

Legislative Affairs Update Summer Meeting

Presented by:



Presentation Overview

Elections 2024: Primary Runoff Results

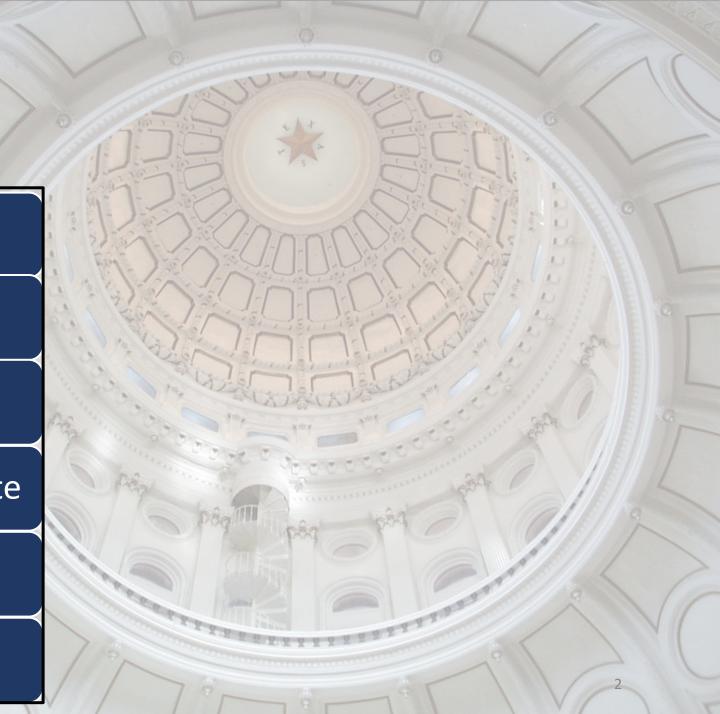
TCOA Senate and House Interim Charges

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TXDOT: Connecting Texas 2050



Elections 2024: *May 28th Primary Runoff Results*

In the Texas House:

- A total of 19 House seats were on the May 28th ballot.
 - 9 incumbents (8 R, 1 D), including House Speaker Dade Phelan
- Only 2 incumbents prevailed: **Speaker Phelan** and **Rep. Gary VanDeaver** (R New Boston)
- House members that lost runoff races:
 - Rep. Justin Holland (R-Rockwall) lost to former Trump spokesperson Katrina Pierson.
 - Rep. John Kuempel (R–Seguin) lost to former state representative Alan Schoolcraft.
 - Rep. Dwayne Burns (R-Cleburne) was defeated by Helen Kerwin.
 - Rep. Fredrick Frazier (R-McKinney) was topped by Keresa Richardson.
 - Rep. Lynn Stucky (R-Denton) got beat by **Andy Hopper**.
 - Rep. Stephanie Klick (R-Fort Worth) went down to **David Lowe**.
 - Rep. Shawn Thierry (D-Houston) lost to Lauren Simmons.
- Endorsements by Trump/Abbott/Paxton, Money from Wilks Bros. & Dunn Made a Difference



Elections 2024: May 28th Primary Runoff Results

Other House Races (no incumbents):

- HD 12 (R): **Trey Wharton** prevailed over Ben Bius in College Station, to replace Rep Kyle Kacal.
- HD 29 (R): **Jeff Barry** beat Alex Kamkar in this Pearland district, to fill Rep. Ed Thompson's seat.
- HD 30 (R): **A.J. Louderback** defeated Jeff Bauknight in Victoria, following the retirement of Rep. Jeannie Morrison.
- HD 37 (D): Jonathan Gracia prevailed over Ruben Cortez, in this South Texas seat. He will face Rep. Janie Lopez in the fall.
- HD 76 (R): Lea S.C. Simmons defeated Summary Kanwal in Sugar Land; will face Rep. Sulemon Lalani in the fall.
- HD 77 (D): Vincent Perez topped former Rep. Norma Chavez in this El Paso seat.
- HD 80 (D): Cecilia Castellano bested Rosie Cuellar in this Uvalde-area district, to replace retiring Rep. Tracy King.
- HD 97 (D): Carlos Walker defeated Diane Symons in this Fort Worth seat.
- HD 97 (R): John McQueeney beat Cheryl Bean, also in Fort Worth, seeking to replace Rep. Craig Goldman.
- HD 139 (D): Charlene Ward Johnson prevailed over Angie Thibodeaux in this Houston seat, replacing Rep. Jarvis Johnson.



