

Texas House of Representatives



Lyle Larson

State Representative - District 122

What's New in District 122

"If you set out to be liked, you would be prepared to compromise on anything at any time, and you would achieve nothing." - Margaret Thatcher

In light of the passing of Margaret Thatcher, we thought this quote was very fitting to describe our approach in the Legislature as we fight to do the right thing for Texas and District 122.

To briefly recap some of the meetings here at the Capitol these past two weeks, I met with Suzanne Scott, General Manager for the San Antonio River Authority, Jeff Judson of the Heartland Institute, San Antonio City Councilman Carlton Soules, four members of the Bexar County Medical Society, Bexar County Commissioner Kevin Wolff, and a group of REALTOR® constituents from District 122. Additionally, had the opportunity to meet with several representatives from our local credit unions, including San Antonio Federal Credit Union, Randolph Brooks FCU, Security Service FCU, Firstmark CU, and Generations FCU.

We were grateful for the opportunity to honor past Chair and current CPS Board Member, Derrick Howard, and President & CEO Doyle Beneby on the floor of the Texas House. We're thankful to have these leaders representing our community's best energy interests, and for putting CPS on the map as a public utility leader.



With Rep. Jose Menendez, Speaker Joe Straus and Derrick Howard and Doyle Beneby of CPS Energy

83rd Legislative Session Update SB 1: The Budget Bill

Last week, the House of Representatives tackled perhaps the single biggest and most important piece of legislation it will handle all session and the only thing it is required to accomplish: passing the budget.

The Legislature is dealing with an interesting state of affairs this time around. In 2011, Texas faced a daunting \$27 billion shortfall. As a result, lawmakers had to work hard to balance the budget, cutting funds from just about sector in order to achieve a Constitutionally required balanced budget.

Fortunately, we're in a better position in 2013. Thanks to a rebounding economy, sales tax collections have increased for 35 consecutive months (year-over-year) and oil and gas tax collections for the first six months of 2013 were 12.6 percent higher than during the same period in 2012. As a result, the comptroller predicts that general revenue in state coffers will swell to \$101.3 billion. This gives the Legislature a lot to discuss, with an increased amount of funding available for an endless list of possible programs and initiatives.

In Texas, since the Legislature only meets every two years, the budget accounts for two years' worth of expected spending. When all funds are taken into account, the budget proposed by the House allocates \$193.8 billion for the 2014-2015 biennium, a 5.5 percent increase over 2012-2013.

Education is a major priority for the 2014-15 budget. The House version of the budget fully funds enrollment growth, for a total increase of \$2.7 billion. The Legislature is committed to demonstrating its support of providing a high

quality education to our state's children through this funding. Additionally, another \$495 million will go toward health costs for the Teacher Retirement System, a 33 percent increase from the current budget.

Another high priority in our budget is providing health care to millions of Texans. This budget includes a \$265 million increase for mental health programs and extends services to more than 6,000 adults and almost 300 children on waiting lists. It provides \$100 million increase for women's health services and increased funding for Child Protective Services to reduce delinquent investigations and lower caseloads to 2009 levels. Finally, the budget funds projected caseloads for Medicaid, CHIP and foster care programs.

The Legislature is doing its best to ensure that essential aspects of the budget are adequately funded, and will continue to be vigilant to ensure we end up with a budget that allows us to provide Texans the highest quality education and care for our state's most vulnerable, all while living within our means.

Texas Sized Mobility Challenges

Experts have been warning the Legislature since last fall that the state needs another \$4 billion per year just to prevent traffic from getting worse on Texas roads. Several different ideas on where to find some of that money have been proposed over the last few months. One idea is to stop diversions from the gas tax, which will only cover a small portion of the \$4 billion figure. The gas tax was intended to fund transportation infrastructure, like roads, yet \$400 million per year is diverted to the Department of Public Safety and other agencies and programs that aren't germane to building roads. Lawmakers have also proposed using money from the Rainy Day Fund to set up an infrastructure bank, or to dedicate existing revenue, like sales taxes on cars or auto parts, to road construction. Some business groups are advocating doing all of these things, which would raise \$3.6 billion annually. The Legislature will likely have a long discussion in the coming weeks on the best way to fund the much needed added capacity to our state highway system. Stay tuned!

