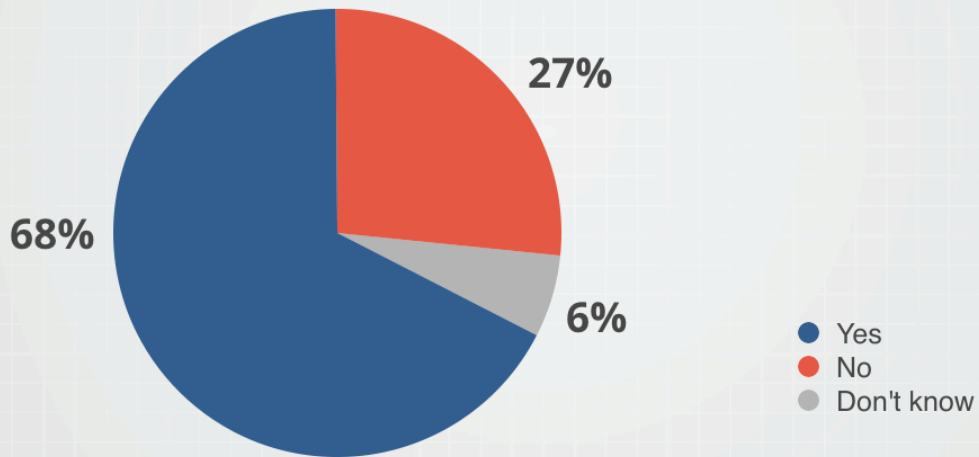


# “INSIDE” INTELLIGENCE

*The Texas Weekly/Texas Tribune insider poll  
for the week of 24 June 2016*

# INSIDE INTELLIGENCE

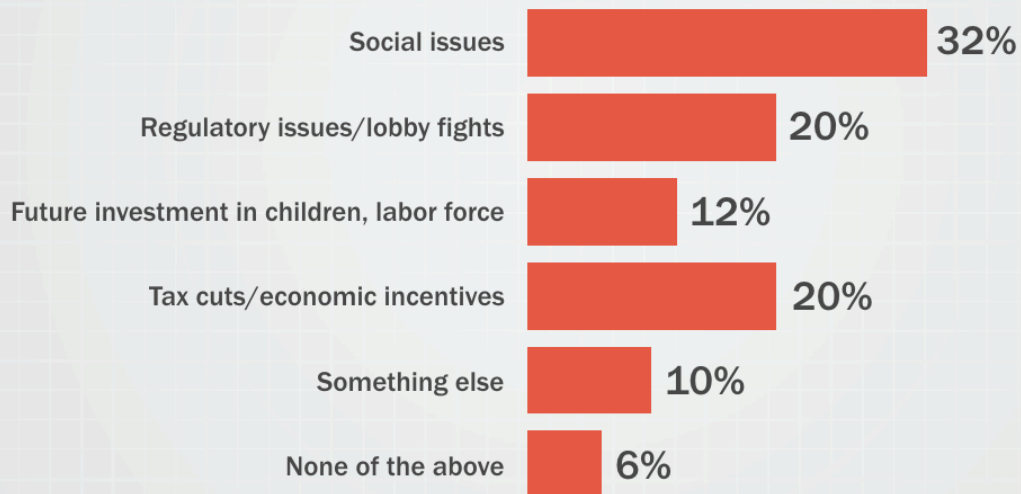
The Texas economy added just 200 jobs in May. Does this signal any larger concerns with the health of the state economy?



Inside Intelligence is an informal survey of political and government insiders in Texas and is not meant to measure public opinion.

