



# Legislative UPDATE

July 14, 2017  
Number 27

## **Cities Wanted:**

### **McAllen to Lead City Coalition Against Small Cell Subsidies**

City officials who are concerned about their taxpayers subsidizing the cellular industry may wish to join a recently-formed coalition that aims to stop the practice. The City of McAllen is leading the coalition, which will challenge the woefully low right-of-way rental fees in S.B. 1004, the “small cell node” bill. Interested city officials should contact Kevin Pagan, city attorney for McAllen, at [kpagan@mcallen.net](mailto:kpagan@mcallen.net) or 956-681-1090 about joining the city’s lawsuit.

Senate Bill 1004 requires a city to allow access for cellular antennae and related equipment (“small cell nodes”) in city rights-of-way, and it also entitled cell companies and others to place equipment on city light poles, traffic poles, street signs, and other poles. Negotiations during the legislative session led to concession giving some city authority over placement. That may make the bill’s access provisions palatable to many cities.

However, the bill caps a city’s right-of-way rental fee at \$250 per small cell node. A handful of cities had already licensed small cell nodes in their rights-of-way, and they rented the space for *up to \$2,500 per small cell node*. That’s *ten times* what the bill allows.

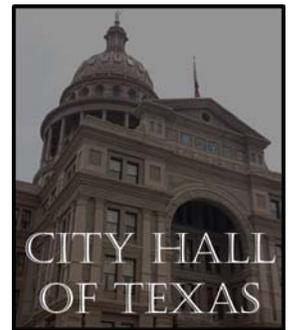
The price per node in the current bill is, plainly and simply, a taxpayer subsidy to the cellular industry because it allows nearly free use of taxpayer-owned rights-of-way and facilities. Cities have been working with companies to deploy their technology, but the industry decided it would rather go to the legislature and exploit city rights-of-way at below market rates, all at taxpayer expense. Cities want this technology, but their taxpayers shouldn't be on the hook for subsidizing it.

The number of nodes in cities is about to increase exponentially. When that happens, the estimated future financial losses to city taxpayers are in the hundreds of millions of dollars annually. The City of McAllen issued a [press release](#) on the lawsuit, and cities with concerns about this development should contact Mr. Pagan and take action to defend their citizens.

## **Governor Issues Special Session Proclamation: Is the Capitol the New “City Hall of Texas?”**

Governor Abbott has officially issued the [proclamation](#) calling for a special legislative session to begin on July 18. Of the 20 topics added to the special session call, many would restrict or preempt Texas cities. The major city-related topics and why they are harmful to Texas are as follows:

1. **Revenue and spending caps:** A revenue and/or spending cap would seriously damage public safety, economic development and transportation. And, property taxes will continue to rise because school district taxes – the real cause of high property taxes in Texas – will continue to escalate. (The governor's call includes an ill-conceived cap on local (and state) spending equal to population growth plus inflation, which was not filed during the regular session.)
2. **Annexation reform:** Legislative proposals that create major obstacles to municipal annexation would damage the state's economy: (a) Texas annexation laws have been fine tuned over the past 100 years to provide an efficient and orderly way to deal with population growth, which is now increasing more than ever; (b) the proof that annexation is working well is in the results: Year after year, Texas cities are among the national leaders in attracting new businesses and new residents; and (c) when cities are prevented from expanding their boundaries, as we've seen in other parts of the country, the city core declines and the region enters a slow economic death spiral.
3. **Preemption (tree ordinances, permit vesting, permit streamlining, cell phones):** Centralizing power in Austin represents an all-out assault on the ability of Texas voters to decide what's best for their communities and their neighborhoods.



Centralizing power at the state level, as the city-related items above seek to do, would be a disturbing development. Seventy-four percent of Texans live in our 1,215 cities, and the decisions they have made at the local level have put Texas cities at the top of the nation in economic and infrastructure success. Stifling their voices through an all-powerful, overreaching

state government is a recipe for disaster. In fact, one columnist recently referred to the governor as the state's new "SuperMayor" and the legislature as its "SuperCouncil." Another editorial referred to the special session plan as "Kim Jong Un's North Korea."

City officials should call their legislators now. Tell them that you know best how to run your city, and you don't need any direction from Austin.

Legislators have begun filing bills on the above issues and others, and League staff will summarize every city-related bill (whether or not they are currently included on the governor's special session agenda) in this and future editions of the *Legislative Update*.

