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## **Texas Association of Realtors: Should Be Friend, Not Foe, on Revenue Caps**

Imposing a statewide cap on city budgets will harm public safety, job creation, and transportation funding and will not provide any meaningful tax relief for Texans. That's why Realtors should be adamantly opposed to the idea.

That makes it inconceivable that one of the most outspoken groups supporting revenue cap legislation this session is the Texas Association of Realtors (TAR). In their [\*Legislative Priorities for the 85<sup>th</sup> Texas Legislature\*](#), they highlight the local tax-rate setting process as a priority. Specifically, they advocate for a reduction of cities' rollback tax rates with automatic tax ratification elections if the rollback rate is exceeded (e.g., a revenue cap) and changes to the calculation of local tax rates.

TAR claims that revenue caps are necessary because property tax increases threaten housing affordability. The truth is that revenue caps would do nothing to make housing more affordable. The most recent property tax data from the comptroller shows that if the four percent revenue cap in S.B. 2 passed, city taxpayers in nearly 60 percent of cities would see no tax relief whatsoever. In the remaining cities, the average homeowner could potentially see some nominal tax savings of \$3 to \$5 per month in some future year. Based on these facts, it is fair to say that passing revenue cap legislation wouldn't move the needle on housing affordability one bit.

Recent U.S. Census data shows that Texas leads the nation in population growth. People continue to move to Texas, following jobs and the sense of community that the Lone Star State has to offer. And the roughly 1,400 people being added to the Texas population every day aren't living in rural areas. The vast majority are moving to Texas cities. Six of the 13 fastest growing cities in the nation are in Texas and half of the 10 cities with the largest numerical population gains are in Texas. People move to Texas and buy houses in Texas cities, in large part, because of the high quality of life our cities have to offer. It should come as no surprise that maintaining attractive cities and neighborhoods comes with a justifiable cost.

Of all groups, TAR should understand that. Interestingly, based on their *Legislative Priorities* document, it appears that they do (at least to some extent). In the document, TAR highlights the need to pay for underfunded transportation infrastructure because “poor infrastructure limits Texans’ viable housing options and decreases quality of life.”

That statement makes it unbelievable that TAR supports revenue caps elsewhere in the same document. Texas cities build and maintain thousands of miles of city streets each year. Moreover, as reported in [previous issues](#) of the *Legislative Update*, Texas cities pay more than \$100 million in cash and much more in right-of-way donations and in-kind services each year in “local participation” costs supporting state highways.

If revenue cap legislation were to pass, the accompanying constraints on a city’s budget would significantly limit what some cities can spend on transportation infrastructure, whether it be city streets or state highways. The impact of less money spent on transportation during a population boom is readily apparent – increased gridlock and less-appealing neighborhoods for prospective Texas homebuyers. In other words, the TAR revenue cap “solution” would actually worsen the very same infrastructure problems highlighted elsewhere on their list of problems that need solving.

The harmful impact of revenue caps on Realtors isn’t limited to reduced funding for transportation. Restricting the ability of cities to pay for other essential city services – from parks and libraries to public safety and economic development – would clearly harm the real estate industry across the state.

Take public safety spending, for example. For most cities, public safety makes up a majority of a city’s overall budget, upwards of 70 percent in some cities. Less revenue for police, fire, and emergency services personnel and equipment makes it difficult to maintain those public safety services at the level Texas residents expect when they decide to live and raise families in our local communities. It’s difficult to imagine a scenario where less support for public safety benefits any Realtor, much less any Texan.

The real estate industry also benefits from city economic development initiatives. Many cities budget for economic development incentives like property tax abatements and Chapter 380 economic development agreements. These incentives play a critical role in both attracting jobs and development to local communities (thus keeping Realtors quite busy), and in growing the local tax base (thus lowering actual city tax rates on homeowners). If the Texas Legislature caps city economic development budgets, Texas would lose high-paying jobs to other states. One side

effect of losing jobs would be a lower demand for housing development in local communities across the state.

Despite the evidence to the contrary, it remains clear that Texas Association of Realtors continues to espouse that revenue caps will somehow make housing more attractive or affordable. What isn't clear is whether they fully understand how revenue caps actually work, or what effect they would have on their commission-based profession.

The League encourages city officials to reach out to local Realtors in their communities to let them know the true impact of revenue caps on the real estate industry.

## **City-Related Bills Filed**

### **Property Tax**

**H.B. 1632 (G. Bonnen) – Property Tax Deferral:** would provide that: (1) an eligible person serving on active duty in any branch of the United States armed forces, regardless of whether the person is serving during a war or national emergency declared in accordance with federal law, may pay delinquent property taxes on property in which the person owns any interest without penalty or interest no later than the 60<sup>th</sup> day after the date on which the earliest of the following occurs: (a) the person is discharged from active military service; (b) the person returns to the state for more than 10 days; or (c) the person returns to non-active duty status in the reserves; and (2) a delinquent tax for which a person defers payment under (1) that is not paid on or before the date the deferral period prescribed by (1) expires: (a) accrues interest at a rate of six percent for each year or portion of a year the tax remains unpaid; and (b) does not incur a penalty. (Companion bill is **S.B. 771** by **Creighton**.)

**H.B. 1634 (G. Bonnen) – Property Tax Penalties and Interest:** would authorize the governing body of a taxing unit to waive penalties and interest on a delinquent tax if: (1) the property for which the tax is owed is subject to a mortgage; (2) the tax bill was mailed or delivered by electronic means to the mortgagee of the property, but the mortgagee failed to mail a copy of the bill to the owner of the property; and (3) the taxpayer paid the tax not later than the 21<sup>st</sup> day after the date the taxpayer knew or should have known of the delinquency.

