# Overview

▸ **2019 Legislative Outlook**

▸ **Overview of Agenda Preparation**

▸ **Review DRAFT 2019 Legislative Agenda**

▸ **Next Steps**

▸ **Questions**

# City's Legislative Program

▸ **Cities provide local public services (pub safety, drainage, etc.)**

▸ **Texas Legislature can greatly impact Texas cities**

▸ **Legislative Program aims to protect and enhance the City's ability to deliver priorities of residents, such as:**

1. **Quality services and programs, and**

2. **Health, safety and welfare of the public**

▸ **Publically created & adopted by City Council for citizens**

# City Role in Austin

▶ **Represent Sugar Land residents**

▶ **File and pass proactive (City led) legislation**

▶ **Communicate with legislators, businesses, and sister agencies / organizations**

▶ **Actively support or oppose legislation; written and verbal testimony, letters, register positions, etc.**

▶ **Monitor legislative process and react accordingly**

# 2019 Legislative Outlook

# Focused Advocacy
## *Legislative Landscape Overview*

- Organized Local Gov. opposition and anti-city environment
- Speaker's race – extremely important (determines Chairs)
- Facts still matter but not always as "politics" is primary
- Governor and Lt. Governor both extremely committed to lowering the rollback/limiting property tax growth
- Key to success = citizen and business support

# Focused Advocacy
## *Prevailing Attitudes*

*"…on the topic of reining in local government, I am calling for legislation that reduces, restricts and prohibits local regulations."* – Gov. Greg Abbott, June 6, 2017 in press conference calling for a special session of the legislature

*"As opposed to the state having to take multiple rifle-shot approaches at overriding local regulations, I think a broad-based law by the state of Texas that says across the board, the state is going to pre-empt local regulations, is a superior approach… makes it more simple, more elegant, …."* – Gov. Greg Abbott, March 14, 2017 at Texas Conservative Coalition Research Institute

*"Counties, cities …are creations of the state government. They exist at the sole discretion of the state; receive their responsibilities, powers, and restrictions from the state; and are subject to the direction of the state. Local control is a tool, not a rule.…"* – Sen. Konni Burton, July 5, 2017 in guest column with Empower Texans

# Focused Advocacy
## *Regular Session 2017*

- **TNC preemption (Uber)**       **Passed**
- **Small cell deployment (AT&T)**       **Passed**

- **Revenue caps**       **Failed**
- **Super preemption**       **Failed**
- **Annexation**       **Failed**
- **Short Term Rental preemption**       **Failed**
- **Bathroom regulations**       **Failed**

# Focused Advocacy
## *Special Session 2017*

▸ **Texas Medical Board, school finance, pro-life, voter fraud, union dues**

▸ **City-related topics included:**

| | | |
|---|---|---|
| 1. | **Revenue caps** | **Failed** |
| 2. | **Spending caps** | **Failed** |
| 3. | **Landowner use of property (trees)** | **Passed** |
| 4. | **Expediting city permits** | **Failed** |
| 5. | **Landowner vesting protections** | **Failed** |
| 6. | **Annexation reform** | **Passed** |
| 7. | **Cell phone texting preemption** | **Failed** |
| 8. | **Bathroom regulations** | **Failed** |

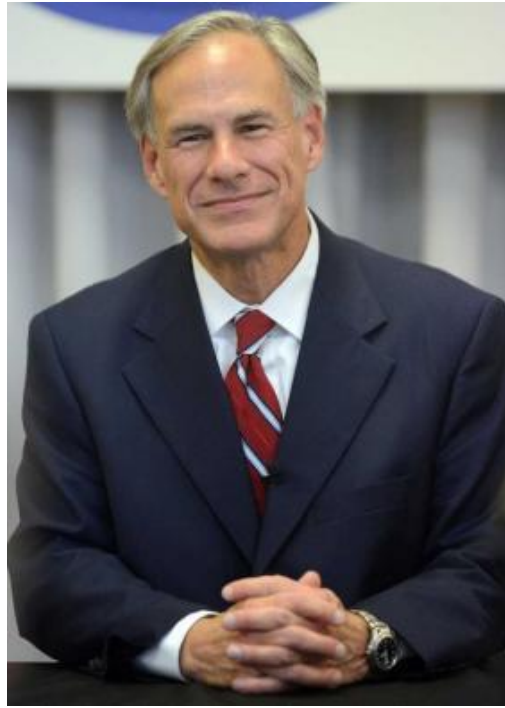# Focused Advocacy
*Legislative & Elections Key Dates*