## **Resolutions for the 2017 TML Annual Conference**

The TML Constitution states that resolutions for consideration at the Annual Conference must be submitted to the TML headquarters 45 calendar days prior to the first day of the Annual Conference. For 2017, this provision means that resolutions from any member city, TML region, or TML affiliate must arrive at the TML headquarters no later than 5:00 p.m. on **August 21, 2017**.

The TML Board of Directors has adopted several procedures governing the resolutions process. Please review the following items carefully and thoroughly.

1. No resolution may be considered by the TML Resolutions Committee unless it has prior approval of: (a) the governing body of a TML member city; (b) the governing body or membership of a TML affiliate; or (c) the membership of a TML region at a regional meeting.
2. TML member cities, regions, and affiliates that wish to submit a resolution **must** complete a resolution cover sheet. The cover sheet is available [here](#). The cover sheet must be attached to the resolution throughout each step of the resolutions process.
3. It is recommended that any resolution state one of four categories to better direct League staff. Those categories are:
  - **Seek Introduction and Passage** means that the League will attempt to find a sponsor, will provide testimony, and will otherwise actively pursue passage. Bills in this category are known as "TML bills."
  - **Support** means the League will attempt to obtain passage of the initiative if it is introduced by a city or some other entity.
  - **Oppose**.
  - **Take No Position**.

4. Resolutions submitted will be thoroughly discussed at the TML Annual Conference. The Resolutions Committee is appointed by the TML President and is made up of city officials from TML member cities across the state.
5. The city, region, or affiliate that submits a resolution is encouraged to send a representative to the Resolutions Committee meeting to explain the resolution. The Resolutions Committee will meet at **2:00 p.m.** on **Tuesday, October 3, 2017**, at the **George R. Brown Convention Center** in **Houston**.

If the procedures described above are not followed for any given resolution, that resolution is likely to be referred to some other TML committee for further study. In that case, the resolution would not be adopted during the 2017 conference.

Under the TML Constitution, resolutions received after the deadline of August 21, 2017, must not only have the attached cover sheet, but also must “state the reason precluding timely submission.” These late resolutions may be considered by the TML Resolutions Committee at the Annual Conference only if two-thirds of the Committee members present and voting agree to suspend the submission rule and consider the resolution.

Resolutions may be submitted by mail, fax, or by e-mail to Scott Houston, Deputy Executive Director and General Counsel, at:

1821 Rutherford Lane, Suite 400  
Austin, Texas 78754  
Fax: 512-231-7490  
Email: [shouston@tml.org](mailto:shouston@tml.org)

If you have any questions or would like any assistance, please call 512-231-7400 at any time.

## **Barking About Tree Ordinances Continues** **Amidst Nationwide Preemption Efforts**

The regular session of the legislature saw a number of bills designed to preempt city tree preservation ordinances. None of those passed, but the governor has added the issue to his special session agenda. In the meantime, Senator Donna Campbell (R – New Braunfels) has [requested an attorney general opinion](#) about whether current law prohibits cities from protecting trees.

Texas cities are not alone in the fight to protect their residents from legislators who seek to centralize power in state government. City officials should know that a “preemption wave” is spreading across the country at the behest of certain business and political groups. For example, the following quote from a state legislator in Florida appeared in the *New York Times*:

“We’re the United *States* of America. We are not the United Towns of Florida. We’re not the United Counties of Florida,” said Randy Fine, a Republican state representative there who sponsored a bill this year that would have broadly blocked local laws...

Just a few months apart, this quote from the Texas governor appeared in the *Texas Tribune*:

On Monday, Abbott did not back away from the idea, saying that the country is not called the “United States of Municipalities.” Abbott said at a lunch event, characterizing the proposal as a “broad-based ban on regulations at the local level...”

Sound familiar? This disturbing trend towards homogeneity should be alarming to all of us.

One way the League has sought to counter the trend is by enlisting the help of a nationally-recognized law professor to submit comments on Senator Campbell’s “tree opinion request.” Professor John Echeverria of Vermont Law School stated in a [letter](#) to the Texas attorney general that his “legal research has revealed that courts across the country have so far been unanimous in their judgment that municipal tree preservation ordinances do NOT result in a taking or otherwise unconstitutionally impair private property rights.”

Rather than adopting the talking points of groups that support preemption, hopefully our attorney general will listen to an expert and stick to well-established law when he issues his opinion.

## **Post-Session Update: Cybersecurity**

During the Eighty-Fifth Legislative Session, numerous bills passed that aim to protect state agencies and cities from cybersecurity threats.