**H.B. 1660 (Phelan) – Appraisal Review Board:** would: (1) authorize the appraisal review board, on motion of the chief appraiser or a property owner, to direct by written order changes in the appraisal roll or related records as provided by (2); and (2) authorize the appraisal review board to order the appraised value of the owner's property in the current tax year and either of the two preceding tax years to be changed to the sales price of the property in the current tax year if, for each tax year for which the change is to be made: (a) the property qualifies as that owner's residence homestead; (b) the sales price of the property is at least ten percent less than the appraised value of the property; and (c) the board makes a finding that the sales price reflects the market value of the property.

**H.B. 1662 (Phelan) – Property Tax Appraisal:** would repeal the additional property taxes imposed as a result of certain changes in the use of agricultural land, open-space land, and timber land. (See **H.J.R. 68**, below.)

**H.B. 1679 (Schofield) – Property Tax Exemption:** would provide that an individual is entitled to exemption from taxation by a school district of \$25,000 of the appraised value of the individual's residence homestead or 13 percent of the appraised value of the individual's residence homestead, whichever is greater. (See **H.J.R. 69**, below.)

**H.B. 1696 (Blanco) – Property Tax Exemption:** would, among other things, provide that a disabled veteran is entitled to an exemption from property taxation of the following applicable percentage of the assessed value of a property the veteran owns and designates for the exemption: (1) 7.91 percent for a veteran having a disability rating of at least 10 percent but less than 30 percent; (2) 11.86 percent for a veteran having a disability rating of at least 30 percent but less than 50 percent; (3) 15.82 percent for a veteran having a disability rating of at least 50 percent but less than 70 percent; or (4) 18.98 percent for a veteran having a disability rating of at least 70 percent. (See **H.J.R. 70**, below.)

**H.B. 1719 (E. Thompson) – Tax Assessor-Collector:** would require that a county assessor-collector successfully complete at least 40 hours of continuing education courses on the assessment and collection of property taxes, including a course dedicated to Chapter 26 of the Tax Code, not later than the first anniversary of the date on which the county assessor-collector first takes office.

**H.B. 1772 (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.

**H.B. 1782 (Faircloth) – Property Tax Installments:** would provide that: (1) a person may pay a taxing unit's taxes imposed on property that the person owns in four equal installments without penalty or interest if the first installment is paid before the delinquency date and is accompanied by notice to the taxing unit that the person will pay the remaining taxes in three equal installments; (2) if the delinquency date is February 1, the second installment must be paid before April 1, the third installment must be paid before June 1, and the fourth installment must be paid before August 1; (3) if the delinquency date is a date other than February 1, the second installment must be paid before the first day of the second month after the delinquency date, the third installment must be paid before the first day of the fourth month after the delinquency date, and the fourth installment must be paid before the first of the sixth month after the delinquency date; and (4) notwithstanding the deadline in (1) for the payment of the first installment, a person

may pay the taxes in four equal installments as provided by (1) if the first installment is paid and the required notice is provided before the first day of the first month after the delinquency date.

**H.B. 1783 (Faircloth) – Property Tax Appraisal:** would amend the amount of arbitration deposits and arbitration fees charged in appeals of appraisal review board orders.

**H.J.R. 68 (Phelan) – Property Tax Appraisal:** would amend the Texas Constitution to repeal the provision which subjects land designated for agricultural use to an additional tax when the land is sold or diverted to a purpose other than agricultural use. (See **H.B. 1662**, above.)

**H.J.R. 69 (Schofield) – Property Tax Exemption:** would amend the Texas Constitution to provide that an individual is entitled to exemption from taxation by a school district of \$25,000 of the appraised value of the individual's residence homestead or 13 percent of the appraised value of the individual's residence homestead, whichever is greater. (See **H.B. 1679**, above.)

**H.J.R. 70 (Blanco) – Property Tax Exemption:** would amend the Texas Constitution to provide that a disabled veteran is entitled to an exemption from property taxation of the following applicable percentage of the assessed value of a property the veteran owns and designates for the exemption: (1) 7.91 percent for a veteran having a disability rating of at least 10 percent but less than 30 percent; (2) 11.86 percent for a veteran having a disability rating of at least 30 percent but less than 50 percent; (3) 15.82 percent for a veteran having a disability rating of at least 50 percent but less than 70 percent; or (4) 18.98 percent for a veteran having a disability rating of at least 70 percent. (See **H.B. 1696**, above.)

**S.B. 771 (Creighton) – Property Tax Deferral:** would provide that: (1) an eligible person serving on active duty in any branch of the United States armed forces, regardless of whether the person is serving during a war or national emergency declared in accordance with federal law, may pay delinquent property taxes on property in which the person owns any interest without penalty or interest no later than the 60<sup>th</sup> day after the date on which the earliest of the following occurs: (a) the person is discharged from active military service; (b) the person returns to the state for more than 10 days; or (c) the person returns to non-active duty status in the reserves; and (2) a delinquent tax for which a person defers payment under (1) that is not paid on or before the date the deferral period prescribed by (1) expires: (a) accrues interest at a rate of six percent for each year or portion of a year the tax remains unpaid; and (b) does not incur a penalty. (Companion bill is **H.B. 1632** by **G. Bonnen**.)

**S.B. 804 (V. Taylor) – Appraisal Review Board:** would prohibit an individual from serving on an appraisal review board if the individual is related within the first degree by consanguinity or affinity to a member of the appraisal review board, including an auxiliary appraisal review board member.

## **Sales Tax**

**H.B. 1682 (Bohac) – Sales Tax Exemption:** would exempt from sales taxes goods and services related to the repair, remodeling, and maintenance of aircraft.

