Eighty-Fifth Legislature Adjourns:
Respect for Local Control is Officially Yesterday’s News

If 2015 was the year that local control began to lose its luster as a governing principle among some state leaders, the 2017 Legislative Session saw the culmination of this unfortunate trend. The new, improved mantra at the Capitol is “liberty,” which translates to liberty to do anything you want in a city without consideration for the liberty or property values of your neighbors.

How did we arrive at this state of affairs? There are three principle reasons.

First, national legislative think tanks are specifically pushing the idea that state legislatures know better than local governments, and that preemption of those locals is the way forward. Many other state municipal leagues
have recently faced similar, or in some cases identical, preemption bills to the ones Texas cities faced this session. These national groups are well funded by some, but not all, in the national business lobby, and money talks. It’s a simple concept: why deal with multiple cities’ regulations when you can have one-stop shopping at the statehouse?

Second, years of litigation against the federal government have convinced some leaders that state government is the pinnacle of all governments. A dangerous side effect of this mentality is now a recent increase in lawsuits by the state against cities. To some, state government is supreme, and higher and lower levels of government need to get on board with that concept. As lawsuits by the state against cities increase, so too do bad bills that would harm cities.

Finally, 2017 saw the beginnings of a new effort to politicize the successfully non-partisan nature of city government. One early-filed bill that didn’t progress was H.B. 2919 by Scott Sanford (R – McKinney). It would have encouraged candidates for mayor and city council to run as partisans in their elections. Further, supporters of the two major parties are now getting active in local city elections through endorsements and fundraising. This trend toward trying to politicize our least political governing bodies (potholes aren’t Republican or Democratic after all) may be one of the biggest challenges the League faces in the coming years.

The Bad

The result of these trends was a more difficult legislative session for Texas cities than any in recent years.

A bill giving cell phone companies nearly free access to city rights-of-way and vertical structures, S.B. 1004 by Senator Kelly Hancock (R – North Richland Hills), passed in a somewhat improved form than the originally filed version. The bill improved in the House with regard to city control over location and permitting. The bad news: the $250 right-of-way rental fee is still much too low, probably unconstitutionally so. The League will work closely with the city attorneys of affected cities to explore how to address the bill’s unconstitutional donation of public property for use by private entities.

Legislation passed, H.B. 100 by Representative Chris Paddie (R – Marshall), that preempts city ordinances relating to transportation network companies (Uber and Lyft for instance). The so-called sanctuary city bill, S.B. 4 by Senator Charles Perry (R – Lubbock), was amended in the House with a provision that makes it more difficult for police chiefs to supervise their subordinates (though the League was neutral on the underlying bill). A bill passed, S.B. 1248 by Senator Dawn Buckingham (R – Lakeway), that limits city authority over manufactured homes in designated manufactured home parks, but it would not limit zoning of such homes as legislation in previous sessions would have done.

A bad annexation bill, S.B. 715, made it all the way through the process but died in a Senate filibuster with only 24 hours to go in the session. That’s two sessions in a row that an annexation bill has progressed almost to passage. The issue is sure to be back in the near future, and the League must continue to explain the benefit that annexation laws have had on our state’s economy.
A handful of other detrimental bills made it past the finish line as well; all are described in depth in this wrap-up edition.

**The Good**

Numerous beneficial bills for cities passed, but the two most notable were League priority bills. The first, H.B. 1111 by Representative Senfronia Thompson (D – Houston), allows general law cities to regulate sex offender residency. The second bill, S.B. 1440 by Donna Campbell (R – New Braunfels), permits city officials to attend candidate forums without triggering open meetings posting rules, thus putting incumbents on equal footing with challengers.

Many other good bills are described in this edition.

**The Cutting Room Floor**

Many more harmful bills were defeated by the League and its cities than were passed. Here were some of the worst that justifiably ended up “on the cutting room floor”:

1. a bill that would have imposed a property tax revenue cap of four percent on cities and counties (S.B. 2 by Bettencourt).
2. harmful anti-annexation bills that would have allowed only those being annexed to vote, instead of the entire region (S.B. 715 by Campbell/H.B. 424 by Huberty).
3. bills that would have required cities to send email notification and hold hearings before adopting or raising any city fees (S.B. 737 by Hancock/H.B. 1577 by Parker).
4. bills requiring voluminous financial information to appear on bond proposition ballots (H.B. 1658 by Phelan/S.B. 461 by Lucio).
5. a bill that would have forced cities to acquire additional land through eminent domain, even if the land wasn’t necessary for the project (S.B. 626 by Schwertner).
6. bills that would have made it much easier for former property owners to repurchase their condemned property for alleged lack of progress on a project (H.B. 2076 by Schubert/S.B. 628 by Schwertner).
7. a bill to preempt any city ordinance prohibiting the keeping of up to six chickens (S.B. 1620 by Taylor).
8. a bill to eliminate the May city election date (H.B. 1271 by Lang).
9. bills preempting city ordinances regulating short term property rentals (S.B. 451 by Hancock/H.B. 2551 by Parker).
10. bills to ban city red light cameras (S.B. 88 by Hall/H.B. 808 by Fallon).
11. a bill that would have required cities to get Secretary of State approval for all their ballot propositions (S.B. 488 by Bettencourt).
12. legislation that would have required cities to send detailed information about city borders, and other information, to the comptroller (S.B. 200 by Campbell).
13. a bill that would have preempted city plastic bag ordinances (S.B. 103 by Hall).
14. a bill that would have allowed individual property owners to ignore city tree ordinances if the owner held a belief that cutting the tree was necessary for fire safety, among other tree preemption provisions (H.B. 1572 by Workman).
15. legislation that would have made cities broadly liable for attorney’s fees in civil litigation (H.B. 744 by Farrar).
16. a bill that would have made it difficult for cities to issue pension obligation bonds (S.B. 151 by Bettencourt).
17. a late session amendment to an agricultural seed bill that could have preempted the application of most city ordinances to businesses operating in a city (S.B. 1172 by Perry).

Each of the bad ideas above got at least a committee hearing or were attached to a bill that got a hearing – some went much further – but all were ultimately defeated. Many additional harmful bills were stopped before ever being heard in committee.

The Path Forward

Has the entire legislature bought into the death of local control? Not at all. Many legislators in both parties still strongly support cities. Proof of this was an amendment to a bill in the last weekend of the session that would have permitted cities to be sued to overturn any ordinance that regulates a business more strictly than state law. After engagement by mayors and other city officials, the amendment was promptly pulled down by the bill’s author and sponsor. Grass roots involvement can still work, and cities are still respected in many Capitol offices.

What is certain, however, is that appeals to some noble concept of “local control” are less effective with legislators than in the past. The League will need to devote considerable time in the coming interim to examine how best to frame city issues for future legislatures.

City-Related Bills

The following sections contain summaries of the major city-related bills passed by the Eighty-Fifth Legislature. The governor has until June 18 to sign bills, veto them, or let them become law without his signature. The effective date of each bill is noted in a parenthetical following each bill described below. Some of the bills will become effective as soon as they are signed (e.g., “effective immediately”), others (unless vetoed) will become effective on September 1, and a few have special effective dates.

This edition was updated on June 23, 2017, with the governor’s vetoes and a number of minor corrections. Future issues of the TML Legislative Update or Texas Town & City magazine will provide additional details on some of the bills described here and will provide other updates as appropriate.

The text of any bill is available at the Texas Legislature’s website.

Property Tax

H.B. 150 (Bell/Creighton) – Property Tax Exemption: this bill: (1) exempts from property taxes a residence homestead that was donated to a disabled veteran by a charitable organization
at some cost to the disabled veteran in the form of a cash payment, a mortgage, or both in an aggregate amount that is not more than 50 percent of the good faith estimate of the market value of the residence homestead made by the charitable organization as of the date the donation is made; and (2) provides that the annual interest rate during the deferral or abatement period for the residence homestead of an elderly or disabled person is five percent. (Effective January 1, 2018, but only if H.J.R. 21, below, is approved at the election on November 7, 2017.)

H.B. 217 (Canales/Hinojosa) – Deferral of Property Taxes: allows a disabled veteran to defer or abate the collection of property taxes on the person’s residence homestead. (Effective September 1, 2017.)

H.B. 626 (Workman/Campbell) – Property Tax Exemption: this bill: (1) requires the chief appraiser to accept and approve or deny an application for a residence homestead exemption after the deadline for filing has passed if the application is filed not later than two years after the delinquency date for the taxes on the homestead; and (2) requires the chief appraiser to accept and approve or deny an application for a disabled veterans property tax exemption if the application is filed not later than five years after the delinquency date for taxes on the property. (Effective September 1, 2017.)

H.B. 777 (Ashby/Nichols) – Property Tax Appraisals: provides that land owned by a deployed member of the armed services remains eligible for appraisal as qualified open-space land, even if the land ceases to be devoted principally to agricultural use to the degree of intensity generally accepted in the area, if the service member intends to use the land in that manner upon returning to the property. (Effective immediately.)

H.B. 1101 (Pickett/Rodriguez) – Property Tax Exemption: provides that the chief appraiser may not require a person receiving a disabled veteran property tax exemption to file a new application to determine the person’s current qualification for the exemption if the person has a permanent total disability as defined by federal law. (Effective January 1, 2018.)

H.B. 2228 (Murphy/Bettencourt) – Property Tax Deadlines: provides, among other things, that: (1) the chief appraiser shall accept and approve or deny an application for a Freeport property tax exemption after the deadline for filing has passed if the application is filed not later than June 15; (2) rendition statements and property reports for property located in an appraisal district in which one or more taxing units exempt Freeport property must be delivered to the chief appraiser not later than April 1; and (3) the chief appraiser shall extend the filing deadline for a rendition statement to May 1 upon written request by the property owner and may further extend the deadline an additional 15 days for good cause shown in writing by the property owner. (Effective January 1, 2018.)

H.B. 2989 (D. Bonnen/L. Taylor) – Property Tax Refund: provides that, if a correction decreases the tax liability of a property owner after the owner has paid the tax, the taxing unit shall refund to the property owner who paid the tax the difference between the tax paid and the tax legally due. (Effective immediately.)
H.B. 3198 (Darby/Estes) – Appraisal of Agricultural Land: provides that the eligibility of land for appraisal as agricultural land does not end because a lessee under an oil and gas lease begins conducting oil and gas operations over which the Railroad Commission of Texas has jurisdiction on the land if the portion of the land on which oil and gas operations are not being conducted otherwise continues to qualify for appraisal as agricultural land. (Effective September 1, 2017.)

H.J.R. 21 (Bell/Creighton) – Property Tax Exemption: proposes an amendment to the Texas Constitution to authorize the legislature to provide that a partially disabled veteran is entitled to an exemption from property taxation of a percentage of the market value that is equal to the percentage disability of the disabled veteran if the residence homestead was donated to the disabled veteran by a charitable organization for less than the market value of the residence homestead. (Effective if approved at the election on November 7, 2017.)

S.B. 15 (Huffines/Fallon) – Property Tax Exemption: provides that: (1) the surviving spouse of a first responder who is killed or fatally injured in the line of duty is entitled to an exemption from taxation of the total appraised value of the surviving spouse’s residence homestead so long as the surviving spouse: (a) is an eligible survivor as determined by the Employees Retirement System of Texas; and (b) has not remarried since the death of the first responder; (2) the exemption provided by (1) applies regardless of the date of the first responder’s death if the surviving spouse otherwise meets the requirements; and (3) that a surviving spouse who receives an exemption under (1) is entitled to receive an exemption from taxation of a property that the surviving spouse subsequently qualifies as the surviving spouse’s residence homestead in an amount equal to the dollar amount of the exemption from taxation of the first property for which the surviving spouse received the exemption in the last year in which the exemption applied so long as the surviving spouse has not remarried since the death of the first responder. (Effective January 1, 2018, but only if S.J.R. 1, below, is approved at the election on November 7, 2017.)

S.B. 594 (Creighton/Springer) – Property Tax Appraisals: provides that, before taking effect, rules developed by the comptroller relating to the appraisal of qualified open-space land and qualified timber land for property tax purposes must be approved by the comptroller with the review and counsel of the Department of Agriculture. (Effective January 1, 2018.)

S.B. 731 (Bettencourt/Bohac) – Property Tax Appraisals: provides that: (1) a property owner is entitled to appeal through binding arbitration an appraisal review board order related to certain protests if the appraised market value of the property owner’s residence homestead as determined by the order is $5 million or less; (2) a property owner must file an arbitration deposit in the amount of $1,550 if the property does not qualify as the property owner’s residence homestead and the appraised or market value, as applicable, of the property is more than $3 million but not more than $5 million, as determined by the order; (3) a sales agent may qualify to serve as an arbitrator under certain circumstances; and (4) the arbitration fee may be not more than $1,500 if the property does not qualify as the property owner’s residence homestead and the appraised or market value, as applicable, of the property is more than $3 million but not more than $5 million, as determined by the order. (Effective September 1, 2017.)
S.B. 945 (Bettencourt/Murphy) – Property Tax Appraisals: authorizes the chief appraiser to change the appraisal roll at any time to correct an erroneous denial or cancellation of: (1) any residence homestead property tax exemption, if the applicant or recipient is disabled or is 65 or older; or (2) a residence homestead exemption for a surviving spouse, a residence homestead exemption of a totally disabled veteran, or a property tax exemption for a disabled veteran. (Effective immediately.)

