Eleven Days to Go: Where Cities Stand

This near to the end of the legislative session, the resolution of many city-related issues is largely out of the League’s control. With the exception of a few issues, all the decision making from here on out tends to be made behind closed doors in conference committees and other private discussions amongst legislators. As a result, little work remains to be done by city officials other than to wait for the final score. To that end, where do we seem to stand now?

- **Revenue Caps**: the committee substitute for S.B. 2 was on the House calendar for consideration yesterday. Several points of order were called on the bill, and the House recessed without ruling on them. In other words, the bill is still pending and may be heard today.

The version of S.B. 2 that will be considered by the House contains several transparency modifications to the tax rate notice process, but it does not contain any revenue cap or otherwise make any adjustments to the rollback rate or petition and election process for a tax rollback election. The League supports increased transparency measures and is not opposed to the current version of S.B. 2.
League staff has informed every house member that it is absolutely imperative that harmful revenue cap provisions do not get added back into the bill. Revenue caps will lead to budget cuts for police, fire, and emergency services and limit the ability of cities to improve infrastructure across the state, all without providing any meaningful tax relief to Texas taxpayers. Nevertheless, it is rumored that at least one revenue cap amendment will be proposed.

- **Annexation:** Senate Bill 715 has been placed on the House calendar for consideration this Sunday, May 21. It would end city annexation by allowing a vote only of people being annexed, instead of the entire region. The bill is currently bracketed to apply only to cities in a county over 500,000 and cities that annex into such a county, but it could easily be changed to apply to all cities later in the process. Cities concerned about annexation should contact their House members now and urge a “no” vote Sunday on S.B. 715.

- **Other Items:** League staff is working hard on a number of second-tier bills that could be detrimental and might still have a chance. These are bills related to the Public Information Act, ballot propositions, eminent domain, and manufactured housing, among others. Everything is still in flux, in other words. We’ll only know what finally passes come May 29.

Additional detail about bills that pass will be included in future Legislative Update articles, and staff will prepare an edition with summaries of every city-related bill that passes. For additional insight and details, city officials should plan to attend the Legislative Wrap-Up Seminar on June 30th in Austin, where League staff will discuss in detail every bill that passed that would affect Texas cites.

**Building Permits in the ETJ Part III: Home Rule Authority?**

A Collin County district court has held that a home rule city can enforce building codes and require building permits in its extraterritorial jurisdiction (ETJ). In *City of McKinney v. Custer Storage Center and Collin County*, the district judge entered an order declaring that an ETJ subdivision agreement ceding the county’s subdivision authority to the city also grants building code and permitting authority to the city, but only for property that is subdivided.

The case arose when the developer of a massive recreational vehicle park in the city’s ETJ refused to obtain building permits or pay fees to the city. As part of that dispute, the developer argued that it had already obtained the appropriate permits from the county. The city contended that the statutorily-required ETJ subdivision agreement with the county controls the dispute. The agreement granted the city “exclusive authority to review and approve plats and ‘related permits’ for conformance with the city’s subdivision ordinance and related development ordinances” in the ETJ. The court agreed with the city.

Of course, the order is binding only on the parties. Whether any of them will appeal remains to be seen. The order comes on the heels of the Texas Supreme Court’s opinion in *Town of*
*Lakewood Village v. Bizios.* That opinion concluded that a general law city does not have the authority to require building permits in ETJ, and included some discussion of home rule authority. In any case, it’s probably fair to say that the issue of home rule authority in this area is far from settled.

**TML Names Legislator of the Month for April**

Representative Andrew Murr is the TML Legislator of the Month for April 2017. Representative Murr represents House District 53 which includes the cities of Kerrville, Sonora, Hondo, Llano, and Horseshoe Bay.

First elected in 2014, Representative Murr is serving in his second term and is a member of the powerful House Ways and Means Committee as well as the House Committee on Judiciary and Civil Jurisprudence, and the Select Committee on State and Federal Power and Responsibility.

Representative Murr understands local issues as he has served as Kimble County Judge and is a past Chairman of the Concho Valley Council of Governments Executive Committee. He has been a tireless advocate for local control and understands that the best solutions to local problems are found at home.

We hope city leaders across Texas, and particularly those in Representative Murr’s district, will express their appreciation to this outstanding leader.

**City Officials Testify**

When the legislature is in session, nothing compares to the effectiveness of city officials testifying at the Capitol. City officials who take their time to travel to Austin to speak out on important city issues should be applauded by us all. The League extends its thanks to all those who have vigilantly represented cities during the legislative session.

- Aaron Smith, City Manager, City of Whitehouse
- Barry Bondurant, Fire Chief, City of Mansfield
- Bryan Grimes, City Manager, City of Ballinger
- Charles Cato, Police Chief, City of Mesquite
- Chris Watts, Mayor, City of Denton
- Clayton Chandler, City Manager, City of Mansfield
- Doug Athas, Mayor, City of Garland
- James Brandon, Police Chief, City of Southlake
- Jared Miller, City Manager, City of Amarillo
- Jeff Coyle, Director of Governmental Affairs, City of San Antonio
- Jeff Spivey, Police Chief, City of Irving
- Jennifer Brown, Director of Finance, City of Sugar Land
Joe Smolinski, Deputy City Manager, City of Mansfield
Joe Zimmerman, Mayor, City of Sugar Land
John Bruce, Chief of Police, City of Frisco
Juan Adame, Fire Chief, City of Sugar Land
Laura Hill, Mayor, City of Southlake
Lee Davila, Infrastructure Operations Division Manager, City of Austin
Maher Maso, Mayor, City of Frisco
Mark Lee, Fire Chief, City of Garland
Megan Dodge, Government and Public Affairs Asst. Director, City of San Antonio
Nin Hulett, Mayor, City of Granbury
Peter Phillis, Deputy City Manager, City of Mansfield
Sharen Jackson, Chief Financial Officer, City of Southlake
Shona Huffman, Councilmember, City of Frisco
Stan Pickett, Mayor, City of Mesquite
Steve Adler, Mayor, City of Austin
Susan Lang, Finance Director, City of Richmond
Tracy Aaron, Chief of Police, City of Mansfield
Victor Conley, Fire Chief, City of Irving
Virginia Collier, Planner, City of Austin

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