**H.B. 1723 (Leach) – State Sales Tax:** would establish a “state sales tax reduction fund” to be used for a state sales tax reduction of at least one-tenth of one percent for a period of not less than two consecutive days each year if sufficient balances in the fund are available.

### **Purchasing**

**S.B. 807 (Creighton) – Construction Contracts:** would provide, with certain exceptions, that a provision in a construction contract or an agreement collateral to or affecting the construction contract that makes the dispute subject to another state’s law, litigation in the courts of another state, or arbitration in another state, is voidable by a party.

### **Elections**

**H.B. 1661 (Phelan) – Candidate Withdrawal:** would: (1) provide that the authority responsible for preparing the official election ballot may make a certification of unopposed status following the filing of a withdrawal request by a candidate after the deadline if: (a) the withdrawal request is valid except for the untimely filing; (b) ballots for the election have not been prepared; and (c) the conditions for certification are otherwise met; (2) require that a certification under (1) be delivered to the governing body of the political subdivision as soon as possible; and (3) provide that, if a candidate files a withdrawal request after the deadline and the candidate complies with each requirement except that the candidate’s filing to withdraw is untimely, the authority responsible for preparing the ballots may choose to omit the candidate from the ballot if the ballots have not been prepared at the time the candidate files the withdrawal request.

**H.B. 1681 (Miller) – Acceptance of Voter:** would provide that a voter who provides an acceptable form of photo identification, but whose name is not on the list of registered voters for the precinct, may be accepted for provisional voting only.

**H.B. 1683 (Fallon) – Early Voting:** would: (1) shorten the period for early voting by personal appearance on the November uniform election date to the 10<sup>th</sup> day before election day through the fourth day before election day, except as otherwise provided by state law; (2) for an election ordered by a city, reduce the time that early voting by personal appearance at the main early voting place must be conducted to at least 12 hours on only one weekday (instead of 12 hours on two weekdays under certain circumstances); and (3) provide that the authority ordering an election may order early voting by personal appearance at the main early voting polling place to be conducted on a Saturday or Sunday during the early voting period.

**H.B. 1702 (Paul) – Early Voting by Mail:** would provide that an early voting ballot application must include, for an application for a ballot to be voted by mail on the ground of age, the applicant’s date of birth.

**H.B. 1711 (Hefner) – Direct Recording Electronic Voting Machines:** would: (1) prohibit the use of an electronic voting machine in an election unless the machine: (a) has been certified or

otherwise approved by means of qualification testing by a nationally recognized test laboratory; (b) meets certain voluntary standards developed and adopted by the Federal Election Commission, the Election Assistance Commission, or the National Institute of Standards and Technology; and (c) creates a contemporaneous auditable paper record copy of each electronic ballot that allows a voter to confirm the choices the voter made through both a visual and a non-visual method; (2) require an election authority using electronic voting machines to submit: (a) at the request of the secretary of state, complete documentation relating to all hardware, software, and firmware components for the system, as well as all documents relating to the federal qualification process; (b) a physical security plan for the system to the secretary of state not later than 90 days before a system using electronic voting machines will be used in an election; and (c) a list of all changes and modifications to the system, a training plan, and a communication plan explaining how election officers at each polling place will communicate on election day to the secretary of state not later than 46 days before a system using electronic voting machines will be used in an election; and (3) provide notice of the penalties for tampering with an electronic voting machine in each language used at a polling place at which an electronic voting machine is used for voting. (Companion bill is **S.B. 829** by **Hughes**.)

**H.B. 1735 (Faircloth) – Election Officers:** would, among other things: (1) require a member of the early voting ballot board to repeat aloud a specific oath before performing any duties as a member; (2) provide that each member of the early voting ballot board shall be issued a form of identification, prescribed by the secretary of state, to be displayed by the member during the member's hours of service on the board; (3) authorize a county elections officer who determines that a ballot was incorrectly rejected by the early voting ballot board before the time set for convening the canvassing authority to petition a district court for injunctive or other relief as the court determines appropriate; (4) require a central counting station officer to repeat a specific oath aloud before performing any duties as a member; and (5) provide that each election officer shall be issued a form of identification, prescribed by the secretary of state, to be displayed by the officer during the officer's hours of service at the central counting station.

**H.B. 1736 (Faircloth) – Early Voting Records:** would provide that: (1) an application for an annual ballot by mail is not available for public inspection before the first business day after the latest occurring election held by the authority to which the application was submitted in the calendar year for which the application was submitted; and (2) information on the roster for a person to whom an early voting mail ballot has been sent is not available for public inspection, except to the voter seeking to verify that the information pertaining to the voter is accurate, until the first business day after the election day of the latest occurring election for which the application is submitted.

**H.B. 1797 (Shaheen) – Voter Assistance:** would provide that a person who assists an applicant in completing an early voting ballot application commits an offense if the person knowingly fails to formally acknowledge assisting the voter, regardless of whether the person assists in the presence of the applicant.

**S.B. 829 (Hughes) – Direct Recording Electronic Voting Machines:** this bill is the same as **H.B. 1711**, above.

## **Open Government**

**H.B. 1725 (Hernandez) – Public Information:** would provide that information contained in a citation issued for a violation of a state traffic law or local traffic ordinance is excepted from the disclosure under the Public Information Act if the information is the home address or personal telephone number of the person who is the subject of the citation.

**H.B. 1784 (Faircloth) – Open Meetings:** would provide that a person must bring any civil action to enforce the Open Meetings Act before the first anniversary of the date of the alleged violation.

**S.B. 843 (Perry) – Crime Victim Information:** would provide that an application for compensation under the Crime Victims Compensation Act (Act) and any information, document, summary, or other record provided to or received, maintained, or created by the attorney general under the Act is not subject to the disclosure under the Public Information Act and not subject to disclosure, discovery, subpoena, or other means of legal compulsion for release with a few exceptions.