S.B. 1047 (Creighton/Faircloth) – Property Tax Installments: provides that: (1) a person may pay a taxing unit’s taxes imposed on property that the person owns in four equal installments without penalty or interest if the first installment is paid before the delinquency date and is accompanied by notice to the taxing unit that the person will pay the remaining taxes in three equal installments; (2) if the delinquency date is February 1, the second installment must be paid before April 1, the third installment must be paid before June 1, and the fourth installment must be paid before August 1; (3) if the delinquency date is a date other than February 1, the second installment must be paid before the first day of the second month after the delinquency date, the third installment must be paid before the first day of the fourth month after the delinquency date, and the fourth installment must be paid before the first of the sixth month after the delinquency date; and (4) notwithstanding the deadline in (1) for the payment of the first installment, a person may pay the taxes in four equal installments as provided by (1) if the first installment is paid and the required notice is provided before the first day of the first month after the delinquency date. (Effective January 1, 2018.)

S.B. 1133 (Hinojosa/Herrero) – Tax Exemption: provides that a navigation district and its property is exempt from all taxes and special assessments imposed by the state or a political subdivision of the state. (Effective September 1, 2017.)

S.B. 1286 (Bettencourt/Murphy) – Property Tax Appeals: this bill, among other things: (1) requires the comptroller to adopt rules prescribing: (a) the manner and form, including security requirements, in which a person must provide a copy of material the person intends to offer or submit to the appraisal review board at a hearing, which must allow the appraisal review board to retain the material as part of the board’s hearing record; and (b) specifications for the audiovisual equipment provided by an appraisal district for use by a property owner or the property owner’s agent; and (2) imposes restrictions on who can be appointed as an arbitrator for a property tax appeal through binding arbitration. (Effective September 1, 2017.)

S.B. 1345 (Watson/Darby) – Property Tax Exemption: exempts from property taxation property owned by a charitable organization used to provide tax return preparation and other financial services without regard to the beneficiaries’ ability to pay. (Effective January 1, 2018.)

S.B. 1767 (Buckingham/Darby) – Property Tax Protests: provides that a property owner is entitled to elect to present the owner’s evidence and argument before, after, or between the cases presented by the chief appraiser and each taxing unit when protesting property tax determinations before appraisal review boards. (Effective January 1, 2018.)

S.J.R. 1 (Campbell/Fallon) – Property Tax Exemption: proposes an amendment to the Texas Constitution to provide that: (1) that the surviving spouse of a first responder who is killed or
fatally injured in the line of duty is entitled to an exemption from taxation of the total appraised value of the surviving spouse’s residence homestead so long as the surviving spouse has not remarried since the death of the first responder; and (2) that a surviving spouse who receives an exemption under (1) is entitled to receive an exemption from taxation of a property that the surviving spouse subsequently qualifies as the surviving spouse’s residence homestead in an amount equal to the dollar amount of the exemption from taxation of the first property for which the surviving spouse received the exemption in the last year in which the exemption applied so long as the surviving spouse has not remarried since the death of the first responder. (Effective if approved at the election on November 7, 2017.)

Sales Tax

**VETOED** H.B. 2475 (S. Davis/Bettencourt) – **Sales Tax Exemption:** exempts certain amusement services from the sales tax. (Effective September 1, 2017.)

H.B. 3046 (Dale/Schwertner) – **Sales Tax Ballot Propositions:** authorizes a city to use a combined ballot proposition to lower or repeal any city sales tax and by the same proposition raise or adopt any other city sales tax. (Effective immediately.)

H.B. 4054 (Murphy/Bettencourt) – **Sales Tax Exemption:** provides that the following are exempt from sales taxes: (1) certain bakery items sold by a bakery, regardless of whether the items are: (a) heated by the consumer or seller; or (b) served with plates or other eating utensils; and (2) bakery items sold at a retail location other than a bakery without plates or other eating utensils. (Effective September 1, 2017.)

S.B. 745 (Kolkhorst/Murphy) – **Sales Tax Exemption:** exempts from sales taxes a service performed by an employee of a temporary employment service for a host employer to supplement the employer’s existing work force on a temporary basis, if: (1) the service is normally performed by the employer’s own employees; (2) the host employer provides all supplies and equipment necessary to perform the service, other than personal protective equipment provided by the temporary employment service pursuant to a federal law or regulation; (3) the host employer does not rent, lease, purchase, or otherwise acquire for use the supplies and equipment described by (2), other than the personal protective equipment described by (2), from the temporary employment service or an entity that is a member of an affiliated group of which the temporary employment service is also a member; and (4) the host employer has the sole right to supervise, direct, and control the work performed by the employee of the temporary employment service as necessary to conduct the host employer’s business or to comply with any licensing, statutory, or regulatory requirement applicable to the host employer. (Effective September 1, 2017.)

S.B. 1083 (Perry/Frullo) – **Sales Tax Exemption:** exempts from sales taxes a service: (1) performed by a certified public accountancy firm if less than one percent of the firm’s revenue in the calendar year is from services in Texas that would otherwise constitute insurance service; or (2) performed on behalf of a certified public accountancy firm by an owner of the firm or a member of the firm’s affiliated group, if less than one percent of the owner’s or member’s total
revenue in the prior calendar year is from services in this state that would otherwise constitute insurance service. (Effective January 1, 2018.)

**Purchasing**

**H.B. 89 (P. King/Creighton) – Israel:** would provide that neither a state agency nor a political subdivision may enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. (Effective September 1, 2017.)

**H.B. 3021 (Phelan/Hughes) – Architects/Engineers:** provides that, in relation to indemnification of duties of architects and engineers, nothing prohibits a governmental agency in a contract for engineering or architectural services from including and enforcing conditions that relate to the scope, fees, and schedule of a project in the contract. (Effective September 1, 2017.)

**S.B. 252 (V. Taylor/S. Davis) – Contracts:** provides that: (1) a governmental entity, including a city, may not enter into a governmental contract with a company that is identified on a list prepared and maintained by the comptroller and that does business with Iran, Sudan, or a foreign terrorist organization; and (2) a company that the United States government affirmatively declares to be excluded from its federal sanctions regime relating to Sudan, its federal sanctions regime relating to Iran, or any federal sanctions regime relating to a foreign terrorist organization is not subject to contract prohibition under this subchapter. (Effective September 1, 2017.)

**S.B. 262 (Zaffirini/Guillen) – State Contracts Schedule:** provides that a state agency or local government contracting for the purchase of an automated information system under the state’s multiple award contract schedule shall: (1) for a contract with a value of $50,000 or less, directly award the contract to a vendor included on the state’s list without submission of a request for pricing to other vendors on the list; (2) for a contract with a value of more than $50,000 but not more than $150,000, submit a request for pricing to at least three vendors included on the state’s list in the category to which the contract relates; and (3) for a contract with a value of more than $150,000 but not more than $1 million, submit a request for pricing to at least six vendors included on the state’s list in the category to which the contract relates or all vendors on the schedule if the category has fewer than six vendors. (Effective September 1, 2017.)

**S.B. 533 (Nelson/Geren) – Design-Build Procurement:** provides that, in relation to design-build procurement under existing law, a response to a request for detailed proposals must be submitted on or before the earlier of the time for submission requested by the governmental entity or the 180th day after the date the governmental entity makes a public request for the proposals from the selected firms. (Effective September 1, 2017, and applies to a contract entered into on or after the effective date of the bill and for which a bid or other solicitation response was submitted after June 21, 2017.)

**S.B. 807 (Creighton/Workman) – Construction Contracts:** provides that, if a construction contract or an agreement collateral to or affecting the construction contract contains a provision making the contract or agreement or any conflict arising under the contract or agreement subject
to another state’s law, litigation in the courts of another state, or arbitration in another state, that provision is voidable by a party obligated by the contract or agreement to perform the work that is the subject of the construction contract. (Effective September 1, 2017.)

**VETOED S.B. 1215 (Hughes/Shine) – Construction Contracts:** provides for the creation of a joint interim committee to conduct a study on issues relating to construction contracts in this state to the extent the committee determines appropriate, including: (1) the allocation of liability among persons involved in a construction project; (2) relationships among parties to construction contracts, including property owners, general contractors, subcontractors, and design professionals; (3) liens on real property arising from construction contracts; (4) indemnification and insurance issues; (5) warranties; (6) standards of care for persons involved in construction projects; and (7) civil actions and other forms of dispute resolution arising from construction defects and remedies for construction defects. (Effective September 1, 2017.)

**S.B. 1289 (Paddie/Creighton) – U.S. Steel:** provides that: (1) the uniform general conditions for a state agency construction project, including a project between a state agency and a city, in which iron or steel products will be used must require that the bid documents provided to all bidders, and the contract, include a requirement that any iron or steel product used in the project be produced in the United States; (2) not later than December 1, 2018, the Texas Water Development Board shall electronically submit to the state auditor a report on all contracts for construction of a project that received financial assistance from the State Water Implementation Fund for Texas; (3) a state agency may decide not to use iron or steel products produced in the United States if the products are not: (a) produced in sufficient quantities; (b) reasonably available; or (c) of a satisfactory quality; (4) a state agency may decide not to use iron or steel products produced in the United States if the use will increase the total cost of the project by more than 20 percent or complying with the requirement is not in the public interest; (5) electrical components, equipment, systems, and appurtenances, including supports, covers, shielding, and other appurtenances related to an electrical system, necessary for operation or concealment are exempt from the bill’s requirement; (6) the bill shall be applied in a manner consistent with this state’s obligations under any international agreement; and (8) the bill prevails over any other state law relating to the use of iron and steel products in projects directly funded by a state agency or financed by funds administered by a state agency. (Effective September 1, 2017.)

**Elections**

**H.B. 658 (Bernal/Hughes) – Priority Voting for Voters with Impaired Mobility:** this bill, among other things: (1) allows an election officer to accept for voting before others a person with a mobility problem that substantially impairs a person’s ability to ambulate; (2) requires that notice of the priority given to persons with a mobility problem that substantially impairs a person’s ability to ambulate be posted: (a) at one or more locations in each polling place where it can be read by persons waiting to vote; (b) on the secretary of state’s website; and (c) each internet website relating to elections maintained by a county; (3) provides that a person assisting a voter may be accepted to vote concurrently with a person accepted under (1) at the voter’s request; and (4) requires early voting to take place at a residential care facility if five or more
voters residing in the same residential care facility apply to vote early by mail on the grounds of age or disability. (Effective September 1, 2017.)

**H.B. 929 (Miller/V. Taylor) – Voting by Mail:** provides that: (1) except for an election held on the date of the general election for state and county officers, each local canvassing authority shall convene to conduct the local canvass at the time set by the canvassing authority’s presiding officer not later than the 11th day after election day and not earlier than the later of: (a) the third day after election day; (b) the date on which the early voting ballot board has verified and counted all provisional ballots, if a provisional ballot has been cast in the election; or (c) the date on which all timely received ballots cast from addresses outside of the United States are counted, if a ballot to be voted by mail in the election was provided to a person outside of the United States; and (2) a ballot voted by federal postcard application by a member of the armed forces or merchant marine of the United States, or the spouse or dependent of a member, shall be counted if the ballot arrives at the address on the carrier envelope not later than the sixth day after the date of the election, except that if that date falls on a Saturday, Sunday, or legal state or national holiday, the deadline is extended to the next regular business day. (Effective September 1, 2017.)

**H.B. 998 (Alvarado/Miles) – Campaign Finance Reports:** makes electronic information temporarily stored as part of the preparation of campaign finance reports filed with the city clerk confidential. (Effective September 1, 2017.)

**H.B. 1001 (Israel/Zaffirini) – Local Canvass:** requires the presiding officer of the canvassing authority to note the completion of the canvass in the written minutes or recording of the meeting. (Effective September 1, 2017.)

**H.B. 1151 (Schofield/Bettencourt) – Early Voting by Mail:** provides that: (1) a marked ballot voted by mail must arrive at the address on the carrier envelope not later than 5 p.m. on the day after election day, if the carrier envelope was placed for delivery by mail or common or contract carrier before election day and bears a cancellation mark of a common or contract carrier or a courier indicating a time not later than 7 p.m. at the location of the election on election day; (2) if the deadline for the arrival of the ballot voted by mail falls on a Saturday, Sunday, or legal state or national holiday, the deadline is extended to the next regular business day; and (3) a marked ballot voted by mail need not be sent from an address outside the United States in order to be counted if submitted after the deadline. (Effective September 1, 2017.)

**H.B. 1661 (Phelan/Nichols) – Candidate Withdrawal:** this bill: (1) provides that the authority responsible for preparing the official election ballot may make a certification of unopposed status following the filing of a withdrawal request by a candidate after the deadline if: (a) the withdrawal request is valid except for the untimely filing; (b) ballots for the election have not been prepared; and (c) the conditions for certification are otherwise met; (2) requires that a certification under (1) be delivered to the governing body of the political subdivision as soon as possible; and (3) provides that, if a candidate files a withdrawal request after the deadline and the candidate complies with each requirement except that the candidate’s filing to withdraw is untimely, the authority responsible for preparing the ballots may choose to omit the candidate from the ballot if the ballots have not been prepared at the time the candidate files the withdrawal request. (Effective September 1, 2017.)
H.B. 1735 (Faircloth/Huffman) – Election Officers: this bill, among other things: (1) authorizes the following people, among others, to administer an oath or statement and give a certificate of fact required by the Texas Constitution or Election Code prior to an election officer entering service: (a) a county or municipal clerk or the clerk’s deputies; (b) a city secretary; (c) a presiding election judge or alternate presiding judge who has already entered service; (d) an early voting clerk or a deputy early voting clerk who has already entered service; (e) a member of an early voting ballot board or signature verification committee who has already entered service; or (f) a presiding judge, manager, or tabulation supervisor of a central counting station who has already entered service; (2) requires the notice of appointment to a presiding judge to state any available telephone number and email address of the alternate judge, and the notice of appointment to an alternate judge to state any available telephone number and email address of the presiding judge; (3) requires a member of the early voting ballot board to repeat aloud a specific oath before performing any duties as a member; (4) provides that each member of the early voting ballot board shall be issued a form of identification, prescribed by the secretary of state, to be displayed by the member during the member’s hours of service on the board; (5) authorizes a county elections officer who determines that a ballot was incorrectly rejected by the early voting ballot board before the time set for convening the canvassing authority to petition a district court for injunctive or other relief as the court determines appropriate; (6) requires a central counting station officer to repeat a specific oath aloud before performing any duties as a member; (7) provides that each election officer shall be issued a form of identification, prescribed by the secretary of state, to be displayed by the officer during the officer’s hours of service at the central counting station; (8) provides that in order to be eligible for appointment as an assistant to the tabulation supervisor in a county with a population of less than 60,000, a person must be a registered voter of the political subdivision served by the authority establishing the counting station or an employee of the political subdivision that adopts or owns the voting system; (9) provides that the plan for counting station operation must be available to the public on request not later than 5 p.m. on the fifth day before the date of the election; and (10) requires a candidate’s application for a place on the ballot to include a public mailing address at which the candidate receives correspondence relating to the candidate’s campaign, if available. (Effective September 1, 2017.)

