



Mayor' Office of Government Relations

2019 Legislative Report – Summary Presentation

Wednesday, July 24th

The City of Houston is represented by our Government Relations team in Austin. Full time, Director Bill Kelly and Deputy Jamaal Smith move to Austin to be there on a daily basis with law makers and their staff. Senior Communications Specialist Nick Anderson and Legislative Manager Ande Mattei stay in Houston to help coordinate the various city departments as well as the communication efforts for the Mayor's Office. Together, the GR Team reviews over 2,000 piece of legislation every session.

The GR team also has a contract team of lobbyists. These lobbyists work on contract for the City of Houston during the 140 days of session and work with law makers to best represent the City's interest on various bills important to the City.

During the 86th Session, the Mayor's Office had over 15 initiatives. Our number one priority was cracking open the state's \$15 billion Rainy Day Fund to help pay for our rainiest of days. Several others directly related to housing were very high on the list as well.

More and more, we find that cities and counties are under attack by members of the State Legislature who think excessive regulation and taxing by local governments are the biggest threats to Texas. They seem to ignore the booming economies of major urban areas and instead blame the tolerance and local efforts to pick up the slack from the state on areas from behavioral health to gun violence prevention.

However, the GR Team does not deal with the political world we want, we have to work with the political world we have. This 2019 Legislative Report deals with 6 areas we want to discuss briefly:

- City of Houston's Agenda, Legislative Battles, Behavioral Health, Gun Violence, For Houston, and Unfinished Business.

We will briefly go over the highlights of each category.

City of Houston's Agenda

First, the biggest item on the City of Houston's to do list was to force the State of Texas to put up the \$15 billion in Rainy Day Funds toward the recovery efforts after Hurricane Harvey.

Mayor Turner, along with Judge Hidalgo, urged the Legislature to making this funding available early on, as you can see from this joint letter. The way our website works is supportive materials

regarding each issue are linked on the right-hand side, so you can read down the bill's narrative and then see what other background items we have.

FEMA requires that local governments supply the "Local Match" for projects that repair government facilities and that try to mitigate future damages. The return on some of these projects are as high as \$9 to \$1, making it a great investment for the state. However, it requires a 2/3rd vote of both the House and Senate to pull money from the fund, making it a difficult to pull funds out. Despite almost every other state government contributing money for the Local Match, Texas never had before, until now.

The City's Recovery Team estimates that between Public Assistance and Hazard Mitigation Grant projects, the City of Houston will pull down more than \$200 million from Senate Bill 7.

In addition to the Rainy-Day Dollars, Houston had two main issues with Housing that required the Legislature to act.

- First, there is what is called the "Two Mile rule." One of the primary consequences of Harvey was a massive hit in affordable housing units in a number of areas of the city. As such, one of the primary goals the Mayor has for recovery dollars is expanding affordable housing, both with repairs and with new developments through Complete Communities. Lifting the Two Mile Rule will help Houston build and repair more affordable housing without geographic limits. Senate Bill 493 gives Houston City Council that flexibility to help move make tax credits making affordable housing throughout the City of Houston.
- Second, there is the problem of increased tax valuations for people who repair their homes through the City's housing program. The disaster recovery funds from the federal government that are used to repair Houstonians' homes should not increase the value of their home appraisal. Whether they get that federal money from the General Land Office, Harris County, or the City of Houston, they all should be protected by the same reduced valuation rules. Senate Bill 812 does that by including all federal disaster recovery dollars going forward from increased valuations and higher tax bills for homeowners. (this sentence is a little awkward)

Two other bills are worth mentioning:

- One is on human trafficking: Our state loves to talk a tough game on prosecuting those who traffick people, but the City of Houston actually wants to focus on the victims as well. Building on our award-winning programs headed by Minal Davis, House Bill 1113 will provide more resources to local communities as well as health providers like the Harris County Psychiatric Center to help these victims get the help they deserve.
- The last one deals with uncollectable fees for our municipal court. While state law mandates that courts work to collect fees, it is estimated that 80% of those fees that go uncollected are simply not collectable with the most common reason being incarceration or death. Instead of wasting money on sending these certified letters, HB 435 allows flexibility to the City, saving an estimated \$325,000 a year in postage costs.

Legislative Battles

Houston helped lead other cities and counties in legislative fights that looked to take away resources and responses that people depend on local government to provide. This sentence needs to be scrapped and rewritten.