## **Other Finance and Administration**

**H.B. 1610 (Kuempel) – City Contracts:** would amend vendor disclosure requirements adopted during the 2015 legislative session and reported on Form 1295 to:

1. define an “interested party” to mean: (a) for a corporation, either more than 50 percent, owned directly or indirectly, of the total combined voting power of all classes of stock of the corporation, or more than 50 percent, owned directly or indirectly, of the beneficial ownership interest in the voting stock of the corporation; (b) for a partnership, association, trust, or other entity other than a limited liability company, more than 50 percent, owned directly or indirectly, of the capital, profits, or beneficial interest in the partnership, association, trust, or other entity; and (c) for a limited liability company, either more than 50 percent, owned directly or indirectly, of the total membership interest of the limited liability company or more than 50 percent, owned directly or indirectly, of the beneficial ownership interest in the membership interest of the limited liability company;
2. provide that the disclosure requirement applies to a contract that a business entity enters or seeks to enter into with a governmental entity or state agency that: (a) requires an action or vote by the governing body before the contract may be signed; and (b) has a value of at least \$10 million;
3. prohibit a governmental entity or state agency from entering into a contract described in (2) with a business entity that does not have a disclosure of interested parties on file with the Texas Ethics Commission; and
4. require a business entity to submit a disclosure of interested party form to the Texas Ethics Commission: (a) annually until expiration of the contract; and (b) not later than the

30th day after the date of any material change in the interested parties previously-disclosed by the business entity.

**H.B. 1626 (Gutierrez) – Tax Increment Financing:** would provide that an agreement to abate property taxes in a tax increment reinvestment zone does not need to be approved by the board of directors of the reinvestment zone and the governing body of each taxing unit that imposes taxes on real property in the zone and deposits a portion of tax increment into the tax increment fund if the agreement to abate taxes on real property in a reinvestment zone is entered into by a taxing unit that does not deposit and has not agreed to deposit any of its tax increment into the tax increment fund for the zone.

**H.B. 1658 (Phelan) – Local Debt:** would: (1) require a proposition submitted to the voters for approval of the imposition, increase, or reduction of a tax to specifically state, as applicable: (a) with respect to a proposition that only seeks voter approval of the imposition or increase of a tax: (i) the estimated additional tax burden that would be imposed on a homestead with a value equal to the median homestead value in the political subdivision, as computed by the appraisal district, after the imposition or increase of the tax, if approved; and (ii) a detailed description of the purposes for which the tax is to be imposed or increased, if approved; and (b) with respect to a proposition that only seeks voter approval of the reduction of a tax, the estimated tax reduction for a homestead with a value equal to the median homestead value in the political subdivision, as computed by the appraisal district, if the reduction of the tax is approved; and (2) require a proposition seeking voter approval of the issuance of bonds to specifically state: (a) a general description of the purposes for which the bonds are to be authorized; (b) the total principal amount of the bonds; (c) the total amount of the political subdivision’s debt currently outstanding; (d) the total amount of the political subdivision’s current debt payments; (e) the amount of taxes required to be imposed on a homestead with a value equal to the median homestead value in the political subdivision, as computed by the appraisal district, to repay the political subdivision’s current debt obligations; and (f) the estimated tax burden that would be imposed on a homestead with a value equal to the median homestead value in the political subdivision, as computed by the appraisal district, to repay the bonds to be authorized, if approved.

**H.B. 1701 (Parker) – Public Funds Investment Act:** would: (1) provide that a written copy of the investment policy must be presented to any business organization offering to engage in an investment transaction with an investing entity; (2) provide that “business organization” means an investment pool or investment management firm under contract with an investing entity to invest or manage the entity’s investment portfolio that has accepted authority granted by the entity under the contract to exercise investment discretion in regard to the investing entity’s funds; and (3) provide that the investment officer of an entity may not acquire or otherwise obtain any authorized investment described in the investment policy of the investing entity from a business organization that has not delivered to the entity a written instrument indicating that the business organization has: (a) received and reviewed the investment policy of the entity; and (b) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity’s investment policy, except to the extent that

this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

**H.B. 1746 (Meyer) – Retirement Benefits:** would: (1) make an elected individual ineligible for a public retirement annuity if: (a) they are convicted of a felony or class A or B misdemeanor related to the performance of their public service; and (b) a judge makes a finding that they are ineligible; (2) prohibit a conviction from affecting the annuity of an alternate payee; (3) require the governing body of a public retirement system to create rules to implement the bill's requirements; and (4) make the system resume full payments if an individual is later determined not guilty or innocent of the crime that lead to the ineligibility.

**H.B. 1773 (Swanson) – Local Debt:** would, among other things: (1) provide that an election held by a political subdivision to authorize the issuance of bonds or a tax increase has no effect regarding the issuance of the bonds or the tax increase unless more than 25 percent of the registered voters of the political subdivision vote in the election in which the bond or tax proposition is on the ballot; (2) require an election for the issuance of bonds or a tax increase by a political subdivision to be held on the November uniform election date; (3) provide that in an election held by a political subdivision for which the ballot includes a proposition seeking voter approval of the issuance of bonds or a tax increase, a temporary branch polling place must: (a) remain at the same location for the entire period during which early voting by personal appearance is conducted in the district; and (b) allow for early voting by personal appearance to be conducted during the same day and hours as voting is conducted at the main early voting polling place; (4) require an election authorizing the issuance of bonds or a tax increase by a political subdivision to be held as a joint election, and provide that a single ballot containing all the offices or propositions stating measures to be voted on at a particular polling place must be used in a joint election; (5) require a political subdivision to hold an election prior to issuing all bonds, including revenue bonds; and (6) provide that refunding bonds and bonds issued in an amount less than \$2,000 to repair a building or structure that may be built using the proceeds of bonds are subject to the election and notice requirements applicable to other bond issuances.

