

Capitol Update (2-7-19)

Greetings from <u>your</u> Texas Capitol! It's a busy time for us here at the statehouse in Austin. The Senate Finance Committee is actively working on the 2020-21 biennial state budget, Governor Abbott has assigned the legislature five "emergency items" to consider immediately, and legislators are actively filing new bills each day. We'll get into all of that and more in this edition of our Capitol Update.



Lt. Governor Patrick, Governor Abbott, and Speaker Bonnen during the State of the State Address

Gubernatorial Emergency Items

At his biennial State of the State address on February 5, 2019, Governor Greg Abbott shared his outlook on the challenges facing Texas and where we are heading as a state, as well as the steps he believes necessary to keep Texas moving successfully forward. In addition to discussing pivotal issues such as public education, property tax reform and mental health reforms, Gov. Abbott announced five "emergency items"—these formal declarations allow for the legislature to waive the 60-day prohibition on hearing legislation and to immediately consider these issues. The emergency items are:

• **Property Tax Reform** – Two pieces of legislation have been filed relating to property tax reform. Both SB 2 by Senator Bettencourt (R-Houston) and HB 2 by Representative Burrows (R-Lubbock) start the conversation for meaningful property tax reform and relief for all Texas taxpayers. Both bills, as proposed, will limit the unsustainable growth of property taxes on homeowners and increase the individual citizen's ability to control that growth in the future. I will monitor the work of the Property Tax Committee and look forward to reviewing these proposals.

- School Finance/Teacher Pay Over the years, the legislature has appropriated millions of dollars to school districts, and those dollars have not been invested directly in the classroom by giving pay raises to teachers. Student achievement must be a priority and this means ensuring our best teachers are in the classroom serving our students. That means Texas must pay its teachers more. SB 3 by Senator Nelson (R- Flower Mound) proposes to give every full time classroom teacher an across the board pay raise of \$5000. Investing in early childhood education will ensure all Texas children are performing at their highest abilities.
- **Public Safety** As elected officials, our number one priority is keeping Texans safe. That means investing in resources to combat gang violence, human trafficking and equipment our law enforcement officers need to keep us safe. I will work with Governor Abbott and the rest of the legislature to ensure public safety is a priority this session.
- **School Safety** The horrific shooting at Santa Fe serves as a reminder that we must do all we can to ensure our students are safe at school. Importantly, each district is unique. What may be required in a robust school district like Waco may not be required in a less populous district, like Cranfills Gap. As a result, we need to listen to individual school districts to determine what their needs are and then ensure they have the resources to make their schools safer.
- **Hurricane Harvey** Hurricane Harvey was the costliest and most destructive storm in our state's history. Our local communities are continuing to recover and they need assistance from the state to do so. This session, I will work with the legislature and the Governor's office to appropriate money to ensure our local communities have the resources they need to recover better than ever before.

Newly Authored Legislation

My team and I are continuing to file pieces of important legislation. Here are a few examples of bills I filed in the past two weeks:

- <u>SB 548</u> This session I've refiled important legislation to implement several necessary reforms at the Texas Ethics Commission (TEC). This bill, which has 15 joint-authors, would provide the TEC with clear direction on how to carry out certain duties and to help ensure elected officials, political action committees, and individual citizens engaging in the political process are in compliance with the law, as well as provide a due process standard to protect those against whom a complaint is filed. It was unanimously passed by the Senate last session and I am looking forward to both bodies passing the bill and getting it to the Governor's desk to be signed into law.
- <u>SB 659</u> In my continued fight to protect landowners against any abuses by a high speed rail entity, I filed SB 659. This legislation would provide assurances to property owners that their land will not be taken through eminent domain and then later used for another purpose. This bill would also give property owners and their heirs first right to repurchase their land at the price for which they sold it if that land is not developed for the purpose of a high speed rail. I am looking forward to working closely with my House counterpart, Cody Harris (R- Palestine), and I want to thank him for asking me to be his partner on this important piece of legislation.
- <u>SB 530</u> Texans deserve continuous and adequate service of clean drinking water from their water supply companies. In Ellis County, a water system has repeatedly violated water quality standards and boil water notices. Currently, the Texas Commission on Environmental Quality (TCEQ) can only fine up to \$1,000 per violation. This penalty does not accurately reflect the severity of these violations and the gross inconvenience such violations wreak on individuals and communities. In response to this egregious recurring behavior, I've filed legislation with Rep. John Wray to increase the maximum penalty to \$5,000 per violation. Clean and reliably delivered drinking water is a basic necessity and water suppliers must meet the highest standards of both cleanliness and reliability when carrying out this service.