H.B. 2157 (Miller/Bettencourt) – Candidate Applications: provides that: (1) a candidate’s application for a place on the ballot must be sworn to before a person authorized to administer oaths in Texas; (2) each part of a petition filed in connection with a candidate’s application for a place on the ballot must include an affidavit of the person who circulated it, which must be executed before a person authorized to administer oaths in Texas; and (3) a single notarized affidavit by any person who obtained signatures on a petition described by (2) is valid for all signatures gathered by the person if the date of notarization is on or after the date of the last signature obtained by the person. (Effective September 1, 2017.)

H.B. 2323 (Israel/Zaffirini) – Special Election to Fill Vacancy: this bill: (1) clarifies that, for a special election to fill a vacancy to be held on the date of the general election for state and county officers, the filing deadline is 6 p.m. on the 75th day before election day; and (2) requires that a declaration of write-in candidacy for a special election to fill a vacancy must be filed not later than 6 p.m. on the 75th day before election day. (Effective September 1, 2017.)
H.B. 2559 (Reynolds/Burton) – Annual Mail Ballot Applications: provides that an annual mail ballot application is not available for public inspection, except to the voter seeking to verify that the information pertaining to the voter is accurate, until the first business day after the election day of the earliest occurring election for which the application is submitted. (Effective September 1, 2017.)

H.B. 4034 (Bohac/Bettencourt) – Voter Information: among other things, provides that if an applicant provides a date of birth, driver’s license number, or social security number on the applicant’s application for an early voting ballot to be voted by mail or federal postcard application that is different from or in addition to the information maintained by the voter registrar, the early voting clerk shall notify the voter registrar. (Effective immediately.)

S.B. 44 (Zaffirini/Schofield) – Application for Place on the Ballot: provides, among other things, that: (1) unless a petition that is included with an application for a place on the ballot is challenged, the election authority is only required to review the petition for facial compliance with the applicable requirements as to form, content, and procedure; (2) an application for a place on the ballot may not be challenged for compliance with the applicable requirements as to form, content, and procedure after the day before any ballot to be voted early by mail is mailed to an address in the authority’s jurisdiction for the election for which the application is made; (3) a challenge to an application must state with specificity how the application does not comply with the applicable requirements as to form, content, and procedure; and (4) the election authority’s review of the challenge is limited to the specific items challenged and any response filed with the authority by the challenged candidate. (Effective immediately.)

S.B. 5 (Huffman/P. King) – Voter Identification: provides, among other things: (1) that the secretary of state shall establish a program using mobile units to provide election identification certificates to voters; (2) that a mobile unit under (1) may be used at special events or at the request of a constituent group; (3) that, upon offering to vote, a voter must present to an election officer at the polling place: (a) one form of acceptable photo identification; or (b) one form of acceptable proof of identification accompanied by a declaration stating the voter has a reasonable impediment to meeting the requirement for providing photo identification; (4) that an election officer may not refuse to accept documentation presented to meet the requirements listed in (3) solely because the address on the documentation does not match the address on the list of registered voters; (5) that an election officer may not question the reasonableness of an impediment sworn to by a voter in a declaration; (6) that, if a voter executes a declaration of reasonable impediment to meet the requirement for photo identification, the election officer must affix the voter’s voter registration number to the declaration either in numeric or bar code form; (7) that, if the requirement for identification prescribed by (3)(a) is not met, an election officer must notify the voter that the voter may be accepted for voting if the voter meets the requirement for identification prescribed by (3)(b) and executes a declaration declaring that the voter has one of the following reasonable impediments to meeting the requirement for photo identification: (a) lack of transportation; (b) lack of birth certificate or other documents needed to obtain an acceptable form of photo identification; (c) work schedule; (d) lost or stolen identification; (e) disability or illness; (f) family responsibilities; or (g) an acceptable form of photo identification for voting has been applied for but not received; (8) that a person is subject to prosecution for
perjury for a false statement or false information on the declaration; (9) that a person commits a state jail felony if the person intentionally makes a false statement or provides false information on a declaration of reasonable impediment to meet the requirement for photo identification; (10) that the forms of photo identification allowed for voting under current law are acceptable if the identification expired no earlier than four years before the date of presentation; (11) that the following documentation is acceptable as proof of identification for voting: (a) a government document showing the name and address of the voter, including the voter’s voter registration certificate; (b) one of the following documents that shows the name and address of a voter: (i) a copy of a current utility bill; (ii) a bank statement; (iii) a government check; or (iv) a paycheck; or (c) a certified copy of a domestic birth certificate or other document confirming birth that is admissible in a court of law and establishes the person’s identity; and (12) that a person 70 years of age or older may use a form of identification listed in (10) that has expired for the purposes of voting if the identification is otherwise valid. (Effective January 1, 2018.)

S.B. 957 (Campbell/Laubenberg) – Ballot Propositions: provides that: (1) each political subdivision’s proposition on the ballot must be assigned a unique number or letter on the ballot as follows: (a) except as provided by (b), for each proposition on the ballot, the authority ordering the election shall assign a letter of the alphabet to the measure that corresponds to its order on the ballot; and (b) for each proposition on the ballot to be voted on statewide, the authority ordering the election shall assign a number to the measure that corresponds to its order on the ballot; (2) each proposition on the ballot must identify the name of the authority ordering the election on the measure; and (3) a proposed constitutional amendment must be placed on the ballot before all other propositions. (Effective immediately.)

Open Government

H.B. 8 (Capriglione/Nelson) – Texas Cybersecurity Act: of primary importance to cities, this bill provides that: (1) a governmental body may conduct a closed meeting to deliberate: (a) security assessments or deployments relating to information resources technology; (b) network security information; or (c) the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security device; (2) passwords, personal identification numbers, access codes, encryption, or other components of a governmental entity’s security systems is confidential; and (3) the secretary of state shall conduct an election cyber attack study on election infrastructure. (Effective September 1, 2017.)

H.B. 457 (Holland/Estes) – Confidentiality of Property Tax Appraisal Records: provides that: (1) the spouse or surviving spouse of a current or former peace officer and the adult child of a current peace officer may elect to keep their home address information located in property tax appraisal records confidential; and (2) the appraisal district, the state, the comptroller, and taxing units and political subdivisions may continue to use the information for official purposes. (Effective immediately.)

H.B. 1278 (Dutton/Miles) – Public Information: provides that: (1) the home address, home telephone number, emergency contact information, social security number, and family member information of a current or former city attorney and current or former employee of a city attorney
whose jurisdiction includes any criminal law or child protective services matters is confidential and excepted from disclosure under the Public Information Act; and (2) a person described in (1) may choose to keep confidential their home address in appraisal records. (Effective immediately.)

H.B. 1861 (Elkins/Watson) – Cybersecurity: provides that information directly arising from a governmental body’s routine efforts to prevent, detect, investigate, or mitigate a computer security incident, including information contained in or derived from an information is confidential under the Public Information Act. (Effective immediately.)

VETOED H.B. 2783 (Smithee/Watson) – Public Information Lawsuits: provides that the court in a suit for writ of mandamus or declaratory judgment may assess cost of litigation and reasonable attorney fees incurred by a plaintiff to whom a governmental body voluntarily releases the requested information after filing an answer to the suit. (Effective September 1, 2017.)

H.B. 3047 (Dale/Schwertner) – Open Meetings: provides that a member of a governmental body who participates in a meeting by videoconference call shall be considered absent from any portion of the meeting during which audio or video communication with the member is lost or disconnected and, in such instance, the governmental body may continue the meeting if a quorum is present or participating. (Effective September 1, 2017.)

H.B. 3107 (Ashby/Nichols) – Vexatious Requestors: provides that:

1. a request under the Public Information Act (PIA) is considered to have been withdrawn if the requestor fails to inspect or duplicate the public information in the office of the governmental body on or before the 60th day after the date the information is made available or fails to pay the postage and any other applicable charges accrued on or before the 60th day after the date the requestor is informed of the charges;
2. all PIA requests received in one calendar day from an individual may be treated as a single request for purposes of calculating costs;
3. a governmental body may not combine multiple requests from separate individuals who submit requests on behalf of an organization;
4. a governmental body may establish reasonable monthly and yearly limits on the amount of time that personnel are required to spend producing public information for inspection or duplication or providing copies of public information without recovering its cost attributable to that personnel time, with a yearly time limit not less than 36 hours during a 12-month period corresponding to the fiscal year of the governmental body and monthly time limit not less than 15 hours for a one-month period;
5. if a requestor has made previous request that has not been withdrawn and the governmental body has compiled and sent a cost estimate statement that has remained unpaid on the date the requestor submits a new request, the governmental body is not required to locate, compile, produce or provide copies of documents or prepare a cost statement in response to the new request until the date the requestor pays each unpaid statement in connection with a previous request or withdraws the previous request to which the cost statement applies;
6. if a governmental body provides a cost statement and the requestor has exceed the monthly or yearly time limits, the governmental body is not required to produce public information for inspection or duplication or provide copies to the requestor unless on or before the 10th day after the date the governmental body provided the cost statement, the requestor submits payment or the amount stated in the cost statement provided;

7. if requestor fails or refuses to submit payment under (6), above, the request is withdrawn;

8. items (3) through (7), above, do not apply to a requestor if an individual whose substantial livelihood or financial gain is from gathering or publishing news for: (a) dissemination by a new medium or communication service provider, including: (i) an individual who supervises or assists in gathering, preparing, and disseminating the news or information; or (ii) an individual who is or was a journalist, scholar, or researcher employed by an institution of higher education at the time the person made the request for information; or (b) creation or maintenance of abstract plant; and

9. if a person complains to the district or county attorney concerning a violation of the PIA and the district or county attorney does not bring action on the complaint on or after 90th day after the complaint was filed, the complainant may file the complaint with the office of the attorney general.

(Effective September 1, 2017.)

H.B. 3237 (Moody/Whitmire) – Search Warrant Affidavits: provides that a search warrant affidavit becomes public information when the search warrant for which the affidavit was presented is executed. (Effective immediately.)

S.B. 79 (Nelson/Capriglione) – Public Information: provides that an officer for public information for a governmental body complies with production of public information by referring a requestor to an exact Internet location or URL address on the governmental body’s website if the requested information is identifiable and readily available on that website. (Effective September 1, 2017.)

S.B. 256 (V. Taylor/Hunter) – Address Confidentiality Program: provides that: (1) victims of sexual assault, sexual abuse, or stalking are eligible participants in the address confidentiality program administered by the attorney general, and the attorney general may disclose a program participant’s true residential, business, or school address to a law enforcement agency only for the purpose of conducting an investigation; (2) the residence address of an applicant for voter registration is confidential if the applicant, applicant’s child, or another person in the applicant’s household is a victim of family violence and the applicant provides certain information to the voter registrar; and (3) a participant in the attorney general’s address confidentiality program or an individual who shows that they, their child, or another person in the individual’s household is a victim of domestic violence, sexual assault, sexual abuse, stalking, or trafficking could elect to have their home address information be kept confidential in appraisal records. (Effective immediately.)

S.B. 510 (Zaffirini/Smithee) – Property Tax Records: provides that the home address information of a current or former employee of a state judge contained in a property tax record is confidential. (Effective immediately.)
S.B. 532 (Nelson/Capriglione) – Cybersecurity: provides, in relation to the Public Information Act, that: (1) information directly arising from a governmental body’s routine efforts to prevent, detect, investigate, or mitigate a computer security incident, including information contained in or derived from an information security log is confidential; (2) confidentiality provided by (1) does not relieve a governmental body from consumer notification that is required by other law; and (3) each state agency must prepare and submit to the Texas Department of Information Resources a detailed information technology infrastructure report related to cybersecurity vulnerabilities. (Effective September 1, 2017.)

S.B. 564 (Campbell/Capriglione) – Executive Sessions: provides that a governmental body may conduct an executive session to deliberate: (1) security assessments or deployments relating to information resources technology; (2) network security information; or (3) the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. (Effective September 1, 2017.)

S.B. 1242 (Rodriguez/Burkett) – Protective Orders: provides that: (1) on request by an applicant, a court may protect the mailing address of an applicant for a protective order; (2) if the applicant is not represented by an attorney, a notice of an application for a protective order must include the mailing address of the applicant; or the name and mailing address of the person designated to receive on behalf of the applicant; and (3) if a court grants a request for confidentiality, the court clerk shall maintain a confidential record of the information for use only by a law enforcement agency for purposes of entering the information into the statewide law enforcement information system maintained by Department of Public Safety. (Effective September 1, 2017.)