**H.B. 1805 (Sanford) – Child Welfare Providers:** would provide that: (1) a child welfare service provider is protected from discrimination or any adverse action by a governmental entity if the child welfare service provider makes decisions based on their religious beliefs that are contrary to any ordinance, rule, order, decision, practice or other exercises of a governmental entity; (2) child welfare service provider may assert an actual or threatened violation described in (1) as a claim or defense in a judicial or administrative proceeding and obtain relief; (3) relief can be by declaratory relief, injunctive relief, compensatory damages for pecuniary and non pecuniary losses (not to exceed \$250,000 for each distinct controversy) and reasonable attorney's fees, court costs, and other reasonable expenses; (4) any action must be brought not later than the second anniversary of the date the provider actually knew of the violation; and (5) sovereign and governmental immunity to suit and from liability are waived and abolished to the extent of liability described in (3) and a claimant may sue a governmental entity or official for damages allowed by (3).

**S.B. 764 (Huffines) – Illegal Immigration:** would: (1) require the comptroller to submit to certain state officials before each regular legislative session an estimate of the financial costs to

the state during the preceding two-year period resulting from persons who are not lawfully present in the United States, including costs incurred for education, health care, incarceration, border security, and law enforcement; and (2) provide that the federal government should reimburse the state for expenditures described in (1).

**S.B. 813 (Hughes) – State Regulatory Actions:** would: (1) authorize a claimant to bring an action against a state agency for a frivolous regulatory action and to recover, in addition to costs allowed by law or rule, damages caused by the state agency’s frivolous regulatory action, reasonable attorney’s fees, and court costs; and (2) authorize a person to recover, in addition to costs allowed by law or rule, reasonable attorney’s fees and costs incurred in defending against a frivolous regulatory action during an administrative proceeding, and judicial review of that proceeding if: (a) the person prevails in the judicial review of an administrative proceeding; and (b) the state agency is unable to demonstrate that the agency has good cause for the regulatory action.

**S.B. 827 (Seliger) – Americans with Disability Act:** would: (1) require a person seeking a claim for relief under the Americans with Disability Act (ADA) to first notify the respondent of the intent to file the claim; (2) give a respondent who has received a notice in (1) the right to correct the alleged violation, and provide for related notice and judicial proceedings regarding the corrections; and (3) prohibit a person from providing a notice of intent to file an ADA claim in bad faith, and authorize the attorney general to enforce this prohibition through injunctive and other relief such as civil penalties and restitution. (Companion bill is **H.B. 1463** by **Smithee**.)

**S.B. 838 (Zaffirini) – Drones:** would: (1) delete the following from the list of circumstances in which it is lawful to capture an image using a drone: (a) operations, maintenance, inspections, routing and citing of utilities; (b) marketing, sale, or financing of real property by a real estate broker; (c) inspecting, maintaining, or repairing pipelines by the owner or operator of an oil, gas, water, or other pipeline; (d) surveying by a registered land surveyor; and (e) practicing engineering; and (2) make it lawful to capture an image using a drone if the image is captured by a person for a commercial purpose, in compliance with the Federal Aviation Administration regulations or exemptions, and reasonably related to the commercial purpose.

**S.B. 839 (Zaffirini) – Drones:** would make it lawful to capture an image using a drone if the image is captured by a journalist for the purpose of reporting on a matter that is of substantial public interest, potentially affects public safety, and occurs under circumstances in which individuals whose images are captured do not have a reasonable expectation of privacy.

**S.B. 840 (Zaffirini) – Drones:** would no longer make it lawful to use a drone to capture an image of real property or a person on real property within 25 miles of the United States border. (Companion bill is **H.B. 106** by **Martinez**.)

**S.B. 844 (Huffines) – Occupational Licensing:** would: (1) require the attorney general to actively supervise each “licensing authority,” which is defined to mean a department, commission, board, office or other agency of the state that issues a “license,” a “specialty occupational license for medical reimbursement,” registration, certification, permit or other authorization related to an occupation; (2) require a licensing authority to submit any proposed

rule, policy, or enforcement action to the attorney general for review before adoption or implementation, and allow the attorney general to approve the same if it complies with the following policies: (a) recognizes the fundamental right of an individual to pursue an occupation; (b) increases economic opportunities, promotes competition, and encourages innovation; (c) uses the least restrictive means of regulation to protect consumers from public health and safety threats; and (d) enforces occupational regulations only to the extent the individual sells goods or services that are explicitly included in the law that defines the occupation's scope of practice; and (3) require the attorney general to investigate a complaint alleging a licensing authority action does not comply with the policies described in (2).

**S.B. 845 (Huffines) – Occupational Licensing:** would require the Texas Department of Licensing and Regulation to establish an occupational licensing database in cooperation with a “licensing authority” which is defined to mean a department, commission, board, office, or other agency of the state that issues a license.

**S.B. 855 (Campbell) – Abortion:** would provide, among other things, that a governmental entity may not enter into a transaction to give any thing of value to an abortion facility licensed by the state, except for basic governmental services such as police and fire services.

### **Municipal Courts**

**H.B. 1703 (E. Johnson) – Court Costs and Fines:** would: (1) prohibit a municipal court judge from requiring a defendant in the conservatorship of the Department of Family and Protective Services or in extended foster care to pay any amount of fine and court costs; and (2) require a judge to order the defendant to perform community service to discharge the fine and costs.

**H.B. 1727 (Faircloth) – Search Warrants:** would allow any magistrate to issue a search warrant in a county that does not have a municipal court of record located in that county, a county court judge who is a licensed attorney, or a statutory county court judge.

