

## **Houston Pachyderm Meeting – February 7<sup>th</sup>, 2023**

### **Initial Slide**

Good afternoon and thank you for the opportunity to offer this presentation today. My name is Bill Kelly, I'm the Director of Government Relations for Houston Mayor Sylvester Turner.

Today I'd like share with you the people, the principles, and the priorities that our department has advocated for under the leadership of Mayor Sylvester Turner. And then I'd like to share with you how we provide that information to the public.

### **Outline Slide**

It is not lost on me that many people in this audience may not share every political view that I or Mayor Turner have. This is America, this is Texas, we have a diversity of opinions and that isn't a bad thing.

But when it comes to the actual work that my office does, I think you will come to find we operate on common ground. I always find it helpful to establish facts we can all agree on and then talk about how we can work together.

I'll give you an example of a firm fact: The Houston Astros are the 2022 World Series Champions and the best team in baseball. That's just a fact. Sorry Yankee fans. Philly fan – get over it.

And just like the Astros, it is really the people that make the difference. And I think you'll be surprised to find it is actually a pretty small number of actual city employees who make up our roster.

So let's start off with the people:

### **Go To Government Relations Team Slide**

I've been serving in this position since April of 2016, so this marks my 4<sup>th</sup> and final Legislative Session leading our advocacy efforts in Austin and I can say it has been an honor leading this team. I am joined here today by Deputy Director Alexa Aragonez, a graduate of the Bush School at Texas A&M who will be working her first session for the City of Houston after coming to us from Mayor Jeff Williams office at the City of Arlington, TX.

During session, both myself and the Deputy Director actually move to Austin to be there on a daily basis with law makers and their staff to talk through impacts of filed bills. Senior Communications Specialist Desmond Taylor and Legislative Manager Ande Mattei stay in Houston to help coordinate the various city departments as well as the communication efforts out of the Mayor's Office.

To be clear, that's it for my department. We have a 4-person team. Four Astros are enough to carry an HEB commercial, so we know it only take a few to represent. We must get the most out of our team in order to be effective.

While the focus today is rightly on the Texas Legislature and state advocacy, I would note that our office is also responsible for our federal advocacy as well, along with coordinating Mayoral priorities such as the US Conference of Mayors as well as our role in coordinating funding from the American Rescue Plan Act (ARPA).

But given that the Texas Legislature is in session, I wanted to focus today's presentation on the herculean task of representing the City of Houston in Austin.

What I find most impressive about our team is the partnership we have across the over 25 departments and divisions with our city government. Legislative Liaisons, employees in those

departments and divisions that are trained to analyze and track filed bills, coordinate directly with the GR Team in producing analysis with specific impact to the City of Houston services.

What hurts Dallas might help Houston, so we need to know exactly how changes in state statutes will effect the ability of our departments to deliver services.

Quite literally, our legislative liaisons are the subject matter experts who help educate and better inform the Government Relations Team on legislative consequences, both good and bad, with each piece of proposed law.

And just like there's a lot of games in a baseball season, (162 not counting the playoffs to be exact), there is a lot of legislation.

In 2021 alone, the City of Houston analyzed more than 2,100 pieces of legislation and actively tracked more than 1,700 bills that would have affected city services. To be very clear, it is city employees, none of whom are paid extra for their expertise or participation in this service, inform our Government Relations team of how bills effect their departments.

What is particularly challenging is the wide spectrum of services that are affected. Unlike most private sector businesses who may focus on 3 committees in the Texas House and 2 in the Texas Senate, the City of Houston has to monitor everything from animal safety to annexation, policing policy to fire codes, tax & taxi policy, health codes to homeowners associations, not to mention multiple Articles within the one bill that must pass each session: the budget.

I would argue the range of issues that affect cities is probably the widest bandwidth of any group before the Texas Legislature.

It would be impossible to cover this range with only 4 full time employees. Just like every baseball team does, we need to sign free agents.

### **Google Search Slide**

To supplement our limited staff, we hire a State Lobby team each session to help with the scope and legislative communication.

For those waiting for the “paid lobbyists” portion, here it comes.

Now go ahead, feel free to take out your smart phones and enter into your search “City of Houston Lobby Contracts” and the following page should be the first generated in your search and invite you to click on the link.

### **Open To Lobby Contacts Slide**

You’ll find the dates of Council action, the Council vote total, and the contract amount for both our state and federal lobby contracts as well as our dues paid to the Texas Municipal League. That contract was recently passed by City Council on a 16 to 1 vote on November 9<sup>th</sup>.

