



Austin Landline Report December 2018

The 86th Texas Legislature will convene in just over a month, on January 8, 2019, for its 140-day regular session. In the meantime, legislators are in a mad dash to raise money before the moratorium on fund raising that begins on December 8th and continues until after the session. Many are trying to make up for debts incurred from their campaigns this year, while some have the luxury of building up war chests to scare off potential opponents in the next election cycle.

Enacting a two-year budget will be the primary responsibility for lawmakers. Filling the holes of the current budget, including a \$2 billion Medicaid shortfall, \$2.5 billion for delayed transportation spending and about \$1 billion for Hurricane Harvey recovery, will be an early focus. One of the most important decisions will be whether to tap any of the \$12.5 billion in the Rainy-Day Fund, requiring a two-thirds vote from both the House and Senate.

Reforms of public education finance and property taxes will be among the top legislative priorities. As local property tax revenue increases, the state share of education funding declines. In September, the Texas Education Agency projected that local property taxes will rise about 6.8 percent, resulting in about \$3.5 billion less state education spending.

Of particular note from November is the rapid ascent of Rep. Dennis Bonnen of Angleton as the sole remaining candidate for Speaker of the House. Bonnen swooped in as a consensus draft pick, squeezing out multiple announced candidates with 109 pledges that included 95 percent of Republicans and nearly half of the Democrats.

Interim committee reports are still anticipated to be released in December. Of particular interest to STPRA will be reports from the House Land and Resource Management Committee, chaired by Rep. Abel Herrero of Robstown, and the House Natural Resources Committee, chaired by Rep. Lyle Larson of San Antonio. Larson's committee held hearings across the state on groundwater management and regulation, while Herrero's committee did the same concerning eminent domain reform. Eminent Domain Committee chair Eric Opiela has led a group of STPRA representatives in November meetings with Chairman Herrero, the staff of Sen. Lois Kolkhorst, and with other landowner advocacy groups concerning eminent domain policy formulation in advance of the coming legislative session.