

# TML LEGISLATIVE UPDATE



October 13, 2023  
Number 41

## **Special Session Update**

This week, the Texas Legislature gavelled in for the third-called special session. The Senate began its work on legislation relating to various issues, including increased teacher pay and additional school funding, educational savings accounts, prohibiting COVID-19 vaccine mandates from employers, increasing criminal penalties related to the smuggling of persons and operation of stash houses, and creating a criminal offense for improper entry to the state from a foreign nation.

During any special session, legislators may file bills related to any subject whether or not they are included on the [governor's call](#). However, legislation that is not germane to the governor's call generally cannot be considered. For this reason, the League will monitor all bills filed but will not be summarizing city-related bills that are not included in the governor's call for this special session.

The League will continue to keep the membership updated as the special session continues.

## **Resolutions Approved by the Membership at the Annual Conference**

Last week during the TML Annual Conference and Exhibition, delegates assembled at the business meeting to consider resolutions submitted by the membership. The delegates approved four resolutions to be included in the legislative program. The approved resolutions can be found [here](#).

## **Comptroller Releases Certification Revenue Estimate**

Last week, Comptroller Hegar [released](#) the Certification Revenue Estimate (CRE) for the 2024-2025 biennium. The CRE is provided after a legislative session ends and revises projections to reflect legislative activity and current economic information. The comptroller projects the state to have a total of \$194.57 billion in General Revenue-related funds available. Those funds will support general-purpose spending for the 24-25 biennium and will result in an expected ending balance of \$18.29 billion.

The Economic Stabilization Fund (ESF) also known as the “Rainy Day Fund” and the State Highway Fund (SHF) will each receive \$3.06 billion in transfers from the General Revenue Fund from severance taxes collected in 2023, and an estimated \$2.76 billion transfer from severance taxes in 2024. The ESF is projected to have a balance of \$23.77 billion at the end of fiscal year 2025.

## **RRC Proposed Rules on Energy Conservation Programs and Disconnecting Residential Gas Service**

The Railroad Commission of Texas (RRC) has proposed new rules regarding energy conservation programs offered by local utility distribution companies and disconnecting gas service during weather emergencies.

### **Energy Conservation Programs**

H.B. 2263, passed during the 88<sup>th</sup> Legislative Session, authorized local utility distribution companies to offer energy conservation programs (ECPs) to existing and prospective customers. The bill directed the Texas Railroad Commission (RRC) to adopt rules governing the creation, implementation, scope, and operation of ECPs.

The RRC’s proposed rules would:

- Provide ECP program definitions;
- Require RRC approval of ECP programs;

- Establish that RRC has exclusive original jurisdiction over ECPs;
- Prohibit cities from limiting, restricting, or otherwise preventing an eligible customer from participating in an ECP program based on the type or source of energy being delivered;
- Outline ECP application requirements and program goals;
- Provide ECP reporting requirements; and
- Provide local utility distribution companies ECP cost recovery procedures.

### **Gas Utility Service Disconnection**

The RRC also proposes amendments regarding when a gas utility service may disconnect service to residential customers during an extreme weather emergency.

Texas Utilities Code § 105.023 subjects a gas utility company to civil penalties for violating Chapter 105 of the Texas Utilities Code.

The RRC's proposed rules would prohibit a gas utility company, except in limited circumstances, from disconnecting a delinquent residential customer's gas service:

- During an extreme weather emergency (defined as when the previous day's highest temperature did not exceed 32 degrees Fahrenheit and the temperature is predicted to remain at or below that level for the next 24 hours according to the nearest National Weather Station for the county where the customer takes service);
- For a billing period in which the gas utility company receives a written pledge, letter of intent, purchase order, or other written notification from an energy assistance provider that it is forwarding sufficient payment to continue service; or
- On a weekend day, unless gas utility company personnel or agents are available to receive payment and reconnect service.

Gas utility companies must also defer collecting full payment of bills due during an extreme weather emergency until after the emergency is over.

The attorney general may file suit to recover civil penalties for violating these provisions. City officials can find more information about these proposed rules [here](#).