This is followed by links to the current state and federal lobby contracts as well as those state lobby contracts going back to 2009.

Just a quick note: our opponents often say this information is buried in Council agendas and hard to find. These same people probably think Jose Altuve can’t be that good being only 5 foot 6. In both cases they are wrong.

### **2<sup>nd</sup> Lobby Contracts Slide**

Despite what you may hear from groups opposed to the interests of local government, the spending on our state lobby contract is still at the same amount it was during Mayor Bill White’s

administration. And just like baseball players can point to the stats on the back of their baseball cards, our team has listed every state lobby contract going back to 2009 on our website.

Under the Turner Administration - and is stark contrast to the payroll of the New York Yankees which has increased year over year - the spending on lobby contracts has been at or below previous totals in past Administrations.

And that really brings me back to the common set of facts I mentioned earlier. We need to know exactly what issues and what priorities the city is pushing to tell if taxpayers are getting a return on this investment. I strongly believe that discussion must include the transparency. I hope you will agree our Government Relations website makes a great effort to show exact what we work to do.

So will be looking at our Legislative Principles, our Legislative Priorities, bills we opposed, appropriations we sought, and unfinished business.

Let's start off with our Legislative Principles a document of statements that will guide our team in addressing the thousands of bills filed in Austin.

### **Legislative Principles Slide**

Before each session, members of the Government Relations team work to put together this document based on the perspective our departmental liaisons as they help to convey to our GR Team what actions are necessary to take in Austin.

The list is presented to our Budget and Fiscal Affairs Committee where Council Members were able to weigh in on various issues for a very lively discussion. The list is then presented for passage in front of City Council.

Perhaps my favorite quotation from that public committee hearing was from your own Mr. Douglas Smith, who after listening to the long discussion said:

“First of all, after hearing Bill’s presentation I have second thoughts about eliminating taxpayer funded lobbying. It sounds like we get a lot of benefit from the money that we spend on that.”

I hope you feel the same way after we review a few examples in this presentation.

For the record, and on our website, City Council passed these principles on October 19<sup>th</sup> of this year.

### **Open on 2021 Legislative Report**

We believe our representation of the City of Houston carries a great deal of accountability achieved through transparency. What our GR Team has tried to build for both Council and the general public is the online archive we have created in our Legislative Reports.

- In fact, for the first time in 2021, the City of Houston was able to post every piece of written testimony submitted by the City of Houston online.

During the 87<sup>th</sup> Session, the Mayor’s Office can show 9 pieces of legislation passed as our legislative priorities, the highest amount since I have been the Director. From allowing our Health Department to bill Medicaid to helping Municipal Courts access car insurance databases, each of these are detailed on their own individual page.

I want to thank Mayor Pro Tem Dave Martin, Vice Mayor Pro Tem Martha Castex Tatum, Council Member David Robinson, Council Member Amy Peck, and Council Member Abbie Kamin for serving

on our Ad Hoc Legislative Group that presents departmental suggestions to the Mayor for inclusion into our Legislative Priority list.

### **House Bill 914 Slide**

I'd like to use one bill as an example of how our report works and what our priorities are. Let's look at House Bill 914 by Rep. Ana Hernandez and Senator Joan Huffman that deals with towing of abandoned vehicles.

Previously, law enforcement had to be present in order to authorize a tow for an abandoned vehicle in the city's right of way. Parking compliance officers could write citations on the vehicle, but couldn't authorize a tow. This law changes that.

This bill does not change the current policy of when a vehicle is deemed abandoned – it does not modify the 72-hour timeline at all - or make the city any more money.

What it does do is save an HPD officer from having to make the final trip out to the abandoned vehicle in order to authorize a tow.

Seems like kinda a small thing, right?

In fact, that happened 4,500 a year, more than 12 a day.

The cost savings by eliminating this requirement of HPD to tow abandoned vehicles has allowed them to focus on higher priority issues while letting Parking Compliance Officers do parking compliance.

On the webpage, you'll see the bill authors – I'll note in this example it is a Democrat and a Republican, and various supporting documents like written testimony from Maria Irshad, Assistant Director with ARA and Park Houston.

From there, the main text is what Mayor Pro Tem Dave Martin would describe as "in plain English" narrative of the bill and what

it does. We specifically try to avoid “legislative speak” and instead provide a simple summary of what the bill does.

