



Legislative UPDATE

November 30, 2018
Number 37

Senate Property Tax Committee Meets in Conroe

Last Wednesday, the Senate Select Committee on Property Tax Reform met in Conroe to hold a hearing on three interim charges. Of most interest to city officials is the following:

Evaluate the effective tax rate and rollback tax rate calculations and identify modifications that would yield a rollback process that is meaningful for local governments and for citizens. Evaluate whether the current rollback election trigger serves modern objectives.

Beyond the usual rhetoric that follows this road show around the state, a few interesting items were raised:

- An academic discussed details of the effective tax rate calculation. The committee clearly indicated that its upcoming legislation would remove the tax increment financing exclusion from the effective tax rate calculation.
- A representative from the governor's office gave additional details about the governor's property tax plan (previously reported on [here](#)). One promising component is his desire to increase the state's share of school funding. Where that revenue will come from wasn't discussed.
- Oddly, the chair of the committee suggested that cities are purposefully using false data in their tax rate calculations and issued a warning to end that practice. We've seen no evidence of nefarious activity of this type.

The hearing was likely the committee's last for this interim. The League will report in detail on the committee's interim report when it is released.

Interim Report: **Senate Committee on Agriculture, Water, and Rural Affairs**

On November 2, 2018, the Senate Committee on Agriculture, Water, and Rural Affairs released its interim report on the 2017 Hurricane Harvey response. A summary of the relevant charges and the committee's recommendations are provided below.

- **Charge:** Study and make recommendations on how to move forward with water infrastructure projects in a State Water Plan that will help mitigate floods through flood control, diversion, and storage projects. Evaluate plans for a possible third reservoir in addition to Addicks and Barker to control and alleviate additional flooding in the region. Additionally, review the current status of reservoir projects in Texas. Examine opportunities for coordinating between federal and state agencies to develop flood mitigation infrastructure, and the ongoing maintenance and restoration of critical dam infrastructure.

Recommendations: The committee recommends the following:

1. Expansion of the role of the Texas Water Development Board (TWDB) to include: (1) development and oversight of the implementation of a State Flood Plan; (2) centralization of all local flood prevention plans; and (3) serving as a centralized source for funding opportunities.
2. A review and update of operation manuals and protocols for planned water releases for reservoirs based on new science and data for stream flows.
3. A clear delineation of the responsibilities of state agencies and river authorities with regard to dredging and debris removal so that local officials and private landowners have direction on who to contact for assistance in clearing infrastructure such as roads, bridges, and water ways.
4. The Texas State Soil and Water Conservation Board prioritize dams in the most need of repair.
5. The state should incorporate earthen dams as a part of the state infrastructure and the State Flood Plan and provide funding assistance of the local portion of the costs needed to repair dams.
6. Require state and local emergency response teams to attend additional continuing education to help promote coordination and an understanding of new flood-related policies and procedures that will be put in place.
7. Conduct a study to accurately map the opportunity for deepening the existing Addicks and Barker Reservoirs, diversion channels, bayous, and the creation of diversion ponds for flood control, and for the creation of an additional reservoir with a water supply component that would benefit the region.
8. Create a State Infrastructure Fund, with funds set aside from general revenue and/or the Economic Stabilization Fund to support flood mitigation strategies detailed in the State Flood Plan.

- **Charge:** Study and identify ways to improve capacity and maintain the structure of the Addicks and Barker Reservoirs. Report on mechanisms that would ensure the public has access to timely and transparent release figures from reservoirs across the state.

Recommendation: The committee recommends, among other things, that real time information on water levels and anticipated releases, of reservoirs managed by the state and local authorities, be collected and provided on TWDB’s website to allow for local emergency response officials to adequately communicate with their residents.

- **Charge:** Evaluate current data-sharing standards for rainfall and stream gages and whether regional flood management projects and flood warnings should be hosted in a centralized location, such as a state agency web page. Determine whether a statewide real-time flood warning system could be developed and coordinated through mobile devices, TxDOT electronic signage, communication devices and whether existing local and regional forecasting infrastructure could be integrated into a centralized inclement weather forecasting system.

Recommendation: The committee recommends that the state create a flood alert system similar to the AMBER alert program, or other means of technology for local officials to adequately communicate flood conditions with residents.

Interim Report: Senate Committee on Violence in Schools and School Security

On August 6, 2018, the Senate Select Committee on Violence in Schools and School Security released its [interim report](#). As the name of the Committee suggests, the report analyzes how to prevent and respond to school violence. While the report is interesting, there are a few areas of particular note to cities.