One of the biggest fights this session was over reduced fees paid to cities by cable companies in Senate Bill 1152. Now, let's back up just a second to give the legislative history: back in 2005, the Legislature opened up the cable company's previous monopolies in areas by allowing competition everywhere. Cities, instead of getting a franchise fee, would get 5% of the value of cable bills for use of the city's right of way in deploying cable services.

Keep in mind a senior member of the Legislature named Sylvester Turner was involved in this issue.

So now, cable companies are offering both phone and cable tv services through the same lines. They feel that they should only have to pay one fee (either phone or cable) instead of both, despite the fact they still charge consumers for both phone and video services.

Why does this all matter? By eliminating this fee, it cost the City of Houston alone over \$20 million a year. As you can see from the website, Council Members Robinson, Edwards, and 15 of the 17 members of City Council wrote in opposition.

This was a major legislative fight the City of Houston lost, costing us serious money. However, cable companies have promised you 5% savings . . .

In addition to resources, there was a significant fight about the ability of cities to operate as home rule entities that pass their own ordinances.

- House Bill 3899 sought to make municipal ordinances across the state the same. This was authored by a Representative who lives in a town of 3,500 people seeking to make Houston and his hometown regulations the same. One of the immediate casualties of this legislation would have been several anti-human trafficking portions of Houston's municipal code, which we featured in our testimony opposing the bill.
- The occupational license preemption in Senate Bill 1209 would have taken away the ability of cities to have their own towing ordinances that makes sure stranded motorists aren't served by someone without a criminal background check. Again, the City offered direct testimony from HPD about how this preemption would have real world consequences.

Both of these threats failed to pass this session, with the City of Houston testifying against both in committee.

Finally, there were battles where Mayor Turner made a personal stand at the Chief Executive Officer of the City of Houston.

- Senate Bill 22 banned any political subdivision of the state from contracting with Planned Parenthood. Planned Parenthood is the 2nd largest safety net provider in Houston and prohibiting coordination with their high-quality health care system would have serious consequences.

- The Texas Secretary of State tried to purge 95,000 voters from the rolls using flawed data and processes designed for suppression. The Mayor immediately stood up, called the move “manifestly slapdash” and opposed Senate Bill 9 which would have given the SOS even more power over voter rolls in Texas.

Behavioral Health

Mayor Turner has a specific passion for Behavioral Health services and always directs the Government Relations Team to help lead coalitions that fight for better quality and access.

For instance, the Mayor choose the former Director of Public Policy for Mental Health America of Greater Houston to be his Director of Government Relations.

There were several bills that moved the ball forward on mental health and substance use disorders this session, specifically SB 10. Senate Bill 10 establishes the Texas Child Mental Health Care Consortium to foster collaboration among our state medical schools, promote and coordinate mental health research, and help address workforce issues. It is funded at \$100 million over 2 years and marks the largest statewide investment in research for behavioral health in Texas history.

Now, you may have heard about how this bill, despite near unanimous support, was killed on a point of order by Rep. Stickland from Bedford. The bill was resurrected as an amendment and added to the omnibus school safety bill, SB 11. I highlight this as a loss for Rep. Stickland.

One of the failures of this session (and for the Texas Legislature since 2011) is the failure to expand coverage. Even when everyone agrees, the Legislature still doesn’t get it done. House Bill 1110 by Rep. Sarah Davis is a good example. With the Maternal Mortality rate in Texas making headlines, the state established the Texas Maternal Mortality and Morbidity Taskforce. Their top recommendation in its September 2018 report was "increasing access to health services during the year after pregnancy."

Currently, more than half the births in Texas are paid for by Medicaid. For a mother who gives birth on Medicaid, her coverage runs out 60 days after the birth of her child. More than half of maternal deaths in Texas occur 60 days or more after delivery, or exactly when new mothers lose all Medicaid benefits. 68 percent of these deaths involved women who were enrolled in Medicaid at the time of delivery.

HB 1110 would have extended the maternal Medicaid benefit from 60 days to 12 months, but it did not pass.

Without access, increasing care quality doesn’t translate into improved outcomes.

Mayor’s Commission Against Gun Violence

In March of 2018, Mayor Sylvester Turner announced plans to establish the Mayor’s Commission Against Gun Violence. The mayor was inspired by young people who have organized to educate elected officials and the public about the need to improve school safety and effectively address gun violence issues on school campuses.

This diverse group includes students, parents, physicians, law enforcement officials, gun-rights advocates, gun violence victims, members of faith-based and civil rights organizations. Commission Chair Haley Carter is a native Houstonian, MBA, retired United States Marine

officer, former Houston Dash soccer player and a second-year law student at the University of Houston.