Elections 2024: May 28th Primary Runoff Results

In the Texas Senate:

Two Senate seats on the May 28th ballot:

- Senate District 15: **Senator-Elect Molly Cook** (D-Houston) defeated Rep. Jarvis Johnson to be on the November ballot to serve Senate District 15 for a four-year term beginning in January 2025.
 - On May 4th, Cook defeated Johnson to serve out the unexpired term of former Sen. John Whitmire (now Houston Mayor).
- Senate District 30: **Brent Hagenbuch** topped Jace Yarbrough in the GOP primary runoff, and will square off against **Dale Frey**, who bested Michael Braxton in the Democratic primary runoff.
 - Hagenbuch and Frey will face one another in November to replace the retiring Sen. Drew Springer (R-Muenster).



Elections 2024: TCOA PAC Primary Giving

Texas Senate:

Sen. Nathan Johnson (D-Dallas) WON



Elections 2024: *TCOA PAC Primary Giving*

Texas House:

Speaker Dade Phelan (R-Beaumont) WON

Rep. Dwayne Burns (R-Cleburne) LOST

Rep. John Kuempel (R-Seguin) LOST

Rep. Jeff Leach (R-Dallas) WON

Rep. Morgan Meyer (R-Dallas) WON

Rep. Dennis Paul (R-Houston) WON

Rep. Matt Shaheen (R-Plano) WON

Rep. Reggie Smith (R-Sherman) LOST

Rep. Ellen Troxclair (R-Dripping Springs) WON



What does this all mean? What can we expect?

- November General Election Ballot is set:
 - Approximately 100 House and Senate seats will be contested.
- Partisan Balance:
 - Senate is likely to remain the same: 19 Republicans and 12 Democrats.
 - House is likely to keep approx. the same count: 86 Republicans and 64 Democrats.
- Potential New House Speaker?
 - Rep. Tom Oliverson (R-Cypress) filed for Speaker in March.
 - Rep. Shelby Slawson (R-Granbury) filed paperwork last week.
 - 46 Republican House members and nominees pledged to only back a speaker next session who ends the tradition of appointing minority-party committee chairs.



What does this all mean? What can we expect?

Other Impacts:

- Democratic Chairs:
 - Down to eight (from 13) out of 34 Committees
 - Includes Corrections, County Affairs, Criminal Jurisprudence, among others.
 - H. Business & Industry: Rep. Oscar Longoria (D-Mission)
 - H. Transportation: Rep. Terry Canales (D-Edinburg)
- Legislative Challenges:
 - Navigating House + Senate + Governor.
 - 100 Votes in the House.



What does this all mean? What can we expect?

Other Potential Election Issues

- Impact of Pres. Donald Trump Felony Convictions
 - •Constitutional Requirements to Serve as President:
 - •Be a natural-born citizen of the United States.
 - •Be at least 35 years old.
 - •Have been a resident of the United States for 14 years.
- Federal Roles for Texas Elected Officials?
- 2026 Election Cycle Outlook



Senate and House Interim Charges

On April 11th, Lt. Governor Dan Patrick released Senate interim charges, and on May 8th, Speaker Phelan released House interim charges.

Senate Charges:

Transportation Committee:

- The Future of Our Economy: Evaluate President Biden's plan to transition to all-electric vehicles, and the impact on Texans and the state economy. Assess and report on the viability of the charging infrastructure, including the need for more charging stations and upgrades to the power grid, loss of gas tax revenue for transportation and public education, barriers to widespread adoption such as consumer costs for purchasing new vehicles and installing residential charging infrastructure, and the impacts to the oil and gas economy in Texas.
- **Transportation Funding:** Assess the implementation of funding appropriated by the 88th Legislature for aviation, maritime ports, international points of entry, existing rail line operations, and public transportation from non-dedicated state funds and federal funds and make recommendations to ensure these sectors meet current demands and are prepared for future growth.
- Reviewing Historic Accomplishments in Transportation: Review the implementations and outcomes of key transportation funding and policy initiatives since the 84th Legislature. Report on trends or patterns to guide future planning and governance.



Senate and House Interim Charges

House Charges:

Environmental Regulation Committee:

• Impact of New EPA Air Quality Regulations: Evaluate and address the implications of recent EPA regulations proposed and promulgated rules to assess their collective impact on air quality in Texas. Examine the necessity for a new State Implementation Plan and explore potential legislative measures to ensure a balanced approach that promotes regulatory compliance while preserving economic vitality, especially in counties identified as at risk of violation.

International Relations & Economic Development Committee:

- Monitoring: Monitor the agencies and programs under the Committee's jurisdiction and oversee the
 implementation of relevant legislation passed by the 88th Legislature. Conduct active oversight of all associated
 rulemaking and other governmental actions taken to ensure the intended legislative outcome of all legislation,
 including the following:
 - HB 1755, relating to the creation of the Lone Star Workforce of the Future Fund; and
 - HB 4451, relating to a report by the Texas Workforce Commission regarding apprenticeship opportunities in this state for emerging and high-demand industries.