The Texas Spending Cap Debate

As the Legislature works to complete the budgeting process, state lawmakers face a unique predicament: how to avoid exceeding the self-imposed spending cap.

A 1978 amendment to the Texas Constitution established a spending cap on revenue that is not already dedicated to another source. The Legislature can appropriate an amount equal to the total spending of the current biennium, plus the percentage of expected growth for the coming two years. In 2011, the Legislature cut spending in almost every category, due to the effects of the recession and expected low levels of revenue. But the Texas economy rebounded faster than expected, leaving the state with a large surplus. The spending cap, however, is still restricted to the level of the budget from 2011 plus economic growth.

The Legislature could choose to bust the spending cap with a simple majority vote. The only time Texas has done so was in 2007, in order to pay for \$14 billion in property tax cuts. Some groups are calling for the state to exceed the spending cap to pay for everything from transportation to education. But some argue that the state should lower the spending cap even further, in an effort to be more fiscally conservative. The ultimate goal will be a balance between funding the necessary functions of government and limiting frivolous spending.

As we've reported here before, there is a proposal making its way through the legislative process that would allocate \$2 billion from the state's Economic Stabilization Fund, otherwise known as the Rainy Day Fund, to create an infrastructure bank that will lend funds at a rate of 2 percentage points below the market to water utilities all over our state to help solve our state's water crisis. There is also a proposal to use a portion of the Rainy Day Fund for a transportation infrastructure bank. In fact, today, the Texas Senate [will discuss a proposal](#) to allow Texas voters to spend \$6 billion of the Rainy Day Fund for these projects.

While both of these expenditures would be paid back to the state by local governances, some in the Legislature are apprehensive about appropriating money from the Rainy Day Fund because it may technically bust the spending cap. Our perspective is that we have both a water and road shortage in Texas, and since the money taken from the Rainy Day Fund for these purposes will eventually be returned to the state, these proposals should move forward. The Rainy Day Fund currently holds roughly \$11.8 billion. Some have posed the question that if we can't use it now for a crisis situation,

knowing it will eventually be paid back to the state, perhaps we should discontinue the fund. We want to know what you think. Please tell us in this [survey](#).

Larson Legislation

To date, we've presented 28 of our 52 bills in various committees. Here is a quick recap of the bills we've presented in the last two weeks:

[HB 2576](#) and [HB 2638](#): Cybersecurity

In 2011, State Senator Leticia Van de Putte and I passed legislation to create the Texas Cybersecurity, Education, and Economic Development Council. The Council is charged with improving the infrastructure of the state's cybersecurity operations, examining strategies to accelerate the growth of cybersecurity as an industry in Texas, and encouraging the industry to make Texas its home. The Council produced a report in late 2012 with multiple recommendations that would achieve these goals. This week in the Technology Committee, we presented two bills intended to strengthen the cybersecurity industry in Texas. H.B. 2576 seeks to implement some of the recommendations of the report, including establishing a cybersecurity coordinator, who will be responsible for overseeing cybersecurity issues in Texas. H.B. 2638 will simply extend the Texas Cybersecurity, Education, and Economic Development Council that we established last session for an additional two years.

[HB 3200](#): Simplifying the Texas Public Information Act Process

The Texas Public Information Act (TPIA), originally passed in the 1970's, is a policy intended to ensure transparency in government and provide a way for citizens to obtain information from the government that serves them.

The TPIA is a great law that keeps the government accountable to the people and seeks to prevent corruption. We filed HB 3200 to simplify the process and clarify the Legislature's intent regarding the process for requesting information when the law was first passed.

There is a process outlined in the TPIA that allows government entities to seek guidance from the Office of the Attorney General to determine whether they must provide certain information if they believe the information is sensitive and would be harmful if released. Requestors of information are also

able to file a suit for a writ of mandamus compelling the government entity to release the information. Both of these remedies are important to keep governments accountable and ensure that they don't arbitrarily choose to withhold information from the public. Challenges ensue, however, when a requestor files suit while the OAG is working on providing a ruling.