Mayor Turner asked the Commission to provide legislative recommendations. These bills deal with many familiar gun issues and associated behavioral health recommendations.

The omnibus school safety bill mentioned earlier contained many of the recommendations by the Mayor's Commission. Specifically, creation of threat assessment teams and building codes were top items on the list and we had very constructive conversations with Rep. Greg Bonnen on these matters.

While Senate Bill 11 definitely was a positive, even common-sense measures found progress hard to make. Safe storage legislation stood out. An analysis of shooting incidents in Houston that resulted in the death or injury of a child found that guns had been safely and securely stored in less than 2% of cases. Researchers from the University of Texas Health Sciences Center concluded that many of these injuries could have been prevented by "safe firearm storage, increased community education efforts, and other safety measures."

House Bill 316 by Rep. Donna Howard and Senate Bill 1573 by Sen. Carol Alvarado would have created statewide firearm safety and suicide prevention campaigns. The bills would have enacted criminal penalties for gun owners who fail to safely store their weapons at home and would have launched a state awareness campaign around gun safety. Despite broad support, the bills died.

However, progress was made by Rep. Howard, who also sits on the Appropriations Committee.

- Rider 48 in Article V provides \$1 million for the biennium for the Texas Department of Public Safety (DPS) to establish and promote a statewide safe gun storage campaign. This funding allows them to promote gun storage on a statewide level, much like the "Click It or Ticket" or "Don't Mess with Texas" public service announcements that Texans know well.

Now for the truly disappointing guns related legislation that Houston fought against, House Bill 1177 would allow the unregulated open carry of firearms up to 7 days after a disaster. Law enforcement was strongly opposed, but despite 3 Republican Senators voting against the measure, it passed by a single vote in the Texas Senate.

Even when fully passed, common sense gun reform can still die. State and federal laws go to great length to prevent firearms from being brought inside airport terminals or carried onto aircraft, but Texas law does not identify Airport Operations Areas (AOA) as secure locations. The AOA portion of the airport, commonly referred to as the tarmac, is where commercial airplanes park and taxi. Hundreds of thousands of vehicles enter AOA security checkpoints every year. Currently, there are no provisions for security breaches under Texas law in these areas.

House Bill 1168 by Rep. Rafael Anchia extended the same designation of secure areas now in place for airport terminals to Airport Operation Areas. Despite passing both the House and the Senate, the measure was vetoed by Governor Abbott. Guns in airports is never a good idea.

For Houston

Legislative initiatives aren't just about the City of Houston, and Mayor Turner has instructed the Government Relations team to actively support these causes.

One measure we were all ready to support was the legislative approval of the University of Houston's College of Medicine. House Bill 826 by Rep. John Zerwas focused on preparing primary care doctors to practice in underserved urban and rural communities and has a specific mission focus on primary care.

Mayor Turner, a proud University of Houston Cougar, wrote in strong support of the measure.

Another big issue for Houston was Industrial Hemp. House Bill 1325 authorizes the Texas Department of Agriculture to develop regulations to govern the hemp program, subject to approval by the U.S. Department of Agriculture.

Elemental Processing recently acquired a 1,200,000 square foot processing and fulfillment facility which sits on 18 acres at 3900 Harrisburg in Houston with the capacity to process over 100,000,000 pounds of hemp biomass a year. It has long been a landmark in Houston's Second Ward.

Prior to closing in June of 2018, the ACS industrial campus was one of the largest soluble coffee operations in the United States. Instead of being demolished and jobs lost, the aggregate economic impact of construction and refurbishment of the facility alone could be as much as \$149.7 million in economic activity/output

The nearly 300 jobs that were lost in June of 2018 will be replaced once the facility is operational and the 700 jobs ACS provided at its peak of operation are expected to be outnumbered by the new jobs the facility will create as a fully integrated hemp processing, packaging and distribution center.

However, you may have heard that law enforcement is at a loss to try and tell the difference between hemp and marijuana. That brings us to the last Houston community issue, our Houston Crime Lab.

The Crime Lab, or Houston Forensic Science Center (HFSC), is a local government corporation created to provide independent forensic services to law enforcement agencies, primarily the Houston Police Department. Making sure the Crime Lab operates efficiently, and more important, effectively, was a big priority for the GR Team.

