

State of the Legislature: February 3, 2017

The House and Senate opened up shop on January 10th for the 85th Texas Legislative Session. Unlike in previous sessions, dissension in the ranks to overthrow House Speaker Straus was absent, which allowed the first day to start off without a hitch...until it didn't.

As the House laid out the so-called "housekeeping" bill, which dictates general rules the House has to follow for the next five months, State Representative Matt Shaheen (R-Plano) tried to attach an amendment akin to the Lt. Governor's "[bathroom bill.](#)" Unfortunately for Rep. Shaheen, it was struck down on the grounds it was not germane.

This week, Governor Abbott visited the House Chamber to deliver his "[State of the State](#)" address. Traditionally, this is an opportunity for the Governor to signal his priorities to the legislature and allows insiders to have a sense of where the winds of momentum are blowing.

While there were many issues he felt needed to be addressed, only 4 were considered dire enough that they deserved designation as "emergency items". The four emergency items in his address to lawmakers, included: reforming Child Protective Services, banning sanctuary cities, implementing meaningful ethics reforms, and passing a resolution calling for a Convention of States.

As you know, emergency items are the only pieces of legislation that both chambers can pass, because of the constitutionally mandated 60-day "grace period" banning any bills to be passed.

Bill filing continues full speed ahead with approximately 2,200 bills laid out from both chambers. The tea leaves are showing a trend both houses want to tackle, albeit from different angles.

Education reform is gaining a lot of interest. Speaker Straus has made a vow to reform school finance formulas, while Lt. Gov. Patrick has made [school vouchers](#) or savings account his primary education policy.

On the budget, the gulf between the two chambers is larger than it has been in recent years. Below is look at key areas:

- Texas House and Senate leaders unveiled dueling budget proposals — starting nearly \$8 billion apart.
- The proposed House budget offers about \$2.2 billion more in state funds for education than the Senate's.
- The Senate's proposal does not touch the state's funding formulas for public and higher education, and it would add \$2.65 billion to cover public school enrollment growth, which Chairwoman Nelson expects to top 80,000 each year.
- Chairwoman Nelson says the Senate is unlikely re-work the current school finance formula.
- The House budget sets aside funding for public school enrollment to grow by about 165,000 students over the next two years. It also includes an additional \$1.5 billion that could be spent only if the Legislature reforms the school finance system.

- The Senate's base budget funds Medicaid at \$61.2 billion in federal and state funds. That's about \$0.8 billion less than Medicaid's allotment for the current 2016-2017 budget.
- The House's base budget offers about \$0.9 billion more funds for Medicaid than were allocated for 2016-2017, totaling about \$65.1 billion. That's about \$4 billion more in combined federal and state funding than what the Senate set aside.

The Fort Worth Chamber supports restoring public education funding to at least FY2010 per pupil for each school district, and the House budget comes close to that goal. We also support Medicaid reimbursement rates that more accurately reflect the cost for delivering care.

For more details on the Chamber's agenda, [visit here](#).

The legislature adjourned with the Senate Finance Committee continuing meetings on the state budget.

Best Regards,

Matt