- **Election Day**                              **November 6, 2018**

- **Bill Filing**                                 **November 12, 2018**

- **86th Session begins**              **January 8, 2019**

- **Sine Die**                                     **May 27, 2019**

- **Veto Period Ends**                  **June 16, 2019**

# State Leadership



**Gov. Greg Abbott**
(R – Houston)

**General Election Opponent:**
Lupe Valdez
(D – Dallas)

**Lt. Gov. Dan Patrick**
(R – Houston)

**General Election Opponent**:
Mike Collier
(D – Houston)

**Speaker Joe Straus**
(R – San Antonio)

**Retiring**
(Replacement ???)

# Current Partisan Makeup in Legislature

|  | House | Senate |
|---|---|---|
| Democrats | 55 | 11 |
| Republicans | 95 | 20 |
| Total | 150 | 31 |

## Potential Partisan Makeup After Nov. Elections

|  | House | Senate |
|---|---|---|
| Democrats | 65 (from 55) | 13 (from 11) |
| Republicans | 85 (from 95) | 18 (from 20) |
| Total | 150 | 31 |

# Speaker's Race is Big Piece of Puzzle

‣ Current Speaker Joe Straus (R—San Antonio) is retiring
‣ Candidates announced (thus far):
  ◦ Rep. Phil King (R—Weatherford)
  ◦ Rep. Tan Parker (R—Flower Mound)
  ◦ Rep. John Zerwas (R—Fulshear)
  ◦ Rep. Eric Johnson (D—Dallas)
  ◦ Rep. Travis Clardy (R–East Tx)
‣ Many candidates are expected to file
‣ Fight between conservatives and moderates
‣ Real race begins the day after November election
‣ Formal election on first day of Session
‣ Speaker appoints committee chairs and leads negotiations with Lt. Gov. Patrick and Gov. Abbott

*Key Municipal Issues Next Session…….Sound Familiar?*

1. Revenue Caps & Mandated Rollback Elections (Property Taxes)
2. Super Preemption & Specific Preemption – Local Control v. Liberty
3. City Lobbying Preemption (limiting cities' voice in legislature)
4. Short Term Rentals Preemption
5. Permitting / Zoning / Land Use Preemption
6. Debt – Reporting and Ballot Language
7. Hotel Occupancy Taxes – Usage and Reporting
8. Anti-Economic Development – Abolishing METF & Film, reducing TEF, reauthorization of 312
9. Greater oversight over Municipally Owned Utilities (electric & water)
10. Ethics Requirements for City Staff & Elected Officials

# Focused Advocacy
## *Gov. Abbott's Property Tax Proposal*

- Jan. 16, 2018, Texans for Greg Abbott releases a "Property Tax Reform Bicentennial Blueprint

- 2.5% rollback rate

- Can only be exceeded for certain expenses like "public safety and critical infrastructure"

- Even then, only with a _supermajority_ approval at council and at an election

- But can never exceed rate of statewide population growth + inflation

# Revenue cap summary
## 85<sup>TH</sup> SESSION (2017)

| | Regular SB 2 | Special SB 1 |
|---|---|---|
| **Senate** | • Filed:  4%<br>• Passed: 5% | • Filed: 4% large cities<br>• Passed: 4% large cities |
| **House** | • Filed: 4% (HB 15 never heard)<br>• Passed: No rollback; changed to "transparency" bill<br>• SB 2 dies in Calendars (after being set but recommitted)<br>• No bill reaches House floor | • Filed: 5% (HB 4)<br>• Passed: 6% large cities<br>• House never appoints conferees & bill dies |

# Focused Advocacy

- **Sound Policy Positions & Facts to Support them**

- **Organized and Ongoing Efforts!**

- **Citizen and local advocacy groups involvement**

- **Business community involvement (individual businesses and trade associations)**

- **Coordination and support with our local government regional partners**

# Overview of Agenda Preparation & Review Draft 2019 Agenda

# Agenda Creation

- **Input is necessary from 4 groups**
  - **Legislative Liaison Committee (LLC)**
  - **Legislative Consultant (Focused Advocacy)**
  - **Intergovernmental Relations Committee  (IG Committee)**
  - **City Council on behalf of citizens**

# Legislative Positions

- **4 Types of Position Statements**
  - **Seek Introduction and Passage**
  - **Support**
  - **Oppose**
  - **Monitor**

- **All positions reviewed today are <u>recommendations</u>**

# Municipal Powers

1. **Support local control; allows local officials to make decisions** beneficial to interests of City residents

2. **Oppose preemption; erosion of city authority OR detrimental to City's ability to** pursue citizen priorities or respond to citizen concerns

