

## 2011 Priority Positions for the 82nd Texas State Legislature

### Summary of Positions

In 2011, Texas legislators will be confronted with daunting challenges and unique opportunities during the 82nd Texas Legislative Session including: a significant budget shortfall, continued improvement of Texas' educational system, critical transportation and water infrastructure needs, new demands on our health care system, focus on and support of the state's economic development efforts.

Unlike many other states, Texas is strategically positioned to withstand the current worldwide economic challenges because of its prudent tax structure and business-friendly climate. The Dallas Regional Chamber (DRC) urges the Texas Legislature to work collaboratively with the business sector and other relevant stakeholders in maintaining a sensible tax structure that is favorable to business development, supports the creation of new jobs, and is conducive to economic growth and prosperity.

As the largest metropolitan area in the state, the economic viability of Texas is closely tied to the continued economic health of Dallas/Fort Worth (D/FW). The D/FW region is a major player in the state's economic health, represents one-quarter of the state's population, and accounts for one-third of its gross domestic product. With 6.4 million Texans, D/FW is the fourth largest metro area in the country, following the metro regions of New York, Los Angeles and Chicago. The Dallas Regional Chamber (DRC) represents businesses employing over 1 million people in the DFW area and supports the following priority legislative initiatives in the 82nd Texas Legislature:

### **Air Quality/Environment**

Since approximately 66% of DFW emissions emanate from mobile sources, it is important that the Texas Legislature continues to appropriate funds to programs aimed at the mobile source sector, including Texas Emissions Reduction Plan (TERP) and Aircheck Texas Program, formerly known as the Low Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP).

### **Area Health Care Initiatives**

Affordable high quality health care is an important factor in recruiting businesses and talent to the DFW area. To ensure our region remains competitive, the DRC supports programs that (1) decrease the cost of health care to business and consumers, (2) increase the access of health care to all, and (3) enhance the quality of health care. The DRC also supports the preservation of Medicaid Inpatient Hospital Managed Care Carve Out currently in place in North Texas and proposals to preserve and secure full federal Medicaid match.

### **Economic Development**

To remain competitive, Texas must continue to invest in its economic development tools. Preservation of and funding for the Texas Enterprise Fund and the Emerging Technology Fund are critical to closing deals and job creation. It is also crucial to continue the Texas Economic Development Act: Chapter 313 of the Texas Tax Code. Through June 2008, economic development agreements under Chapter 313 have resulted in nearly \$41 billion in capital investment.

### **Higher Education**

Our area universities, colleges and community colleges are critical to the future economic vitality of our region. Ensuring regional equity and adequate funding for our post-secondary educational institutions including full formula and financial aid funding while maintaining tuition flexibility is essential to the quality of education in the region. Long term policies addressing incentive and research funding and increased support for the region's Tier One universities are a priority.

### **Pre K-12 Public Education**

To meet the increasing demands of the workforce and ensure the productivity of students, our education systems must continue to improve, provide rigorous educational programs and require standards that allow students to graduate from high school with the requisite education and skills to enter the workforce or pursue additional education options. The Chamber supports a strong K-12 education accountability and assessment system; adequate state funding; initiatives that improve teacher availability, quality and accountability; and the opportunity for students to participate in effective early childhood programs.

## **Transportation**

The DRC supports the following: improving Texas Department of Transportation (TxDOT) efficiency; instituting an additional ten cents (10c) per gallon user fee on gasoline and diesel fuels statewide, tied to a constitutional amendment dedicating 100% of the added revenue to transportation (no diversions); and TxDOT funding categories across the state that result in funds being returned to the region in which they were generated.

## **Water**

The DRC supports the 2011 Region C Water Plan, approved by the Region C Water Planning Group (RCWPG) and submitted to the Texas Water Development Board (TWDB) for inclusion in the 2012 State Water Plan. The Chamber also supports the protection of all designated unique reservoir sites in Texas.

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## 2011 Priority Positions for the 82nd Texas State Legislature Air Quality/Environment

The Dallas Regional Chamber recognizes that air quality and compliance with federal air quality standards has a direct impact on public health, as well as the economic health of our community and our state.

Dallas-Fort Worth's estimated 2012 emissions inventory is as follows: 37% on-road mobile sources, 29% non-road mobile sources, 18% point sources and 16% area sources. Since approximately 66% of DFW emissions emanate from mobile sources, it is important that the Texas Legislature continues to appropriate funds to programs aimed at the mobile source sector.

