

## 2009 LEGISLATIVE AGENDA

### EDUCATION & WORK FORCE DEVELOPMENT

The Greater Houston Partnership supports the long-term investment in public education to create workplace or college-ready high-school graduates and, subsequently, a qualified work force for today's Houston businesses and those we want to attract tomorrow. Doing so requires support spanning pre-kindergarten through post-secondary education. Therefore, the Greater Houston Partnership supports the following legislative priorities in the area of education and work force development:

#### Public School Finance

The Partnership supports:

- Updating the current public school finance structure to:
  - Address the inequities created by existing revenue caps and to allow for adjustments to reflect the rising costs of technology, transportation, cost of living and inflation; and
  - Dedicate property tax revenues gained through increased property valuation to public education.
- Flexibility for school districts to hold referendums prior to the adoption of their budgets;
- Continued separate funding for the Existing Debt Allotment (EDA);
- Financial and accountability credits and incentives when facilities are utilized to co-locate public schools, charter schools and/or institutions of higher education;
- School choice through academically sound and financially solvent charter schools; and
- Facilities funding for charter schools which demonstrate high levels of academic success.

#### Teacher Recruitment and Retention

The Partnership supports:

- Incentive compensation programs for educators who achieve high levels of student growth measures;

- Expanding the pool of qualified teachers through enhanced access to high quality alternative certification programs;
- Increasing the rigor of and accessibility to principal certification programs;
- Exploring innovative recruitment and certification measures to meet “critical staffing” areas; and
- Differentiated pay scales for teacher recruitment and retention in critical need areas.

### **Higher Education**

The Partnership supports:

- A seamless articulation between all levels of the education system with increased funding for dual-credit and AP/IB programs, including assistance with tuition waivers and textbook adoption process and purchases, as well as financial incentives for co-location arrangements;
- The Greater Houston Partnership supports the designation of the University of Houston as Texas’ next top-tier university. We support a competitive funding process to enable the seven universities grouped statewide which includes the University of Houston, under the emerging designation, to achieve National Research University status;
- Increased funding and a more equitable funding structure for community colleges; and
- Additional appropriations for financial aid programs, including the Texas Grant program, that expand access to higher education.

### **Early Childhood Education Programs**

The Partnership supports:

- Increased funding for Pre-Kindergarten programs in order to expand accessibility to such programs, including full-day Pre-Kindergarten;
- Establishing a student to adult ratio for Pre-Kindergarten classrooms using national standards as a guide;
- Age appropriate curricula based on research and best practices, as well as an emphasis on teacher preparedness and professional development; and
- Incentives for partnerships between school districts and early childhood providers to expand access to Pre-Kindergarten programs.

### **Accountability**

The Partnership supports:

- Providing greater transparency in academic data, in particular:
  - The determination of improvement based on the analysis of growth of a district, campuses, classrooms, and individual students;
  - A system that rewards campuses for achievement and growth and provides specific targets for school improvement;
  - A proportional model in which the areas evaluated for each school district will vary depending on the demographics and applicable measures;
  - Standardization of a meaningful measure of drop-out rate focused on completion by the individual student; and
  - And evaluation of teacher effectiveness.
- Implementation of consistent data systems that translate across all public and higher education institutions.

### **Readiness**

The Partnership supports:

- Creating curriculum-based college and workplace readiness standards;
- The use of a common diagnostic to assess college readiness during the early secondary years, and the sharing of the results with institutions of higher education;
- Updating curriculum standards and resources for Career & Technology courses; and
- Increased funding for college and workplace readiness efforts.

## **ENVIRONMENT**

The Greater Houston Partnership supports air quality policies that enhance the Houston region's quality of life and economic competitiveness with emphasis on the attainment of the eight-hour ozone standard. The Partnership also supports the implementation of cost-effective, scientifically supported water and wetlands policies that ensure water quality maintain adequate water supplies for communities throughout the region.

## Air Quality

### **LIRAP Administration**

The Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Retirement Program (LIRAP) was implemented by the Texas Legislature to increase financial incentives for low-income Texans to replace older, dirtier vehicles with newer, cleaner ones. Five counties from the Houston-Galveston-Brazoria nonattainment region participate in the LIRAP program.

