



Legislative UPDATE

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State Department of Information Resources: First Round of Cybersecurity Training Providers Approved

House Bill 3834, which became effective on June 14, 2019, mandates cybersecurity training for city officials and employees. The Texas Department of Information Resources (DIR), in consultation with the Texas Cybersecurity Council, is required to certify cybersecurity training programs required by the bill.

DIR has published its initial list of certified cybersecurity training programs for state and local government employees. (Additional programs will be certified on a continuing basis.) The agency's cybersecurity awareness training certification [web page](#) has additional details.

According to DIR, each city should:

- If currently using a cybersecurity training program: (1) check the list of [certified programs](#) to see if it has been certified; (2) if it has, continue using that program to meet the requirements of H.B. 3834; and (3) if it has not, continue to monitor the list of certified programs as additional programs will be added as they are certified.
- If your organization is not currently using a cybersecurity training program: (1) review the list of certified programs to find one that meets your needs; and (2) reach out to the point of contact for instructions on how to access the training program (if you selected an in-house program that the organization is willing to share) or how to procure the training program (if you selected a third party program).

All mandated state and local employees and elected officials are required to complete annual cybersecurity training by June 14, 2020. League staff is coordinating with the TML

Intergovernmental Risk Pool and the Texas Association of Government Information Technology Mangers about whether preparing a city-specific training program makes sense.

City officials with questions should contact DIR at TxTrainingCert@dir.texas.gov or the TML legal department at legalinfo@tml.org.

Lt. Governor Releases Interim Committee Charges

Lt. Governor Dan Patrick released [interim charges](#) to the committees of the Texas Senate to study prior to the 2021 legislative session. The city-related charges are reprinted below. The League will continue to monitor the charges and report on the progress of the studies.

State Affairs Committee

- **Human Trafficking:** Examine opportunities and make recommendations to reduce the profitability of and demand for human trafficking in Texas. Determine ways to increase public awareness on the proliferation of human trafficking, as well as resources for victims and survivors. Review the interaction between local, state, and federal agencies in responding to and prosecuting human trafficking and sex trafficking offenses in Texas' five most populous counties. Make recommendations to ensure law enforcement agencies and prosecutors have the tools necessary to promptly and thoroughly respond to these crimes.
- **Elections:** Study the integrity and security of voter registration rolls, voting machines, and voter qualification procedures to reduce election fraud in Texas. Specifically, study and make recommendations to: (1) ensure counties are accurately verifying voter eligibility after voter registration; (2) improve training requirements for mail-in ballot signature verification committees; (3) ensure every voter has access to a polling station, particularly in counties that have adopted countywide polling; (4) allow the voter registrar, county clerk, and Secretary of State to suspend an unqualified voter's registration or remove an ineligible voter from a list of registered voters; and (5) ensure compliance with laws that prohibit school trustees and employees from improperly using public funds to advocate for or against any candidate, measure, or political party.
- **Taxpayer Lobbying:** Study how governmental entities use public funds for political lobbying purposes. Examine what types of governmental entities use public funds for lobbying purposes. Make recommendations to protect taxpayers from paying for lobbyists who may not represent the taxpayers' interests.
- **Second Amendment:** Examine Second Amendment legislation passed since the 84th Legislative Session including open carry, campus carry, and lowering the license to carry fee. Determine the impact these laws have made on furthering and protecting Second Amendment rights. Make recommendations that may further protect and enhance Texans' Second Amendment right to bear arms

Business and Commerce

- **Information Technology:** Review the state's major information technology infrastructure. Examine cybersecurity preparedness and reporting requirements for state and local governments and political subdivisions. Identify opportunities for expanded partnership and coordination between state and local officials. Compare state and local government prevention and response efforts with those of private businesses facing similar threats. Make recommendations for cost effective ways to strengthen and protect consumer data and personal information against privacy breaches and ransomware threats.
- **Unmanned Aerial Vehicles:** Examine current state and local laws regulating unmanned aerial vehicles. Identify any legislative changes needed to streamline regulation in a manner that promotes commerce and innovation while protecting public safety and the privacy and property rights of Texans.
- **Electricity:** Assess the electricity market in Texas. Examine changes in customer demand, such as on-site storage, distributed generation, and electric vehicles. Study the usage of "non-wires alternatives," including energy storage, and recommend legislative changes if needed. Identify barriers to the electric market at the state or local level. Make recommendations to maintain grid reliability and encourage the continued success of the electric market.
- **Monitoring:** Monitor the implementation of legislation addressed by the Senate Committee on Business and Commerce passed by the 86th Legislature, as well as relevant agencies and programs under the committee's jurisdiction. Specifically, make recommendations for any legislation needed to improve, enhance, or complete implementation of the following: Senate Bill 1004 (85th Legislature), relating to the deployment of network nodes in public right-of-way.

Criminal Justice

Combatting Gang Violence: Study current interdiction methods utilized by law enforcement and governmental entities to reduce the number of juveniles who join gangs. Make recommendations for statutory changes to reduce gang violence in schools and communities.

