



Austin Landline Report April 2020

In Austin, as throughout the state, and world, for that matter, the virus outbreak is obviously the big story...Here is an update on some things related to the legislative and political processes that have had to limp along the best they can:

Legislature

On March 16th, a few of us were scheduled to meet with Sen. Lois Kolkhorst in her Victoria office. Sen. Kolkhorst is a very influential senator who sits on the Senate Water and Rural Affairs Committee. She also happens to chair the Senate Health and Human Services Committee. As we headed for Victoria the morning of the 16th, we were not totally surprised to get a call from the senator's office saying that she would need to stay in her Brenham office and deal with the virus outbreak. More recently, her health committee's and Senator Perry's Water and Rural Affairs Committee's meetings scheduled for April were postponed indefinitely.

Primary Elections

Gov. Abbott has postponed the primary run-off elections from May 26th to July 14th, with early voting scheduled to begin July 6th. (It remains unclear how the progress of the virus will look at that point!)

Here is a summary of the March primary election results and remaining run-off contests:

U.S. Cong. Henry Cuellar (D) Laredo – Narrowly won a hard-fought race.

Sen. Eddie Lucio, Jr. (D) Brownsville – Was thrown into a runoff election by the slimmest of margins.

Rep. Bobbie Guerra (D) McAllen – Easily won his race.

Rep. Eddie Lucio III (D) Brownsville – Won his race with a smaller margin than expected.

Rep. Tracy O. King (D) Laredo – Easily defeated a spirited challenger.

In other races of interest, one of our neighbors, Jim Wright of Orange Grove, was the upset victor over an incumbent Railroad Commissioner in the Republican primary. There will be runoff elections to determine the challenger to State Sen. Pete Flores (R)

Floresville, to replace retiring State Rep. Pancho Nevarez (D) Eagle Pass, and to replace retiring Speaker Dennis Bonnen (R) Angleton.

On a related note, long-time State Sen. Kirk Watson (D) Austin surprised his constituents by announcing his retirement to head the new Hobby Center for Public Affairs at the University of Houston. The speculation is that the Governor will call a special election to replace him in late May. (A little trivia: with the increases in Texas population over recent decades, we now have more seats in Congress than we have state senators!)

State Budget

The impact of the virus outbreak will have grave consequences for the state budget. That condition is made even worse by the impact on the oil and gas industry, which was already declining because of over-production in the state and a recent price war between Saudi Arabia and Russia. As you know, just about everything in the Texas economy is directly or indirectly affected by oil and gas production. (Fortunately, our area is not as directly dependent on it as it once was.)

The state's budget is heavily dependent on the sales tax and leans on the oil severance tax, as well. Last year's session increased the state's participation in public education, including the Teachers' Retirement System. Unfortunately, that increased participation was dependent on a strong cash position from high sales tax revenues and a heavy contribution from the state's Rainy Day Fund (formally called the Economic Stabilization Fund), which depends on excess oil tax revenues. I have attached an article which provides details on the state's current and future revenue situation for anyone who would like more detailed information.

Here is a [link to a video](#) of Glenn Hegar being interviewed yesterday about the state's budget.

Will Rainy Day Fund Save State Budget?

COVID-19 Outbreak

It is hard to talk about anything these days without factoring in the potential impact of the coronavirus pandemic. Coming from Austin, my best advice for everyone in the state, including rural areas, is to do everything possible to stop its spread, even if it seems extreme. "An ounce of prevention is worth a pound of cure". While the chance of infection shouldn't be as high in rural areas, they also have much more limited medical options for treatment. Unfortunately, cases are already starting to pop up in rural counties, even with limited testing. Another saying that comes to mind is, "where there's smoke, there's fire".

The Texas Tribune keeps a daily county-by-county update tracking the spread of the virus. Their latest count shows 59 cases in Nueces, 113 in Hidalgo, 122 in Webb and cases in Jim Wells, Kleberg, and Zapata.

Here is a [link](#) to an interview with A&M Chancellor and former STPRA annual meeting speaker Dr. Peter Hotez.

Positive Story

This story provides hope and makes one proud to be a Texan!

*Day 7 of the quarantine
My wife took up gardening but won't
tell what she's going to plant*



We still gotta laugh! (You ARE laughing, right !?)

I wish everyone the best of luck and look forward to talking soon. As always, please do not hesitate to call if I can provide further information or help in any way!