Senate and House Interim Charges

House Charges:

Transportation Committee:

- **Bridge Safety:** Evaluate the current status of state-maintained bridges, existing safety standards related to bridges, and long-term financial needs for bridge planning, construction, maintenance, and inspection. Examine ways to improve bridge project delivery.
- Alleviating Road Traffic: Identify the state's most congested roadways and review state forecasts for future congestion and the expected impact on economic activity. Evaluate TxDOT plans for alleviating congestion and consider the necessity of additional options to ensure economic development, congestion, and safety goals are achieved in a timely manner with reduced cost to public tax dollars.



Scheduled Interim Hearings

September 18th @ 9 a.m., E1.016 - Senate Transportation:

- Transportation Funding: Assess the implementation of funding appropriated by the 88th Legislature for aviation, maritime ports, international points of entry, existing rail line operations, and public transportation from non-dedicated state funds and federal funds and make recommendations to ensure these sectors meet current demands and are prepared for future growth.
- Reviewing Historic Accomplishments in Transportation: Review the implementations and outcomes of key transportation funding and policy initiatives since the 84th Legislature. Report on trends or patterns to guide future planning and governance.

Trucking Litigation Legislation Update

- HB 19 passed in 2021 has not been as effective as anticipated due to a last-minute amendment that has complicated implementation.
 - Calculations of medical and non-economic damages need to be addressed.
 - Preferred providers chosen by injured parties continue to inflate medical expenses resulting in increased penalties for damages.
 - Reform thresholds not triggered due to the amendment.
- Texas for Lawsuit Reform (TLR) and the Keep Texas Trucking Coalition are working together on legislative fixes in 2025.
 - Looking at a new Florida law that could be a good model.
 - No legislative strategy has been finalized.
- An official coalition is being formed to advocate and communicate with the Legislature.

Trucking Litigation Legislation Update

- A communications/PR firm will be hired to pull together lobby materials, social media engagement, and much more.
- Coalition will include a wider range of stakeholders under new branding; Additional members may include Food and Fuel, Homebuilders, Insurance interests, and others.
- In 2025, the goal is to simplify the law to make it more effective in reducing trucking related litigation. Also to address "Angel Investors" who join litigation and direct legal strategy, etc.
- Budget: \$700,000 \$775,000 for overall initiative.
 - Members of coalition are requested to contribute \$5,000 each.
 - TLR is bringing significant resources to the effort including the budget and will likely cover any financial shortfall.

Texas Construction Association 2025 Legislative Issues

High Priorities:

- **Incorporation by Reference** clarify that documents incorporated must be provided to the requesting party for review prior to contract execution.
- Cross Default/Offset Clauses Remove ability of a GC to offset clauses in their contracts.
- Securing Retainage Statutorily classify reserved funds as trust funds.
- Notice to Subcontractors of Final Payment Upon request, owners must notify subcontractors of progress payments and final payment within 5 days. (Arizona)

Texas Construction Association 2025 Legislative Issues

Other Priorities:

- Prohibit Contract Clauses where Liens Trigger Breach
- Cap Retainage and Reserved Funds
- No Retainage/Reserved Funds on Materials
- Statutorily Define "Completed Work" which Triggers Release of Retainage
- Enforcing Obligation to Furnish Information
- Limitations on Suit on Bond
- Lien Law Clean Up
- Out of State Venue



TXDOT: Connecting Texas 2050

- Texas Department of Transportation (TxDOT) has issued the **Connecting Texas 2050** draft plan, the agency's latest update to the statewide long-range transportation plan.
- The draft plan is a comprehensive report comprised of all the technical work performed and feedback received from the public and stakeholders since fall 2022.
- TXDOT held a statewide virtual public hearing on May 28th; Additional public comments are being accepted through June 9th.
- Final plan to be adopted this summer.
- For more information and to review the draft plan, please visit:

www.txdot.gov/projects/planning/ttp.html.

TXDOT: Connecting Texas 2050

Goals and Objectives: Connecting Texas 2050 identifies six goals for meeting, supporting, and delivering on TxDOT's mission and vision for transportation across the state.



Safety

Plan, build, and maintain a safe and secure transportation system for all users.



Connectivity

Improve multimodal and intermodal connectivity at the local, regional, statewide, national, and international level.



Preservation

Maintain and preserve transportation infrastructure and resources to achieve a state of good repair and mitigate asset deterioration.



Economic Vitality

Develop transportation systems that support the movement of people and goods to enhance quality of life and promote personal and statewide economic growth.



Mobility

Address congestion by improving efficiency, resilience, and reliability.



Stewardship

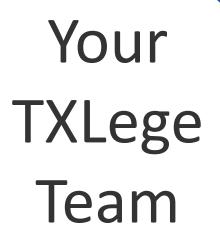
Continue the responsible and efficient use of federal, state, and local fiscal and natural resources.

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Policy Solutions



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