

Legislative Update

Texas City Attorneys Association

TML Staff

2019 Session Summary

<u>Year</u>	<u>Total Bills Introduced</u> *	<u>Total Bills Passed</u>	<u>City-Related Bills Introduced</u>	<u>City-Related Bills Passed</u>
2001	5,712	1,621	1,200+	150+
2003	5,754	1,403	1,200+	110+
2005	5,369	1,397	1,200+	105+
2007	6,374	1,495	1,200+	120+
2009	7,609	1,468	1,500+	120+
2011	6,303	1,410	1,500+	160+
2013	6,061	1,437	1,700+	220+
2015	6,476	1,329	1,600+	220+
2017	6,800	1,220	2,000+	290+
2019	7,541	1,437	2,000+	330+

* Includes bills and proposed Constitutional amendments; regular session only.

2019 Session Summary



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- Explicit effort to preempt cities in lieu of state authority across the board seems to be declining slightly
- All so-called “super-preemption” bills died, for example
- But trend to try and politicize cities is on the increase
- One example of this is increased use of population brackets in bills

Cutting Room Floor

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Cutting Room Floor

- Short-term rental regulation preemption
- Working conditions ordinance preemption
- Costly disease notice by animal shelters
- Broad “super preemption” bills
- Confusing financial information on bond ballots
- State or district judge approval of ballot propositions

...More Cutting Room Floor

- 6 chickens for every backyard
- No arrests for Class C misdemeanors
- Must release ETJ on petition
- AG can settle city environmental lawsuits
- 145% required offer in eminent domain
- Limitations on issuance of COs
- Email notification of city fees
- Must use county polling places at May election

Property Tax

- HB 492: Property tax exemption
- HB 3143: Tax Abatement Extension
 - New hearing and 30-day notice requirements added
 - How viable are 312 agreements in light of a 3.5% cap?
 - 380 agreements almost unworkable as they count directly against rollback rate
- SB 2: 3.5% rollback rate cap on cities
 - De minimus relief for cities under 30,000 population: can adopt rate that levies \$500,000
 - 3-year “banking”
 - Bad CO provision removed
 - Effective January 1, 2020

Perfect Explanation of Session

- SB 2 on Senate Floor – Whitmire video:

Online Sales Taxes

- US Supreme Court ruled in our favor recently
- Comptroller issued rules October 19, believes no legislation strictly required to begin state and city collection
 - \$500,000 threshold vs \$100,000 in *Wayfair*
 - October 1, 2019 start date for collection
- HB 1525: shift all sourcing, including in-state, to destination if goods sold at certain “marketplaces”
- HB 2153: Comptroller-recommended legislation affects city share
 - Blended rate instead of individual city rates
 - Cities collect based on current sales tax collections, not actual deliveries from out-of-state retailers
 - TML must stay clear of these city-vs-city sourcing issues

Purchasing and Contracting

- HB 1999: Construction right to cure
- HB 793: Some relief from can't-boycott-Israel contracting bill from 2017
 - Company must have 10 or more employees
 - Contract must have value over \$100,000
- SB 1928: Professional services

Elections

- HB 831: Other than disaster displacement, candidates to show eligibility must have made an effort to return to residence after a temporary absence
- HB 1048: For November elections, can't have early voting place that isn't a county voting place, unless all county places in city are designated by city
- HB 1067: City can remove deceased candidates from ballot up to printing of ballot
- HB 4129: Candidate withdrawal

Open Government

- HB 305: If a city has a website, requires meeting, election, and other info be posted
- HB 2840: Must allow public to comment in public meetings
- SB 494: Expands emergency powers
- SB 943: Bill to expand third party vendors and contractors of cities subject to open records

Open Government

- SB 944: Temporary Custodian
- SB 1640: Attempt to fix recent court case declaring conspiracy crime of Open Meetings Act unconstitutional – “Stated plainly, ‘[t]his shows that criminal penalties, particularly imprisonment, are not necessary to the proper and effective functioning of open meeting laws.’”

Other Finance and Administration

- HB 234: No lemonade stand ordinances, probably preempts regulation of raw milk sales as well
- HB 440: Debt Elections
- HB 477: Adds one item to ballot (that taxes will be used to pay the debt) and requires a voter guide and new notice requirements

Other Finance and Administration

- HB 1495: Lobby reporting/budgeting
- HB 2826: Cities can't hire contingent fee attorneys without AG approval subject to appeal to SOAH
- HB 3834: All city officials and employees with access to government computer systems must complete annual cybersecurity training; can be offered in-house
- SB 30: Single specific purpose for each bond proposition

Other Finance and Administration

- SB 65: Lobby reporting/budgeting
- SB 476: City can't prohibit dogs in outdoor portions of restaurants
- SB 1978: No "adverse" government action against a person for religious reasons (save Chick fil A)
- All state plumbing licensing and regulations to end Sep. 1 because sunset bill, SB 621, didn't pass

Municipal Courts

- SB 346: Courts costs/indigent defendants
 - hearing to determine whether fine imposes an undue hardship on the defendant
 - court shall consider whether the fine and costs should be satisfied through one or more methods under current law, such as payment at a later date or community service

Community and Economic Development

- HB 347: Bye-bye annexation
- HB 852: Residential permit fees
- HB 2439: City can't regulate building materials authorized by national building codes with limited exceptions (Phelan VIDEO)

Community and Economic Development

- HB 2497: Board of adjustment
- HB 3167: Must approve/disapprove subdivision plat/plan applications w/in 30 days or deemed approved
- SB 1303: Required digital mapping for home rule cities

Personnel

- SB 1582: Add police to presumption statute other than cancers
- HB 2143: PTSD caused by multiple events
- SB 2551: Firefighter cancers—expand from 3 to 11 cancers covered

Transportation

- HB 1548: Golf carts, NEVs, and off-highway vehicles
- HB 3871: Speed limits near charter schools
- SB 969: “Mobile delivery devices”

Utilities

- HB 864/866: Gas pipeline incidents
- SB 1152: Providers don't have to pay both cable and telecom franchise fees—can drop the lowest statewide

Public Safety

- HB 8: Evidence of sexual assault
- HB 1177: Carrying handgun in disaster
- *Other disaster bills...
- HB 1631: No new red light camera contracts
- HB 1791: Licensed carry notice investigation

Good Bills for Cities

- Automatic allocation of sporting goods sales taxes to parks (SB 26 and SJR 24 by Kolkhorst—on November ballot)
- Mandatory notice to city of radioactive discharges (HB 2203 by Miller, effective immediately)
- Rock climbing protected under Tort Claims Act (HB 687 by Guillen and SB 230 by Perry, effective immediately)