[House Bill 8](#) (the “Texas Cybersecurity Act”) received overwhelming support and places new measures on state agencies to ensure cybersecurity protection. The bill also contains a few key provisions that will better protect cities from potential cyber threats. It provides that information such as passwords, personal identification numbers, access codes, encryption, or other components of a city’s security system are confidential. In addition, it authorizes a city council to conduct a closed meeting to deliberate security assessments, network security information, and specific occasions for implementation of critical infrastructure or security devices. (The same provision was also included in [Senate Bill 564](#).)

[Senate Bill 532](#) and [House Bill 1861](#) also make confidential information that arises from efforts to prevent, detect, investigate, or mitigate a computer security incident.

Together, the new measures are meant to give cities new defenses against cyber threats. To learn more information about cybersecurity practices, click [here](#).

## **NLC Calls on FCC to Preserve Municipal Authority**

In [comments submitted to the Federal Communications Commission](#) (FCC) last month, the National League of Cities (NLC) called on the FCC to protect authority traditionally held by local governments in two ongoing [wireless](#) and [wireline](#) rulemaking proceedings.

The two proposals are intended to “streamline and promote broadband deployment,” but they suggest a series of changes that could severely hamper local governments’ ability to adequately manage use of the rights-of-way.

NLC’s comments opposed further preemption by the federal government and the characterization by the FCC of local governance as “a barrier to broadband deployment.” NLC also fought back against a “deemed granted” proposal, which would automatically grant the wireless infrastructure siting applications of any entity if a local government overran the federal “shot clock” time limit to process that application for any reason. NLC also urged the FCC not to limit consideration of aesthetic concerns by local governments or federal interference in this area, as decisions about the aesthetic nature of neighborhoods is an important economic development tool for communities. Finally, NLC urged the FCC to proceed with caution in any streamlining of copper telecommunications infrastructure retirement requirements intended to protect consumers and local government phone service customers.

Cities are encouraged to participate in the reply comment process at the FCC, which will remain open until July 17. Numerous communities and [local officials](#) have already filed in these proceedings. For instructions on using the FCC’s commenting system, click [here](#). Use docket numbers 17-79 (wireless proposal) and 17-84 (wireline proposal) when filing your comments to ensure they are properly filed. If your community files in this proceeding, please forward a copy of your comments to Angelina Panettieri at [panettieri@nlc.org](mailto:panettieri@nlc.org).

*(The edited article above was reprinted with permission of the National League of Cities.)*

## **First Special Session – City-Related Bills Filed**

### **Property Tax**

**1H.B. 42 (Keough) – Appraisal Districts:** would, among other things, provide that: (1) one director is elected from each of the four commissioners precincts of the county for which the appraisal district is established and one director is elected at large from the county; (2) the county assessor-collector serves as a nonvoting director, unless ineligible; and (3) the directors other than the county assessor-collector are elected at the general election for state and county officers and serve two-year terms beginning on January 1 of odd-numbered years.

**1H.B. 44 (Keough) – Appraisal Cap:** would reduce the property tax appraisal cap on homesteads from ten to five percent and apply the new appraisal cap to all real property. (See **1 H.J.R. 16**, below.)

**1H.B. 45 (Keough) – Appraisal Districts:** would, among other things, require the chief appraiser of an appraisal district to be elected at the general election for state and county officers every two years.

**1H.B. 48 (Keough) – Appraisal Review Boards:** would, among other things, provide: (1) that an appraisal review board consists of five members elected by the voters of the county in which the appraisal district is established at the general election for state and county officers; and (2) that the members of the appraisal review board serve two-year terms beginning on January 1st of odd-numbered years.

**1H.B. 49 (Geren) – Property Tax Appeals:** would: (1) authorize a property owner to appeal an order of the appraisal review board determining that the appraisal review board lacks jurisdiction to finally determine a protest by the property owner because the property owner failed to comply with a statutory requirement; (2) provide that a property owner who establishes that the appraisal review board had jurisdiction to issue a final determination of the protest is entitled to a final determination by the court of the protest on any ground, regardless of whether the property owner included the ground in the property owner’s notice of protest; and (3) provide that for certain appeals, if a plea to the jurisdiction is filed in the appeal on the basis that the property owner failed to exhaust the property owner’s administrative remedies, the court may, in lieu of dismissing the appeal for lack of jurisdiction, remand the action to the appraisal review board with instructions to allow the property owner an opportunity to cure the property owner’s failure to exhaust administrative remedies.