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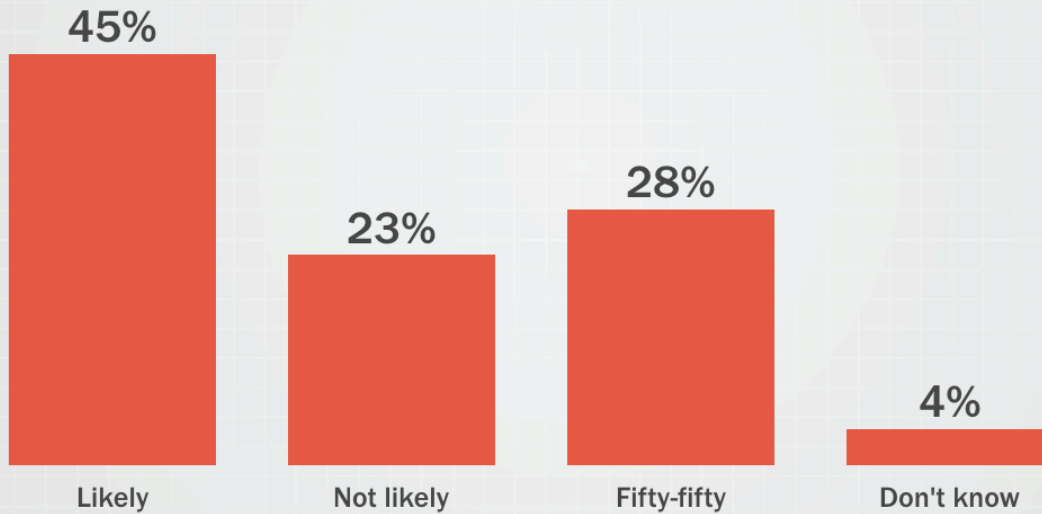
If worries of a revenue crunch are receding in light of recent court action, what's the focus of next year's session?



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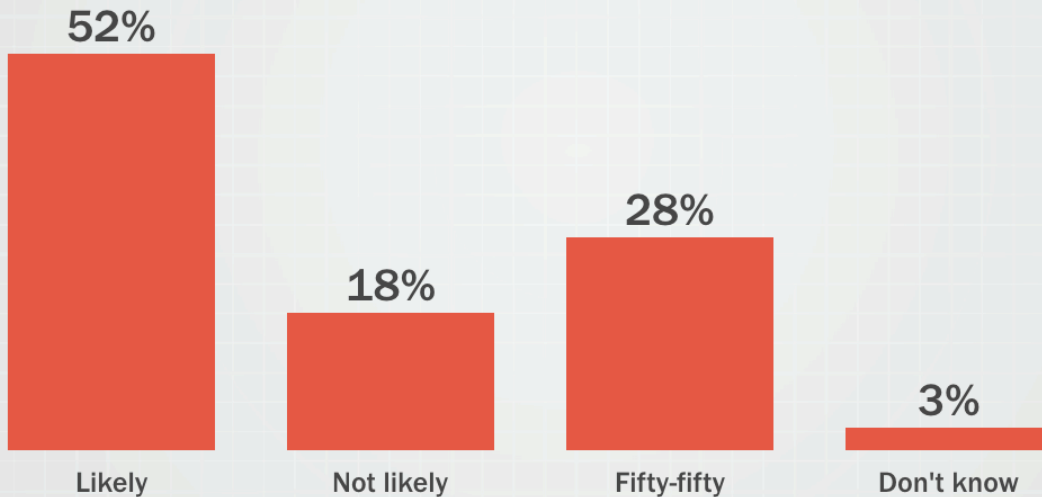
What are the chances that lawmakers create statewide regulations for the sharing economy, like Uber and Airbnb?



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## ***The Texas economy added just 200 jobs in May. Does this signal any larger concerns with the health of the state economy?***

- "Of course. The oil business is down, but it's going to recover eventually. Tax revenues are going to be down, too. It will be a tough session in 2017."
- "Eek!"
- "Those that are looking to increase their funding next session will be running into a stagnant wall."
- "Signifies oil and gas industry has been sucking wind for a couple of years... would still bet on TX versus the rest of America."
- "Does 20 new jobs in a state with a population of 27 million people signal larger concerns with the state economy? Ha!! Sir, this question makes me laugh."
- "It's no surprise since it's due to the price of oil."
- "Oil and gas still a drag for the time being."