- The report discusses the role of police departments in school safety. According to the report, police departments and schools should have a good working relationship, but police officers should not be used in school administration roles. The Committee recommended that the legislature consider legislation to clarify that school districts must identify a campus administrator who is responsible for identifying and maintaining contact with local law enforcement, local emergency agencies, and fire departments in their security audits.
- The report calls for seamless communication between school officials and law enforcement. According to the report, local law enforcement should implement policies where officers are seen in and around schools and are involved in school activities. Standardized training has ensured law enforcement will react to situations uniformly, and the chief of police in an affected city should remain in charge of the scene with other agencies providing support.

- The report examines Extreme Risk Protective Orders (ERPO) or “red flag” orders. ERPO laws enable law enforcement and different individuals to petition the court to temporarily remove an individual’s access to firearms. The challenges to ERPO laws include the required surrender of firearms, process for the return of firearms, and how to determine whether an individual may commit a future act of violence. Ultimately, the report recommends considering legislation to clarify the current statute on whether and when an individual convicted of domestic violence may possess a firearm legally. The report also recommends considering legislation to clarify the current statute regarding the return of firearms to individuals who have been detained and declared to no longer be a risk to themselves or others.

After receiving testimony on the importance of school design in school safety, the Committee also recommended that the legislature should consider updates to school building codes to ensure best practices are used in designing new school facilities.

Is Your City Prepared for the 2020 Census?

Last week, the National League of Cities (NLC) released [*Preparing for the 2020 Census*](#), a new municipal action guide that will help cities navigate the upcoming census. NLC created the guide to give local elected officials the tools and resources they need to work toward a complete and accurate count and to answer common questions and concerns around the census. The guide includes a glossary of related terms, as well as talking points and a city checklist.

Don’t Forget: Mandatory Hotel Occupancy Tax Reporting

The 50-day window for reporting local hotel occupancy tax information opens January 1, 2019.

During the 2017 regular session, the legislature passed [*S.B. 1221*](#), which aims to improve transparency about the hotel occupancy tax by requiring cities to file an annual report with the comptroller that includes the city’s hotel occupancy tax rate, the amount of revenue generated by the tax, and the amount and percentage of the revenue spent for each of the following purposes:

- Convention or information centers.
- Convention delegates registration.
- Advertising to attract tourists.
- Arts promotion and improvement.
- Historical restoration and preservation projects.
- Signage directing the public to sights and attractions.

Cities have two reporting options: (1) use the comptroller’s online reporting form to submit all required information; or (2) clearly post and maintain all required information on the city’s website and provide the comptroller’s office with a link to the information. For cities selecting

the second option, the comptroller provides an [optional format template](#) to post on the city's website.

For more information and access to the online reporting form, see the comptroller's hotel occupancy tax reporting [webpage](#). City officials with questions about the new requirements can also contact the comptroller's transparency team by email at transparency@cpa.texas.gov or (844) 519-5676.

City-Related Bills Filed

Property Tax

No city-related property tax bills were filed this week.

Sales Tax

No city-related sales tax bills were filed this week.

Purchasing

No city-related purchasing bills were filed this week.

Elections

No city-related elections bills were filed this week.

Open Government

No city-related open government bills were filed this week.

Other Finance and Administration

H.B. 168 (Canales) – Bilingual Zones: would require the comptroller, in cooperation with the secretary of state and other entities, to conduct a study to evaluate the creation in certain areas of the state of bilingual zones, which are designated areas in which: (1) English and Spanish are official languages, (2) residents have the right to receive services from state and local

governmental entities in both official languages, (3) residents may be heard before the state court system in the official language of their choice, (4) state and local laws are published in both official languages, and (5) both official languages have equal status in state and local governmental employment.

Municipal Courts

No municipal court bills were filed this week.

Community and Economic Development

S.B. 208 (Campbell) – Concrete Plants: would extend from 440 yards to 880 yards the distance within which a concrete plant or crushing facility must be from a single- or multi-family residence, school, or place of worship.

Personnel

No city-related personnel bills were filed this week.

Public Safety

H.B. 350 (Blanco) – Cybersecurity: would provide that the Texas Cybersecurity Council must include a member who is an employee of the Elections Division of the Office of the Secretary of State.

H.B. 351 (Blanco) – Cybersecurity: would provide that: (1) a cyber attack is defined as an attempt to damage, disrupt, or gain unauthorized access to a computer, computer network, or computer system; and (2) a cyber attack is added to the list of disasters under the Texas Disaster Act.

Transportation

No city-related transportation bills were filed this week.

Utilities and Environment

H.B. 400 (Tinderholt) – Electric Grid Security: would provide that: (1) the governor shall appoint members of the grid security council; (2) the council shall monitor economic, environmental, regulatory, and technological developments that may affect the security of the electric grid; and (3) not later than the November 1 preceding each regular session of the

legislature, the council shall prepare and submit a report to the legislature analyzing grid security. (Companion bill is **S.B. 76** by **Hall**.)

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