**1H.B. 71 (Bohac) – Appraisal Cap:** would reduce the property tax appraisal cap on residence homesteads from ten to five percent. (See **1H.J.R. 19**, below.)

**1H.B. 72 (Bohac) – Property Tax Exemption:** would provide that a Purple Heart recipient and the surviving spouse of a Purple Heart recipient are entitled to an exemption from property taxation of the total appraised value of the Purple Heart recipient’s residence homestead. (See **H.J.R. 20**, below.)

**1H.B. 81 (Darby) – Rollback Elections:** would provide that a petition for a property tax rollback election is valid if it is signed by a number of registered voters of the taxing unit equal to at least: (1) one percent of the number of registered voters of the taxing unit according to the most recent list of registered voters if the tax rate adopted for the current tax year would impose taxes for maintenance and operations in an amount of at least \$10 million; or (2) three percent of the number of registered voters of the taxing unit according to the most recent official list of registered voters if the tax rate adopted for the current tax year would impose taxes for maintenance and operations in an amount of less than \$10 million.

**1H.B. 84 (Metcalf) – Appraisal Cap:** would reduce the property tax appraisal cap on residence homesteads from ten to five percent. (See **1H.J.R. 22**, below.)

**1H.B. 88 (Bell) – Appraisal Cap:** would reduce the property tax appraisal cap on homesteads from ten to five percent, and apply the new appraisal cap to all real property. (See **1H.J.R. 23**, below.)

**1H.B. 87 (Bell) – Appraisal Review Board:** would require the appraisal review board to deliver notice of a protest hearing by electronic mail if, in the notice of protest, the property owner requests delivery by electronic mail and provides a valid electronic mail address.

**1H.B. 91 (Swanson) – Property Taxes:** would: (1) establish the intent of the legislature to abolish property taxes and to create a more equitable means of funding the provision of essential services to residents of this state by local governmental entities and of meeting the state’s constitutional duty to make suitable provision for the support and maintenance of an efficient system of public free schools; and (2) require the comptroller to conduct a comprehensive study of alternative methods of taxation to replace local tax revenue that will be lost when property taxes are abolished.

**1H.B. 92 (E. Rodriguez) – Property Tax Exemption:** would, among other things: (1) require, for purposes of appraisal of qualified open-space land, that a chief appraiser distinguish between the degree of intensity required for various agricultural production methods like organic, sustainable, pastured poultry, rotational grazing, and other uncommon production methods or systems; (2) provide that the production of fruits and vegetables is considered to be an “agricultural use” for purposes of appraisal of qualified open-space land; and (3) require the comptroller to establish appraisal guidelines for uncommon agricultural uses.

**1H.B. 95 (Swanson) – Property Tax Exemption:** would: (1) provide that an individual is entitled to an exemption from taxation of the total appraised value of the individual’s residence homestead if the individual is 75 years of age or older; and (2) provide that the surviving spouse of an individual who qualified for an exemption under (1) is entitled to an exemption from taxation of the total appraised value of the same property to which the deceased spouse’s exemption applied if: (a) the deceased spouse died in a year in which the deceased spouse qualified for the exemption; (b) the surviving spouse was 55 years of age or older when the deceased spouse died; and (c) the property was the residence homestead of the surviving spouse when the deceased spouse died and remains the residence homestead of the surviving spouse. (See **1H.J.R. 24**, below.)

**1H.B. 99 (Springer) – Appraisal Districts:** would: (1) provide that if an appraisal district employee testifies as to the value of real property in certain appeals and the appraised or market value, as applicable, of the property as determined by the order of the appraisal review board is less than \$1 million, the court may give preference to an employee who is a person authorized to perform an appraisal of real estate; and (2) an appraisal district employee may not testify as to the value of real property in certain appeals if the appraised or market value, as applicable, of the property as determined by the order of the appraisal review board is \$1 million or more unless the person is authorized to perform an appraisal of real estate.

**1H.B. 108 (Murphy) – Property Tax Deferral:** would provide that the rate at which interest accrues in connection with the deferral or abatement of the collection of property taxes on certain residence homesteads in the five-year Constant Maturity Treasury Rate reported by the Federal Reserve as of January 1 of the year in which the deferral or abatement was obtained.

**1H.J.R. 16 (Keough) – Appraisal Cap:** would amend the Texas Constitution to reduce the property tax appraisal cap on homesteads from ten to five percent and apply the new appraisal cap to all real property. (See **1H.B. 44**, above.)