The Texas Commission on Environmental Quality (TCEQ) provides funding via contract agreement to counties participating in LIRAP. Current legislation states that participating counties may subcontract with any appropriate entity, such as the regional council of governments or the metropolitan planning organization in the appropriate region, or with another county for services necessary to implement the program. The Partnership supports legislation allowing counties utilizing LIRAP funds to designate a central administrator who can contract on behalf of the counties with the TCEQ for LIRAP funds for both the AirCheckTexas Drive a Clean Machine program and for the local initiatives program.

### **Texas Commission on Environmental Quality Legislation Appropriations Request**

State funding for research and air planning activities, especially when complemented with private funding for these activities has proven to yield optimum results in developing science-based, practical, economically viable state implementation plans for non-attainment areas and air planning activities for near non-attainment areas. The recent revision of the eight-hour ozone standard will increase the number of areas in Texas required to meet additional regulatory standards. Texas currently has three major metropolitan areas above the current standard, Houston-Galveston-Brazoria, Dallas-Fort Worth and Beaumont-Port Arthur. With the revised standard, El Paso, Tyler-Longview, San Antonio and Austin will be added. These new regions will require additional monitoring equipment as well as staff for investigations, modeling and analysis. The Greater Houston Partnership supports approval of the Texas Commission on Environmental Quality's Legislative Appropriations Request, in particular the Exceptional Item Request addressing Eight-Hour Ozone Regulations.

### **TERP and LIRAP Extension**

The 77th Texas Legislature enacted S.B. 5, establishing the Texas Emission Reduction Plan (TERP), a voluntary incentive grant program to promote early emission reductions primarily from personal automobile, freight trucking, vehicle fleets and construction equipment sources. The Low-Income Vehicle Repair Assistance, Retrofit, and Accelerated Retirement Program (LIRAP) was implemented by the Texas Legislature to increase financial incentives for low-income Texans to replace older, dirtier vehicles with newer, cleaner ones. Five counties from the HGB nonattainment region participate in the program now known as Drive a Clean Machine. Last session, the Legislature authorized TERP and LIRAP funding through 2013. The Partnership supports keeping TERP and LIRAP, critical components of the state's clean air plans funded. Extend the programs through 2019 in order to assist the non-attainment regions in meeting their air quality attainment goals.

## **Water Issues**

### **Groundwater Conservation Districts**

Local control of groundwater districts (GCDs) has been beneficial in the Houston area where the difficult challenge of subsidence has been effectively addressed through local management of the subsidence districts. The Partnership supports legislation that preserves local control of groundwater through GCDs and opposes legislation that limits the regulatory authority of local GCDs or changes the underlying legal principle (rule of capture) upon which current groundwater management is based.

### **Treated Effluent Reuse**

Reclaimed water, or treated effluent, is a valuable source for meeting the increased municipal water demands as the population of Texas continues to grow. The Partnership supports legislation to streamline and encourage the implementation of treated effluent reuse projects while ensuring adequate environmental flows and balancing the interests of downstream water right holders.

### **State Water Infrastructure Funding**

Texas' population is projected to grow from 24.9 million in 2010 to 45.6 million in 2060. Based upon these projections, unmet water needs are expected to total 2.7 million acre-

feet. In order to fully implement the State Water Plan to meet the water needs of the state for the next 50 years, additional funding will be needed. The Partnership supports legislation to identify or create a dedicated revenue source to fund major water infrastructure projects statewide. A lack of adequate funding could result in an estimated loss of 1.2 million jobs and a loss of \$98.4 billion in regional income.

### **Water Conservation**

Development of an ongoing statewide water conservation awareness program will strengthen existing local water conservation programs and boost public awareness in areas of the state without local water conservation programs. Additionally, a public awareness program will inform Texans that natural water resources are limited and not immune to consequences of individual behavior. The Partnership supports legislation that identifies or creates a dedicated revenue source to fund a statewide water conservation program.

## **HEALTH CARE**

The Greater Houston Partnership supports public policies that increase access to affordable health care, encourage efficiency in the health care industry and foster collaboration between and among public and private sector providers. Therefore, the Greater Houston Partnership supports the following legislative priorities in the area of health care:

### **Health Insurance Reform to Increase the Number of Insured Texans**

Support legislation that modifies laws and Texas Department of Insurance regulations in the area of health insurance for working individuals and small employers including underwriting and policy issue rules, increased transparency of rate-setting and costs and publishing comparative data.

### **Optimize Funding**

Advocate for policies that promote better utilization of financial resources by:

- Maximizing federal funds.
- Expand children's Medicaid eligibility to 12 months and preserve 12 month continuous coverage for the Children's Health Insurance Program (CHIP).

