

The TML Legislative Program for 2017 – 2018

Introduction

City officials across the state are well aware of the fact that many significant decisions affecting Texas cities are made by the Texas Legislature, not by municipal officials.

During the 2015 session, more than 6,000 bills or significant resolutions were introduced; more than 1,600 of them would have affected Texas cities in some substantial way. In the end, over 1,300 bills or resolutions passed and were signed into law; approximately 220 of them impacted cities in some way.

There is no reason to believe that the workload of the 2017 session will be any lighter; it may be greater. And for better or worse, city officials will have to live with all the laws that may be approved by the legislature. Thus, the League must make every effort to assure that detrimental bills are defeated and beneficial bills are passed.

The TML approach to the 2017 session is guided by principles that spring from a deeply rooted TML legislative philosophy:

- The League will vigorously oppose any legislation that would erode the authority of Texas cities to govern their own local affairs.
- Cities represent the level of government closest to the people. They bear primary responsibility for provision of capital infrastructure and for ensuring our citizens' health and safety. Thus, cities must be assured of a predictable and sufficient level of revenue and must resist efforts to diminish their revenue.
- The League will oppose the imposition of any state mandates that do not provide for a commensurate level of compensation.

In setting the TML program for 2017-2018, the Board recognized that there is a practical limit to what the League can accomplish during the legislative session. Because the League (like all associations) has finite resources and because vast amounts of those resources are necessarily expended in defeating bad legislation, the Board recognized that the League must very carefully select the bills for which it will attempt to find sponsors and seek passage.

The Board considered approximately 150 initiatives that had been recommended by TML policy committees or by the membership-at-large. Each initiative was subjected to several tests:

- Does the initiative have wide applicability to a broad range of cities of various sizes (both large and small) and in various parts of the state?

- Does the initiative address a central municipal value, or is it only indirectly related to municipal government?
- Is this initiative, when compared to others, important enough to be part of TML’s list of priorities?
- Will the initiative be vigorously opposed by strong interest groups and, if so, will member cities commit to contributing the time and effort necessary to overcome that opposition?
- Is this initiative one that city officials, more than any other group, should and do care about?

The Board placed each legislative issue into one of four categories of effort. Those five categories are:

- **Seek Introduction and Passage** – 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** – the League will attempt to obtain passage of the initiative if it is introduced by some other entity.
- **Oppose** – the League will actively and vigorously attempt to defeat the initiative because it is detrimental to member cities.
- **No Position** – the League will take no action.

Our Highest Priority: Oppose Bad Bills

The Board determined that TML’s highest priority goal for 2017-2018 will be the defeat of legislation deemed detrimental to cities. As a practical matter, adoption of this position means that the beneficial bills will be sacrificed, as necessary, in order to kill detrimental bills.

The TML Priority Package

The Board determined that the TML Priority Package will include the following items in priority order:

1. Defeat any legislation that would erode municipal authority in any way, impose an unfunded mandate, or otherwise be detrimental to cities, especially legislation that would:

- a. impose a revenue cap of any type, including a reduced rollback rate, mandatory tax rate ratification elections, lowered rollback petition requirements, limitations on overall city expenditures, exclusion of the new property adjustment in effective rate and rollback rate calculations, or legislation that lowers the rollback rate and gives a city council the option to re-raise the rollback rate.
 - b. erode municipal annexation authority.
 - c. provide for state preemption of municipal authority in general.
 - d. expand election requirements for issuance of any city debt, impose a petition/election procedure where none currently exists, or that would otherwise erode the ability of a city to issue debt in any way.
 - e. erode the authority of a city to be adequately compensated for the use of its rights-of-way.
 - f. erode municipal authority over the management and control of rights-of-way.
 - g. establish a standard or process for determining economic loss and related compensation resulting from a regulatory action.
2. Passage of any legislation that would:
- a. allow municipalities the option of selecting either an official newspaper or an official website for the municipality's publication of official notices by law.
 - b. exempt a candidate forum from the definition of a "meeting" under the Texas Open Meetings Act.
 - c. authorize a combined ballot proposition for reallocation of dedicated or special purpose sales tax revenues to the general revenue sales and use tax fund and a local election to increase or decrease the Type B sales and use tax rate within the jurisdiction.
 - d. clarify the authority of general law cities to enact sex offender residency restrictions.

Support

The Board voted to support legislation that would:

1. authorize and direct the chief appraiser to certify tax rolls for non-protesting taxing units.

