

**TESTIMONY OF COLLYN A. PEDDIE, ON BEHALF OF THE CITY OF HOUSTON, IN OPPOSITION TO  
COMMITTEE SUBSTITUTE HOUSE BILL 2127**

Chairman Hunter and members of the Committee,

The over 300 Texas home rule cities, including its largest, my City of Houston, are unquestionably the engines of the State's booming economy. This bill will place their economic stability and vitality in grave danger because the 2127 substitute is terrible for business.

First, if there is one thing businesses hate it is uncertainty. Because 2127 barely attempts to define the fields it purports to preempt, *home rule cities will not know what laws to enforce and, more important, businesses will not know what laws to obey.* That is why the Texas Supreme Court has repeatedly reaffirmed that state law can preempt local law only when the intent to preempt a particular law is "unmistakably clear." Consequently, 2127 will almost certainly be declared unconstitutionally vague, even by a Supreme Court that has routinely found city ordinances preempted by state law.

Second, both government and businesses hate the uncertainty of litigation. 2127 effectively abdicates the Legislature's responsibility for determining the scope of its preemption to the courts. By actively encouraging *anyone* to file lawsuits against cities alleging preemption, even awarding fees when a city itself has sought clarification of 2127's preemptive scope in good faith, the bill ensures that uncertainty as to what laws must be enforced or obeyed will continue for the longest possible time. Worse, this litigation burden may weigh so heavily on Texas's smaller home rule cities that it threatens to bankrupt them, endangering the businesses who have previously thrived there.

Third, by attempting to create the country's first and only one-size-fits-all state-run regulatory regime, the 2127 substitute will stifle the very local innovation and carefully tailored service and protection the framers of the Texas Constitution codified by adopting home rule in Article XI, Section 5, which grants home-rule cities "the full power of self-government." Such innovation has not only made these cities more livable, to attract new businesses and residents, but it has driven their economies. For example, Houston recently spent two years working hand in glove with all local stakeholders to carefully craft a noise ordinance in an almost 700 square mile city without zoning that would balance the needs of businesses and residents alike. The State could never match that custom effort, if it chose to regulate at all, and Houston's businesses and residents would be worse off.

Fourth, 2127 creates more uncertainty because it does not provide additional state funds, personnel, or protocols to enable the State to assume or immediately delegate the thousands of essentially, individual tasks, programs, and decisions undertaken in every Texas city, every day, but that 2127 would immediately displace. Consequently, local services and protections critical to businesses' daily functioning will either be lost or seriously disrupted if 2127 goes into effect.

Because the Texas Constitution *already* provides the means to displace conflicting local laws, there is no need for the unconstitutional, unworkable, and radical "fix" House Bill 2127 represents or the economic trainwreck it will cause.