

# STAFF REPORTS

## TEXAS GOVERNMENT AFFAIRS

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The goal of the Texas Legislative Committee this year has been to better prepare for the upcoming Texas Legislative Session in 2021 by having better relationships with members in the region and to continue to engage with members outside of the Permian Basin. We have said time and time again that although the Permian Basin is a relatively small region compared to the rest of Texas, its impacts to education, employment, taxes, and more are felt statewide. Further, and perhaps more importantly, the actions of members far from the heart of the region have direct impacts on those that live, work, and raise their families in the Permian Basin.

To that end we have heavily utilized the recent PBPA and TTARA Foundation study “The Permian Basin: Enriching Texas” as a clear product to present to members in the Permian Basin, but more importantly to educate elected officials outside of the region and with less of an understanding of the industry.

Gaining a greater understanding of the industry for members who haven’t been impacted directly can be difficult, however all legislators understand how economic activity impacts the revenue they will need for critical areas like education and public health in the coming months.

As part of that, PBPA invited Comptroller Glenn Hegar to visit with Legislative Committee Members this quarter to outline some of the impacts that have been seen due to Covid-19 shutdowns and the ongoing price challenges with OPEC and OPEC + pricing.

In short, the economic challenges facing the state in the next session loom large and the efforts of lawmakers to fill the gaps will require them to lean on federal funds as well as the economic stabilization fund, made up entirely of dollars collected from the oil and gas industry.

We have also had the opportunity to visit with lawmakers and elected officials through PBPA Webinars to listen to their priorities and understand how we can be best prepared to engage with them in the next session.

Another important focus for the committee has been keeping an eye on elections in the Lone Star State. This continues to be a volatile election and it remains to be seen whom the members of the House will elect as their leader, and more importantly it is not immediately clear whether Republicans will maintain their 17 year control of the House, or if Democrats will manage to wrest the reins of the House for the first time since 2003.

As we look toward this next year for PBPA, the year that includes the 60th Anniversary of the Association, we also look to the opportunity and challenges that exist for the next legislative session and look forward to continuing our work to ensure that we can continue to safely and responsibly develop the natural resources in the Permian Basin.