2. reconcile inconsistencies within Texas Government Code Section 551.127 so that governmental bodies that choose to use videoconference calls for meetings are provided clarity of the law governing videoconference calls.
3. clarify that all representatives to boards and commissions that are appointed by the city council serve at the will of the city council.
4. allow land to be used, transferred, conveyed, or swapped in Chapter 380 economic development agreements.
5. add a tenth criteria of “location of an emergency services station” to the state criteria related to the proper placement of a traffic signal on a state highway.
6. repeal the archaic requirement that an official city newspaper must be entered as second-class postal matter.
7. allow charter amendment elections to occur in compliance with the two-year requirement of the Texas Constitution by construction of the uniform election dates in the Texas Election Code.
8. amend Texas Penal Code, Sections 30.06 and 30.07, to authorize private lessees to post signage prohibiting possession of handguns on property leased from a governmental entity.
9. include a provision in the state’s General Appropriations Act for 2018-2019 that includes increased DEAAG funding.
10. provide continued resources and solutions from the Texas Legislature to assist military communities and to improve military value of all Texas military installations during the interim.
11. make the following changes to section 552.275 of the Public Information Act: (a) lower the 36-hour time limit for a requestor during a 12-month period to 24 hours in a 12-month period, and (b) establish a means by which a governmental body can request the attorney general’s office to review requests that the governmental body has determined are excessive, repetitive, or harassing, once the Section 552.275 time limits have been exceeded by a requestor. (This position would not affect requestors exempted by Section 552.275 of the Act.)
12. authorize electric utilities to allow cities to build and operate hike and bike trails and recreational amenities on land and easements owned and occupied by an electric utility with the limitation of liability applicable to electric utilities in Chapter 75, Texas Civil Practice and Remedies Code.
13. eliminate any mandate on the Texas Commission on Fire Protection to generate revenues above what is required to self-fund the agency.

14. either appropriate funds or directly benefit public library service, including funding for TexShare databases.
15. appropriate funds to support the role public libraries play in the workforce and economic development in local communities.
16. designate federal dollars to support libraries in the State of Texas.
17. promote and strengthen broadband access across educational institutions, including public libraries.
18. ensure libraries are included as eligible partners and beneficiaries in any strategy or guideline aimed at constructing or improving public spaces.
19. make beneficial changes to the permit vesting statute (Chapter 245 of the Local Government Code).
20. simplify the effective tax rate calculation for notice purposes only, provided the legislation would have no effect on the underlying effective tax rate and rollback tax rate calculations themselves, nor upon the hold harmless exemptions to those rates.
21. make beneficial amendments to the equity appraisal statute.
22. require mandatory disclosure of real estate sales prices.
23. allow a council-option city homestead exemption, expressed as a percentage or flat-dollar amount.
24. authorize a city to adjust the general revenue sales tax rate or renew a dedicated sales tax using a combined ballot proposition.
25. expand the sales tax base, but only if the city tax base fully benefits from the expansion.
26. convert the sales tax reallocation process from a ministerial process into a more formalized administrative process that would, at a minimum, require prior notice to all affected parties.
27. toll the four-year “look-back provision” relating to collection of unpaid city sales tax, but only in the case of nonpayment by a business and not misallocation among cities.
28. allow the collection of economic development sales tax so long as bonds, projects, and other obligations exist for the corporation.

29. authorize cities—in relation to annexation, planned annexation, voluntary annexation, or negotiated annexation—to replace some or all emergency services district (ESD) sales taxes in an area with city sales taxes, provided an ESD’s existing sales tax debt is proportionately and reasonably provided for in some manner.
30. permit a municipal development district’s sales tax, notwithstanding a competing emergency services district (ESD) sales tax, to apply in the extraterritorial jurisdiction, as current law allows, provided an ESD’s existing sales tax debt is proportionately and reasonably provided for in some manner.
31. allow cities to remove themselves from an ESD if the city is capable of providing services to the area.
32. require city council approval for an ESD to expand into a city’s corporate limits or ETJ.
33. provide a fair and equitable distribution of the sporting good sales tax revenues for state and local parks.
34. create a constitutional dedication of sporting goods sales tax revenues for use in state and local parks that would directly benefit parks, recreation, open space, trails and tourism.
35. pass through federal dollars used for parks, recreation, open space, trails, and tourism from any of the following, but not limited to, the United States Department of the Interior Land and Water Conservation Fund (LWCF), the Sport Fish Restoration Boat Access program and the United States Department of Transportation Recreation Trails program.
36. directly benefit parks, recreation, open space, trails, tourism, health and wellness (i.e. utility corridors and mobility).
37. either lengthen the total term of a city depository services agreement or that would allow cities the ability to renew their depository services agreements beyond the current five-year term.
38. clarify current law to exempt city officials in cities with little or no investments from the Public Fund Investment Act’s continuing training requirement, pursuant to the intent of H.B. 1148 (2015).
39. require the Legislative Budget Board to include in all fiscal notes attached to legislation the estimated cost of unfunded mandates for local governments.
40. allow for greater flexibility by cities to fund local transportation projects; amend or otherwise modify state law to help cities fund transportation projects; or provide