S.B. 1440 (Campbell/Larson) – Open Meetings: provides that the term “meeting” does not include the attendance by a quorum of a governmental body at a candidate forum, appearance or debate to inform the electorate, if formal action is not taken and any discussion of public business is incidental to the forum, appearance, or debate. (Effective September 1, 2017.)

Other Finance and Administration Bills

H.B. 9 (Capriglione/V. Taylor) – Texas Cybercrime Act: creates: (1) a third degree felony for a person who intentionally interrupts or suspends access to a computer system or computer network without the effective consent of the owner; (2) an offense for a person who intentionally alters data as it transmits between two computers in a computer network or computer system through deception and without a legitimate business purpose; (3) an offense for a person who intentionally introduces ransomware onto a computer, computer network, or computer system through deception and without a legitimate business purpose; and (4) an offense for a person who intentionally decrypts encrypted private information through deception and without a legitimate business purpose. (Effective September 1, 2017.)

H.B. 53 (Romero/Huffman) – Settlement Agreements: provides that: (1) a governmental unit, including a city, may not enter into a settlement of a claim or action against the governmental
unit in which: (a) the amount of the settlement is equal to or greater than $30,000; and (b) the money that would be used to pay the settlement is: (i) derived from taxes collected by a governmental unit; (ii) received from the state; or (iii) insurance proceeds received from an insurance policy for which the premium was paid with taxes collected by a governmental unit or money received from the state; and (2) a condition of the settlement requires a party seeking affirmative relief against the governmental unit to agree not to disclose any fact, allegation, evidence, or other matter to any other person, including a journalist or other member of the media. (Effective September 1, 2017.)

H.B. 240 (Hernandez/Huffman) – Nuisance Abatement: provides that, in regard to a suit to abate a common nuisance: (1) proof that law enforcement gave notice of certain arrests to a person maintaining property operated as a massage establishment is prima facie evidence that the defendant knowingly tolerated the nuisance and did not make a reasonable attempt to abate the nuisance; and (2) evidence of a previous suit filed to abate a common nuisance that resulted in a judgment against a landowner with respect to certain activities at the landowner’s property is admissible in a subsequent nuisance suit to demonstrate that the landowner knowingly tolerated the activity and did not make a reasonable attempt to abate the activity. (Effective September 1, 2017.)

H.B. 256 (Hernandez/Whitmire) – Nuisance Abatement: authorizes a city attorney to sue in the name of the city for an injunction to abate and temporarily and permanently enjoin the common nuisance of selling, bartering, manufacturing, storing, possessing, or consuming an alcoholic beverage in a room, building, boat, structure, or other place in violation of the Texas Alcoholic Beverage Code. (Effective September 1, 2017.)

H.B. 501 (Capriglione/V. Taylor) – Personal Financial Statements: changes the content requirements of a personal financial statement that must be filed by certain city officers and candidates in cities with a population of 100,000 or more to include information about certain contracts with governmental entities, and provides for the amendment of a personal financial statement. (Effective January 8, 2019.)

H.B. 1003 (Capriglione/West) – Public Funds Investment Act: makes numerous changes to the Public Funds Investment Act, including:

1. providing that interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund are considered authorized investments;
2. providing, with regard to the execution of a repurchase agreement by an investing entity, that an issuer may agree to waive sovereign immunity from suit or liability for breach of the agreement;
3. providing that a no-load money market mutual fund is an authorized investment if the mutual fund complies with certain Federal Securities and Exchange Commission rules, without regard for whether it has a dollar-weighted average stated maturity of 90 days or fewer or includes in its investment objectives the maintenance of a stable net asset value of $1 for each share;
4. providing that a no-load money market mutual fund is an authorized investment if the mutual fund: (a) is registered with the Securities and Exchange Commission; (b) has an average weighted maturity of less than two years; and (c) either: (i) has a duration of one year or more and is invested exclusively in obligations approved under the Public Funds Investment Act; or (ii) has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities;

5. providing, with regard to the execution of a guaranteed investment contract by an investing entity, that an issuer may agree to waive sovereign immunity from suit or liability for breach of the agreement;

6. requiring an investment pool to furnish to the investment officer or other representative of an investing entity the pool’s policy regarding holding deposits in cash;

7. providing that, to be eligible to receive funds from an invest funds on behalf of an entity under the Public Funds Investment Act, a public funds investment pool that uses amortized cost or fair value accounting must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a $1.00 net asset value, when rounded and expressed to two decimal places;

8. providing that, if the ratio of the market value of a public funds investment pool’s portfolio divided by the book value of the portfolio is less than .995 or greater than 1.005, the governing body of an investment pool shall take action as necessary to eliminate or reduce, to the extent reasonably practicable, any dilution or unfair result to existing participants, including a sale of portfolio holdings to attempt to maintain the ratio between .995 and 1.005;

9. establishing that a hedging transaction is an authorized investment only for certain political subdivisions with at least $250 million in outstanding long-term indebtedness and long-term indebtedness proposed to be issued, with the outstanding long-term indebtedness rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities;

10. providing that, to the extent of any conflict, the Public Funds Investment Act prevails over a conflicting city charter provision regarding the ability to enter into a hedging contract under Section 9 of this summary;

11. requiring a governing body of an eligible entity under Section 9 of this summary to establish its policy regarding hedging transactions;

12. providing that an eligible entity under Section 9 of this summary may enter into hedging contracts and related security, credit, and insurance agreements related to commodities used in the general operations of an eligible entity or used in connection with the acquisition or construction of a capital project by the eligible entity;

13. requiring that a hedging transaction must comply with the regulations of the federal Commodity Futures Trading Commission and the federal Securities and Exchange Commission;

14. providing, with regard to the execution by an eligible entity of a hedging contract and any related security, credit, or insurance agreement, that an issuer may agree to waive sovereign immunity from suit or liability for breach of the agreement;

15. providing that an eligible entity may credit any amount the entity receives under a hedging contract or agreement against expenses associated with a commodity purchase; and
providing that an eligible entity’s payment under a hedging contract or agreement may be considered: (a) an operation and maintenance expense of the eligible entity; (b) an acquisition expense of the eligible entity, or (c) a construction expense of the eligible entity.

(Effective immediately.)

H.B. 1238 (VanDeaver/Hughes) – Public Funds Investment Act: provides: (1) that a public housing authority may satisfy the investment training requirement by requiring the treasurer, the chief financial officer (if the treasurer is not the chief financial officer), the investment officer, or – if the authority does not have a treasurer, chief financial officer, or investment officer – another officer of the authority to attend at least five hours of appropriate instruction in each two-year period that begins on the first day of that housing authority’s fiscal year and consists of the two consecutive fiscal years after that date; and (2) that the investment training requirement under (1) does not apply if the housing authority: (a) does not invest housing authority funds; or (b) only deposits funds in interest bearing deposit accounts or certificates of deposit. (Effective September 1, 2017.)

H.B. 1247 (Pickett/Nichols) – Vehicle Storage Facilities: requires, among other things, the operator of a vehicle storage facility to send certain notice to a vehicle owner to an address obtained either: (1) directly from the governmental entity that maintains the title and registration database for the state in which the vehicle is registered; or (2) from a private entity authorized by the governmental entity to obtain title, registration, and lien holder information. (Effective immediately.)

H.B. 1463 (Smithee/Seliger) – Persons with Disabilities: provides that: (1) a person alleging discrimination because of a failure to comply with certain design, construction, technical, or similar standards to accommodate persons with disabilities must give written notice of the claim to the alleged violator; (2) a person who receives a notice in (1) has the right to correct the alleged violation before the earliest date on which the claimant may file the action; (3) a person who receives a notice in (1) must respond to an alleged violation by giving the claimant notice of any correction or an explanation about why the alleged violation has not occurred; and (4) a claimant and respondent have certain rights and duties if a claim is filed for a violation described in (1). (Effective September 1, 2017.)

H.B. 1468 (S. Thompson/Hancock) – Artificial Swimming Lagoons: provides that: (1) the term “artificial swimming lagoon” means an artificial body of water used for recreational purposes with more than 20,000 square feet of surface area, an artificial liner, and a method of disinfectant (excluding a body of water that continuously recirculates water from a spring or pool); (2) the term “public swimming pool” as used in the Health and Safety Code does not include an artificial swimming lagoon or a body of water open to the public that continuously recirculates water from a spring; and (3) artificial swimming lagoons are added to the Health and Safety Code regulations governing public swimming pools, including the provision that authorizes a city to require a permit and inspect an artificial swimming lagoon. (Effective immediately.)
H.B. 1701 (Parker/Hancock) – Public Funds Investment Act: provides that: (1) a written copy of the investment policy must be presented to any business organization offering to engage in an investment transaction with an investing entity; (2) “business organization” means an investment pool or investment management firm under contract with an investing entity to invest or manage the entity’s investment portfolio that has accepted authority granted by the entity under the contract to exercise investment discretion in regard to the investing entity’s funds; and (3) the investment officer of an entity may not acquire or otherwise obtain any authorized investment described in the investment policy of the investing entity from a business organization that has not delivered to the entity a written instrument indicating that the business organization has: (a) received and reviewed the investment policy of the entity; and (b) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity's investment policy, except to the extent that this authorization: (i) is dependent on an analysis of the makeup of the entity's entire portfolio; (ii) requires an interpretation of subjective investment standards; or (iii) relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority. (Effective September 1, 2017.)

H.B. 1896 (Bohac/L. Taylor) – Hotel Occupancy Tax: this bill, among other things: (1) modifies the definition of “venue” for purposes of a venue project to exclude a facility financed wholly or partly by hotel occupancy taxes that will not be primarily used for community, civic, and charitable events that are attended only by residents of the community; (2) provides that a convention center facility that qualifies as a venue project and is financed wholly or partly with hotel occupancy tax revenue must be in the vicinity of the convention center; (3) provides that, in order to be eligible for hotel occupancy tax funding, a “convention center facility” or “convention center complex” must be primarily used to host conventions and meetings, with the term “meetings” defined as “gatherings of people that enhance and promote tourism and the convention and hotel industry”; (4) provides that, if a city adopts an ordinance imposing a hotel occupancy tax for the first time, the imposition of the tax does not apply to the use or possession, or the right to the use or possession, of a room under a contract executed before the date the imposition of the tax takes effect, unless the contract is subject to change or modification by reason of the imposition of the new tax; and (5) clarifies that hotel occupancy tax dollars can be spent on the promotion of tourism by enhancing and upgrading any existing sports facilities or fields in certain cities. (Effective September 1, 2017.)

H.B. 1930 (Frullo/Perry) – Financial Accounting and Reporting Requirements: this bill, among other things, repeals the state law governing financial accounting and reporting standards for the state and political subdivisions of the state. (Effective immediately.)

H.B. 2008 (Cosper/Buckingham) – Payday Lending: requires a lender who engages in a payday loan transaction with a member of the United States military or dependent of a member of the United States military to comply with relevant federal laws pertaining to loans for military personnel and their dependents. (Effective September 1, 2017.)
H.B. 2306 (Guillen/Zaffirini) – Abandoned Motor Vehicles: allows a law enforcement agency to use proceeds from the auction of an abandoned motor vehicle, aircraft, watercraft, or outboard motor for compensation to property owners whose property was damaged as a result of a pursuit involving the motor vehicle. (Effective September 1, 2017.)

H.B. 2359 (Ortega/Rodriguez) – Nuisance Abatement: provides that: (1) the following are added to the common nuisance statute: (a) delivery, possession, manufacture, or use of a substance or other item in violation of the Texas Substance Control Act; (b) criminal trespass; (c) disorderly conduct; (d) arson; (e) criminal mischief that causes a pecuniary loss of $500 or more; and (e) a graffiti offense; and (2) if, in a judicial proceeding to abate a common nuisance, a court determines that a person is maintaining a vacant lot, vacant or abandoned building or multiunit residential property that is a common nuisance, the court may order the appointment of a receiver to manage the property or render any other order allowed by law as necessary to abate the nuisance. (Effective September 1, 2017.)

H.B. 2445 (Stucky/Estes) – Hotel Occupancy Tax: provides, among other things: (1) that if a city uses hotel occupancy tax revenue to create, maintain, operate, or administer an electronic tax administration system, the city shall permit a hotel to withhold not more than one percent of the hotel occupancy tax revenue collected and required to be reported as reimbursement for the cost of collecting the tax; (2) that a city may provide that the reimbursement in (1) be forfeited because of failure to pay hotel occupancy taxes or file a report with the city; (3) that a city may spend each year not more than the lesser of one percent or $75,000 of hotel occupancy tax revenue during that year for the creation, maintenance, operation, and administration of electronic tax administration system; (4) that a city may not use hotel occupancy tax revenue the city is authorized to spend under (3) to conduct an audit; (5) that a person who receives a grant from a city to conduct an arts-related activity is not prohibited from making a grant by contract to another person to conduct an arts-related activity; (6) that a person who receives a grant from a grantee of the city under (5) shall: (a) at least annually submit a report of the person’s expenditures of funds received from the grantee to the city council; and (b) make records of those expenditures available for review to the city council and any other person; and (7) that a city may not require a person that receives funds directly from the city through a grant to conduct an arts-related activity to waive a right guaranteed by law to the person or to enter into an agreement with another person. (Effective immediately.)

H.B. 2578 (S. Thompson/Zaffirini) – Bingo Fees: provides, among other things, that the Texas Lottery Commission must reduce the amount of each local share of a bingo fee to a county or city on a pro rata basis as needed to retain an amount necessary to administer the Bingo Enabling Act for the state fiscal year, less the amount of license fees estimated to be deposited into the bingo administration account for that year. (Effective September 1, 2017.)

