



Legislative UPDATE

December 1, 2017
Number 46

Federal Tax Reform Down to the Wire

The federal income tax reform bills could be voted on any day. Unfortunately, the Tax Cuts and Jobs Act, under consideration right now in the Senate, would force cities to do more with less by weakening or eliminating advance refunding and private activity bonds, and historic and new markets tax credits.

Now is the time for Texas city officials to tell the Senate and House that tax expenditures that help cities and working-class families shouldn't be cut to pay for tax reform.

Our federal tax code is complicated and in need of simplification, but not at the expense of middle-class American families and city budgets. [Send a comment to the Senate now](#) and add your name to NLC's [letter to Congress](#) to tell your Senators and Representatives to vote "no" on any tax reform bill that asks America's cities to do more with less.

TDLR Adopts Rules for Transportation Network Companies

The Texas Department of Licensing and Regulation (TDLR) adopted final rules regarding transportation network companies (TNCs). The rules are effective December 1 and govern companies such as Uber and Lyft. The rules implement House Bill 100, passed during the 2017 regular legislative session, which establishes Chapter 2402 of the Texas Occupations Code.

TDLR's response to stakeholder concerns raised during the rulemaking process was published in the [Texas Register](#).

While House Bill 100 transfers the power to regulate TNCs almost exclusively to the State of Texas, it does leave some regulatory authority with airport owners/operators and governmental entities with jurisdiction over cruise ship terminals. Thus, cities with airports and cruise ship terminals should take a particularly close look at the final rules.

More information about the rules is available on [TDLR's website](#).

TWDB Seeks Input on Water Conservation Strategies

Texas Water Development Board (TWDB) conservation staff is currently soliciting suggestions for the development of a future *Request for Applications* that will advance municipal water conservation strategies and projects in the regional and state water plans.

In 2015, the Texas Legislature directed the TWDB to use funds to measure water conservation activities statewide to ensure that municipal water conservation strategies can be quantified and included in the state water plan to meet future needs. To fulfill this directive, the TWDB contracted with Averitt and Associates, Inc. with the end product being the “Statewide Water Conservation Quantification Project.”

The project included 170 water utilities that have a current conservation plan, projected water needs in 2020 or 2030, and a recommended municipal water conservation water management strategy in the 2017 State Water Plan. For each of these utilities, the Averitt and Associates staff quantified the water savings of current conservation activities and compared the future quantified savings with the recommended conservation water management strategy volumes, as well as the five-year and 10-year goals in the utilities’ conservation plans.

The final project report is now posted online on the TWDB [Water Conservation web page](#), under the “What’s New” section. In addition, [presentation slides](#) summarizing the report are available.

Recognizing the importance of water conservation and the planning for such activities, the legislature again in 2017 provided funds for the TWDB to continue its conservation efforts. TWDB staff is now soliciting input from stakeholders on how to support quantifiable municipal water conservation strategies and projects in the current and future state water plans. The *Request for Applications* is anticipated to be posted in early 2018.

If your city has any suggestions regarding how the TWDB might bridge the conservation activity planning of utilities and the regional and state water plans, please send your suggestions to Kevin Kluge at kevin.kluge@twdb.texas.gov by December 29.

TML member cities may use the material herein for any purpose. No other person or entity may reproduce, duplicate, or distribute any part of this document without the written authorization of the Texas Municipal League.