- municipalities with additional funding options and resources to address transportation needs that the state and federal governments are unable or unwilling to address.
41. discontinue the diversion of transportation revenues to non-transportation purposes and appropriate all revenues from highway user fees and taxes to fund transportation.
 42. provide additional funding to the Texas Department of Transportation for transportation projects that would benefit cities, so long as existing funding formulas are followed.
 43. authorize a local option election to increase the local sales tax cap from 2 to 2.25 cents.
 44. provide local, state, and federal transportation funding for rail as one component of transportation infrastructure.
 45. provide additional funding for transportation mobility projects and increased local control over those projects.
 46. increase municipal authority over Texas Department of Transportation logo signs.
 47. allow cities to use automated speed enforcement in school zones.
 48. grant general law cities additional authority to annex areas wholly surrounded by cities.
 49. authorize a city council to opt-in to requiring residential fire sprinklers in newly constructed single-family dwellings.
 50. enact a statewide ban on texting while driving, so long as a city may impose more stringent requirements related to cell phone use while driving.
 51. clarify the administration and execution of the licensed carry law, so long as such legislation does not erode current municipal authority.
 52. make beneficial, clarifying amendments to Government Code Section 2252.908 (the “contracts reporting” law).
 53. extend the deadline for cities to change the date of their general elections to a different uniform election date.
 54. allow a more equitable way of distributing court fines that would result in a higher percentage of fines being kept local, where the laws are enforced, the court is held, and the fines are collected.
 55. make confidential information related to animal adoptions.

56. provide relief from vexatious Public Information Act requests.
57. clarify Local Government Code Chapter 176's application to city employees and agents and other beneficial clarifying amendments.
58. prevent further exploitative payday and auto title lending practices.
59. clarify the treatment of animal shelter veterinarians under the Veterinary Licensing Act.
60. clarify the authority of a city to take ownership of a stray animal upon the expiration of a hold period.
61. expand the use of public, education, and government (PEG) fees to include operational and related costs associated with PEG channels.
62. include additional appropriations for the Texas Workforce Commission's Skills for Veterans initiative that dedicates funding to address the training needs of post-9/11 veterans returning home and entering the Texas workforce.
63. include additional appropriations for affordable and workforce housing that allows for the expansion and preservation of diverse, affordable homes in cities.
64. amend Chapter 327 of the Texas Tax Code to authorize the collection of municipal sales and use taxes for street maintenance for an indefinite, or at least extended, term instead of the four years provided by current law.
65. amend the Texas Administrative Code, Title 37, Article 1, Chapter 15, Subchapter G, Section 15.119 (and any other applicable legislation) to waive the \$30.00 administrative fee in the event that court costs, fines and fees are not received by the local political subdivision.

Oppose

The Board voted to oppose legislation that would:

1. impose unfunded mandates that would be detrimental to the public library service.
2. further erode a city's ability to condemn property for a public use.
3. erode municipal comprehensive planning and zoning authority, or that would modify existing procedures in any detrimental way.

4. restrict a city's ability to adopt or amend zoning regulations, or vest or otherwise create a property right in a zoning classification.
5. further erode a city's ability to regulate religious or charitable organizations.
6. enact adverse amendments to the permit vesting statute (Chapter 245 of the Local Government Code).
7. allow special districts to form in a city or its extraterritorial jurisdiction without the city's permission, or that would impose additional requirements on cities relating to special districts.
8. reduce municipal authority to require exactions related to and required by new development, or that would erode the authority of cities to adopt and enforce minimum development standards.
9. erode a city's ability to make amendments to model building codes.
10. further restrict a city's ability to impose building fees.
11. erode municipal authority in the extraterritorial jurisdiction.
12. erode municipal authority over impact fees or that would exempt any entity from paying municipal impact fees.
13. erode municipal authority in relation to tree preservation requirements.
14. further erode municipal authority over oil and gas development.
15. erode the ability of a city to amortize nonconforming uses, including those in a flood plain.
16. negatively expand appraisal caps.
17. erode the concept that appraisals must reflect the true market value of property.
18. impose new property tax exemptions that substantially erode the tax base.
19. impose a property tax freeze that can be implemented by any mechanism other than council action.
20. extend the "Prop 2" pollution control property tax exemption to processes, facilities, or end products.
21. impose new mandatory homestead exemptions or exemption increases.