H.B. 2647 (Stephenson/L. Taylor) – Public Funds Investment Act: provides that the following are authorized investments under the Public Funds Investment Act: (1) an interest-bearing banking deposit or other obligation that is guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund; and (2) an interest-bearing banking deposit other than those described by (1) if: (a) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in this state that the
investing entity selects from a list the governing body or designated investment committee of the entity adopts; or (ii) a depository institution with a main office or branch office in this state that the investing entity selects; (b) the broker or depository institution selected under (2)(a) arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the investing entity’s account; (c) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (d) the investing entity appoints as the entity’s custodian of the banking deposits issued for the entity’s account: (i) the depository institution selected as described by (2)(a); (ii) a custodian pursuant to the Public Funds Collateral Act; or (iii) a clearing broker dealer registered with the Securities and Exchange Commission. (Effective immediately.)

H.B. 2928 (Stephenson/L. Taylor) – Public Funds Investment Act: provides: (1) that an obligation, including a letter of credit, of the Federal Home Loan Banks is an authorized investment under the Public Funds Investment Act; and (2) that a certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in this state and is secured in accordance with the Public Funds Collateral Act. (Effective September 1, 2017.)

H.B. 3294 (Parker/Estes) – Major Events Reimbursement Program: provides that: (1) the NASCAR All-Star Race and the season-ending NASCAR championship race are eligible events under the Major Events Reimbursement Program; and (2) a listed event may receive funding through the Major Events Reimbursement Program only if, not later than the 30th day before the first day of the event, a site selection organization submits a plan to prevent the trafficking of persons in connection with the event to the office of the attorney general and the chief of the Texas Division of Emergency Management. (Effective September 1, 2017.)

H.B. 3329 (Paddie/Campbell) – Electricians: provides that: (1) a city or region may not collect a permit fee, registration fee, administrative fee, or any other fee from an electrician who holds a license issued by the state for work performed in the city or region; but (2) the bill does not prohibit a city or region from collecting a building permit fee. (Effective September 1, 2017.)

H.B. 3433 (Lambert/Perry) – State Agency Rules: requires a state agency considering adoption of a rule to determine if the rule will have an adverse effect on a city with a population of less than 25,000 (a “rural community”) and follow certain procedures to reduce any such effect. (Effective September 1, 2017.)

H.B. 3727 (Phillips/Estes) – Type A General Law Cities: provides, in regard to a Type A general law city, that: (1) if a member of the governing body changes the member’s place of residence to a location outside the corporate boundaries of the city, the member is automatically disqualified from holding office and the office is considered vacant; and (2) if a single vacancy exists on the governing body, a majority of the remaining members who are present and voting (excluding the mayor) may fill the vacancy by appointment, and that a member is ineligible to vote to fill a vacancy on the governing body by special election after resigning from the governing body. (Effective September 1, 2017.)
S.B. 1 (Nelson/Zerwas) – State Budget: this is the state budget. The following chart shows the differences over the coming biennium in city-related items from the current budget:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Mixed Beverage Tax</td>
<td>$408.5 million</td>
<td>$443 million</td>
<td>$34.5 million</td>
</tr>
<tr>
<td>Library Resource Sharing</td>
<td>$37.4 million</td>
<td>$37.6</td>
<td>$200,000</td>
</tr>
<tr>
<td>Local Library Aid</td>
<td>$4.95 million</td>
<td>$7.15 million</td>
<td>$2.2 million</td>
</tr>
<tr>
<td>Local Parks Grants</td>
<td>$32 million</td>
<td>28.7 million</td>
<td>($3.3 million)</td>
</tr>
<tr>
<td>Bulletproof Vests</td>
<td>$0</td>
<td>$25 million</td>
<td>$25 million</td>
</tr>
<tr>
<td>LEOSE Training Funds</td>
<td>$12 million</td>
<td>$12 million</td>
<td>$0</td>
</tr>
<tr>
<td>Defense Community Grants</td>
<td>$30 million</td>
<td>$20 million</td>
<td>($10 million)</td>
</tr>
<tr>
<td>Total</td>
<td><strong>$524.85 million</strong></td>
<td><strong>$573.45 million</strong></td>
<td><strong>$48.6 million</strong></td>
</tr>
</tbody>
</table>

S.B. 24 (Huffman/Geren) – Disclosure of Sermons: provides that a governmental unit (including a city) may not, in any civil action or other civil or administrative proceeding to which the governmental unit is a party, compel the production or disclosure of a written copy or audio or video recording of a sermon delivered by a religious leader during religious worship of a religious organization or compel the religious leader to testify regarding the sermon. (Effective immediately.)

S.B. 208 (West/E. Rodriguez) – Metal Recycling: provides that: (1) a city that licenses or permits metal recycling entities must report to the Texas Department of Public Safety (DPS) any inspection reports about, violations by, and disciplinary action initiated against an entity; (2) a metal recycling entity must report to the DPS the entity’s possession of an explosive device; (3) it is a criminal offense for: (a) either a person to sell to a metal recycling entity or a metal recycling entity to buy an explosive device; and (b) a metal recycling entity to store an explosive device on its premises; (4) a court may order restitution to a city for certain costs related to responding to an offense in (3); and (5) certain administrative penalties may be imposed for violations of metal recycling laws. (Effective September 1, 2017.)

S.B. 255 (Zaffirini/Simmons) – City Contracts: amends vendor disclosure requirements reported on Form 1295 to: (1) exempt contracts with a publicly traded business entity (including a wholly owned subsidiary of the business entity) and exempt contracts with electric and gas utilities; and (2) require that the Form 1295 include a written, unsworn declaration subscribed by the authorized agent of the contracting business entity as true under penalty of perjury. (Effective September 1, 2017, but is applicable only to contracts entered into on or after January 1, 2018.)

S.B. 295 (Hinojosa/Flynn) – Capital Appreciation Bonds: exempts refunding bonds and capital appreciation bonds for the purposes of financing transportation projects from recently enacted limitations on the ability of local governments to issue capital appreciation bonds. (Effective September 1, 2017.)
S.B. 319 (Watson/Raymond) – Animal Shelters: provides, among other things, that: (1) a veterinarian or a local rabies control authority, as applicable: (a) must provide written notice to the owner of an animal setting out the date the animal enters into and will be released from quarantine; (b) must obtain and retain a written statement signed by the animal’s owner and a supervisor employed by the veterinarian or local rabies control authority acknowledging that the notice in (a) was provided; (c) must provide the animal’s owner a copy of the statement in (b); (d) must identify each animal with a placard or other marking on the animal’s kennel that indicates the animal is quarantined; and (e) is prohibited from destroying an animal following the final day of rabies quarantine unless the animal’s owner has been notified of the animal’s destruction; (2) the Veterinary Licensing Act does not apply to certain health care professionals providing treatment or care to animals in the custody of an entity accredited by the Association of Zoos and Aquariums, the Global Federation of Animal Sanctuaries, or the Zoological Association of America; and (3) one veterinarian associated with an animal shelter shall serve on the State Board of Veterinary Medical Examiners. (Effective September 1, 2017.)

S.B. 500 (V. Taylor/Geren) – Public Retirement Systems: provides that: (1) with certain exceptions, a person who is a member in a public retirement system wholly or partly because the person held an elected office is ineligible to receive a service retirement annuity if convicted of certain felonies committed while in office and arising directly from the official duties of that elected office; and (2) a public retirement system shall adopt rules and procedures to implement (1). (Effective immediately.)

S.B. 622 (Burton/Lozano) – Newspaper Notice Expenditures: provides that: (1) the proposed budget of a political subdivision for a fiscal year beginning on or after January 1, 2018, must include a line item indicating expenditures for required newspaper notices that allows as clear a comparison as practicable between the expenditures in the proposed budget and actual expenditures for the same purpose in the preceding year; and (2) excepts from the requirement in (1) a political subdivision primarily located in a county with a population of less than 50,000. (Effective immediately.)

S.B. 1089 (Perry/Burkett) – Food Service Certificates: prohibits a local health jurisdiction from charging a fee or requiring or issuing a local food handler card for a certificate issued to a food service worker who provides proof of completion of a food handler training course that is accredited by the American National Standards Institute or accredited by the Department of State Health Services and listed on their registry. (Effective immediately.)

S.B. 1120 (Zaffirini/Wray) – Fuel Taxes: prohibits any political subdivision, including a city, from imposing a motor fuel tax on the on the sale, use, or distribution of compressed natural gas or liquefied natural gas. (Effective immediately.)

S.B. 1172 (Perry/Geren) – Agricultural Seeds: provides that: (1) a political subdivision may not adopt an order, ordinance, or other measure that regulates agricultural seed, vegetable seed, weed seed, or any other seed in any manner, including planting seed or cultivating plants grown from seed; (2) a political subdivision may take any action otherwise prohibited by (1) to: (a) comply with any federal or state requirements; (b) avoid a federal or state penalty or fine; (c)
attain or maintain compliance with federal or state environmental standards, including state water quality standards; or (d) implement a: (i) water conservation plan; (ii) drought contingency plan; or (iii) voluntary program as part of a conservation water management strategy included in the applicable regional water plan or state water plan; and (4) nothing in the bill preempts or otherwise limits the authority of any county or city to adopt and enforce zoning regulations, fire codes, building codes, storm water regulations, nuisance regulations as authorized by the Health and Safety Code, or waste disposal restrictions. (Effective September 1, 2017.)

S.B. 1196 (Kolkhorst/Smithee) – Internet Nuisance Abatement: provides that a suit to declare, enjoin, and abate a common nuisance may be brought by an individual, the attorney general, a district attorney, a county attorney, or a city attorney against a person who operates a web address or computer network in connection with certain criminal activity, including prostitution and human trafficking. (Effective September 1, 2017.)

S.B. 1221 (Watson/Hinojosa) – Hotel Occupancy Tax: this bill: (1) requires cities to annually report to the comptroller: (a) the rate of the city’s hotel occupancy tax and, if applicable, the rate of the city’s hotel occupancy tax supporting a venue project; (b) the amount of revenue collected during the city’s preceding fiscal year from: (i) the city’s hotel occupancy tax and, if applicable, the city’s hotel occupancy tax supporting a venue project; and (c) the amount and percentage of revenue described by (1)(b)(i) allocated by the city for each of the following purposes during the city’s preceding fiscal year: (i) the acquisition of sites for the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both; (ii) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants; (iii) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the city or its vicinity; (iv) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms; (v) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums at or in the immediate vicinity of convention center facilities or visitor information centers or located elsewhere in the city or its vicinity that would be frequented by tourists and convention delegates; and (vi) signage directing the public to sights and attractions that are visited frequently by hotel guests in the city; and (2) requires cities to make the report required in (1) by: (a) submitting the report to the comptroller on a form prescribed by the comptroller; or (b) providing the comptroller a direct link to, or a clear statement describing the location of, the information required to be reported that is posted on the Internet website of the city. (Effective immediately.)

S.B. 1465 (L. Taylor/G. Bonnen) – Tax Increment Financing: provides that: (1) not later than the 90th day after the date a member of the state legislature who is an ex officio member of the board of directors of a tax increment reinvestment zone (TIRZ) is elected to the legislature, the board of directors of a TIRZ must send to each member of the state legislature who is an ex officio member of the TIRZ’s board of directors written notice by certified mail informing the
legislator of the person’s membership on the board; and (2) a state legislator may elect not to serve on the TIRZ board or designate another individual to serve in the legislator’s place. (Effective September 1, 2017.)

S.B. 1501 (Zaffirini/Kuempel) – Vehicle Towing, Booting, and Storage: provides, among other things, that: (1) the term “local authority” means a state or local governmental entity authorized to regulate traffic or parking; (2) a person may perform booting operations and operate a booting company unless prohibited by a local authority; (3) a local authority may regulate, in areas in which the entity regulates parking or traffic, booting activities, including: (a) the operation of booting companies and operators that operate on a parking facility; (b) any permit and sign requirements; and (c) fees that may be charged in connection with booting a vehicle; (4) regulations adopted under (3) must include certain requirements including notice procedures, procedures for vehicle owners and operators to file a complaint against a booting company or operator, and the imposition of penalties on a booting company or operator for violations of certain boot removal requirements; (5) when a tow truck is used for a nonconsent tow authorized by a peace officer, the operator of the tow truck and the towing company are agents of the law enforcement agency; and (6) provisions providing for incident management towing permits and related insurance requirements are repealed. (Effective immediately, but provides that a state booting license does not expire until September 1, 2018.)

S.B. 2065 (Hancock/Kuempel) – Occupational Regulation: provides: (1) amendments to the licensing and regulation of various occupations and activities; (2) in regard to temporary common workers (i.e., day laborers): (a) a person may operate as a temporary common worker employer if the person meets the state law requirements and is not prohibited by a governmental subdivision; (b) a city of more than one million may establish city regulations that impose stricter standards of conduct and practice than imposed by state law; (c) a city is authorized to enforce state laws governing temporary common workers employers within the city boundaries; and (d) the Texas Department of Licensing and Regulation no longer has the authority to regulate temporary common worker employers; (3) failing to request a hearing for a plumbing violation within 20 days waives the right to a hearing; (4) a person providing volunteer security services at a place of religious worship may not wear a uniform or badge that contains the word “security;” (5) in regard to vehicle towing, booting, and storage: (a) eliminates state licensing for vehicle booting companies; (b) prohibits a person from engaging in booting operations unless authorized by a “local authority” defined to mean an institution of higher education, a county, city, special district, junior college district, housing authority, or other political subdivision; (c) authorization for a local authority to regulate booting activities in areas in which the entity regulates parking or traffic, and to specify certain things that must be included in such regulations; (d) that when a tow truck is used for a nonconsent tow to remove a vehicle in right-of-way by a peace officer who has determined that the vehicle blocks the roadway or endangers public safety, the operator of the tow truck and the towing company are both agents of the law enforcement agency and have the same liability limitations as the law enforcement agency; and (e) repeals incident management towing permits and related insurance requirements; (6) specific regulations on boot removal by a booting company responsible for the installation of a boot on a vehicle; and (7) a person if prohibited from trademarking a mark with the secretary of state that depicts a city seal or geographic outline. (Effective September 1, 2017, except (5)(a) and(b), above, are effective September 1, 2018.)
Municipal Courts

H.B. 322 (Canales/Hinojosa) – Expunction: provides that a person who has completed a veteran’s treatment court program is eligible for an expunction of arrest records. (Effective September 1, 2017.)