**1H.J.R. 19 (Bohac) – Appraisal Cap:** would amend the Texas Constitution to authorize the legislature to reduce the property tax appraisal cap on residence homesteads from ten to five percent. (See **1H.B. 71**, above.)

**1H.J.R. 20 (Bohac) – Property Tax Exemption:** would amend the Texas Constitution to authorize the legislature to exempt from property taxation the total appraised value of the residence homestead of a Purple Heart recipient and the surviving spouse of a Purple Heart recipient. (See **1H.B. 72**, above.)

**1H.J.R. 22 (Metcalf) – Appraisal Cap:** would amend the Texas Constitution to authorize the legislature to reduce the property tax appraisal cap on residence homesteads from ten to five percent. (See **1H.B. 84**, above.)

**1H.J.R. 23 (Bell) – Appraisal Cap:** would amend the Texas Constitution to reduce the property tax appraisal cap on homesteads from ten to five percent and apply the new appraisal cap to all real property. (See **1H.B. 88**, above.)

**1H.J.R. 24 (Swanson) – Property Tax Exemption:** would amend the Texas Constitution to provide that: (1) an individual is entitled to an exemption from taxation of the total appraised value of the individual's residence homestead if the individual is 75 years of age or older; and (2) the surviving spouse of an individual who qualified for an exemption under (1) is entitled to an exemption from taxation of the total appraised value of the same property to which the deceased spouse's exemption applied if: (a) the deceased spouse died in a year in which the deceased spouse qualified for the exemption; (b) the surviving spouse was 55 years of age or older when the deceased spouse died; and (c) the property was the residence homestead of the surviving spouse when the deceased spouse died and remains the residence homestead of the surviving spouse. (See **1H.B. 95**, above.)

**1S.B. 21 (Nelson) – Property Tax Protests:** would make several changes to the system for protesting or appealing certain property tax determinations.

### **Sales Tax**

**1H.B. 97 (Springer) – Sales Tax:** would, among other things, provide that a retailer is engaged in business in this state for purposes of sales tax collection if the retailer, in the previous calendar year or the current calendar year: (1) has total receipts of more than \$100,000 from taxable items delivered in this state, including taxable items delivered electronically to purchasers in this state; or (2) has at least 200 sales of taxable items delivered in this state, including taxable items delivered electronically to purchasers in this state.

### **Elections**

**1H.B. 47 (Schofield) – Early Voting by Mail:** would, among other things, increase penalties for offenses involving fraud in the conduct of early voting by mail.

**1H.B. 66 (Minjarez) – Voter Registration:** would require the voter registrar of each county to automatically register any county resident who is eligible to vote and: (1) is issued a Texas driver’s license or a personal identification card by the Department of Public Safety (DPS); or (2) makes a change to a Texas driver’s license or personal identification card issued by DPS.

**1H.B. 73 (Bohac) – Early Voting by Mail:** would, among other things, provide that: (1) the officially prescribed application form for an early voting ballot must include a space for the voter to provide a change of residence address within the county, if applicable; (2) if the application includes a change of address within the county, the early voting clerk shall notify the voter registrar of the change and the registrar shall update the voter’s registration accordingly; (3) the early voting clerk is not required to provide a form for a statement of residence to a voter who indicated a change of address within the county on the voter’s application for an early voting ballot to be voted by mail; (4) the balloting materials for voting by mail shall be mailed to a voter entitled to vote by mail not later than the seventh calendar day after the later of the date the clerk accepts the voter’s application for a ballot to be voted by mail or the date the ballots become available for mailing, except that if that mailing date is earlier than the 45<sup>th</sup> day before election day, the balloting materials shall be mailed not later than the 30<sup>th</sup> day before election day; (5) the signature verification committee may compare the signatures with any two or more signatures of the voter made within the preceding six years and on file with the general custodian of election records or voter registrar to confirm that the signatures are those of the same person and may use the signatures to determine that the signatures are not those of the same person; and (6) the signature verification committee and early voting ballot board may provide a voter the opportunity to correct a defect under certain circumstances for an early voting ballot voted by mail.