**H.B. 1749 (S. Thompson) – Expunction:** would: (1) allow a municipal court to expunge all records and files relating to the arrest of a person for an offense punishable by fine only; and (2) authorize a fee of \$100 for an ex parte petition for expunction of arrest records.

**H.B. 1755 (Neave) – Jury Summons Questionnaire:** would allow a court to provide a link to the jury questionnaire on the court's website in lieu of mailing a copy of the questionnaire with a jury summons. (Companion bill is **S.B. 259** by **Huffines**.)

**H.B. 1820 (Springer) – Presumption of Prior Conviction:** would allow a self-authenticating document relating to a prior conviction to be admitted into evidence creating a presumption establishing the existence of that prior conviction for the person named in the document without any supporting testimony accompanying the document.

**S.B. 779 (Seliger) – Municipal Court:** would provide that a court on its own motion may inquire whether a person would like to submit evidence to establish their indigent status for certain convictions. (Companion bill is **H.B. 1430** by **S. Thompson**.)

### **Community and Economic Development**

**H.B. 1609 (Price) – Low Income Housing Tax Credit:** would provide that a written statement from the state representative who represents the district containing a proposed development site is considered in the application for a low income housing tax credit only if the district contains a portion of a county with a population of more than 450,000.

**H.B. 1636 (Schaefer) – Economic Development Corporations:** would provide that: (1) a project by a Type A and Type B economic development corporation (EDC) could include expenditures that are found by the EDC board of directors to be suitable for general infrastructure such as the development, improvement, maintenance, or expansion of streets and roads, and water supply facilities or sewage facilities; and (2) a project described by (1) would have to be approved by a majority of the voters at an election called by the city.

**H.B. 1704 (Kuempel) – Permit Vesting:** would provide that a court may award court costs and reasonable and necessary attorney’s fees to the prevailing party in an action under Chapter 245 of the Local Government Code (the “permit vesting” statute). (Companion bill is **S.B. 787** by **Huffman**.)

**H.B. 1733 (Uresti) – Payday Lending:** would provide that the sum of all fees, interest, and other amounts in excess of principal due under an extension of consumer credit in the form of a deferred presentment transaction or motor vehicle title loan that a credit access business obtains for a consumer or assists a consumer in obtaining may not exceed 25 percent of the principal of that extension of consumer credit.

**S.B. 775 (Estes) – Defense Communities:** would: (1) provide that a city in which a military installation is located shall work closely with the military installation to ensure the most recent Air Installation Compatible Use Zone Study or Joint Land Use Study is publicly-available on the local government’s website; (2) add to the seller’s disclosure of property condition a notice if the property is located near a military installation and may be affected by high noise or air installation compatible use zones or other operations; and (3) require that information related to high noise and compatible use zones be accessible on the website of the city in which the military installation is located. (Companion bills are **H.B. 890** by **Geren** and **H.B. 797** by **Minjarez**.)

**S.B. 782 (Campbell) – Tree Ownership:** would provide that: (1) a landowner owns all trees and timber located on the landowner’s land as real property until cut or otherwise removed from the land, unless otherwise provided by a contract, bill of sale, deed, mortgage, deed of trust, or other legally binding document; (2) a governmental entity may not prohibit a landowner from trimming or removing trees or timber located on the landowner’s land; (3) a governmental entity may, if authorized by other state law and subject to the limitations of that law, assess a mitigation

fee against a landowner for the removal of a mature tree on the landowner's land; (4) a mitigation fee under (3): (a) must be proportional to the value of the mature tree removed; (b) may not exceed \$100 per inch of girth of the mature tree removed measured at 4-1/2 feet above the natural grade; and (c) may be used only in the jurisdiction in which the fee is collected and only for the purpose of tree planting and other related activities; (5) a landowner is entitled to plant a replacement tree at the landowner's expense instead of paying a mitigation fee, and a landowner who chooses to plant a replacement tree is not required to plant a number of replacement trees whose total girth is greater than the total girth of all the mature trees to which the mitigation fee would have applied; (6) a city may not regulate the trimming or removal of trees or timber in the extraterritorial jurisdiction (ETJ); and (7) San Antonio and other cities with a military base in their ETJ are exempt from the bill.

**S.B. 786 (Nichols) – Eminent Domain:** would: (1) prohibit a state agency, political subdivision, or a corporation created by a governmental entity from taking private property through the use of eminent domain if the taking is for a recreational purpose, including a parks and recreation system or a specific park, greenbelt, or trail; and (2) provide that the determination by the entity proposing to take the property that the taking does not involve an act or circumstance prohibited by the bill does not create a presumption with respect to whether the taking involves that act or circumstance.

**S.B. 787 (Huffman) – Permit Vesting:** this bill is identical to **H.B. 1704**, above.

**S.B. 836 (Rodriguez) – Payday Lending:** would: (1) prohibit a governmental entity from entering into a contract with: (a) a credit access business or other credit services organization; (b) a business that operates in the same retail space as a credit access business or other credit services organization; or (c) a business that is owned by a business entity that owns a credit access business or other credit services organization; (2) provide that a business that enters into any contract or other agreement with a governmental entity may not subcontract with a credit access business or other credit services organization to perform work under the contract or agreement; and (3) require a governmental entity to include, as a term of any contract or other agreement entered into by the entity, a provision that prohibits a party to the contract or agreement from subcontracting with a credit access business or other credit services organization to perform work under the contract or agreement.

**S.B. 852 (Nelson) – Linkage Fees:** would provide that: (1) a political subdivision may not adopt or enforce an ordinance, order, policy, or other measure that imposes, directly or indirectly, a fee or other charge on new construction for the purposes of offsetting the cost or rent of any unit of residential housing; and (2) the bill does not affect the authority of a political subdivision to impose a fee for granting an exemption or waiver from a zoning-related height restriction on a structure.