For example, in 2008, an individual requested documents from the City of Houston. As directed by the Texas Public Information Act, the City of Houston produced most of the documents requested, but believed some were sensitive and asked the Texas Attorney General to determine whether the documents were subject to disclosure. Although this request had already been made, both the requester and another lawyer filed suit in 2008 before the Attorney General issued an opinion. Then, the plaintiff's counsel sent an email to the Attorney General, informing him of the lawsuit and asking him to defer to the courts. The Attorney General deferred, and declined to issue an opinion.

The Court held that some of the documents withheld were public, and though Houston immediately complied and produced the documents, the trial court held that the plaintiffs had substantially prevailed and awarded attorney's fees (taxpayer dollars) in the amount of \$95,664.00 for trial and an award of \$80,000 in conditional appellate fees.

We filed HB 3200 to preserve the resources of courts and governmental bodies by clarifying when a requestor may file suit for a writ of mandamus against a governmental body to compel release of information. Attorneys who sue these governments before an OAG ruling have created a cottage industry in Texas. HB 3200 seeks to end these frivolous lawsuits and clarify the Legislature's intent that the OAG has the opportunity to answer open records decisions first, in advance of judicial review. We presented HB 3200 in the Government Efficiency and Reform Committee this week and look forward to working the bill through the process.

[HB 629](#): Protecting Animal Sanctuaries

Yesterday, I presented HB 629 in the Culture, Recreation and Tourism Committee. We introduced HB 629 with the intent of protecting accredited animal sanctuaries in Texas, and more specifically, Primarily Primates, a sanctuary in District 122. Primarily Primates, founded in 1978, serves as a home to wild, non-native animals that have been abandoned after being used in lab tests, in zoos and circuses, or as pets. Without organizations such as

Primarily Primates, these animals would likely be euthanized or let go by their owners.

In 2001, the Texas Legislature enacted the Texas Dangerous Wild Animals Act to protect citizens from the threat presented by the increase in dangerous wild animal ownership in Texas. The Act doesn't ban the ownership of dangerous wild animals by Texans; rather, it requires owners to register such animals with a county, pay a fee, and ensure the proper care, treatment and enclosure of such animals. The Legislature has exempted certain categories of animal welfare entities from the Act, including circuses, zoos, research facilities, veterinarians, movie and TV animals, college mascots, etc. Animal sanctuaries, however, are not currently included under these exemptions in the statute because the original drafters of the Act simply overlooked wildlife sanctuaries. An animal sanctuary is a facility where animals are brought to live in a protected environment for the rest of their lives, and we contend that certain accredited sanctuaries should be exempted from the Act to make it clear they are allowed to exist in Texas.

Upcoming Committee Hearings

[HB 177](#): Permitting the use of tent jails in Texas

This legislation would help Texas counties to address the high costs of jail overcrowding by allowing them to house low-risk inmates in tent facilities. In 2006, I visited Maricopa County, Arizona and met with Sheriff Joe Arapaio, who runs the largest tent jail facility in the nation. The Maricopa County Sheriff is known for being possibly the toughest sheriff in the country for housing inmates in tents. Sheriff Joe designed his tent jail facility to reduce recidivism and cut costs. In efforts to reduce the high costs of jail overcrowding, HB 177 would allow counties to house low-risk inmates indefinitely in tents or other facilities in lieu of a county jail, in keeping with standards already in place. The legislation is permissive, so it wouldn't require counties to erect tents, it would just provide them with the option.

Next week, the House Natural Resources Committee will hear the balance of our water related bills. Here is a quick rundown of the water legislation we're pursuing:

[HB 1189](#): Creating the 5 State Water Council

Texas is in the middle of a number of lawsuits with adjacent states over disputes about appropriate water allocation. HB 1189 is an attempt to take these arguments out of the courtroom and, instead, facilitate a dialogue between the Southwestern States (Texas, New Mexico, Louisiana, Oklahoma, and Arkansas) that share contiguous bodies of water in order to effectively solve the ongoing problem of allocating a scarce and precious resource.

HB 2133: Promoting Desalination as a Solution to our Water Crisis

This legislation would raise the profile of innovative and alternative water treatment technologies, particularly desalination and reuse, in the public policy statement of the state and thereby remove it from the smaller, limited view of agency focus and into larger statewide interests, especially given the water needs of the state.