**1H.B. 89 (Hinojosa) – Early Voting:** would authorize early voting by permanent caretakers of persons with certain disabilities

**1H.B. 90 (Hinojosa) – Early Voting by Mail:** would, among other things, provide that: (1) the officially prescribed application form for an early voting ballot must include a space for the voter to provide a change of residence address within the county, if applicable; (2) if the application includes a change of address within the county, the early voting clerk shall notify the voter registrar of the change and the registrar shall update the voter’s registration accordingly; (3) the early voting clerk is not required to provide a form for a statement of residence to a voter who indicated a change of address within the county on the voter’s application for an early voting ballot to be voted by mail; and (4) the signature verification committee and early voting ballot board may provide a voter the opportunity to correct a defect under certain circumstances for an early voting ballot voted by mail.

**1H.B. 96 (Swanson) – Early Voting by Mail:** would authorize the signature verification committee to compare the signatures on each carrier envelope certificate with any two or more signatures of the voter made within the preceding six years and on file with the general custodian of election records or voter registrar to confirm that the signatures are those of the same person.

## **Other Finance and Administration**

**1H.B. 46 (Simmons) – Local Government Bathrooms:** would: (1) prohibit a political subdivision from adopting or enforcing an order, ordinance, policy, or other measure to protect a class of persons from discrimination to the extent the order, ordinance, policy or measure regulates access to multiple-occupancy restrooms, showers, or changing facilities; and (2) provide that the prohibition in (1) may be enforced only through an action instituted by the attorney general for mandamus or injunctive relief, for which the attorney general may recover costs and attorney’s fees.

**1H.B. 74 (Cosper) – Military Cities:** would provide that, for purposes of the applicability of the law governing the provision of state aid to certain local governments disproportionately affected by the granting of property tax relief to disabled veterans, the term “local government” means a city located wholly or partly in a county in which a United States military installation is wholly or partly located.

**1H.B. 85 (Lucio) – Medical Cannabis Preemption:** would provide: (1) authorization for the possession, use, cultivation, distribution, transportation, and delivery of medical cannabis for medical use by patients with certain debilitating medical condition and the licensing of dispensing organizations and cannabis testing facilities; and (2) that a city, county, or other political subdivision may not enact, adopt, or enforce a rule, ordinance, order, resolution, or other regulation that prohibits the cultivation, production, dispensing, testing, or possession of medical cannabis as authorized by the bill.

**1H.B. 93 (E. Rodriguez) – Emergency Services Districts:** would modify the amount of compensation due to an emergency services district for territory removed by a city to be determined by multiplying the district’s total indebtedness at the time of the annexation by a fraction: (1) the numerator of which is the assessed value of the property to be annexed based on the most recent certified county property tax rolls at the time of annexation plus the total amount of the district’s sales and use tax revenue collected by businesses located in the property to be annexed in the 12 months preceding the date of annexation, as reported by the comptroller; and (2) the denominator of which is the total assessed value of the property of the district based on the most recent certified county property tax rolls at the time of annexation plus the total amount of the district’s sales and use tax revenue collected by businesses located in the district in the 12 months preceding the date of annexation, as reported by the comptroller.

**1H.B. 101 (Stephenson) – Public Retirement Systems:** would provide that the governing body of a public retirement system may conduct a study to evaluate the cost-effectiveness and feasibility of implementing a pension revenue enhancement strategy to create an additional source of funding to address potential deficiencies in funding the retirement system’s liabilities.

**1H.B. 111 (Murphy) – Local Debt:** would: (1) require a political subdivision to include any sample ballot prepared for a general obligation bond election to be prominently posted on the political subdivision’s website during the 21 days before the election along with the election order, notice of the election, and contents of the proposition, if the political subdivision

maintains a website; (2) provide that at an election at which a political subdivision submits a proposition to the voters to approve the issuance of general obligation bonds, the entity that establishes early voting polling places may not establish the polling places with the intent to affect the outcome of the election; (3) provide that a political subdivision may not issue general obligation bonds to purchase, improve, or construct improvements or to purchase personal property if the weighted average maturity of the issue of bonds to finance the improvements or personal property exceeds 120 percent of the reasonably expected weighted average economic life of the improvements or personal property financed with the issue of bonds; (4) provide that a political subdivision may use the unspent proceeds of issued general obligation bonds only: (a) for the specific purpose for which the bonds were authorized; (b) to retire the bonds; or (c) for a purpose other than the specific purpose for which the bonds were authorized if: (i) the specific purpose is accomplished or abandoned; and (ii) a majority of the votes cast in an election held in the political subdivision approve the use of the proceeds for the proposed purpose; (5) require the election order and the notice of the election for an election authorized to be held under (4)(c) to state the proposed purpose for which the bond proceeds are to be used; and (6) require a political subdivision to hold the election under (4)(c) in the same manner as an election to issue bonds in the political subdivision.