### The Dallas Regional Chamber supports:

- Adequately funding and appropriating funds collected for the Texas Emissions Reduction Plan (TERP). TERP provides grants for replacement and/or retrofitting of large, older heavy-emitting diesel engines, affecting real reductions in emissions from these heavy polluters. Since TERP began in 2001, the Texas Commission on Environmental Quality (TCEQ) has awarded over \$785 million in grants to over 7,300 different projects, 2,861 of which have been in the DFW region. Through these TERP grants, NOx emissions have been reduced in Texas by over 158,000 tons and over 56,000 tons in North Texas.
- Appropriations for the Aircheck Texas Program, formerly known as the Low Income Vehicle Repair Assistance, Retrofit, and Accelerated Vehicle Retirement Program (LIRAP) and urges the Legislature to appropriate funds raised for the program to LIRAP or to other mobile source programs. The LIRAP program was designed to assist low-income families in making repairs to vehicles that fail the required emissions inspection. In the DFW and Houston-Galveston-Brazoria (HGB) nonattainment areas, an additional \$6.00 fee on each emissions inspection funds this program. These fees are collected by the counties and sent to the Texas Commission on Environmental Quality (TCEQ). TCEQ then funds the LIRAP programs run by the Councils of Governments and their Metropolitan Planning Organizations (MPOs) in both DFW and HGB.
- Adequate funding to ensure clear authority and effective enforcement of the State Implementation Plan (SIP) control measures, including funding for state-to-state air quality research modeling tools and monitoring equipment.
- The ability of the Texas Commission on Environmental Quality (TCEQ) to issue necessary air permits and continue to run relevant air quality programs.
- The implementation of any beneficial recommendations for TCEQ from the Sunset Advisory Commission.

## 2011 Priority Positions for the 82nd Texas State Legislature Healthcare

High quality health care is a key component in recruiting businesses and talent to the greater Dallas area. To ensure our region remains competitive, the Dallas Regional Chamber (DRC) advocates for programs that decrease the cost of health care to business and consumers, increase the access of health care to all, and increase the quality of health care.

Health care costs are growing on average 2.5% faster than the growth of inflation, according to the Kaiser Family Foundation. The rising uninsured rate in Texas which is the highest in the nation translates into an increased burden upon health care providers, hospitals, trauma centers and the communities which fund health services.

### The Chamber recommends:

#### Cost

- Ensuring the poor, children, and pregnant mothers living under the federal poverty level receive quality health care by:
  - Working collaboratively with state legislators and relevant stakeholders to oppose efforts to have Texas withdraw from the national Medicaid program.
  - Supporting the preservation and protection of Medicaid Inpatient Hospital Managed Care Carve Out currently in place in North Texas.
  - Supporting proposals to preserve and secure full federal Medicaid match.
  - Restoring adequate Medicaid reimbursement rates for physicians.
  - Protecting Medicaid funding mechanisms to ensure a viable pediatric health care safety-net.
- Adopting measures to promote health care prevention and wellness in Texas that specifically address:
  - Obesity and chronic disease
  - Physical education requirements in schools
  - Immunization (pediatric and adult)
  - Pre-natal care
- Developing, expanding, and protecting primary and preventive health care for the uninsured and underinsured, including maintaining eligibility requirements, benefits, and reimbursement rates for Medicaid as well as CHIP, and funding for caseload projections at levels that maximize federal matching funds; and,
- Offering incentives to encourage physicians to provide a medical home for Medicaid, CHIP and Medicare populations.

#### Access

- Enhancing the amount and timely distribution of emergency readiness funds directed to designated trauma centers by:
- Supporting the complete allocation of all funds generated by the Driver Responsibility Program (DRP) each calendar year.
  - Supporting the Texas trauma network infrastructure;
  - Protecting and maximizing state funding for uncompensated trauma care;
  - Moving from a county-based model of indigent health care delivery to a regional, multi-county model for emergency and trauma care services;
- Increasing funding for Graduate Medical Education (GME) to teaching hospitals with designated resident training programs in order to maintain and eventually increase residency positions and boost funding for nursing academic institutions;
- Supporting industry efforts to remain union-free and avoid mandatory staffing ratios; and,
- Opposing any hospital-based taxing mechanism that would reduce health care capacity and increase health care costs.
- Support the Texas Charity Care Law to enable non-profit hospitals to continue efforts to establish minimum levels of charity care.

#### Quality

- Promoting quality and patient safety through defining a common set of indicators for clinical quality;
- Encouraging hospitals and physicians to share complete and accurate quality data; and,
- Increasing available funds for investments in health information technology and applied research.

## 2011 Priority Positions for the 82nd Texas State Legislature Higher Education

The Dallas Regional Chamber recognizes our area universities, colleges, community colleges, and medical schools are the key to the future economic vitality of our region and places high priority on legislative issues impacting higher education for the 82nd Texas Legislature.

### **The Dallas Regional Chamber supports:**

- Sufficient funding for all our institutions of higher education including general academic institutions, community colleges, and medical schools, specifically focusing on achieving regional equity for the North Texas area;
- A long term policy to establish clear target amounts for both community college base funding levels and formula funding for institutions of higher education including funding relating to operations, infrastructure, research and growth with consideration of outcome based funding for degrees granted, particularly in critical areas;
- Providing meaningful incentives for competitively awarded research for all academic and medical institutions;
- Maintaining funding for emerging national research universities;
- Maximum funding for financial aid to academically qualified under-represented students including the TEXAS Grant, the B-On Time Loan programs, Texas Opportunity grants and the Texas Equalization Grant programs;
- Retaining tuition deregulation to provide flexibility for universities to develop excellence;
- The issuance of Tuition Revenue Bonds to leverage state dollars in meeting the capitol needs of our institutions of higher education.