H.B. 557 (Collier/Burton) – Expunction: provides that: (1) a municipal court may expunge all records and files relating to the arrest of a person, if certain conditions are met; (2) a municipal court may only expunge records and files that relate to the arrest of a person for an offense punishable by fine only; (3) a person who is entitled to expunction of records may file an ex parte petition for expunction in the municipal court of record in the county in which the petitioner was arrested or the offense was alleged to have occurred; and (4) a filing fee of $100 is required for an ex parte petition for expunction. (Effective September 1, 2017.)

H.B. 681 (Wu/Zaffirini) – Court Records: provides: (1) a municipal court must make all records and files of a final conviction or dismissal after deferral of a fine-only misdemeanor confidential after the fifth anniversary of the disposition; and (2) the court may only allow inspection by: (a) judges or court staff, (b) a criminal justice agency, (c) the Department of Public Safety, (d) the attorney representing the state, (e) defendant’s counsel, or (f) a vehicle insurance company. (Effective September 1, 2017.)

H.B. 1266 (Geren/Nelson) – Motion for Continuance: requires a trial court, if it sets a hearing or trial without providing notice to the attorneys at least three business days before the start of the hearing or trial, to grant a continuance of a criminal action on oral or written motion of either party. (Effective September 1, 2017.)

H.B. 1727 (Faircloth/Creighton) – Search Warrants: allows any magistrate to issue a search warrant in a county that does not have a municipal court of record located in that county. (Effective September 1, 2017.)

H.B. 2059 (Phillips/Hughes) – Expunction: provides that: (1) prosecutorial and law enforcement records must be expunged by a court for an alcohol-related offense committed while the defendant was a minor; and (2) a person placed under arrest and not convicted for more than one alcohol-related offense, while a minor, may apply to the court to have the records expunged. (Effective September 1, 2017.)

H.B. 2065 (Phillips/Hancock) – Commercial Motor Vehicle Fines: requires a city to file an annual report with the comptroller detailing the amount of fines retained from the enforcement of commercial motor vehicle standards. (Effective September 1, 2017.)

H.B. 3147 (White/Menendez) – Expunction: entitles a person to obtain an expunction of the person’s arrest if the person was arrested solely as a result of identifying information that was inaccurate due to a clerical error. (Effective September 1, 2017.)
H.B. 4147 (Kacal/Birdwell) – Municipal Court of Record: provides that, if a county does not have a county court at law, an appeal from a municipal court of record can be made to the county court. (Effective September 1, 2017.)

S.B. 42 (Zaffirini/Smithee) – Municipal Court Security: provides that: (1) the law enforcement agency that provides security for a court shall provide to the Office of Court Administration a written report regarding any security incident and must provide a copy to the presiding judge; (2) the presiding or municipal judge shall establish a court security committee composed of: (a) the presiding municipal judge or judge’s designee; (b) a representative of a law enforcement agency or entity that provides security for the court; (c) a representative of the city; and (d) any person that the committee determines necessary to assist the committee; (3) a court security committee shall establish the policies and procedures necessary to provide adequate security to the municipal court served by the presiding or municipal judge; (4) the committee may recommend to the city uses of resources and expenditures for the courthouse security fund but may not direct the assignment or expenditure of those funds; (5) a person may not serve as a court security officer for a municipal court unless the person holds a court security certification issued by the Texas Commission on Law Enforcement; and (6) a person has before the first anniversary of the date the officer begins providing security for the court to obtain court security certification. (Effective September 1, 2017.)

S.B. 46 (Zaffirini/Davis) – Polling the Jury: allows the State and the defendant to each have the right to have the jury polled following a jury verdict. (Effective September 1, 2017.)

S.B. 47 (Zaffirini/Wu) – Office of Court Administration: requires the Office of Court Administration to conduct a study on how records regarding misdemeanors punishable by fine only, other than traffic offenses, are held in different Texas counties. (Effective September 1, 2017.)

S.B. 1304 (Perry/White) – Juvenile Records: provides: (1) that law enforcement records concerning a child and information concerning a child that are stored by electronic means or otherwise, and from which a record could be generated, may not be disclosed to the public and shall be: (a) if maintained on paper or microfilm, kept separate from adult records; (b) if maintained electronically in the same computer system as adult records, accessible only under controls that are separate and distinct from the controls to access electronic data concerning adults; and (c) maintained on a local basis only and not sent to a central state or federal depository, with certain exceptions; (2) item (1) does not apply to records maintained by a municipal court or child required to register as a sex offender; (3) that law enforcement records concerning a child may be inspected or copy by: (a) a juvenile justice agency, (b) a criminal justice agency; (c) the child; or (d) the child’s parent or guardian only after the custodian of the record redacts: (i) any personally identifiable information about a juvenile suspect, offender, victim, or witness who is not the child; and (ii) any information excepted from disclosure by the Public Information Act or other laws; (4) for the creation of a detailed procedure for the sealing and destruction of juvenile records; (5) for the repeal of the confidentiality of records relating to children charged with, convicted of, or receiving deferred disposition for fine only misdemeanors. (Effective September 1, 2017.)
S.B. 1911 (Zaffirini/Farrar) – Self-Help Resources: requires a municipal court clerk to: (1) post a link to self-help legal resources websites, as designated by the office of Court Administration, and the State Law Library, on the municipal court’s internet website; and (2) display a sign in the clerk’s office with the same information. (Effective September 1, 2017.)

S.B. 1913 (Zaffirini/Thompson) – Municipal Court Fines and Costs: creates several new provisions related to the criminal consequences imposed on indigent defendants, including fines, fees, and costs in municipal court. Specifically, the bill provides that:

1. a citation issued to a person must include information regarding the alternatives to full payment of any fine or costs if the person is convicted and unable to pay;
2. after a municipal court receives a plea and waiver, the court shall notify the person of the amount of any fine or costs assessed in the case and must include information regarding the alternatives to the full payment of any fine or costs if the defendant is unable to pay that amount;
3. a municipal judge may not issue an arrest warrant for failure to appear unless the judge provides notice by telephone or mail that includes: (a) the date and time defendant must appear; (b) the name and address of the court; (c) information regarding alternatives to full payment of any fine or costs if the defendant is unable to pay; and (d) an explanation of the consequences if the defendant fails to appear;
4. a defendant who receives notice of failure to appear may request an alternate date or time if the defendant is unable to appear on the date and time in the notice;
5. an arrest warrant for failure to appear shall be recalled if the defendant appears and makes a good faith effort to resolve the warrant before it is executed;
6. a municipal judge may not request a bail bond instead of a personal bond, unless the defendant fails to appear and the judge determines that: (a) the defendant has sufficient resources to give a bail bond; and (b) a bail bond is necessary to secure the defendant's appearance;
7. if the defendant does not give the required bail bond within 48 hours, the judge shall reconsider the requirement and presume that the defendant does not have sufficient resources to give the bail bond and may then require a personal bond;
8. during or immediately after a sentence is imposed when a defendant has appeared in open court, the judge shall inquire if the defendant has sufficient resources to pay all or part of the fine and costs and, if the judge determines that the defendant does not, the judge shall determine that fine and costs should be: (a) paid on a time payment plan; (b) discharged by community service; (c) waived in full or part; or (d) any combination of all methods;
9. a judge may not issue a capias pro fine for the failure to satisfy a judgement unless a hearing is held on the defendant's ability to satisfy the judgement and the defendant fails to appear at the hearing or the judge determines that it should not be issued;
10. a capias pro fine shall be recalled if the defendant voluntarily appears to resolve the amount owed and it is resolved by available methods;
11. the jail time rate for satisfying fine and costs is increased from $50 to $100 for each period served;
12. community service options are expanded to include: (a) attending work and job skills training; (b) a preparatory class for high school equivalency exam; and (c) service at an educational institution;
13. for each eight hours of community service the defendant shall discharge not less than $100 of the fines and costs;
14. a defendant in municipal court is presumed to be indigent or to not have sufficient resources or income to pay fines and costs if the defendant: (a) is in the conservatorship of the Department of Family and Protective Services or was in the conservatorship at the time of the offense; or (b) is designated as a homeless child by federal law or was so designated at the time of the offense;
15. a communication to an accused person regarding the amount of payment that is acceptable for resolution of the case must include a statement that, if the person is unable to pay the full amount, the person should contact the court regarding the available alternatives;
16. the judge may waive the “scofflaw” fee if the judge determines that a defendant is unable to pay or that good cause exists; and
17. a person does not have to pay the Omnibase fee if there was a finding in the underlying offense that the person is indigent and a person is presumed indigent if certain conditions are met.

(Effective September 1, 2017.)

S.B. 2053 (West/Murr) – Court Costs: removes the “abused children’s counseling” and “comprehensive rehabilitation” funds from the list of fund allocations in the consolidated court fee. (Effective immediately.)

Community and Economic Development

H.B. 890 (Geren/Estes) – Military Installations: this bill: (1) creates a seller’s disclosure notice for real estate transactions of properties in close proximity to military installations; (2) requires a city and county with a military installation within its jurisdictional boundaries to coordinate with the military installation to make appropriate Air Installation Compatible Use Zone Studies or Joint Land Use Studies available on their respective public websites; and (3) provides that the seller’s disclosure notice must include a link to the websites in (2). (Effective September 1, 2017.)

H.B. 1449 (Simmons/Nelson) – Linkage Fees: provides that: (1) a political subdivision may not adopt or enforce a charter provision, ordinance, order, or other regulation that imposes, directly or indirectly, a fee on new construction for the purposes of offsetting the cost or rent of any unit of residential housing; (2) for purposes of the bill: (a) a fee is imposed indirectly on new construction if a charter provision, ordinance, order, or other regulation allows acceptance by the political subdivision of a fee on new construction; and (b) new construction includes zoning, subdivisions, site plans, and building permits associated with new construction; (3) the bill does not apply to: (a) an affordable housing and property tax abatement program adopted by a city with a population of more than 700,000; and (b) an ordinance, order, or other similar measure that permits the voluntary payment of a fee in lieu of other consideration to a political subdivision in connection with the issuance of a zoning waiver related to new construction that allows a multifamily residential or commercial structure to exceed height or square footage.
limitations; and (4) a charter provision, ordinance, order, or other regulation adopted by a political subdivision that conflicts with the bill is null and void. (Effective immediately.)

**H.B. 1704 (Kuempel/Huffman) – Permit Vesting:** provides that a court may award court costs and reasonable and necessary attorney’s fees to the prevailing party in an action under chapter 245 of the Local Government Code (the “permit vesting” statute). (Effective immediately.)

**VETOED H.B. 2792 (Gonzalez/Rodriguez) – Public Housing:** provides, among other things, that: (1) for the purposes of the tax exemption for certain multifamily residential developments, the term “public housing unit” is defined as a dwelling unit for which the owner: (a) receives a public housing operating subsidy; or (b) received a public housing operating subsidy, if the dwelling unit was subsequently converted through the Rental Assistance Demonstration program administered by the United States Department of Housing and Urban Development; and (c) does not include a unit for which payments are made to the landlord under the federal Section 8 Housing Choice Voucher Program unless the unit was converted under the Rental Assistance Demonstration program; (2) a commissioner of a housing authority may a recipient of housing assistance administered through the authority’s housing choice voucher program or project-based rental assistance program; and (3) in appointing housing authority commissioners, a city with a municipal housing authority composed of five or seven commissioners shall appoint at least one commissioner to the authority who is a tenant of a public housing project over which the authority has jurisdiction or who is a recipient of housing assistance administered through the authority’s housing choice voucher program or project-based rental assistance program. (Effective September 1, 2017.)

**H.B. 3045 (Dale/Schwertner) – Economic Development Corporations:** authorizes a city to hold an election to reduce or increase the sales tax rate for a Type B economic development sales tax. (Effective immediately.)

**VETOED S.B. 744 (Kolkhorst/Phelan) – Tree Mitigation Fees:** provides that:

1. a city that imposes a tree mitigation fee for tree removal that is necessary for development or construction on a person’s property must allow that person to apply for a credit for tree planting under this section to offset the amount of the fee.
2. an application for a credit under (1), above, must be in the form and manner prescribed by the city.
3. to qualify for a credit under the bill, a tree must be: (a) planted on property for which the tree mitigation fee was assessed or mutually agreed upon by the city and the person planting the tree; and (b) at least two inches in diameter at the point on the trunk 4.5 feet above ground.
4. for purposes of determining a mutually agreed upon planting location, the city and the person planting the tree may consult with an academic organization, state agency, or nonprofit organization to identify an area for which tree planting will best address the science-based benefits of trees and other reforestation needs of the city.
5. the amount of a credit provided to a person under the bill must be: (a) applied in the same manner as the tree mitigation fee assessed against the person; and (b) at least 50 percent of the amount of the tree mitigation fee assessed against the person.
6. as long as the municipality meets the requirement to provide a person a credit under (1),
above, the bill does not affect the ability of or require a city to determine: (a) the size,
number, and type of trees that must be planted to receive a credit under the bill, except as
provided by (3)(b), above; (b) the requirements for tree removal and corresponding tree
mitigation fees, if applicable; or (c) the requirements for tree planting methods and best
management practices to ensure that the tree grows to the anticipated height at maturity.