22. impose any sales tax exemption that would substantially erode the tax base.
23. lengthen or broaden the scope of the current sales tax holiday.
24. expand the sales tax base without fully benefitting the city tax base.
25. alter the city share or the calculation or sourcing of city sales taxes.
26. limit the authority of Type A or Type B sales tax corporations statewide, but take no position on legislation that is regional in scope and that is supported by some cities in that region.
27. implement appropriation riders that set Texas Recreation and Parks Accounts (TRPA) funding No. 467 & Large County and Municipality Recreation and Parks Account No. 5007 funds for specific projects or locales.
28. be detrimental to parks, recreation, open space, trails, and tourism (i.e. non-use of eminent domain for recreational purposes).
29. limit or eliminate the current flexibility of the Major Events Reimbursement Program as a tool for cities to attract or host major events and conventions.
30. remove or negate the strictly voluntary nature of highway turnbacks, including through state budget strategies.
31. erode municipal authority over billboards or that would place any unfunded mandate on cities relating to billboards.
32. preempt city regulations governing transportation network companies and licensing their drivers.
33. increase the permissible size or weight of vehicles under state law.
34. erode the provisions of Chapter 66 of the Utilities Code, which relates to state-issued cable franchises.
35. erode municipal authority to require utility companies to pay the costs of relocating their facilities in a timely manner as required by current law.
36. limit a city's authority to enter into a solid waste franchise.
37. erode local control or reduce municipal ownership and/or control over effluent and water reuse projects.
38. authorize any state agency to assert jurisdiction over the rates and services provided by a municipally owned utility inside the city limits.

39. erode municipal authority to regulate short-term rentals.
40. repeal or limit school bus stop-arm camera authority.
41. make participation in Government Code Chapter 2267 (the “public/private partnership” law) mandatory.
42. further erode local control as it pertains to retirement issues.
43. enact detrimental amendments to Local Government Code Chapter 143 (the “civil service” law).
44. make meet and confer mandatory or expand the current meet and confer law.
45. make collective bargaining mandatory or impose expanded collective bargaining rights.
46. substantively change or expand the scope of the current disease presumption law.
47. eliminate any of the current uniform election dates.
48. increase state regulation of local ballot language or the initiative and referendum process.
49. impose additional state fees or costs on municipal court convictions or require municipal courts to collect fine revenue for the state.
50. limit the authority of municipal courts to assess appropriate sanctions, while protecting the rights of municipal court defendants.
51. erode municipal governmental immunity.
52. limit or prohibit the authority of city officials to use municipal funds to communicate with legislators.
53. limit or prohibit the authority of the Texas Municipal League to use any revenue, however derived, to communicate with legislators.
54. require the reporting of lobbying activities beyond the requirements in current law.
55. preempt or prohibit the regulation of payday and auto title lenders by a city.
56. impose a statewide smoking ban that would preempt existing or future municipal smoking bans.

57. erode a city's incentive options to enhance its economic development efforts to promote retention and expansion of existing retailers, restaurants, developers, commercial businesses and primary employers and to attract new business.

Take No Position

The Board voted that TML take no position on legislation that would:

1. authorize a council-option reduction in the current ten-percent cap on annual appraisal growth.
2. broaden the authority of Type A or Type B sales tax corporations.
3. expand Medicaid in Texas.
4. standardize red light photo enforcement systems, so long as the underlying authority is not eliminated. (Further, the committee recommends that TML defer to the Texas Red Light Coalition on more detailed matters relating to revisions to red light camera policy.)
5. amend the affected provisions of the Texas Government Code relating to the Texas Municipal Retirement System to allow for greater flexibility in retiree pension increases and provide for a forgiveness provision for cities who stopped the regular repeating COLA payments without reference to a cost of living index.

Other

The Board voted that TML take the following additional actions:

1. League staff should communicate to legislators that: imposing a revenue cap on cities: (a) does not provide meaningful tax relief; (b) robs cities of the ability to meet local needs; and (c) diverts attention from the real cause of higher property taxes, which is the legislature's failure to address the problem of school funding.
2. The League should assist in drafting legislation for additional funding measures from the legislature for projects in a state designated evacuation route.
3. The League should support state funding for studies to advance the continued development of a coastal barrier system, which would provide comprehensive protection to the people, industries, businesses, schools, government facilities, residences, and associated infrastructure within the Houston/Galveston region. (In addition, the League should respectfully encourage the Texas federal delegation to seek federal funding for the design, construction and maintenance of a coastal barrier

system to provide hurricane storm surge protection for this nationally strategic area of our state.)

4. The League should expend whatever resources are considered appropriate by the League's Board of Directors to gather data and hire consultants to prepare a report on the importance of annexation to the quality of life and financial security of Texas.
5. League staff should, in conjunction with the City of Alpine, move forward with efforts to find a solution to the scarcity of water/wastewater operators in the state.
6. The TML Board of Directors should consider reviewing the issue of general law city authority.
7. If legislation is filed that relates to immigration and that would affect cities, League staff should seek the guidance of the TML Executive Committee regarding the League's position on such legislation.