Eminent Domain Joint Author

As I outlined in <u>our previous Capitol Update</u>, a legislator can add his or her signature to any bill (with the permission of the bill author) to show their support of a particular issue. Since that last update, I have signed

on to several bills, authored by Senator Schwertner (R-Georgetown), relating to putting limits and transparency on eminent domain authority:

- **SB 552** Under current case law, a condemning entity is not required to tell the landowner whether the offer for compensation includes more land than the entity has the authority to take under eminent domain. SB 552 seeks to rectify this misrepresentation by ensuring property owners understand a condemning entity's offer for land by requiring a condemnor to make a separate offer for desired land that the condemnor will not seek to condemn.
- **SB 553** Current law requires the Attorney General to publish a document called the Landowner's Bill of Rights. It helps the landowner make informed decisions and must be presented by the condemning entity to a landowner by the time an entity first represents that it possesses the power of eminent domain. While the document is useful, it does not contain information concerning the ability of a person or entity to enter the land to conduct a survey. SB 553 revises the Landowner's Bill of Rights to include information related to the condemning entity's responsibility for any actual damages arising from an examination or survey of the property; a property owner's right to negotiate the terms of the examination or survey of the property; and the condemning entity's ability to sue to obtain a court order authorizing the examination or survey.
- **SB 554** In 2011, the Texas Legislature passed SB 18 (82R), which reestablished and protected the rights of private property owners by allowing a property owner to repurchase land acquired through eminent domain if within 10 years the property is not used for the stated public use. However, the law prohibits a private property owner from repurchasing the land if the entity has made "actual progress" towards the public use. SB 554 strengthens private property rights by defining the requirements for how a condemning entity demonstrates that it has made actual progress towards its stated public use.
- **SB** 555 The state of Texas provides specific property tax exemptions for property in agricultural use, so a property owner only pays taxes on the value of the land based on its current use, rather than its potential market value. When previously exempted land changes to a use that does not qualify for the exemption, current code requires that the property owner pay the difference in taxes between the devalued property and the market value of the property for a certain amount of time These taxes are not due if the land previously qualified as an open-space or timber exemption and was taken through condemnation, but no comparable exemption exists for an agricultural exemption. SB 555 clarifies that, should land be diverted to a nonagricultural use as a result of a condemnation, the additional taxes and interest are the obligation of the condemning entity, not the property owner.

Teacher Retirement System of Texas

During the interim I made it a priority to meet with retired teachers across Senate District 22. In these meetings, I explained the critical reforms made to TRS-Care during the 85th Legislative Session to save health benefits for retired teachers. In addition to speaking about the hard decisions we made last session, I have had numerous discussions with the organizations about TRS's pension fund and its long term solvency. Changes will have to be made during the 86th Legislative Session in order to maintain this defined benefit. Currently, the pension fund faces a \$47 billion shortfall in unfunded liabilities and an 87-year funding period, almost certainly making any future Cost of Living Adjustment impossible. Given these circumstances, I am proud to Co-Author Senate Bill 393 (SB 393) by Senator Huffman (R-Houston). SB 393 is a six-year plan to make the TRS pension fund actuarially sound. Over a six-year period (2020-2025), contributions from the state, required districts, and active public education employees would gradually increase. To ensure no public education employee receives a "pay cut" as part of the pension contribution increases. SB 393 offsets those increases by also providing an equal pay raise at the same level of contribution increase for all public education employees. It has been noted if SB 393 does not pass, the unfunded liability is expected to increase to over \$200 billion in approximately 67 years. However, if SB 393 does pass, the unfunded liability is expected to cap at \$50.6 billion in 2025 and then begin to drop. Further, the funding period would also drop from its current level of 87 years to 24 years by 2020. From that point, the entire unfunded liability is expected to be paid off within 24 years. This plan is a responsible approach that brings long term and sustainable solutions to the Teacher Retirement Pension Fund and provides assurance to retired and active teachers as they plan for their retirement.

Battleship Texas Workgroup

Recently, the Chair of the Senate Finance Committee appointed me to a work group with the sole focus of determining a long-term disposition of the Battleship Texas. This ship is not only an important landmark named for the state of Texas, but also holds a unique place in world history as the only surviving dreadnaught class battleship to be deployed in both World War I and World War II. She also provided shore bombardment on D-Day at Normandy. Unfortunately, due to the battleship's location, age, and other pressing priorities, the great ship is again in need of urgent attention. While it was originally believed that the only two options were to dry dock or scrap the ship, new technologies have become available that may allow the state to repair and save the battleship. While we are still in initial discussions on a fiscally responsible solution, I am confident that my fellow legislators and I will find the best viable option for the state to preserve the Battleship Texas, with a long view of sustainability and increased tourism.





Pictured here with volunteers and advocates from Court Appointed Special Advocates (CASA) groups in Senate District 22.

: Sindwell

Pictured here with Axtell Superintendent, J.R. Proctor

In closing, I want to thank you again for reading this update from 'Team Birdwell.' I hope you found it to be informative and that you'll share it with your friends, family and colleagues in Senate District 22, who may subscribe to the Capitol Update by clicking here.

God Bless,

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