**1H.B. 110 (Murphy) – Local Debt:** would make numerous changes to the process for issuing local debt. Specifically, the bill would:

1. for purposes of the contents of a debt obligation election order, provide that “debt obligation” is an issued public security that is secured by and payable from property taxes, and the term does not include public securities that are designated as self-supporting by the political subdivision issuing the securities;
2. clarify that a debt obligation election order must specifically state: (a) the proposition language that will appear on the ballot; (b) the purpose for which the debt obligations are to be authorized; (c) the principal amount of the debt obligations to be authorized; (d) that taxes sufficient to pay the principal of and interest on the debt obligations may be imposed; (e) a statement of the estimated tax rate if the debt obligations are authorized or of the maximum interest rate of the debt obligations or any series of the debt obligations, based on the market conditions at the time of the election order; (f) the maximum maturity date of the debt obligations to be authorized or that the debt obligations may be issued to mature over a specified number of years not to exceed the maximum number of years authorized by law; (g) the aggregate amount of the outstanding principal of the political subdivision’s debt obligations as of the date the election is ordered; (h) the aggregate amount of the outstanding interest on debt obligations of the political subdivision as of the date the election is ordered, which may be based on the expectations of the political subdivision as it relates to variable rate debt obligations; and (i) the debt service property tax rate for the political subdivision at the time the election is ordered, expressed as an amount per \$100 valuation of taxable property;
3. provide that the ballot for a measure seeking voter approval of the issuance of debt obligations by a political subdivision shall specifically state: (a) a general description of the purposes for which the debt obligations are to be authorized; (b) the total principal amount of the debt obligations to be authorized; and (c) that taxes sufficient to pay the principal of and interest on the debt obligations will be imposed;

4. provide that in addition to the requirements in (3), the ballot for a measure seeking voter approval of the issuance of debt obligations by a political subdivision with at least 250 registered voters on the date the governing body of the political subdivision adopts the debt obligation election order shall specifically state the estimated maximum annual increase in the amount of taxes that would be imposed on a residence homestead in the political subdivision with an appraised value of \$100,000 to repay the debt obligations to be authorized, if approved, based upon assumptions made by the governing body of the political subdivision;
5. require the governing body of the political subdivision to identify in the debt obligation election order the major assumptions made in connection with the statement required under (4), including: (a) the amortization of the political subdivision's debt obligations, including outstanding debt obligations and the proposed debt obligations; (b) changes in estimated future appraised values within the political subdivision; and (c) the assumed interest rate on the proposed debt obligations;
6. require a political subdivision with at least 250 registered voters on the date the governing body of the political subdivision adopts the debt obligation election order to prepare a voter information document for each proposition to be voted on at the election;
7. require the political subdivision to post the voter information document in the same manner as a debt obligation election order;
8. require the voter information document to distinctly state: (a) the language that will appear on the ballot; (b) the following information formatted as a table: (i) the principal of the debt obligations to be authorized; (ii) the estimated interest for the debt obligations to be authorized; (iii) the estimated combined principal and interest required to pay on time and in full the debt obligations to be authorized; and (iv) as of the date the political subdivision adopts the debt obligation election order: (A) the principal of all outstanding debt obligations of the political subdivision; (B) the estimated remaining interest on all outstanding debt obligations of the political subdivision, which may be based on the expectations of the political subdivision as it relates to the interest due on any variable rate debt obligations; (C) the estimated combined principal and interest required to pay on time and in full all outstanding debt obligations of the political subdivision, which may be based on the expectations of the political subdivision as it relates to the interest due on any variable rate debt obligations; and (D) any other information that the political subdivision considers relevant or necessary to explain the information required to be included on the ballot or in the voter information document;
9. require a political subdivision that maintains an Internet website to provide the voter information document on its website in an easily accessible manner beginning not later than the 21<sup>st</sup> day before election day and ending on the day after the date of the debt obligation election;
10. extend the timeframe to publish newspaper notice of intention to issue a certificate of obligation (CO) from 30 to 45 days before the passage of the CO issuance ordinance;
11. require an issuer of COs that maintains a website to continuously post notice of intention to issue a CO on its website for at least 45 days before the passage of the CO issuance ordinance; and require that the notice of intention to issue a CO include the following information: (a) the then-current principal of all outstanding debt obligations of the issuer; (b) the then current combined principal and interest required to pay all outstanding debt obligations of the issuer on time and in full, which may be based on the expectations

of the issuer as it relates to the interest due on any variable rate debt obligations; (c) the maximum principal amount of the COs to be authorized; (d) the estimated combined principal and interest required to pay the COs to be authorized on time and in full; (e) the estimated interest rate for the certificates to be authorized or that the maximum interest rate for the certificates may not exceed the maximum legal interest rate; and (f) the maximum maturity date of the COs to be authorized.