## **Personnel**

**H.B. 1688 (Burrows) – Law Enforcement Liaison:** would require a city employer to notify police officers of the law enforcement liaison designated by the Injured Employee Public

Counsel to assist injured law enforcement officers during the workers' compensation administrative dispute resolution process.

**H.B. 1689 (Burrows) – Workers' Compensation:** would provide that: (1) a political subdivision that self-insures either individually or collectively and the State Office of Risk Management are liable for sanctions, administrative penalties, and other remedies authorized under the Texas Workers' Compensation Act; and (2) the bill waives immunity only to the extent provided in the Texas Tort Claims Act.

**H.B. 1794 (Bell) – Mental Health:** would create a work group on mental health access for first responders and include in the work group: (1) one representative of a volunteer fire department, (2) one representative of a paid fire department, (3) two representatives of paid police departments, and (4) one municipal government representative.

**H.B. 1801 (Blanco) – Employment Discrimination:** would prohibit employment discrimination on the basis of an individual's status as a military service member or military veteran and, among other things, allow a city to create a local commission to secure for individuals in the city freedom from discrimination on the basis of the individual's status as a military service member or military veteran. (Companion bill is **S.B. 472** by **Lucio**.)

**S.B. 783 (Hinojosa) – Civil Service Personnel Files:** would: (1) provide that a police department in a civil service city may maintain a personnel file (often referred to as the "(g) file") on a police officer employed by the department for the department's use, and the information contained in the file is subject to disclosure unless the information is made confidential under the Public Information Act or other law; and (2) provide in a civil service city of 1.5 million or more: (a) that the police department head or his designee must forward a disciplinary action against a police officer for inclusion in the civil service personnel file (not the "(g) file"); (b) that a police officer may obtain access to any personnel file maintained by the director or department; (c) a police officer may obtain access to information subject to disclosure under the Public Information Act contained in a file maintained by an internal affairs division or other similar internal investigative division; and (d) that the department shall include a record of a supervisory intervention procedure or a policy and procedure inquiry regarding a police officer in both the civil service personnel file and the file described in (1).

### **Public Safety**

**H.B. 1611 (VanDeaver) – Warning Devices:** would require the Department of Public Safety to develop best practices and provide training materials for the use of road flares or other safety equipment by a stationary authorized emergency vehicle.

**H.B. 1642 (Bell) – Law Enforcement:** would provide that if the Department of Aging and Disability Services (DADS) determines the report of abuses, neglect, or exploitation is substantiated at the conclusion of the investigation, the DADS shall make a complete final written report of the investigation and submit the report and its recommendation to the appropriate law enforcement agency.

**H.B. 1726 (Cortez) – Reports of Abuse:** would, among other things: (1) require that reports of abuse, neglect, or exploitation of a home health service recipient (reports) be made to either a Health and Human Services Commission (commission) hotline number or a local law enforcement agency and, except as described in (2), require a local or state law enforcement agency that receives a report to refer it to the commission; (2) require the commission to investigate reports jointly with the city police department (if the service is provided in the city) within 24 hours of receiving a complaint; and (3) require the city police department to cooperate with the commission in a joint investigation described in (2).

**H.B. 1729 (Neave) – Evidence Testing Grants:** would: (1) allow a person applying for an original or renewal driver’s license to donate to the evidence testing grant program; and (2) establish a grant program to disperse funds to law enforcement agencies for testing evidence collected in relation to a sexual assault case.

**H.B. 1732 (Giddings) – Law Enforcement:** would provide that: (1) in a report that contains incident-based data describing the total number of the certain incidents occurring during the preceding academic year that the superintendent has to submit to the Texas Education Agency (TEA), the superintendent may not include information that identifies the peace officer who issued a citation to a student; (2) the identity of the peace officer is confidential and not subject to disclosure under the Public Information Act; and (3) a memorandum of understanding (MOU) between a school district and a local law enforcement agency for the provision of a regular police presence on campus shall designate in the MOU which entity will be responsible for collecting the data in the report in (1).

**H.B. 1748 (VanDeaver) – Texting and Driving:** would: (1) prohibit the use of a portable electronic device while operating a motor vehicle; (2) provide certain exceptions to and affirmative defenses to prosecution of an offense under (1); and (3) provide that the prohibition in (1) does not preempt local ordinances, rules, or regulations that are consistent with or more stringent than its provisions.

**H.B. 1751 (Krause) – Assault on a Peace Officer:** would provide that an assault is a second degree felony if the assault is committed against a person the actor knows is a peace officer while the officer is lawfully discharging an official duty or in retaliation or on account of an exercise of official power or performance of an official duty as a peace officer.

**H.B. 1757 (Oliverson) – Impoundment:** would: (1) require a peace officer to impound a motor vehicle detained by the officer during a traffic stop if the vehicle is operated without financial responsibility by a driver who doesn’t have a valid driver’s license; (2) require that an officer who impounds a vehicle under (1) give the person certain information and send a notice of impoundment to the owner and lienholder; and (3) provide the terms under which the law enforcement agency may release or auction a vehicle impounded under (1).

**H.B. 1811 (Turner) – Texas Commission on Law Enforcement:** would require TCOLE to employ one or more hearings officers to conduct hearings, rather than refer petitions to the State Office of Administrative Hearings.