HB 2577: Encouraging Groundwater Reporting for Better Water Planning

This bill is an attempt to have more accuracy in available groundwater numbers by attempting to capture those withdrawal numbers that are currently not provided through permitting. The bill will also require that districts send a report to the Texas Water Development Board after obtaining these numbers.

HB 2578: Encouraging the Use of Brackish Groundwater

This legislation seeks to encourage and facilitate the development of brackish groundwater by changing the Water Code to eliminate regulatory impediments that currently limit the study, planning and management of brackish groundwater production.

HB 2752: Facilitating Brackish Desalination

The purpose of HB 2752 is to support development of brackish water desalination projects, provide local water supplies, help advance and improve brackish water treatment technology, and support reliable power generation in ERCOT. This bill creates a structure for a local government entity to partner with a power generating company to develop a desalination project with a cost-effective power partner that can leverage state water development options.

HB 3013: Promoting Aquifer Storage and Recovery

This bill encourages the development of Aquifer Storage and Recovery (ASR) projects throughout the state. The principal challenges for ASR in the United States have been the legal and regulatory frameworks which, in many states, have not yet caught up with the technical application of this technology. This bill seeks expedite the permitting process for ASR projects and amend the Water Code to clarify jurisdiction and access to water stored in ASR projects.

Larson Bills on the Move

Four pieces of legislation that I filed have moved through the committee process and referred to the Local & Consent calendar to be taken up for consideration on the House floor tomorrow morning. [HB 120](#), which adds the Defense Superior Service Medal to the Department of Motor Vehicles' Specialty License Plate Program, recognizes the exemplary service of Defense Superior Service Medal recipients by providing the issuance of special plates and other benefits. [HB 150](#) would require flying the United States and Texas flags at half-staff at various state office buildings when a Texan soldier perishes in combat in recognition of the sacrifices made by Texans for our country. [HB 610](#) aims to allow an owner of a manufactured home community to sell his or her community to a buyer in a business-to-business transaction, without having to obtain a retailers license if included in the total sale are more than two manufactured homes titled as personal property. Finally, [HB 1106](#) will be considered, which seeks to revise sections of the Water Safety Act to remove inconsistencies that exist between the Texas Parks and Wildlife Code and the Code of Federal Regulations, to avoid jeopardizing federal funding of the state's Recreational Boating Safety Programs. These bills will be laid out and taken up for vote by the entire House today at 11:00 a.m. If you would like to tune into the discussions, you may watch the Chamber Stream [here](#).

[HB 252](#) will be heard on the House floor a week from today. The measure requires that a utility must keep an accurate and up-to date projection of available water - something most, if not all, utilities are already doing. If a utility is reasonably certain that it cannot provide its customers with water for more than 180 days, it must report this to the Texas Commission on Environmental Quality (TCEQ). The goal is to keep the citizens of Texas and regulatory agencies informed regarding a utility's ability to serve its customers' water consumption needs, and allow these agencies to assist in times of emergency.



Team Larson met Ted Nugent in the Capitol last week after he testified for several deer breeding bills in the Culture, Recreation and Tourism Committee

In the News

Associated Press: [Lawmaker Larson says state needs cybersecurity coordinator to shore up defense against hackers](#)

CBS DFW: [Cybersecurity Efforts Pushed In State Legislature](#)

San Antonio Express-News: [San Antonio lawmakers push ahead on cybersecurity](#)

The Texas Tribune: [In Texas, Underground Reservoirs Take Hold](#)

Dallas Morning News: [The Nuge testifies on breeder deer bills](#)

San Antonio Express-News Your Turn: April 5: [Conservation](#)

Dallas Morning News: [House approves bill to create fund for Texas water projects](#)

Texas Observer: [Texas House Advances Big-Dollar Water Fund Bill](#)

StateImpact Texas: [Texas House Passes Major Water Bill](#)

Austin American-Statesman: [House passes legislation aiming to improve state's water supply](#)

As always, please feel free to contact me if I may ever be of assistance to you by phone at (210) 402-5402 or by email at lyle.larson@house.state.tx.us.

Best,



Lyle Larson