We hope the general public will benefit from understanding, in clear language, what issues the City of Houston pushed this session and the result.

### **House Bill 753 Slide**

The next section of our report is Legislative Battles. I would bet that you would not be surprised that the City of Houston is very active in trying to stop bad bills.

In this case, I’d like to focus on House Bill 753 by Rep. Gary Gates what would lower franchise fee on what our Solid Waste Department could charge.

Now, Houston famously does not charge a solid waste fee – either for pick up at single family or multi-family homes. Franchise fees are collected from waste hauling companies that service commercial businesses within the City of Houston charging 4% franchise fee (which is on the low end charged by Texas cities).

That lack of a solid waste fee means that every dollar we do invest in our admittedly underfunded Solid Waste Department really counts.

Add to it the increased use that Hurricane Harvey and Winter Storm Uri and we have way more miles on both our trucks and staff than there should be.

Bottom line: Protecting the funding of Solid Waste is a priority for our team.

The City of Houston currently holds franchise agreements with 272 waste hauling companies that operate within the city limits. In the 20 years that this ordinance has been in place, the City has

received no complaints from the industry or the public about the franchise fee rates.

Simply put, the rate of 2% in this bill would mandates would cut \$4 million from the Solid Waste Department in franchise fee revenue that it could not afford to lose.

After speaking with Rep. Gates – who was actually very complimentary of the City of Houston services he receives from his apartment complexes in Houston – we were able to keep the bill from advancing in committee.

## **Re-Entry Program Slide**

New to the Legislative Report is an Appropriations section.

Quite often, the priority of our Legislative Team turns to the State Budget, from securing funding for the dredging of Lake Houston to funding for the Houston Spaceport, our team will work with House Appropriators & Senate Finance to help secure funding for local projects.

In this case, one priority was for the Community Reentry Network Program (CRNP), which provides in-reach and outreach to those involved in the criminal justice system, a structured system of holistic assessments, intensive case management support, evidence-based programming, and workforce support to more than 400 individuals annually. It is run out of the Houston Health Department

This \$1 million allocation (\$500,000 each year of the biennium) has shown to be very successful.

While the statewide overall recidivism rate over the last 10 years held steady at just above 20%, the City of Houston CRNP has most recently experienced an annual recidivism rate of 7.8%.

I would note that with 35% of the individuals in CRNP have a diagnosed mental health condition, and they are released from TDCJ with a 7-day supply of medication.

The City of Houston Reentry Program prioritizes the behavioral health needs of these recently released individuals to quite literally get them the help they need.

### **Senate Bill 355 Bandit Signs**

But just like you don't get a hit every at bat, sometimes there are issues that for whatever reason just don't get done. Remember, the Texas Legislature is designed to keep legislation from passing – not the other way around.

A good example of this was bandit sign legislation from last session.

Senate Bill 355 by Senator Borris Miles would have increased the fines on bandit signs that cities could impose on repeat offenders.

To be very clear, we are not talking about political signs – though folks can instantly think of some violators – not the “garage sale” on “lost dog” signs on a telephone pole.

I'm talking about mass produced, commercial business advertisements like “We Buy Houses” signs that clutter our right of ways and can clog drainage ditches.

All over the city, shady businesses throw out these advertisements onto our streets with no regard for the rules or their collection. Apparently too cheap to simply buy a billboard like responsible businesses, these folks are purposely charging you and me and all

the taxpayers of Houston to pick up their mess. And they simply call it “the price of doing business.”

To illustrate this – one business, by itself has been fined and paid over \$300,000 by city prosecutors and has no plans to stop.

Our Department of Neighborhoods helps to coordinate the collection of these nuisances, and our criminal and civil prosecutors feel the punishments they have imposed aren't changing the conduct.

So we propose the following: let's add a zero to that \$500 fine capped in the current Transportation Code and let's be able to fine the business that benefits, not just the individual we catch putting out the signs.

Last session, this measure did pass the Senate 28-3 but eventually died on the House calendar after being voted out of House Transportation. It is our hope that we can push it over the top and Senator Miles can do his best Ryan Pressly impression to close down these bad practices.

### **CLICK ON HB 133 Medicaid Coverage for Moms**

Finally, there is one city priority that is special for both Mayor Turner and our team. That is increased state funding for mental health services.

