

# MEMORANDUM

**TO: Regional Policy and Municipal Infrastructure Committee**

**FROM: Jennifer Wichmann, Assistant Director of Management Resources**

**SUBJECT: State Legislative Consultant Contract Evaluation – FY2012**

**DATE: June 26, 2012**

The City has contracted with Hillco Partners since FY2007 for representation at the state level. In August of 2010, after a request for qualifications was issued, a new contract was signed for a term ending September 30, 2012, with a two year renewal option. In the current contract the City pays \$7,500 per month while the Legislature is in Session and \$6,500 per month during the Interim Session or during Special Sessions when the issues do not apply to local governments. This is a reduction from the previous rates of \$8,000 per month during session and \$6,667 per month during the interim. Throughout the City’s relationship with Hillco, Hillco has fulfilled its contractual obligations including weekly updates and regular communications with staff. They have also provided significant expertise and logistical assistance to City Council and staff in their work on a variety of state government related issues.

An evaluation of the work completed and assisted by Hillco is contained within this document. The chart below summarizes expenditures and revenues for the state legislative work done by the City’s Intergovernmental Relations division, along with successes in both areas which required defense of the City’s local authority and initiatives undertaken.

<b>City Spending</b>	<b>City Revenues</b>	<b>Successful Defenses</b>
\$78,000 annually, FY12	<ul style="list-style-type: none"><li>• Homeless Funding received in FY12 - \$255,010</li></ul>	<ul style="list-style-type: none"><li>• Major Event Trust Fund (on-going)</li></ul>
\$7,500 per month in Session	<ul style="list-style-type: none"><li>• Possible funding in FY13</li></ul>	<ul style="list-style-type: none"><li>• Monitoring interim committee hearings</li></ul>
\$6,500 per month when not in Session		

## **State Lobbyist Report Card**

Although the State Legislature only meets for five months every other year, the work they do is intense, rapidly moving and potentially harmful to local governments. While in session, City staff works closely with our lobbyists at Hillco and with the Texas Municipal League to ensure that the City's interests are protected and its initiatives are advanced. While the time that the Legislature is in session is of particular concern, the effort to monitor the work of the Legislature and its committees is a continual effort. While the Legislature is not in session, interim committees work to study key issues and develop recommendations for legislative changes in the upcoming Legislative Session. Additionally, the time between sessions is used by state agencies to create rules related to the legislation which has been passed by the Legislature. Having an outside lobbying firm to assist with tracking actions of the Legislature both during Session and between Sessions provides the City with important information and an enhanced ability to give input into issues of importance to local governments.

The 82<sup>nd</sup> Interim and the 83<sup>rd</sup> Legislative Sessions will be a time of particular challenge for local governments and for the City of Arlington. Deferred budget pressures and positioning by industry and others have the potential to threaten both local government revenues and control.

Work done by our state lobbying firm, Hillco Partners, during FY12 has occurred in the following areas:

1. Hillco is working with City staff to identify and monitor all city-related, interim studies to be under taken by either the Texas Senate or the House of Representatives and keep the City of Arlington informed through regular updates. To date, interim legislative studies of special interest include the following topics:

- level of municipal debt
- municipal regulation of development
- cost of municipal permits
- property tax rates, truth-in-taxation notices, and property tax appraisals
- tax abatements for economic development
- affordable housing
- state/local economic development initiatives
- drought/state water plan
- municipal procurement
- funding for the Crime Victims Compensation Fund
- transportation infrastructure

Many additional city-related topics will be examined during the remainder of 2012.

2. Hillco is also monitoring weekly issues of the Texas Register for proposed rules or other items that could affect the City of Arlington. Provide regular updates to the City. This is a new aspect of Hillco's work with the City.
3. Hillco is monitoring the implementation of legislation passed in 2011 and reporting to the City any items of concern. Of particular interest to date have been: 1) the potential conflict between the May date for municipal elections and the date set by a court for the state primary election; and 2) the configuration of new districts for the Texas Senate, the Texas House, and the U.S. House of Representatives.
4. Hillco is monitoring and reporting on any attorney general opinion requests and opinions of interest. Of special concern is one pending request relating to the Major Events Trust Fund, a statute of special significance to the City of Arlington.
5. Hillco lobbyists also participate in periodic conference calls with representatives of the City of Arlington and provide updates as appropriate and receive/respond to any requests.
6. Hillco is also working to monitor the Texas Municipal League's preparations for the 2013 legislative session to ensure that the City's interests are advanced.