



Legislative UPDATE

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NLC: Responding to Racial Tension in Your City

The National League of Cities has prepared a “[Municipal Action Guide for Responding to Racial Tension in Your City](#).” To prepare the guide, NLC interviewed several current and former municipal leaders who have been through similar moments of crisis with racial tension. The guide provides important contextual and tactical information to support a city’s efforts to respond effectively. It includes:

- **Definition of common values:** Five common values need to be embedded in all actions in response to racial tension.
- **Insight:** Lessons learned, tactics, and such additional considerations can provide direction and suggest actions municipalities can take in real time.
- **Context:** Historical context that will help leadership get a more robust understanding of the situation at hand, and how the event may uncover deep-rooted issues that the municipality can address.
- **Checklists:** Practical checklists ensure that you have some of the more critical components in place to respond: (1) direction to leadership in the immediate response to the crisis; (2) guidance on a crisis communications protocol; (3) guidance on stakeholder identification and engagement; and (4) guidance on how to continue the work of advancing racial equity post-incident.

In Texas, the governor has said publicly that the state legislature will be proactive in crafting new legislation related to police brutality, saying the work starts now before session begins in January 2021. “Now is the time for legislators to start bringing up ideas, proposing ideas, testing those ideas with their fellow legislators and they will get a feel for the possibility of being able to pass meaningful legislation,” he said.

Attorney General Opinion: Employee Consent for “Union Dues Check-Off”

The Texas attorney general issued an opinion last week relating to “union dues check-offs.” The opinion, [No. KP-0310](#), concludes that an employee’s one-time, perpetual election to permit a city to deduct union dues from the employee’s paycheck “is inconsistent with the [Supreme] Court’s holding in *Janus v. American Federation of State, County, and Municipal Employees*, [but a] court would likely conclude that consent for one year from the time given is valid and is sufficiently contemporaneous to be constitutional.”

What does this mean for those cities that deduct union dues from employee paychecks? The state laws that authorize deductions typically provide for a one-time opt-in, and they don’t mandate that the authorization be renewed. The opinion therefore suggests that such elections must be renewed at some interval to satisfy *Janus*. City attorneys who agree with the opinion’s analysis may want to review their city’s policies in light of it.

Comptroller Releases New Property Tax Rate Guidance

Last week, the comptroller posted [guidance](#) and a variety of resources to help taxing units navigate the new S.B. 2 property tax rate setting process. The information includes the [worksheets](#) that must be used to calculate the no-new-revenue, voter-approval, and de-minimis tax rates, [notice forms](#) incorporating the new notice requirements imposed by S.B. 2, and more.

City officials, and especially finance staff, are encouraged to explore the new content offered by the comptroller.

State and Local Sales Taxes on Internet Access End July 1

In 2016, Congress passed a permanent extension of the Internet Tax Freedom Act. The extension meant that states were generally prohibited from applying sales taxes to internet access service. However, the legislation included a grandfather clause that allowed states that collected sales taxes on internet access service prior to October 1, 1998, to continue collecting those sales taxes only until June 30, 2020.

Texas is one of the ten states that were grandfathered, which allowed both state *and* local sales taxes to be collected on internet access service in Texas. A state law allowed sales taxes to be collected on internet access charges in excess of \$25 per month.

The end to the grandfathering means that Texas cities will lose the sales tax imposed on internet access service at the end of the month.

U.S. House Releases \$494 Billion Transportation Proposal

The marathon of federal transportation reauthorization continues with the "[Investing in a New Vision for the Environment and Surface Transportation in America](#)" (INVEST) Act released today. The bill aligns well with the National League of Cities "[Cities 2020 Transportation Priorities](#)" and represents a significantly stepped-up investment in local priorities. It tracks closely the "[Moving Forward Framework](#)," which was released in late January and aligns with NLC's "Rebuild With Us" priorities.

The prior transportation bill, the Fixing Americas Surface Transportation (FAST) Act of 2016, will expire on October 1, 2020. Because of that, House leadership has designated transportation reauthorization as one of their "must pass" bills this summer. In the Senate, three of the four Committees have yet to act on their portion of the legislation, but they may move quickly when the time is right. Below is a brief summary of the INVEST Act:

- With \$319 billion for roads, \$105 billion for transit, \$60 billion for rail, and almost \$10 billion for safety, INVEST is almost doubling current investment levels from the Highway Trust Fund and providing \$48.7 billion in dedicated funding to local transportation.
- In response to recent local and state budget challenges from COVID-19, the bill provides \$83.1 billion in 2021 to cover up to 100 percent federal investment, which will ensure cities and transit agencies can move forward with planned projects without delay.
- INVEST increases funds for transit and rail programs as well as new programs to assist cities and regions in transportation connectivity and climate goals.

To learn more, check out the [INVEST Act bill text](#), [fact sheet](#), [bill summary](#), and [section-by-section bill summary](#). NLC's transportation priorities and additional updates are available at www.nlc.org/FAST.

[Editor's note: The edited article above was reprinted with permission from the National League of Cities.]

Coronavirus (COVID-19) Updates

The Texas Municipal League is open for business. The building is closed to all but essential personnel and most staff is working remotely, but the League remains open for business and is fully ready to serve. Cities are encouraged to call or email for legal assistance, help with ordinances, or for general advice or assistance. Let us know how we can assist you and your city.

Call TML staff at 512-231-7400, or email Scott Houston for legal assistance at SHouston@tml.org; Rachael Pitts for membership support at RPitts@tml.org; and the training team for questions about conferences and workshops at training@tml.org.

The League has prepared a coronavirus clearinghouse [web page](#) to keep cities updated. In addition, everyone who receives the *Legislative Update* should receive a daily email update each afternoon with information on new developments. The daily email updates will be our primary

means of communication during the pandemic. Those emails are being archived [chronologically](#) as well as by [subject matter](#).

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