LEGISLATIVE REPORT

TDNA Board of Directors Meeting November 30, 2006

For an off (even-numbered) year, 2006 turned out to be eventful politically but nothing happened to hurt the newspaper industry's position heading into the 80th Legislature in 2007.

Looking back, the fall elections provided plenty of entertainment but also some good news, as changing demographics contributed to the defeat of a longtime nemesis for the newspaper industry and could portend more changes. Looking forward, there are several initiatives we'll be pursuing as the new Legislature begins its work in January, along with our usual role in protecting the public's right to know.

Most of the focus on the 2006 elections was on the governor's race. The four candidates -- GOP Governor Perry, Democrat Chris Bell and independents Carol Strayhorn and Kinky Friedman – spent about \$35 million altogether on the race. That money was spent to ratify what the polls were saying after Strayhorn and Friedman got on the ballot in May: Perry wins with a plurality somewhere south of 40 percent. Perry ended up with 39 percent, Bell 30 percent and Friedman and Strayhorn lagging in the teens.

There's been speculation that Bell could have pulled out a win if Kinky and/or Grandma were not in the race but it's doubtful that voter anger with Iraq and federal spending would have dented Perry's re-election in Texas. The Republicans swept all of the statewide offices with an average margin of around 60 percent.

There will be only one change in the Senate, where Republican Glen Hegar takes over in a district west of Houston as Democrat Ken Armbrister retires. The Senate is 20-11 Republican. Most of the interest in the Senate in January will focus on new Senator Dan Patrick, a Republican radio talk show host who will take a seat among senators he's been criticizing for the past eight years or so. He's also taken shots at Lieutenant Governor David Dewhurst, who will decide which committees the new senator will serve on.

In the House, however, the Democrats picked up five seats and successfully defended every seat they held, including a 66 percent Republican seat in West Texas long held by former Speaker Pete Laney. With the House now divided by just 12 votes, 81-69, there has been a lot of speculation that a coalition of Democrats and Republicans unhappy with Speaker Tom Craddick will mount an effort to unseat him when the House convenes in January. The odds of this happening are long but not impossible.

Among those House Republicans who lost is Toby Goodman, an Arlington Republican who has overtly and covertly been an opponent of open government since he took office in 1991. Goodman whose 11th-hour amendment into a bill in 1995 cut off access to motor vehicle records; TDNA had to go to court to keep the access and ultimately prevailed, with the state paying our legal costs. Last session, he introduced a bill to undo the staff briefings part of the Open Meetings Act; it got a hearing but failed to win approval.

Goodman's loss, along with two other Republican losses in the Dallas area and one in Houston, are signs that the demographic trends in Texas might be working against continued GOP dominance. An influx of immigrants from other states and countries is changing the look of a lot of urban Texas. A concentration of Asian immigrants helped Representative Hubert Vo comfortably keep the seat he won by a handful of votes in 2004, while in Western Travis County, transplanted Californians helped Representative Donna Howard cruise to victory in a seat drawn as Republican-majority just six years ago. In Corpus Christi, a Hispanic voting block, traditionally Democratic, played a big role in defeating GOP Representative Gene Seaman. Whether this translates into a blip or a trend that spreads to statewide races remains to be seen.

Things have proceeded as scheduled for the TDNA/TPNA legislative program. The Legislative Advisory Committee members have been chosen and we will kick off the session on December 7 with an Editorial Writers Seminar and the first LAC meeting. The committee will meet every other week until the deadline for filing bills passes in late March. As you know, Fred Hartman with Hartman Newspapers will be the new LAC chairman.

Staff has also met with several legislators in the last few months, including Representative Donna Howard of Austin, incoming Senator Kirk Watson of Austin and Representative Joe DeShotel of Port Arthur. Representative DeShotel has agreed to help us fix the "hawkers bill" he passed last session that we felt was an overreach.

Following are the issues the newspaper industry will be focusing on in the 80th Legislature.

Open Government -- A commitment to the public's right to know remains the number one priority of the newspaper industry. We will actively oppose any bill that seeks to roll back efforts to make the workings of state and local government as transparent as possible, including changes to the Public Information Act and the Open Meetings Act. We will support measures that increase the public's access to government information, including a bill to make the process of hiring school superintendents more open. Legislation mandating more record votes in the Legislature is also an open government issue supported by the industry.

We are hearing that we'll likely be playing defense on a number of fronts. There will likely be bills filed to amend the Open Meetings Act to allow public boards and commission to discuss issues by e-mail, crack down on mass Public Information Act requests, make search warrants confidential, make concealed handgun holder records confidential, and to make date of birth information confidential.

Business Issues -- We will be part of a coalition to make changes to the new business tax to make advertising part of the cost of goods sold. We will oppose efforts to broaden the sales tax to include newspaper circulation and printing services, as has been proposed in the past. We will also seek a change in legislation passed last session by Representative DeShotel that raised the minimum age of newspapers "hawkers" to 18.

Public Notice -- The Texas newspaper industry believes the best place to let citizens know how state and local governments plan to spend their money continues to be newspaper public notices. Posting notices only on the internet, which has been proposed in the past, would result in much of the public not knowing how their tax dollars are being spent.

Journalists' Shield Law -- Because of a changing legal climate around the country on the use of confidential sources, the Texas newspaper industry last session supported a journalists' shield law. It would essentially allow a journalist to grant confidentiality to a whistleblower or any source that might fear reprisal when gathering information for a news story. The bill we will support grants a qualified privilege, meaning certain conditions have to be met before a judge could rule that the source can remain confidential.

As you can see, we look forward to active legislative session in 2007. Barring a special session, The 140 days will end on May 28.