You see, the reason Mayor Turner hired me of all people wasn't because I was any kind of powerful lobbyist. It was that he worked with me when I was the Director of Public Policy for Mental Health America of Greater Houston.

Greater access is our priority, just like it was the priority of my board chair at MHA, Mrs. Gwen Emmett.

Later this week, we will be releasing a letter signed by a number of big city mayors that both thanks both the House and Senate for

their base budget amounts for mental health funding and also calls for what can be the most helpful measures to protect new moms.

Over half the births in the State of Texas are covered by Medicaid. Prior to 2021, those new mothers were covered for only 60 days after birth. The #1 recommendation of the Texas Maternal Mortality and Morbidity Taskforce (appointed by the State of Texas) in its September 2018 report was "increasing access to health services during the year after pregnancy."

I want to especially thank Speaker Dade Phelan and State Representative Toni Rose for their steadfast support of this issue, and for former Rep. Sarah Davis for pushing in in 2019.

Currently, legislation was passed to extend Medicaid Coverage for new mother's from the current 60 days to 6 months but had run into problems with federal compliance- meaning unless Texas extends to a full year, that coverage is in jeopardy.

This has been the #1 priority for behavioral health providers and will again be one of our top Legislative Priorities.

### **Open on Written Testimonies Slide**

As I had mentioned earlier, the Legislative Report website contains every piece of written testimony from the City of Houston to the Legislature in the 2021 Session.

That process has continued for the 2023 Legislative Session with a link on our homepage to take you directly to that testimony.

The combination of our Legislative Principles and the transparency of our written testimonies is no easy task and I thank the city's IT Department for continuing to put up with me sending them endless testimonies to post.

### **Legislative Team Slide**

Finally, an item we previously mentioned on transparency. The Government Relations Team, Contract Lobby Team, and Legislative Liaisons are all listed under the “Legislative Team” link.

Again, I hope when people see all of the city employees involved in analyzing and providing subject matter expertise on a range of issues from across the policy spectrum, the public will understand how important it is for the City of Houston to have a seat at the table when discussing statewide policy.

While the highlights and website don’t show everything the GR Team worked on this session in Austin, they should highlight what was most important to Mayor Turner. Making sure Houston has a strong voice in state policy is vital if the state is going to address the concerns that we as Houstonians.

### **Final Slide**

It is especially important given the number of people looking to silence what cities can say. We believe these issues are important and we deserve to have an equal voice with everyone else advocating in Austin.

I do think it is important to go over the numbers: the maximum spending authority for our state lobby contract is \$757,000 over two years.

There are some groups who do not want local governments to have even a seat at the table. I do think it somewhat ironic that our two-year total is roughly equivalent to the Major League Baseball rookie salary – while many of the interests that lobby against the City of Houston have a more Justin Verlander like contract.

AT&T for example once had more lobbyists than there are members of the Texas Legislature. That's 150 House Members plus 31 Senators.

- To be clear, we have 4 folks that work at our prime contractor and 10 subcontractors.

That's 14 folks who work with my 4 person team to cover the 34 committees in the Texas House, the 17 committees in the Texas Senate, along with the executive agencies we work with.

I believe the results we have achieved, and what we are working toward this session, are issues that the people of the City of Houston can be proud of. We have labored to make them accessible for the public and I hope you enjoy exploring our website to see what we have done.

It is not irrational for people to disagree with some of the stances the City of Houston takes. I'm not saying we are always right.

I am saying we will be as transparent as possible with the work that we are doing and look to be able to report out to you – the taxpayers of Houston – what you are getting for your money.

In full disclosure I do want to mention the primary organization that opposes the ability for cities to lobby is the Texas Public Policy Foundation. In fact, on Thursday of last week they emailed out a statement condemning local lobbying efforts specifically saying, "Houstonians paid to advocate for . . . government-controlled health care."

That's a hell of a way to say we support for more state funding for mental health.

But, just like there are Yankee players and fans who are convinced their team is better despite the Astros dominance, the folks at TPPF really don't take issue at the actual policies the City pushes.

They don't cite any local opposition.

They don't show up at any public hearings – which we have weekly at Houston City Council.

They don't believe we should be at the Capitol at all.

They try and make the most persuasive case they can against our lobby efforts while actually employing twice as many lobbyists as the City of Houston does.

Well, if baseball payrolls have taught us anything, just because you pay the most doesn't mean you win.

After all, last year the Astros swept the Yankees.

Thank you for your attention to the presentation and look forward to taking your questions.