- "Not a large problem but concerns are shared over slowing sectors."
- "Things are worse than government agencies (federal and state) are acknowledging. Look for a fuller story to unfold after the elections and before the session."
- "The Economic CYCLE..."
- "Oil is lagging behind projections. Sales taxes are down. Commercial real estate is in crisis. Get ready, people."
- "Population growth (from a high birth rate) will continue creating lots of low-paying service jobs with few or no benefits. Communities that actually have manufacturing or oil/energy sector jobs will have fewer people employed in higher-paying occupations."
- "Shouldn't we be concerned about contraction?"
- "With the state of the energy industry and the national economy I'm surprised Texas didn't show a net loss of employment."
- "The economy is in the tank. The economy sucks. But wait, maybe we won't have all of those lefties from California and other states moving here! See, dad taught me to make lemonade out of the lemon."
- "Yes, and it is all the Republicans' fault — they are in charge of the state leadership. I am sure they will blame Obama, however. They like to have it both ways."
- "Well, it certainly isn't good news..."

***Texas lawmakers have received a few gifts from the Supreme Court in recent rulings on school finance and a tax case involving the oil and gas industry. If worries of a revenue crunch are receding, what's the focus of next year's session?***

- "I think it will all hinge on who wins the presidency."
- "The primary focus should be fixing CPS. But I'm afraid that bathroom policy will receive more attention."
- "The middle class continues to complain about the high cost of property taxes. We are about to witness the beginning of a push to end property taxes and substitute them for a state income tax. Yes, I said a state income tax. This will hurt the poor but help the families that are keeping the state economy afloat."
- "Lawsuits aside, they are still in a bind when it comes to providing for current services in education and in health and human services. Even so, with the franchise tax lawsuit still pending, it's premature to count chickens."
- "Property tax reform!"
- "Cut the size and overreach of government."
- "Somehow, leaders of small government, anti-state control of citizens' lives have found pressing public need to regulate 'ride sharing'"

throughout the state. Who knew that was more important than children in foster care being abused by our system and our leading the pack to the bottom of every measure of how we treat our fellow citizens?"

- "Vouchers"
- "'Worries of a revenue crunch' may be receding for now, but they'll be back in full force in January. Once legislators see how bad things really are, these other issues will slip to the back."
- "I checked 'tax cuts' ... which will hopefully be balanced with an adult discussion regarding investment in the future of the state."
- "We will see efforts to rein in the lavish spending of the lobby as a response to the clear message voters are sending that they are tired of the political class rigging the system."
- "Which bathroom does Uber use?"
- "Expect a lot of terrible proposals (i.e., divisive and not solving any problems that actually exist in Texas) on various social issues to sail through the state Senate. In an ideal world, that's as far as they'll get."
- "Follow the money."
- "'Worries of a revenue crunch' may be 'receding,' but money will still be tighter in 2017 than it has been in several sessions."
- "Transgender bathrooms seems to be the main focus these days. It sure does divert the attention from real issues."

- "Bathroom issues and the like, oh, and property rights"

- "There will still be focus on budget as Legislature has to contend with impact of the actions taken last session to end diversions and some high cost items like foster care, mixed in with the social agenda and property tax issues some members are pushing."

- "Texas needs to continue supporting a pro-growth economy. A trained and educated workforce is necessary. Investments in our future should be a priority."

- "Although the focus SHOULD be on public education and the reform of CPS, I am sure we will go through another round of religious freedom and bathroom discussions."

- "This seems to make the most people gain political points and stirs up controversy, keeping the electeds in the news. This session is prior to the 2018 elections, with filing before year's end for primaries. They will do all they can to keep the 'emotional' issues on the top of the agenda."

- "Sadly, social issues as a diversion, because they don't know how to govern and fix real pocketbook issues."

- "Whatever goofy items tickle the funny bone of the far right in the Senate and whatever itch of established interests the House can scratch."