Finance

- **Natural Disaster Funding:** Review federal, state, and local eligibility and receipt of disaster funds from Community Development Block Grants - Disaster Relief and the Federal Emergency Management Agency. Identify any barriers to the effective utilization of those funds and recommend any changes to statute, rule, or practice to promote the efficient deployment of those funds and expedite recovery by affected citizens, businesses, and communities.
- **Monitoring:** Monitor the implementation of legislation addressed by the Senate Committee on Finance passed by the 86th Legislature, as well as relevant agencies and programs under the committee's jurisdiction. Specifically, make recommendations for any legislation needed to improve, enhance, or complete implementation of the

following: (1) House Bill 1525, relating to the administration and collection of sales and use taxes applicable to sales involving marketplace providers; (2) House Bill 3384, relating to the authority of the comptroller to conduct a limited-scope review of an appraisal district located in an area declared by the governor to be a disaster area; Contingent upon voter approval study the implementation of House Bill 492 and House Joint Resolution 34, relating to a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster.

Intergovernmental Relations Committee

- **Low-Income Housing Tax Credit Program:** Review existing regulations governing the Low-Income Housing Tax Credit Program and the Qualified Allocation Plan to determine whether regulations exist that unnecessarily increase the cost of developing and maintaining affordable housing. Make recommendations to provide regulatory relief and provide greater development of affordable housing in Texas.
- **Federal Housing Review:** Study all federal housing programs accessible to Texas. Make recommendations that ensure the state maximizes the use of those programs.
- **Infrastructure Resiliency:** Examine the authority special purpose districts have to generate natural disaster resilient infrastructure. Determine ways state government can work with special purpose districts to mitigate future flooding and promote more resilient infrastructure. Make recommendations on how special purpose districts may use their statutory authority to assist in mitigating damage from future natural disasters.
- **Monitoring:** Monitor the implementation of legislation addressed by the Senate Committee on Intergovernmental Relations passed by the 86th Legislature, as well as relevant agencies and programs under the committee's jurisdiction. Specifically, make recommendations for any legislation needed to improve, enhance, or complete implementation of the following: (1) Senate Bill 1303, relating to landowner rights in a city's extraterritorial jurisdiction; (2) Senate Bill 1474, relating to private activity bonds; and (3) House Bill 2330, relating to simplifying disaster assistance.

Natural Resources and Economic Development Committee and Water and Rural Affairs Committee (Joint Charges)

- **Local Economic Development Incentives:** Study the use of local tax abatements allowed under Chapter 313 of the Texas Tax Code. Make recommendations to promote transparency and enhance effectiveness of tax abatements, capital investment incentives, and similar programs.
- **Eminent Domain:** Examine current law regarding the balance of private property rights and continued improvement in oil and gas infrastructure. Make recommendations to ensure stability between private property owner protections and emergent oil and gas infrastructure.
- **Future Water Supply:** Examine current laws, processes, and water storage options and availability. Make recommendations promoting the state's water supply, storage, availability, valuation, movement, and development of new sources.

- **Groundwater Regulatory Framework:** Study the state's groundwater regulatory framework and make recommendations to improve groundwater regulation, management, and permitting.
- **Monitoring:** Monitor the implementation of legislation addressed by the Senate Committees on Natural Resources and Economic Development and Water and Rural Affairs passed by the 86th Legislature, as well as relevant agencies and programs under each committee's jurisdiction. Specifically, make recommendations for any legislation needed to improve, enhance, or complete implementation of the following: (1) Senate Bills 6, 7, 8, and 500, relating to disaster response and recovery, disaster funds, state-wide flood planning, and dam maintenance; (2) Senate Bill 698, related to expedited permitting; (3) Senate Bill 700, relating to water utility ratemaking reform; (4) Senate Bill 2272, relating to certain amendment and revocation procedures; (5) House Bill 1325, relating to the production and regulation of hemp; and (6) House Bill 3557, relating to civil and criminal liability for engaging in certain conduct involving a critical infrastructure facility.

Transportation Committee

Safety: Study the primary causes for traffic-related accidents and fatalities, including fatality rates as a result of intoxicated driving. Make recommendations for effective strategies to improve roadway safety.

AG Green Lights New Loan Products from Payday Lenders

Last week, Attorney General Ken Paxton released [KP-0277](#), an opinion that potentially opens the door for “credit services organizations” to offer high-interest extensions of consumer credit other than payday or auto title loans. The controversy underlying the opinion relates to the meaning of technical terms in state law relating to consumer credit.

Many observers, including the Texas Office of Consumer Credit Commissioner, believed that credit services organizations were statutorily limited to offering payday and auto title loans. The attorney general disagreed and concluded that – while a “credit access business” is limited to assisting consumers only with payday and auto title loans – a “credit services organization” has the legal authority to offer other types of extensions of consumer credit.

What does the opinion mean for Texas cities? It is possible, given the opinion and existing law, that credit services organizations will begin offering new types of loans. One such product might be a “signature loan,” which is described in the opinion as a loan that doesn't require any security or authorization to debit the consumer's deposit account. If a city has adopted something similar to the [TML example ordinance](#) regulating payday lenders, it is already regulating credit access businesses and nothing would need to change to continue to regulate payday and auto title loans. However, the ordinance doesn't apply to any new types of loans offered by credit services organizations that operated outside the payday and auto-title loan framework.

A city wishing to protect citizens from any new predatory lending practice would need to consider either amending its existing ordinance or adopting a new ordinance that encompassed the new loan product.

Texas Senate's Mass Shooting Committee Meets

Several weeks ago, the Lt. Governor appointed the Senate Select Committee on Mass Violence Prevention and Community Safety, which was given [several charges](#) to study. The committee met in Odessa, El Paso, and Austin in the ensuing weeks.

League staff will report on the committee's ultimate recommendations.

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