 different financial assistance programs, such as the **SWIFT program**, federal revolving funds, and the flood infrastructure fund.
- The newest fund is the **Texas Water Fund**, approved by voters in Proposition 6. The fund uses \$1 billion in state funding, 75% of which is utilized for existing financing programs.
- City staff attended the agency's informal stakeholder meeting on March 20. The agency will seek more public input on the design and use of the new fund.



State of Water

- TWDB will conduct a board meeting in Lubbock on **April 11**
- The agency will also host the annual "Water for Texas Conference" on **January 27 – 29, 2025** in Austin, TX



Disaster & Emergency Management

Speaker: Chief Nim Kidd, Texas Division of Emergency Management

- Texas has recorded 103 major disasters in the last 72 years. That equals about 1 event every 8.2 months.
 - This includes hurricanes, tornadoes, wildfires, chemical hazards, and human-caused events.
 - **Management of all disasters is a local responsibility.** Incidents begin and end locally with the closest possible geographical, organizational, and jurisdictional level.
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Disaster & Emergency Management

FEMA Threshold for Public Assistance

Must be met to trigger federal government resources:

State of Texas: \$53,627,729

Each county has an individual threshold that must be met.

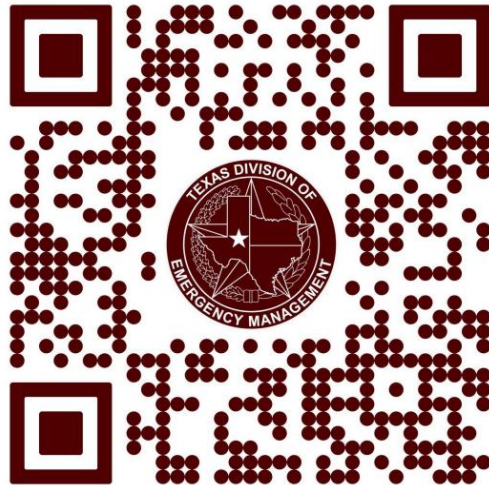
Nueces County: \$1,624,618.80



Disaster & Emergency Management

2024 TDEM Executive Guide

- Provides an overview of emergency management processes and state resources for local officials





Legislative Session Update

Speaker: TML Legislative Team

- Preemption Legislation
 - HB 2127, “super preemption” legislation, was passed.
 - Limits cities from regulating policy in 9 different chapters of law where the state has “preempted the field”
 - Currently under review in 3rd Court of Appeals for being unconstitutionally vague and expected to be heard in the Texas Supreme Court in 2025
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Legislative Session Update

- Land Use
 - Legislature further weakened city ETJs, restricted local regulation of agriculture operations, and made extensive changes to the platting review process
 - HB 2038: petition to remove property from the ETJ; in the first lawsuit, but the case has not proceeded
 - 2025 session: discussion on minimum plat size, requirement to adopt sizes as small as 1,400 square feet
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Legislative Session Update

- Finance
 - The legislature focused heavily on property tax relief due to one of the largest surplus budgets in history, **\$32.7 billion**.
 - Texas is set to have another budget surplus this coming session.
 - Statewide leadership has already announced renewed attention to statewide property tax relief. Possible push to eliminate school M&O taxes.
 - Legislature renewed state economic development deals with HB 5 passed by State Rep. Todd Hunter. 2025 Session may feature 380 agreement modifications
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Legislative Session Update

TML Annual Conference

Join us at the 112th TML Annual Conference and Exhibition on October 9-11, 2024 at the George R. Brown Convention Center in Houston.