## 2011 Priority Positions for the 82nd Texas State Legislature Pre-K through 12 Public Education

The Dallas Regional Chamber believes an effective Pre-Kindergarten through 12-education system in Texas is critical to enhance, support and ensure the state and region's economic competitiveness. Continued business growth in North Texas is fueled and sustained by diverse talented youth prepared to meet the increasing demands of the workforce. The productivity of our students relies on an education system focused on continuous improvement. Students must complete rigorous and relevant courses of study. The Chamber applauds the improvements that have been made in the public education system to date and challenges the 82nd Texas Legislature to continue its focus on providing resources to allow students to graduate college and career ready.

### **The Dallas Regional Chamber supports:**

- A comprehensive K-12 education accountability and assessment system which is clear, fair, reasonable, transparent and is understandable to educators, parents and the community and provides diagnostic information and promotes growth and improvement;
- State funding that provides sufficient resources for schools to meet the needs of all their students so that students graduate from high school college and career ready;
- The evaluation and simplification of the current system of school funding and updating of the Cost of Education index to reflect actual operational costs;
- Initiatives that improve the availability of qualified teachers especially in high need subject areas (STEM, language, special needs) and schools;
- Initiatives that provide improved, more relevant, principal training to address the need for effective campus leadership;
- Building the foundation for educational success through adequate funding for full-day Pre-K education programs for all eligible children.

## 2011 Priority Positions for the 82nd Texas State Legislature Transportation

The Dallas Regional Chamber recognizes the value of a robust and healthy transportation system. Texas is adding more population than other U.S. regions, and the condition/capacity of Texas roadways is declining because of underinvestment in maintenance and new construction. Dallas-Fort Worth residents want and deserve transportation improvements that enhance mobility, improve air quality, relieve gridlock, maintain existing infrastructure and energize the local economy. At this time, the Chamber believes Texas transportation is underfunded regionally and statewide, and that the situation is worsening. The Chamber therefore takes the following positions for the 82nd Texas State Legislature.

### The Dallas Regional Chamber will actively pursue:

- Improving Texas Department of Transportation (TxDOT) agency efficiency, transparency and accountability by implementing beneficial recommendations from the Grant Thornton Report and Sunset Commission.
- Instituting an additional ten cents (10c) per gallon user fee on gasoline and diesel fuels statewide, tied to a constitutional amendment dedicating 100% of the added revenue to transportation (no diversions).
- Requiring allocations of all TxDOT funding categories across the state that result in funds being returned to the region in which they were generated.
- Supporting North Texas Tollway Authority (NTTA) efforts to maintain its first option for development of toll roads in the region.
- Reestablishing the authority for TxDOT to enter into public-private partnerships (PPP) for projects selected by Metro Planning Organizations (MPOs) and local governments.
- Providing a sustainable basis for TxDOT revenue in future years by indexing the state motor fuels tax, including accounting for inflation and fuel economy, as well as steps to fairly charge highway user fees to vehicles (such as CNG and electric) that do not currently pay fuel taxes.
- Stopping diversions of motor fuels taxes to non-transportation programs.
- Recapitalizing the Texas Mobility Fund.

### The Dallas Regional Chamber supports:

- Capitalizing the Rail Relocation and Improvement Fund.
- Transportation Re-Investment Zones (TRZs) and their ability for local governments to generate funding for a project that is derived from the economic growth resulting from the project.
- Strengthening protection for all toll revenue and concession payments to fund transportation in the region from which the tolls or fees were generated.

## 2011 Priority Positions for the 82nd Texas State Legislature Water

The Dallas Regional Chamber (DRC) recognizes the need for an adequate, well-planned water supply to combat projected shortfalls in Region C of the state's water planning regions, as well as the ability for continued review and revisions to the plan, as new census and other demand projections become available.

### The Dallas Regional Chamber supports:

- Senate Bill 1 (SB 1), enacted in 1997, supporting a regionally-driven planning process and regional water planning groups to create state water plans covering fifty years and updated every five years.
- The 2011 Region C Water Plan, approved by the Region C Water Planning Group (RCWPG) and submitted to the Texas Water Development Board (TWDB).
  - Conservation and reuse efforts included in the 2011 Region C Water Plan, that includes water supply to be nearly one-quarter (23%) from conservation & reuse and one-quarter (25%) from the connection of existing water sources. Region C has significantly more conservation and reuse planned than any other region in Texas.
  - New conservation & reuse include
    - Tarrant Regional Water District Wetlands Project: 105,500 acre-feet per year
    - Dallas Main Stem Trinity River Pump Station: 41,029 acre-feet per year
    - North Texas Municipal Water District Wetlands Project: 41,029 acre-feet per year.
  - Protection of the new reservoir sites recommended in the plan that will account for only sixteen percent of supplies available by 2060. These sites are the Lower Bois d' Arc Creek Reservoir, Lake Ralph Hall and the Marvin Nichols Reservoir. The Chamber also supports the protection of all other designated unique reservoir sites in Texas.
  - The plan's recommendations that more than one-third (33%) of supplies would come from currently available water supplies (both surface water and groundwater) and one-quarter (25%) would come from connection of existing water sources.