- Budget realistically for CHIP and Medicaid ensuring adequate reimbursement and covering providers' actual costs.
- Developing a more rational, efficient and equitable system for sharing the burden of the cost of caring for the under and uninsured.

### **Trauma Care Funding**

Support legislative initiatives which require distribution of all uncompensated trauma and emergency health care designated account funds to designated trauma centers in a timely and appropriate manner.

### **Health Care Work Force**

Respond to the workforce needs of our region's health care industry through support of legislative initiatives that:

- Significantly increases the number and quality of health care professionals through the support of alternative models of education and policies that fund healthcare provider education programs (physicians, nursing, allied health professionals, behavioral health professionals and other identified professional shortage areas) and compensate faculty at the market rate.
- Oppose unionization or mandatory ratios in the health care work force.
- Maintain and increase physician services and economic growth in Texas by preserving liability reforms that began in 1995.

### **Integrate and Optimize Health Care Service Delivery**

Support policies that integrate and optimize health care service delivery through:

- Common eligibility systems to improve coordination of care for persons with limited health care access.
- Developing incentive-based strategies for encouraging "Medical Homes."
- A full continuum of behavioral and physical health services.
- The development of wellness and prevention programs.

### **Life Science Technology**

Support policies that create a competitive life science technology research and economic growth environment in Texas and our region.

## IMMIGRATION

In June 2006 the Partnership's Board of Directors passed a resolution supporting comprehensive immigration reform legislation to achieve the following five goals: (1) Secure our borders; (2) Create an efficient temporary worker program; (3) Create a fast, reliable employment verification system; (4) Affirm employers' accountability for hiring employees with legal status; and (5) Develop a process to deal with the illegal immigrants who are already here.

### **Americans for Immigration Reform (AIR)**

In 2007, the Partnership formed an immigration task force whose work indicated that a broad national coalition and separate entity called Americans for Immigration Reform (AIR) should be structured.

Americans for Immigration Reform will build a broad national coalition of support representing the right, middle and left. The coalition includes employers, professional associations, individuals, unions and workers' rights groups, minority groups, faith based organizations, conservative/free market advocates, academics and many others. Its chief concern is a sensible reform of immigration laws in the United States.

To accomplish this goal, Americans for Immigration Reform will:

- Commission academic and market research;
- Educate and communicate with citizens, elected officials and the news media; and,
- Advocate for the creation and passage of sensible reform of our immigration laws.

## QUALITY OF LIFE

The Greater Houston Partnership is committed to securing increased funding for parks and green space to enhance economic development and to improve the quality of life in the region. The Greater Houston Partnership encourages the application of green building standards and incentivizing energy efficiency.

### State and Local Parks Funding

The Partnership continues to support increased funding for parks and green space to enhance the economic development climate and improve the quality of life in the region. The partnership supports legislation to increase the use of existing sporting goods sales tax revenues for state and local parks funding.

- Supporting park maintenance, improvement, repair, and construction projects.
- Supporting appropriations of all revenues generated by the Sporting Goods tax to the Parks system.
- To improve services, operating hours and acquire new parks and green space.
- Supporting park bonds and grants to eliminate deferred maintenance.

### Green Ribbon Landscaping Improvement Program

The Partnership supports the establishment of a permanent landscaping expenditure required by TxDOT.

- To secure the minimum of one percent of the amount to be spent under certain highway contracts.
- Supporting landscaping improvements on highways impairs economic vitality in the region by negatively impacting visitors, investors and potential employers.
- Supporting tree planting and landscaping of roadways enhance our city, increase property values, and lessen the urban heat island effect.

### **Green Building for State Buildings**

The Partnership is committed to making green building mandatory.

- To mandate green building standards for all schools and state buildings.
- To make schools and state buildings more energy efficient.

### **TAX & FISCAL**

The Greater Houston Partnership supports policies that foster economic development by maintaining a positive business climate, attract businesses to the region and support the economic growth of the region's diverse business community.

The Partnership supports policies that:

- Streamline the Comptroller's Value Study and create transparent appraisal methods and techniques for value conclusion.
- Create a balanced tax system and regulatory climate that encourages the savings and investment necessary for the creation of jobs and one that does not place a disproportionate share of the tax burden on business.
- Continue the expansion of tax incentives designed to aid our state's research and development industries.
- Provide an equitable sharing of the tax burden across various business and industrial sectors in our region.
- Reduce reliance on local property taxes while meeting constitutional standards of equity and adequacy.
- Provide tax credits for research and development, job creation and capital investment projects.