Cities wishing to submit written comments may submit their comments by mail to Rules Coordinator, Office of General Counsel, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967, through the RRC's [website](#), or by email to [rulescoordinator@rrc.texas.gov](mailto:rulescoordinator@rrc.texas.gov).

All comments must be received by 5:00 p.m. on **Wednesday, October 25, 2023**.

## **TDLR Proposes Increasing Daily Vehicle Impoundment and Storage Fees**

The Texas Department of Licensing and Regulation (TDLR) is considering increasing vehicle storage facility impoundment and daily storage fees.

TDLR proposed a rule that would amend Texas Administrative Code § 85.722 by authorizing increased vehicle storage facility impoundment and storage fees based on the Consumer Price Index for all Urban Consumers (CPI-U) during the preceding two state fiscal years.

City officials can find more information about this proposed rule [here](#).

Cities wishing to submit written comments may submit their comments by mail to Shamica Mason, Legal Assistant, Texas Department of Licensing and Regulation, P.O. Box 12157, Austin, TX 78711, through the [TDLR's website](#) or by fax to (512) 475-3032.

All comments must be received by **Sunday, November 25, 2023**.

## **Federal Infrastructure Bill Update**

*In November 2021, the federal Infrastructure Investment and Jobs Act (IIJA) was signed into law. The IIJA is altogether a \$1.2 trillion bill that will invest in the nation's core infrastructure priorities including roads, bridges, rail, transit, airports, ports, energy transmission, water systems, and broadband.*

*The League will monitor state and federal agencies and work with the National League of Cities (NLC) to access the latest information relating to the IIJA. We will provide periodic updates in the Legislative Update on resources for Texas cities on how to access IIJA funding for local infrastructure projects.*

### **United States Department of Transportation (USDOT)**

#### **Electric Vehicle Charger Reliability and Accessibility Accelerator Program**

USDOT is accepting applications for its Electric Vehicle Charger Reliability and Accessibility Accelerator Program. The program provides up to \$100 million in grants to state transportation agencies and local governments to enhance and maintain existing publicly accessible electric vehicle infrastructure by repairing or replacing broken or non-operational electric vehicle charging stations.

For purposes of the program, publicly accessible infrastructure includes publicly and privately owned electric vehicle chargers.

Eligible projects include hardware, labor, permitting, and upgrade costs for Level 2 or Direct Current Fast Charging EV chargers, including full charger replacement, if necessary, to ensure at least five years of fully operational status.

City officials can find more information about the program [here](#).

Applicants must submit their applications by **10:59 pm (CST) on November 13, 2023**.

## **Large Bridge Project**

USDOT is accepting applications for the Large Bridge Project (LBP) portion of its \$50 million Bridge Investment Program (BIP). The BIP seeks to improve bridge safety, efficiency, and reliability across the country.

The LBP will provide up to \$50 million in grants to state and local governments, transportation-focused special purpose districts, and tribal governments to support large-scale bridge replacement, rehabilitation, preservation, and protection projects whose costs exceed \$100 million.

Eligible LBP projects include:

- Development activities (e.g., planning, feasibility studies, revenue forecasting, environmental review, and preliminary engineering and design work);
- Construction activities (e.g., bridge replacement and preservation, reconstruction, rehabilitation, acquiring real property, environmental mitigation, and operational improvements directly related to improve bridge system performance);
- Bridge protection costs, including seismic or scour protection costs; and
- Necessary federal credit subsidy and administrative costs.

USDOT will give priority to projects for bridges in poor condition or at risk of falling into poor condition within the next three years whose sponsor can demonstrate that without an award the sponsor will be unable to complete the project, and meet at least one of the following characteristics:

- Geometric standards used to construct bridge no longer meeting current standards;
- Grant application demonstrates need for award of no less than \$100 million;
- Total future eligible projects costs are no less than \$1 billion;

City officials can find more information about the LBP and BIP [here](#).

Applicants must submit their applications for FY 2023 funding by **10:59 pm (CST) on November 27, 2023**.

**Texas Department of Transportation (TxDOT)**

TxDOT invites local government federal transportation grant applicants to request a letter of support for any United States Department of Transportation federal grant applications.

The TxDOT Letter of Support request form can be found [here](#).

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