**H.B. 1816 (Metcalf) – Medical Supply Transport Vehicles:** would provide that: (1) a vehicle used by a medical supply distributor to transport prescription drugs and other medical supplies to an emergency care facility or pharmacy located in an area declared a disaster area by the governor may have access to highways, streets, and bridges as if the transport vehicle were an emergency vehicle if: (a) law enforcement officials in the disaster area can provide adequate security to prevent theft; (b) the weight of the transport vehicle will not jeopardize the structural integrity or any highway, street or bridge located in the disaster area; and (c) the transport vehicle will not negatively impact evacuation activities; and (2) the Texas Division of Emergency Management shall establish procedures to assist medical supply distributors in accessing highways, streets or bridges and provide distributors with documentation specifying the distributors’ access to highways, streets, and bridges.

**S.B. 772 (Uresti) – Code Enforcement Officer:** would: (1) exempt a code enforcement officer from the prohibition on carrying a club, if the officer holds a certificate of registration as a code enforcement officer and is carrying the club to deter animal bites while the officer is on duty; and (2) require the Texas Commission of Licensing and Regulation to include educational training requirements regarding the principles and procedures to be followed when possessing or carrying an instrument used for deterring animal bites.

**S.B. 791 (Miles) – Law Enforcement:** would provide that, if an officer or employee of a financial institution that has a good faith belief that financial abuse of an elderly person has occurred or is occurring, the financial institution shall notify the appropriate local law enforcement agency with the jurisdiction over the city in which the elderly person resides. (Companion bill is **H.B. 959** by **Thierry**.)

**S.B. 792 (Miles) – Law Enforcement:** would provide that, if an officer or employee of a financial institution that has a good faith belief that financial abuse of an elderly person has occurred or is occurring, the financial institution shall notify the appropriate local law enforcement agency with the jurisdiction over the city in which the elderly person resides. (Companion bill is **H.B. 916** by **Thierry**.)

**S.B. 811 (Kolkhorst) – Sex Offenders:** would: (1) prohibit a sex offender from being in a motor vehicle with a minor who is not a family member; and (2) require a local law enforcement authority to provide a statement describing the prohibition on the required sex offender registration form.

## **Transportation**

**H.B. 1745 (Israel) – Speed Limits:** would allow a city with a population of 130,000 or more to lower speed limits to not less than 25 miles per hour on a highway or street, other than an alley, that is not an officially designated or marked highway or road of the state highway system.

**H.B. 1795 (Pickett) – Overweight Vehicle Fes:** would provide that: (1) the bill applies only to a law enacted after January 1, 2017, that authorizes a new permit fee and does not expressly

provide for a portion of the fee to be deposited to the credit of the Texas Department of Motor Vehicles fund; and (2) ten percent of a such a fee collected for the issuance of an overweight vehicle permit by the Texas Department of Public Safety shall be deposited to the credit of the Texas Department of Motor Vehicles fund and the remainder of the fee collected shall be proportionally adjusted and the remainder distributed as required by current law.

## **Utilities and Environment**

**H.B. 1619 (Shine) – Outdoor Burning:** would provide that, if outdoor burning violates a Texas Commission on Environmental Quality rule and city ordinance, the conduct may only be prosecuted under the city ordinance unless it is a subsequent violation or involves the burning of heavy oils, asphaltic materials, potentially explosive materials, or chemical wastes.

**H.B. 1633 (Rodriguez) – Bill Payment Assistance:** would remove the requirement that an individual must have been threatened with disconnection of service for nonpayment of bills in order to qualify for utility bill payment assistance funded from the first lien against the revenue of a city owned utility. (Note: this bill applies to cities with a population of more than one million but less than two million.) (Companion bill is **S.B. 758** by **Menendez**.)

**H.B. 1648 (Price) – Water Conservation Plan:** would require a city that provides potable water service to 3,300 or more connections to designate an employee as the water conservation coordinator in the water conservation plan submitted to the Texas Water Development Board.

**H.B. 1672 (Ashby) – Outdoor Burning:** would require the Texas Commission on Environmental Quality to authorize a certified and insured prescribed burn manager to direct a prescribed burn of waste.

**H.B. 1818 (L. Gonzales) – Railroad Commission:** this is the Texas Railroad Commission sunset bill. Of interest to cities, the bill would provide: (1) that the oil and gas division of the commission shall develop and publish an annual plan to use the oil and gas monitoring and enforcement resources of the commission strategically to best ensure public safety and minimize damage to the environment; (2) that the commission by rule may establish pipeline safety and regulatory fees to be assessed for permits or registrations for pipelines under the jurisdiction of the commission's pipeline safety and regulatory program; and (3) for certain additional regulatory over intra- and interstate pipelines.

**S.B. 768 (Zaffirini) – Texas Emissions Reduction Plan:** would: (1) extend the expiration of the TERP grant program; and (2) include the interstate highways connecting San Antonio to Corpus Christi and Laredo and the highways connecting Corpus Christi and Laredo to the clean transportation triangle list.

**S.B. 774 (Perry) – Groundwater Conservation District:** would automatically extend the term of a permit to transfer groundwater outside of a groundwater conservation district to a term not shorter than the term of the operating permit and for each additional term an operating permit is renewed.

**S.B. 785 (Hinojosa) – Rural Water Assistance Fund:** would allow the Texas Water Development Board to use the Rural Water Assistance Fund to assist rural political subdivisions with water planning. (Companion bill is **H.B. 544** by **Anderson**.)

**S.B. 793 (Miles) – Concrete Crushing Facilities:** would provide that the Texas Commission on Environmental Quality by rule shall prohibit the operation of a concrete crushing facility within 440 yards of the following additional places: (1) a place of business where employees of the business perform outdoor work near the concrete crushing facility; or (2) a park or other outdoor recreational facility, including a playing field.

**S.B. 821 (Seliger) – Texas Water Development Board:** would require one member of the Texas Water Development Board to be actively engaged in the business of farming or another business related to agriculture.

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