### **Margins Tax**

The Partnership will continue to monitor effects of the margins tax. A formal position by the Partnership is expected late November or early December – when more data regarding industry impacts becomes available. The Partnership will oppose amendments to components of the tax that create an unfair economic burden on regional business.

## **TRANSPORTATION & INFRASTRUCTURE**

The Greater Houston Partnership is committed to securing increased funding for multi-modal mobility projects to reduce traffic congestion, enhance movement of goods and improve air quality in the region. The Partnership also supports legislation that promotes the expansion of our highway and transit systems, enhancement of our freight rail system and continued growth of our aviation facilities and waterways.

### **Local Control**

#### **Maintain Local Control of Toll Roads**

Toll roads provide mobility options which alleviate congestion on the main highway system. The Partnership urges the legislature to ensure that control of local toll road projects is retained by the local tolling authority. Furthermore, regional toll authorities should have primary development rights within their jurisdiction and all toll revenue generated within a region should remain in the same region.

#### **Repeal Vehicle Registration Fee Revenue Distribution Formula**

The statutory clause that limits the percentage of motor vehicle registration fees that are rebated to urban counties with large numbers of vehicles should be repealed so that all counties receive the same percentage of registration fee rebates.

#### **Eminent Domain**

The Partnership will monitor legislation regarding eminent domain and will identify potential impacts on growth of transportation infrastructure. Opposition will be considered for any proposed eminent domain legislation which prohibits, impedes or increases costs for improvement or expansion of projects related to roadways, transit, freight rail, ports or aviation facilities.

### **Transportation Funding**

#### **Increase and Index Motor Vehicle Registration Fees**

To provide sufficient funding to TxDOT for maintenance and expansion of the state highway system and to compensate for the effects of inflation over the past quarter-century, motor vehicle registration fees should be increased by an amount necessary to restore the value of such fees to the inflation-adjusted level of funding that they

provided in 1984 (the last time motor vehicle registration fees were increased by the Texas Legislature). The fees should also be indexed to minimize the impacts of inflation on future purchasing power.

### **Decrease Diversions of Transportation Funds**

All diversions of state motor fuel tax revenue to non-TxDOT programs that are not directly associated with the maintenance and expansion of the state highway system, except for the 25 percent diversion to education required by the Texas Constitution, should be discontinued. The current biennial diversion of transportation resources to other uses exceeds \$1.5 billion and increases each biennium. Diversions of transportation funds must be eliminated in order to provide adequate funding to maintain and expand Texas' transportation infrastructure.

### **Adopt Enabling Legislation for Prop 12**

In 2007, Texas voters supported Proposition 12. Prop 12 allows the Legislature to authorize the Texas Transportation Commission to issue up to \$5 billion in general revenue bonds for highway projects. The Partnership supports enabling legislation of Prop 12 bonds.

### **Index State Motor Fuels Tax**

The Texas motor fuel tax rate should be indexed to the Highway Cost Index (HCI), which is rising at a faster rate than the Consumer Price Index, so that the level of funding provided by the tax is not eroded in the future by the effects of inflation.

### **Texas Mobility Fund**

The Texas Mobility Fund (TMF) provides the state with a creative mechanism to substantially leverage transportation dollars. It is estimated that for every \$100 million allocated annually for the TMF, about \$1 billion in bonding authority is created. The

Partnership urges the Legislature to identify additional revenue sources during the 81st Texas Legislature and redirect them from General Revenue to the Texas Mobility Fund.

### **Local Options**

The legislature should authorize local governments to levy taxes or fees dedicated to funding local transportation projects. Funding options such as increased local vehicle

registration fees, local option sales tax, fuel fees and other potential sources should be made available to local governments through voter referenda **or other legislatively approved means**. Revenues generated from voter approved or legislatively approved local option funds could be used for roadways, transit, freight rail, commuter rail and other transportation infrastructure related improvements.

## Freight Rail Improvements

### Capitalize Texas Rail Relocation and Improvement Fund

The Greater Houston Partnership urges the 81<sup>st</sup> Texas Legislature to designate state monies to the Texas Rail Relocation and Improvement Fund. Grade separations should be added as eligible projects. This funding should not include new taxes or fees that would overburden the cargo transportation industry and make the port, railroad and related Texas businesses uncompetitive. Should funding rely on charges to local businesses or consumers, those payees should be the direct beneficiaries. Funding distribution should be proportionate to regional contributions.

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