*Highlighted items denote priority workshop discussion items.*

# Municipal Revenue & Budgeting

1. **Support reduction of overall tax burden on residents & businesses, including:**

   a) **Funding public schools**

   b) **Eliminating unfunded mandates**

   c) **Protect municipal revenues**

   d) **Homestead & Senior Exemptions**

# Municipal Revenue & Budgeting

1. **Support reduction of overall tax burden on residents & businesses, including:**

   e) **Collection of internet sales tax**

   f) Transparent tax rate notification; without confusion

   g) Simple effective tax rate calculation

   h) Expand use PEG fees

   i) Art & cultural program funding

# Municipal Revenue & Budgeting

2. **Oppose detrimental affects to City finances, budgeting authority, revenue growth for citizen services (i.e. public safety, drainage),** including:

   a) Revenue caps

   b) Lowering appraisal cap

   c) Restricting city debt authority

   d) Unfunded mandates

   e) City generating funds for State

# Economic Development

1. **Support right to participate in Qualified Hotel Program**

2. **Support Ch. 312 renewal**

3. **Oppose restriction of Eco Dev tools**

4. **Support Ch. 380 land swap**

5. **Support eliminating one and adding another sales tax on same ballot initiative**

6. **Support HOT for tourism marketing**

# Land-Use and Annexation

1. **Oppose legislation diminishing City land-use authority (zoning, building codes, comprehensive planning, annexation, eminent domain, inspection fees, etc.)**

2. **Monitor creation of special districts**

# ROW & Utilities

1. **Oppose erosion of authority to manage ROW or receive fair market compensation for use of public ROW**

2. **Oppose limits on using electric utility land for hike/bike trails; increasing of city liability**

3. **Support increased authority to require public notice of major pipeline activities (i.e. flaring)**

4. **Oppose onerous regulations on utilities provided by city**

5. **Oppose limits on City's jurisdiction on electric and gas rates**

# Transportation, Water Resources

**Transportation:**

1. **Support increased state funding for transportation**

2. **Support funding Rail Relocation & Improvement Fund**

**Water Resources:**

1. **Monitor legislation on GCWA, FBSD, BRA, Watermaster**

2. **Support expansion of ability to purchase, provide/use water in City and ETJ, and collaborate with local partners**

3. **Support funding for State Water Plan projects**

# Public Safety

1. **Seek Introduction and Passage** **of legislation granting cities the right to be informed by the State about public health incidents within their jurisdictions**

2. Support local decision making on tech

3. Support ability to have more stringent requirements on texting while driving

4. Oppose further reduction city oversight on Home Cottage Food facilities

# Purchasing, Open Meeting/Records

**Purchasing:**

1. **Support alternative project delivery methods**

**Open Meetings / Open Records:**

1. **Support reduction in financial burden on local governments**
2. **Oppose more restrictive and ambiguous laws and support clarifications that enhance communication**
3. **Support uniform application of laws at all levels of government**

# Transparency/Ethics, Elections

**Transparency/Ethics:**

1. **Support improvements to transparency wo adding legal confusion or duplicating existing disclosure requirements**

**Elections:**

1. **Support legislation that increases voter participation so long as May uniform date and non-partisan municipal elections are retained**

# Public Advertising, Collective Bargaining

**Public Advertising:**

1. Support electronic notice for all public notices

**Collective Bargaining:**

1. Oppose expanding collective bargaining or meet and confer

# TMRS, HOAs

**Texas Municipal Retirement System:**

1. **Support protection of previous and future investments**

**Homeowners Associations:**

1. **Support authority and role of HOAs and oppose limitations on HOA functions; no conflicts with City**

# Legislative Timeline

| Action | Date |
|---|---|
| Adopt City Council Resolution No. 18-26 | Aug 21 |
| Workshop 2019 Legislative Agenda | Sept 4 |
| IG Committee Meeting | Sept 18 |
| Adopt 2019 Legislative Agenda | Oct |
| TML Annual Conference / Resolutions Committee | Oct 10-12 |
| Pre-filing Begins | Nov 12 |
| 1st Day of 2019 Legislative Session | Jan 8, 2019 |
| Sine Die or Last Day of 2019 Legislative Session (140th Day) | May 27, 2019 |
| Legislative Wrap Up | June 2019 |

# Next Steps

- **Sept 18th – IG Committee**

- **October – Adoption of 2019 Legislative Agenda**

- **Oct 11th – Present Resolution No. 18-26 to TML Resolutions Committee at TML Annual Conference**

- **Oct & Nov – Meet with legislators, businesses, and sister agencies / organizations on legislative program; draft legislation**

- **Nov 2018 thru June 2019 – participate in legislative process**

# Council Input

▶ **Provide comments and recommendations on position statements prior to adoption of 2019 Legislative Agenda**

# QUESTIONS