**1S.B. 23 (Hall) – Local Nondiscrimination Laws:** would: (1) prohibit a county, city, or other political subdivision from adopting or enforcing a local law that creates a protected classification or prohibits discrimination on a basis not contained in the laws of this state; and (2) provide that any current local law that violates (1) is null and void.

**1S.B. 28 (V. Taylor) – State Agency Sunset:** would extend the existence of the Texas Historical Commission and the Texas State Board of Plumbing Examiners until September 1, 2021, and would extend the existence of the Texas Military Department, Texas State Library and Archives Commission, and Texas Department of Motor Vehicles until September 1, 2023.

### **Community and Economic Development**

**1H.B. 70 (Workman) – Tree Preservation Preemption:** would provide that: (1) a city, county, or other political subdivision may not enact or enforce any ordinance, rule, or other regulation that restricts the ability of a property owner to remove a tree or vegetation on the owner's property, including a regulation that requires the owner to file an affidavit or notice before removing the tree or vegetation; and (2) the bill does not prevent the enforcement of an ordinance, rule, or other regulation designed to mitigate tree-borne diseases as recommended by the Texas A&M Forest Service. (Companion bill is **1S.B. 14** by **Hall**.)

**1H.B. 77 (Darby) – Parkland Dedication:** would provide that a city that requires a dedication of parkland as a condition of approving an application for the development of or the use of real property must allow the applicant to pay an optional fee in lieu of the dedication.

**1H.B. 94 (E. Rodriguez) – Zoning and Building Permits:** would: (1) exempt all political subdivisions from city zoning regulations, except when the building, structure, or land are privately owned and leased to the political subdivision; and (2) require a city to adopt procedures to expedite the processing of an application submitted by an independent school district for a permit to erect or improve a building or other structure.

**1H.B. 107 (Cyrrier) – Contractor Licensing:** would provide that a political subdivision may not adopt or enforce an ordinance, order, or other measure that requires a builder or contractor to obtain an occupational license or other form of certification from the political subdivision as a condition of obtaining a building permit or other authorization to construct or remodel a commercial structure.

### **Personnel**

**1H.B. 104 (S. Thompson) – Discrimination in Payment of Compensation:** would provide that: (1) with respect to an allegation of discrimination in payment of compensation, an unlawful employment practice occurs each time: (a) a discriminatory compensation decision or other practice is adopted; (b) an individual becomes subject to a discriminatory decision or other practice; or (c) an individual is adversely affected by application of a discriminatory compensation decision or other practice, including each time wages affected wholly or partly by the decision or other practice are paid; and (2) a person aggrieved by an unlawful employment practice may recover back pay if the unlawful employment practices that have occurred during the period for filing a complaint are similar or related to discrimination in payment of compensation that occurred outside the period for filing that complaint.

**1H.B. 105 (S. Thompson) – Minimum Wage:** provides for an incremental increase in minimum wage to \$10.10 an hour.

### **Public Safety**

**1H.B. 53 (Romero) – Immigration Enforcement:** would repeal most of the provisions from S.B. 4 (the so-called “sanctuary cities” bill) from the 2017 regular session.

### **Transportation**

**1S.B. 25 (Hall) – Cell Phone Handsfree Ordinances:** would: (1) prohibit a city from regulating or prohibiting distracted driving, including the use of a cell phone while operating a motor vehicle; (2) permit a city to continue enforcing state laws related to distracted driving; (3) create the offense of collision during distracted driving as follows: (a) a person commits an offense if the person causes or is at fault in a collision while operating a motor vehicle and engaging in activity that is not related to the operation of the motor vehicle and interferes with the driver’s ability to pay attention to the road; and (b) the offense is a class C misdemeanor, except that the offense is a state jail felony if it is shown at trial that an individual suffered serious bodily injury or death.

### **Utilities and Environment**

**1S.B. 24 (Hall) – Electric Grid Security:** would establish various task forces and committees to study and make recommendations as to the security of the state’s electric grid.

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