



CITY OF HOUSTON

Sylvester Turner

Mayor

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The Honorable Chris Paddie
Chairman, House State Affairs Committee
P.O. Box 2919
Austin, TX 78768

Re: House Bill 749

The City of Houston appreciates the opportunity to offer testimony on public funding invested in lobbying. Employing more than 22,000 people with an annual budget of over \$5 billion, the City of Houston has many varied interests before the Texas Legislature, ranging from law enforcement policy, environmental regulations, and even manned space flight policy.

Houston officials realize that in order for the city government to maintain a strong position in our relationship with the state government, Houston must maintain a real presence in Austin.

I would note that this sentence is word for word on what appears on the Texas Office of State-Federal Relations – substituting Houston for Texas and Austin for Washington DC.

This happy coincidence shows the shared priority of having a strong advocate in place to advance the interest of levels of government working together.

Mayor Turner feels what is most important for the taxpayers of Houston to know is what they are getting for their city's investment in these services.

The Government Relations Team has worked to provide transparency and accountability for our lobby teams with both our legislative reports and testimony before Houston City Council. Contracts and names are posted, achievements listed, and public votes are taken on whether to support these efforts.

In 2017, the City's biggest issue was passing pension reform for our municipal, fire, and police pension systems. Thanks to the Legislature, the reforms passed with over 2/3 support in both the Senate and the House. It should be noted that just as the City hired lobbyists to help pass these vital reforms, the pension systems hired lobbyists as well. Stripping the ability of cities to fund lobbyists while allowing pension systems to continue using them is a very tenuous situation.

In 2019, Houston's focus was on lobbying for use of the state's Rainy-Day Fund to assist with recovery efforts from Hurricane Harvey. The Legislature wisely chose to invest these resources to provide for the local match for FEMA Public Assistance and Hazard Mitigation

Grant Programs. Several key provisions were added that came from our experience in natural disasters that helped make this investment payoff for areas most impacted by Harvey. We detail those changes in our 2019 Legislative Report.

On the other hand, the Texas Office of State Federal Relations has all of 3 generic policy position bullet points on their website, but according to appropriations made over the last 10 years, the office has increased its budget from \$682,382 in FY 2012/2013 to a high of \$1,057,442 in FY 2018/2019.

Meanwhile, the City of Houston's state lobby budget has been decreasing. With over a decade of contracts on our website, you can see how under Mayor Turner reduced the \$757,050.80 contract in 2017-18 down by \$95,000 for the next session. The contract for this year's session runs \$670,000 with increased allowances for Special Sessions.

Yet this legislation would eliminate the ability of Houston to hire lobbyists, and instead – as directly stated by the bill author – force cities to hire more full time Government Relations FTEs. I have 4 people in my office – to think that we could hire on FTEs that would be able to work as effectively as contract lobbyists goes against almost every model used in the private sector.

A criticism of government is often, “run it like a business,” which is valid in many aspects. When it comes to lobbying, the expenditures on lobbyists for city interests is far below that of what private businesses spend. The two-year contract for state lobbying for the City of Houston is dwarfed by the amounts for-profit companies invest. Often, the City of Houston's interest conflict with corporations and various entities on bills before the Legislature, where it becomes an uphill battle. Our team is used to being undermanned and outgunned, but the suggestion that cities would be prohibited from hiring any lobbyists all together is tilting the field even further.

The ability for the City of Houston to invest in lobbyists for this session has not been raised by constituents. The lobby contract passed unanimously at City Council. The only questions my office has received on lobby contracts was from Rep. Middleton's office who didn't know we had a website.

We knew this legislative session is going to be very difficult and, in many ways, limited on what issues can be addressed in a session impacted by the ongoing coronavirus pandemic. That's why we have invested in lobbyists to help promote the needs of the City of Houston to your offices.

If you have suggestions on a more transparent or accountable way that we can operate, the City of Houston is prepared to partner with you. Our shared constituents are all invested in positive outcomes.

Restricting the ability for cities to advocate on the same playing field as unions, associations, and corporations will not help produce better informed policy. We hope the Legislature considers whether the perspective of one of the largest employers, largest law enforcement offices, largest provider of municipal services in Texas is worth listening to. Houston believes we deserve a voice in these debates.

Bill Kelly
Director of Government Relations