7. the bill does not apply

(Effective immediately.)

S.B. 1238 (Rodriguez/Moody) – Low Income Housing: makes certain at-risk developments
eligible to receive low income housing tax credits. (Effective September 1, 2017.)

S.B. 1248 (Buckingham/Lucio) – Manufactured Home Communities: provides that: (1) a city
is prohibited from requiring a change in the nonconforming use of any manufactured home lot if:
(a) the nonconforming use of the land constituting the manufactured home is authorized by law;
and (b) at least 50 percent of the lots in the community are physically occupied by a
manufactured home used as a residence; (2) a change in the nonconforming use in (1) includes:
(a) requiring the number of lots to be decreased; and (b) declaring that lots have been abandoned
based on a period of continuous abandonment for less than 12 months; (3) a manufactured home
owner may install a new or used manufactured home (regardless of size) or any appurtenance for
which a nonconforming use is authorized, provided that the home or appurtenance as well as the
installation comply with: (a) nonconforming land use standards (including separation, setback
and lot size standards) applicable on the date the use of the land was authorized by law; and (b)
all applicable state and federal law and standards in effect on the date of the installation of the
manufactured home or appurtenance; (4) a lot located in a floodplain is excepted from (1)-(3),
above; and (5) a city is prohibited from regulating a tract parcel of land as a manufactured home
community, park, or subdivision unless the tract or parcel contains at least four spaces offered
for lease for installing and occupying manufactured homes. (Effective September 1, 2017.)

S.B. 1519 (Hancock/Geren) – Venue Projects: provides that, for the purposes of promotion,
sponsorship, or advertising of an entertainment event or alcoholic beverage at certain
governmentally-owned public entertainment facilities, the term “public entertainment facility”
includes a facility that is part of an approved venue project, including the venue and related
infrastructure. (Effective immediately.)

Personnel

H.B. 451 (Moody/Creighton) – Workers’ Compensation: waives governmental immunity for
claims against a public employer, including a city, that discriminates or retaliates against a first
responder who has filed a workers’ compensation claim, and caps money damages at $100,000
for each person’s claim and $300,000 for each single occurrence of a violation. (Effective
September 1, 2017.)
H.B. 1983 (Wray/Whitmire) – Workers’ Compensation: makes post-traumatic stress disorder suffered by a first responder a compensable workers’ compensation eligible injury if: (1) the disorder is caused by an event occurring in the course and scope of the first responder’s employment; and (2) the preponderance of the evidence indicates that the event was a substantial contributing factor to the disorder. (Effective September 1, 2017.)

H.B. 2082 (Burrows/Perry) – Workers’ Compensation: requires: (1) the Office of Injured Employee Counsel (office) to designate an employee to act as a first responder liaison to assist injured first responders during a workers’ compensation administrative dispute resolution process; and (2) an employer that employs first responders or supervises volunteer first responders to notify first responders of the liaison described in (1) in the manner prescribed by the office. (Effective September 1, 2017.)

H.B. 2119 (Kacal/West) – Death Benefits: provides that eligibility for lifetime death benefits for the remarried spouse of a first responder killed in the line of duty applies regardless of the date on which the death of the first responder occurred. (Effective September 1, 2017.)

H.B. 2486 (Stucky/Menendez) – Military Service: provides that an employee of the state, a city, a county, or another political subdivision with at least five full-time employees who is a member of the Texas military forces, a reserve component of the armed forces, or a member of a state or federally authorized urban search and rescue team and who is ordered to duty by proper authority is entitled, when relieved from duty, to be restored to the position that the employee held when ordered to duty. (Effective immediately.)

H.B. 2619 (Giddings/Hughes) – Peace Officer Grant Programs: provides that the criminal justice division of the governor’s office shall establish and administer: (1) a grant program through which a law enforcement agency may apply for a grant to implement programs, practices, and services designed to address the direct or indirect emotional harm suffered by peace officers in the course of duty or as the result of the commission of crimes by other persons; and (2) a grant program to assist law enforcement agencies in providing critical incident stress debriefing to peace officers who experience critical incidents while performing official duties. (Effective September 1, 2017.)

H.B. 3042 (Meyer/Huffines) – Fallen Law Enforcement Officer Day: provides that July 7 is Fallen Law Enforcement Officer Day in recognition of the ultimate sacrifice made by Texas law enforcement officers killed in the line of duty and the day shall be regularly observed by appropriate ceremonies. (Effective Immediately.)

H.B. 3391 (Geren/Birdwell) – Public Safety Employees: allows the commissioners court of a county to establish a public safety employee’s treatment program for public safety employees charged with any misdemeanor or felony. (Effective September 1, 2017.)

S.B. 877 (Hancock/Oliveira) – Workers’ Compensation: provides that a political subdivision that self-insures, either individually or collectively, is liable for attorney’s fees under the Workers’ Compensation Act and governmental immunity is waived for that purpose. (Effective September 1, 2017.)
Public Safety

H.B. 29 (S. Thompson/Huffman) – Human Trafficking Investigations: provides that: (1) if the attorney general has reason to believe that a person (including a city) may be in possession, custody, or control of any documentary material or other evidence or may have any information relevant to a civil racketeering investigation related to trafficking of persons, the attorney general may, before beginning a civil proceeding, issue in writing and serve on the person a civil investigative demand requiring the person to: (a) produce any of the documentary material for inspection and copy; (b) answer in writing any written interrogatories; (c) give oral testimony; or (d) provide any combination of civil investigative demands under (a) - (c), above; (2) deliberate noncompliance with civil investigative demand is a criminal offense; and (3) disclosure and use of the material and information received from the civil investigative demand is not subject to the Public Information Act, but the attorney general may release the information to certain persons and governmental entities. (Effective September 1, 2017.)

H.B. 34 (Smithee/Perry) – Custodial Interrogations: provides that: (1) a law enforcement agency shall make an electronic recording of any custodial interrogation that occurs in a place of detention if it involves the commission of certain offenses, unless good cause as defined by he bill exists; (2) each peace officer that performs eyewitness identification procedures must complete education and training that is developed by the Texas Commission on Law Enforcement; (3) a model policy adopted by a law enforcement agency must include certain information regarding evidence-based practices for photograph and live lineup identification procedures; (4) certain conditions must be met concerning admissibility into evidence of those identifications; and (5) the Texas Forensic Science Commission shall conduct two studies and make legislative recommendations: (a) regarding the use of drug field test kits; and (b) regarding the manner in which crime scene investigations are conducted. (Effective September 1, 2017.)

H.B. 62 (Craddick/Zaffirini) – Texting While Driving Ban: provides that: (1) with certain exceptions, a juvenile driver is prohibited from using a wireless communication device while driving a motor vehicle, motorcycle, or moped; (2) a city or other political subdivision that by ordinance or rule adopts a city-wide prohibition against the use of a wireless communication, including a prohibition with an exception for the use of a hands-free devices, is not required to post special signage at school crossing zones if certain other signage is posted; (3) a motor vehicle operator is prohibited from using a portable wireless communication device to read, write, or send an electronic message while operating a motor vehicle unless the vehicle is stopped; (4) it is an affirmative defense to prosecution of an offense in (3) that the wireless communication device is used: (a) in conjunction with a hands-free device; (b) to navigate using a global positioning system or navigation system; (c) to report illegal activity, summon emergency help, or obtain information about road conditions; (d) to read an electronic message that the operator believed concerned an emergency; or (e) as part of certain occupational duties; (5) excepts from the prohibition in (3): (a) the operator of an authorized emergency or law enforcement vehicle acting in an official capacity; and (b) an operator licensed by the Federal Communications Commission while operating a radio frequency device; (6) a peace officer who stops a motor vehicle for an alleged violation of (3) may not take possession of or otherwise
inspect a portable wireless communication device unless authorized by the Code of Criminal Procedure, the Penal Code, or other law; (7) all local ordinances, rules, or regulations relating to the use of a portable wireless communication device by the operator of a motor vehicle to read, write, or send an electronic message are preempted by the state-wide prohibition in (3); and (8) points under the Driver Responsibility Program may not be assigned when a person is convicted of violating the prohibition in (3). (Effective September 1, 2017.)

**H.B. 245 (E. Johnson/Whitmire) – Law Enforcement Report:** provides that: (1) the attorney general shall conduct an investigation after receiving a report or other information that a law enforcement agency failed to submit reports required for certain: (a) officer-involved injuries or deaths; and (b) injuries or deaths of peace officers; and (2) a law enforcement agency that fails to submit a report described in (1) on or before the seventh day after receipt of notice from the attorney general is liable for a civil penalty of $1,000/day and $10,000/day for a violation that occurs in a subsequent five-year period. (Effective September 1, 2017.)

**H.B. 281 (Howard/Huffman) – Evidence Collection Kits:** requires the Department of Public Safety to develop and implement a statewide electronic tracking system for evidence collection kits used to collect and preserve evidence of a sexual assault. (Effective September 1, 2017.)

**H.B. 355 (Raney/Buckingham) – Sex Offenders:** prohibits a registered sex offender from residing on the campus of a public or private institution of higher education, unless the institution approves the person to reside on the campus; and requires a local law enforcement authority that provides a registration form to a sex offender to include a statement describing this prohibition. (Effective September 1, 2017.)

**H.B. 435 (K. King/Perry) – Licensed Handgun Carry:** provides that:

1. “volunteer emergency services personnel” includes a volunteer firefighter, an emergency medical services volunteer, and any individual who, as a volunteer, provides services for the benefit of the general public during emergency situations;
2. a governmental unit is not liable in a civil action arising from the discharge of a handgun by an individual who is volunteer emergency services personnel and licensed to carry the handgun;
3. the discharge of a handgun by an individual who is volunteer emergency services personnel and licensed to carry the handgun is outside the course and scope of the individual’s duties as volunteer emergency services personnel;
4. the bill may not be construed to waive the immunity from suit or liability of a governmental unit under the Texas Tort Claims Act or any other law;
5. volunteer emergency services personnel who are engaged in providing emergency services: (a) enjoy a defense to prosecution for carrying into a place under which an owner has lawfully excluded licensed carry by providing notice under current law, bars, jails, sporting events, hospitals that provide notice, open meetings if notice is provided, amusement parks, or places of worship; and (2) are permitted to carry into a school, institution of higher education, polling place, court or court offices, racetrack, secured area of an airport, or place of execution;

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6. the attorney general or a United States attorney, assistant United States attorney, or assistant attorney general: (a) enjoys a defense to prosecution for carrying in most places otherwise off-limits to a license holder (e.g., bars, sporting events, hospitals that provide notice, open meetings if notice is provided, amusement parks, or places of worship); and (b) is permitted to carry into a school, institution of higher education, polling place, court or court offices, racetrack, secured area of an airport, or place of execution;
7. any of the 10 state hospitals listed in the bill may prohibit a license holder from carrying a handgun on the property of the hospital by providing specific written notice as stated in the bill; and
8. a license holder who carries a handgun on the property of a state hospital at which written notice is provided is liable for a civil penalty in the amount of $100 for the first violation or $500 for the second or subsequent violation, to be enforced by the attorney general or an appropriate prosecuting attorney.

(Effective September 1, 2017.)

H.B. 478 (Israel/Uresti) – Vulnerable Individuals in Vehicles: provides that a person who, by force or otherwise, enters a motor vehicle for the purpose of removing a vulnerable individual from the vehicle is immune from civil liability for damages resulting from that entry or removal if the person: (1) determines that the motor vehicle is locked or there is no reasonable method for the individual to exit the motor vehicle without assistance; (2) has a good faith and reasonable belief, based on known circumstances, that entry into the motor vehicle is necessary to avoid imminent harm to the individual; (3) before entering the motor vehicle, ensures that law enforcement is notified or 911 is called if the person is not a law enforcement officer or other first responder; (4) uses no more force to enter the motor vehicle and remove the individual than is necessary; and (5) remains with the individual in a safe location that is in reasonable proximity to the motor vehicle until a law enforcement officer or other first responder arrives. (Effective September 1, 2017.)

H.B. 590 (Bohac/Huffines) – Roadside Assistance: provides that a first responder who in good faith provides roadside assistance is not liable in civil damages for damage to the motor vehicle affected by the incident for which the roadside assistance is provided that is caused by an act or omission that occurs during the performance of the act of roadside assistance, unless the act or omission constitutes gross negligence, recklessness, or intentional misconduct. (Effective September 1, 2017.)

H.B. 683 (Wu/Menendez) – False Identification as a Peace Officer: provides: (1) for the creation of the statewide offense of possession or use of law enforcement identification, insignia, or vehicles; (2) that an item used or intended for use exclusively for decorative purposes or in an artistic or dramatic presentation is an exception to the offense; (3) tat, for the purposes of the offense, an item bearing an insignia of a law enforcement agency includes an item that contains the word “police,” “sheriff,” “constable,” or “trooper”; and (4) that, for the purpose of the offense of misrepresentation of property belonging to a law enforcement agency, intentionally or knowingly misrepresenting an object as property belonging to a law enforcement agency includes intentionally or knowingly displaying an item bearing an insignia of a law enforcement
agency in a manner that would lead a reasonable person to interpret the item as property belonging to a law enforcement agency. (Effective September 1, 2017.)