- Senate Bill 1125 by Sen. Chuy Hinojosa and Rep. Gina Calanni allows forensic analysts to testify via video conferencing when the judge, prosecution and defense agree. Video testimony saves significant resources — both time and money — when used for trial. Analysts no longer need to travel to court where they sometimes wait for hours to testify for only a few minutes.

We hear about sexual assault kits in the news, and the Houston Crime Lab is one of the best in Texas with a less than 30 day turnaround. However, as DPS and others in the state address their backlog, the GR team pushed for an investment in training more lab techs and personnel for our crime labs, not just an annual appropriation for outsourcing.

- For example, with \$50 million, DPS looks to hire 122 people to help process more rape kits. There are just over 700 people trained to do so in the state. The \$5 million to the University of North Texas to help train and onboard analysts was a direct result of this comprehensive advocacy.

Unfinished Business

Unfortunately, no one bats 1.000, and the GR Team had several bills important to the City of Houston that died in the Legislative process that we hope to bring back next session.

Air quality is a huge issue for the City of Houston, and concrete batch plants are part of the mix. According to a Houston Chronicle analysis, Harris County — with 188 plants — has by far the most in Texas. Dallas County has half that number. Representative Alma Allen's district alone includes 18 such batch plants. Industry officials expect Harris County's number to continue to climb, mirroring Houston's growth. For these reasons, the City supported Rep. Allen's House Bills 1280 and 1764.

- House Bill 1280 by Rep. Allen would have expanded the category of people who may request a hearing for an application for construction of a concrete batch plant by authorized requests for hearing by the representative of a school, a place of worship, licensed daycare center, hospital or medical facility located within 440 yards of a proposed concrete batch plant.
- House Bill 1764 also by Rep. Allen would have limited the location of TCEQ public meetings or contested case hearings to the state house district where the facility is located. Presently, the Texas Commission on Environmental Quality allows hearings for contested concrete batch plant permits to be located anywhere within the county that the proposed facility is located.

It is important these reforms are made and the GR team will work on the issue next session.

In Houston, as the nation's most diverse city, the need for a diverse police force reflective of the community is very important. The fact Houstonians speak multiple languages and come from different backgrounds makes this even more critical

House Bill 1091 by Rep. Hubert Vo would have allowed honorably discharged veterans who are permanent U.S. residents to be eligible for employment as peace officers. If we can trust someone to be a member of the US Armed Forces, it makes sense to allow them to apply to be a law enforcement official.

Rep. Vo was able to pass the bill out of the Texas House of Representatives, and the City of Houston looks forward to working with members of the Texas Senate to have the bill pass the full Legislature next session. This is a big priority for HPD.

Finally, there is the issue of correctional housing. When the GR team started studying this issue, the safety of the public was the primary concern. After reviewing the real world application, it turns out protection is needed for those living in these facilities.

In March 2017, a fire in a boarding home and a fire in an unlicensed lodging facility resulted in three deaths and the emergency evacuation of 29 elderly and disabled residents. The Mayor formed an internal working group of city departments to review and revise relevant ordinances.

The working group identified three different types of group home that exist in the City of Houston, 1) Boarding Homes, 2) Lodging Facilities and 3) Alternative Housing Facility/Correctional Facility. After studying the issue, it was determined stronger building safety regulations were very much needed because no other regulatory body at the state or federal level governed the facility safety issues.

Current TDCJ application process requires submission of an application with requested documentation and a review of a basic checklist by a district parole office. The checklist covers items such as: living space per parolee, meal planning, clothing, access to public transportation and child safety zone. The checklist does not cover building safety, such as observance of unpermitted additions/conversions, access to fire extinguishers and smoke and carbon monoxide alarms.

Rep. Harold Dutton carried this bill and helped start the conversation of why it is important to make sure these facilities are properly inspected for those staying there.

Conclusion

While the highlights and website don't show everything the GR Team worked on this session in Austin, they highlight what was most important to Mayor Turner. Making sure Houston has a strong voice in state policy is vital if the state is going to address the concerns that we have as Houstonians.

It is especially important given the number of people working to silence what cities can say.

But for some, if you can't win the game, you try and change the rules: Senate Bill 29 looked to ban cities from hiring lobbyists altogether, leaving giant corporations and ideological think tanks the ability to lobby without competition. We believe these issues are important and we deserve to have an equal voice with everyone else advocating in Austin.

Despite passing the Senate, the measure died with 85 votes against in on the House floor.

We thank you for your attention to the presentation and look forward to taking your questions.