- "The obsessions of the lunatic fringe which is the Tea Party, as articulated by the Talk Show Host-In-Chief"

- "Because some have solutions looking for problems!"
- "Infrastructure, education, and health."
- "Transportation and infrastructure"

***What are the chances that lawmakers create statewide regulations for the sharing economy, like Uber and Airbnb?***

- "Unless Uber & Lyft shoot themselves in the foot again..."
- "Likely, and hopefully."
- "We're for local control, right? Leave these issues up to the cities."
- "Uber may have an easier time than Airbnb because the hotel lobby is stronger than the taxi lobby. If we have to be in Austin, we have to have Uber."
- "The city of Austin always seems to find a way to screw TML... without even trying."
- "Voting against measures that protect people's daughters is bad politics."
- "Austin not only chased out a couple of businesses that allowed people to support themselves as micro-entrepreneurs but just last night they did a sting impounding the cars of people who are trying to make rent and eat. This is not going to end well for local control."
- "Depends on who has the most money to spend on lobbyists and campaign contributions."
- "Unless and until a catastrophe happens, keep government out of it."
- "Uber and the sharing economy leaders better realize government and politicians are going to crawl up their rear end and regulate and tax them. YES, even in Texas."
- "See above"
- "Screw local control. Republicans need to amend their platform to take that part out."
- "While the regulations make sense, Austin bashing is alive and well!!"
- "Who cares? Are Uber and Airbnb really major issues?"

***What are the chances that lawmakers continue next session to take away local jurisdictions' ordinance authority?***

- "HB 40 was a heavy lift, that's going to make it even tougher for other industries."
- "Cities throughout the state have taken a liberal approach to further regulating all industries. The state cannot continue to allow the small dogs



to do the state's job. It'll be a busy session for TML and muni lobbyists."

- "The favorite Republican adage: Do as I say, not as I do!"
- "Local government spending is out of control. Spending breeds government overreach."
- "It really depends on the extent to which local governments leaders continue to lie awake nights dreaming up ways to convert any business enterprise into a government revenue stream."
- "Instead of being real 'conservatives,' many legislators are firmly in the 'nanny state' camp, so long as they get to be the nanny."
- "Local control is relative. Paternalistically, the Legislature likes it when it controls the locals, but not when the feds control it."
- "Local control is great as long as it comports with my biases."

- "There are no limits to the hypocrisy of Big Government Texas Republicans. The paymasters always get their due."

- "Do as I say, not as I do. BTW, it's all your fault anyways."

- "Watching the party of limited government and local control become just as power hungry as every other political party in history is another great lesson in human nature. The Tea Party's new slogan seems to be 'Limited government for thee, but not for me!'"

- "Local authorities have been using ordinances in an attempt to circumvent state constitutional guarantees. In this environment, cities, a creation of state government, should probably forego that activity less they find themselves with even less authority"

- "They will find a way to do it without doing it."

- "Republicans say screw local control. They need to amend their platform to take that part out."

***Our thanks to this week's participants:*** Gene Acuna, Cathie Adams, Brandon Alderete, Clyde Alexander, Jay Arnold, Charles Bailey, Amy Beneski, Andrew Biar, Tom Blanton, Chris Britton, Raif Calvert, Lydia Camarillo, Kerry Cammack, Elna Christopher, Harold Cook, Randy Cubriel, Beth Cubriel, Denise Davis, Eva De Luna-Castro, Nora Del Bosque, Glenn Deshields, Tom Duffy, David Dunn, Richard Dyer, Jack Erskine, John Esparza, Jon Fisher, Tom Forbes, Dominic Giarratani, Bruce Gibson, Eric Glenn, Kinnan Golemon, Clint Hackney, Wayne Hamilton, Bill Hammond, Steve Holzheuser, Deborah Ingersoll, Mark Jones, Walt Jordan, Robert Kepple, Richard Khouri, Tom Kleinworth, Sandy Kress, Dale Laine, Pete Laney, James

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