**H.B. 873 (Pickett/Hughes) – Peace Officer Weapons:** provides that an establishment serving the public, such as a restaurant, hotel, retail business, or sports venue, may not prohibit or otherwise restrict a peace officer or special investigator from carrying on the establishment’s premises a weapon that the peace officer or special investigator is otherwise authorized to carry, regardless of whether the peace officer or special investigator is engaged in the actual discharge of the officer’s or investigator's duties while carrying the weapon. (Effective September 1, 2017.)

**H.B. 1111 (S. Thompson/Rodriguez) – Sex Offender Residency Restrictions:** provides that:
1. a requirement that a releasee stay a certain distance from areas where children gather does not apply to while the releasee is traveling immediately to or from: (a) a parole office, (b) the premises where a program required as a condition of release is held, (c) a residential facility where the release is required to reside is located, (d) a private residence where the release is required to reside as a condition of release, or (e) any other premises designed to rehabilitate the release or where it is reasonable and necessary for the release to be present and at which the release has legitimate business, including a place of worship, workplace, health care facility, or funeral;
2. defines “child safety zone” as premises where children commonly gather, including a school, day-care facility, playground, public or private youth center, public swimming pool, video arcade facility, or other facility that regularly holds events primarily for children;
3. a church is excluded from the definition of child safety zone;
4. the city council of a general law city by ordinance may restrict a registered sex offender from going in, on, or within a specified distance of a child safety zone in the city;
5. it is an affirmative defense to prosecution of an offense under the ordinance that the registered sex offender is in, on, or within a specified distance of a child safety zone for a legitimate purpose, including transportation of a child that the registered sex offender is legally permitted to be with, transportation to and from work, and other work-related purposes;
6. the distance imposed by ordinance under (4), above, may be no more than 1,000 feet;
7. the ordinance must provide procedures for a registered sex offender to apply for an exemption from the ordinance; and
8. the ordinance must exempt a registered sex offender who established residency in a residence located within the specified distance of a child safety zone before the date the ordinance is adopted. (Effective September 1, 2017.)

**H.B. 1249 (Goldman/Hinojosa) – Emergency Medical Service Vehicles:** provides that:
1. it is a class C misdemeanor for a person to operate a motor vehicle that resembles an emergency medical service (EMS) vehicle, unless the person uses the vehicle as an EMS vehicle or for other legitimate governmental functions;
2. a motor vehicle resembles an EMS vehicle if it has the following on the exterior of the vehicle: the word “ambulance” or a derivation of that word; a star of life; a Maltese cross; forward-facing flashing red, white, or blue lights; a siren; the words “critical care transport,” “emergency medical service” or “mobile intensive care unit;” or the acronym “EMS” or “MICU;” and
3. the bill does not apply to motor vehicles that have a “Classic,” “Custom Vehicle,” or “Street Rod” specialty license plate or an “Antique Auto,” “Antique Truck,” “Antique Motorcycle,” “Antique Bus,” or “Military Vehicle,” specialty license plate. (Effective September 1, 2017.)
H.B. 1407 (Sheffield/Seliger) – Emergency Medical Services: requires the Department of State Health Services to establish an emergency medical services assistance program to provide financial and educational assistance to eligible emergency medical services providers. (Effective September 1, 2017.)

H.B. 1424 (Murphy/Birdwell) – Drones: with certain exceptions, makes it a criminal offense to operate a drone over a correctional facility (including a municipal jail), an immigration detention facility, and certain sports venues in certain circumstances. (Effective September 1, 2017.)

H.B. 1643 (Springer/Seliger) – Drones: provides that: (1) the prohibition against flying a drone over certain critical infrastructure facilities includes wireless telecommunications and certain oil and gas structures; and (2) a political subdivision, including a city, may only adopt or enforce an ordinance regarding the operation of a drone in the following circumstances: (a) the drone is used during a special event that involves use of the political subdivision’s public property and requires use or coordination of the political subdivision’s services; (b) the drone is used by the political subdivision; or (c) the drone is used near a facility or infrastructure owned by the political subdivision, if the political subdivision applies for and receives authorization from the Federal Aviation Administration to adopt the regulation after holding a public hearing regarding the intent to apply for the authorization. (Effective September 1, 2017.)

H.B. 1729 (Neave/Garcia) – Evidence Testing Grants: provides that: (1) a person applying for an original or renewal driver’s license may donate to the evidence testing grant program; and (2) a grant program is established to disperse funds to law enforcement agencies for testing evidence collected in relation to a sexual assault case. (Effective September 1, 2017.)

H.B. 1794 (Bell/Kolkhorst) – Mental Health: provides: (1) for the creation of a work group on mental health access for first responders; and (2) that the following municipal representatives are included in the work group: (a) one representative of volunteer fire departments, (b) one representative of paid fire departments, (c) two representatives of paid police departments, (d) two representative of emergency medical services providers and personnel; and (e) one municipal government representative. (Effective September 1, 2017.)

H.B. 1935 (Frullo/Whitmire) – Illegal Knives: this bill: (1) changes the Penal Code definition of an “illegal knife” to instead be a “location-restricted knife;” (2) defines such a knife to be one with a blade over five and one-half inches; (3) provides that a person commits an class C misdemeanor offense if the person: (a) intentionally, knowingly, or recklessly carries on or about his or her person a location-restricted knife; (b) is younger than 18 years of age at the time of the offense; and (c) is not on the person’s own premises or premises under the person’s control, inside of or directly en route to a motor vehicle or watercraft that is owned by the person or under the person’s control, or under the direct supervision of a parent or legal guardian of the person; and (4) provides that a person commits an offense if he carries a location-restricted knife in certain locations. (Effective September 1, 2017.)

H.B. 2252 (Faircloth/L. Taylor) – Coastal Barrier System: provides that the legislature shall establish a joint interim committee to continue to study the feasibility and desirability of creating
and maintaining a coastal barrier system in this state that includes a series of gates and barriers to prevent storm surge damage to gulf beaches or coastal ports, industry, or property. (Effective September 1, 2017.)

H.B. 2552 (S. Thompson/Huffman) – Internet Nuisance: provides, among other things, that: (1) a person maintains a common nuisance if the person operates a web address or computer network in connection with engaging in organized criminal activity relating to various sexually related crimes; (2) a suit to declare that a person operating a web address or computer network is maintaining a common nuisance may be brought by an individual, by the attorney general, or by a district, county, or city attorney; and (3) a law enforcement agency that makes an arrest related to prostitution, compelling prostitution or “massage therapy” that was located on property leased to a person operating a massage establishment is required to notify the owner of the property about the arrest by certified mail no later than the seventh day after the date of the arrest. (Effective September 1, 2017.)

H.B. 2908 (Hunter/Huffman) – Offenses against Peace Officers or Judges: provides that: (1) an increase of the punishment for an offense committed against a person because of bias or prejudice on the basis of the person’s service as a peace officer or judge; and (2) an increase of the punishment for certain unlawful restraint, assault, terroristic threat, and intoxication assault offenses committed against a peace officer or judge. (Effective September 1, 2017.)

H.B. 3051 (P. King/Hinojosa) – Traffic Stops and Convictions: amends the phrase “race or ethnicity” for purposes of reporting traffic stops and recording cases in which a person is charged with the violation of a traffic offense to mean the following categories: (1) Alaska native or American Indian, (2) Asian or Pacific Islander, (3) black, (4) white, and (5) Hispanic or Latino. (Effective September 1, 2017.)

H.B. 3223 (Goldman/Zaffirini) – Law Enforcement Vehicles: makes a political subdivision liable for damages proximately caused by the use of a vehicle during the commission of a crime and to the state for a $1,000 civil penalty if the political subdivision violates the prohibition against selling or transferring a marked patrol car or other law enforcement vehicle to: (1) the public without first removing any equipment or insignia that could mislead a reasonable person to believe the vehicle is a law enforcement vehicle; and (2) a security services contractor without removing each emblem or insignia that identifies the vehicle as a law enforcement motor vehicle. (Effective September 1, 2017.)

H.B. 3576 (Guerra/Schwertner) – Zika Virus: allows certain medical or epidemiological information relating to a person who has or is suspected of having a potential health condition resulting from exposure to a high consequence communicable disease, including the Zika virus, to be released by the local health department to the appropriate federal agency. (Effective September 1, 2017.)

H.B. 4102 (Neave/Garcia) – Evidence Testing Grant Program: provides that: (1) the evidence testing grant program shall disburse funds to assist law enforcement agencies in testing evidence collected in relation to a sexual assault; (2) a person may contribute to the evidence testing grant program when registering or renewing a motor vehicle; (3) the Ending
Homelessness fund is created to provide grants to cities to combat homelessness; and (4) a person may contribute to the Ending Homelessness fund when registering or renewing a motor vehicle. (Effective September 1, 2017.)

S.B. 4 (Perry/Geren) – Immigration: creates several new provisions in law related to the enforcement of federal and state immigration laws. Specifically, the bill prohibits certain city actions by providing that:

1. a “local entity” is defined to include, among others, a city, its officers, its employees, and other bodies that are part of a city, including the city police department and city attorney (but would exempt schools and hospitals and hospital peace officers, the public health department of a local entity, and a peace officer employed or contracted by a religious organization during service to the religious organization);
2. a local entity shall not adopt, enforce, or endorse a policy that prohibits or discourages the enforcement of immigration laws;
3. a local entity may not by demonstrable pattern or practice prohibit the enforcement of immigration laws;
4. a local entity shall not prohibit or materially limit a peace officer from doing any of the following: (a) inquiring into the immigration status of a lawfully detained or arrested person; (b) with respect to information relating to the immigration status, lawful or unlawful, of any person under a lawful detention or under arrest: (i) sending the information to or requesting or receiving the information from Citizenship and Immigration Services or ICE, including information regarding a person’s place of birth; (ii) maintaining the information; or (iii) exchanging the information with another local entity or a federal or state governmental entity; (c) assisting or cooperating with a federal immigration officer as reasonable or necessary, including providing enforcement assistance; or (d) permitting a federal immigration officer to enter and conduct enforcement activities at a municipal or county jail to enforce federal immigration laws;
5. a local entity or a person employed by or otherwise under the direction or control of the entity may not consider race, color, language, religion, or national origin while enforcing immigration laws except to the extent permitted by the United States or Texas Constitutions;
6. a local entity may prohibit persons who are employed by or otherwise under the direction or control of the entity or from assisting or cooperating with a federal immigration officer if the assistance or cooperation occurs at a place of worship;
7. a law enforcement agency is not required to perform a duty imposed by the bill with respect to a person who has provided proof that the person is a citizen of the United States or that the person has lawful immigration status in the United States, such as a Texas driver’s license or similar government-issued identification;
8. a police chief who violates (2), above, commits a Class A misdemeanor;
9. a person holding elective or appointive office who violates the bill forfeits his or her office;
10. the attorney general shall file a quo warranto proceeding against a person described by (7), above, if presented with evidence establishing probable grounds that the person violates the bill;
11. if the court in a proceeding described by (8), above, finds a person “guilty as charged,” the court shall enter a judgment removing the person from office;
12. each law enforcement agency that is subject to the requirements above of the bill may adopt a written policy requiring the agency to perform community outreach activities to educate the public that a peace officer may not inquire into the immigration status of a victim of or witness to an alleged criminal offense unless the officer determines that the inquiry is necessary to investigate the offense or provide the victim or witness with information about federal visas designed to protect individuals providing assistance to law enforcement;
13. a policy adopted under (12), above, must include outreach to victims of certain victims of family violence and sexual assault; and
14. The bill does not apply to: (a) a community center; (b) a local mental health authority; or (c) the public health department of a local entity; or (d) a federally qualified health center.

The bill also creates a state-level complaint and enforcement process by providing that:

1. any citizen residing in the area of a local entity may file a complaint with the attorney general if the person offers a sworn affidavit to support an allegation that a local entity has adopted, enforced, or endorsed a policy under which the entity prohibits or discourages the enforcement of immigration laws or that the entity prohibits or discourages the enforcement of those laws;
2. if the attorney general determines that a complaint filed against a local entity is valid, the attorney general may file a petition for a writ of mandamus or apply for other appropriate equitable relief and the prevailing party may recover reasonable expenses incurred in bringing or defending an action under the bill, including court costs, reasonable attorney’s fees, investigative costs, witness fees, and deposition costs; and
3. a local entity that is found by a court of law to have intentionally violated the requirements in the bill is subject to a civil penalty up to $1,500 for the first violation and up to $25,500 for each subsequent violation that shall be credited to the state’s Crime Victims Compensation Fund.

Finally, the bill provides that:

1. the Department of Public Safety’s criminal justice division shall establish and administer a competitive grant program to provide financial assistance to local entities to offset costs related to: (a) enforcing immigration laws; or (b) complying with, honoring, or fulfilling immigration detainer requests.
2. Sovereign immunity of this state and governmental immunity of a county and city to suit is waived and abolished to the extent of liability created by the bill;
3. a law enforcement agency that has custody of a person subject to an immigration detainer issued by ICE shall: (a) comply with, honor, and fulfill the requests made in the detainer and inform the person that the person is being held pursuant to an immigration detainer request issued by ICE;
4. if a criminal defendant is in the U.S. illegally and is to be confined to jail by a court judgment, the judge shall issue an order requiring the correctional facility to require the defendant to serve in federal custody the final portion of the defendant’s sentence, not to
exceed a period of seven days, following the facility’s or officer’s determination that the change in the place of confinement will facilitate the seamless transfer of the defendant into federal custody;

5. the attorney general shall defend a local entity in any action in any court if: (a) the executive head or governing body, as applicable, of the local entity requests the attorney general’s assistance in the defense; and (b) the attorney general determines that the cause of action arises out of a claim involving the local entity’s good-faith compliance with an immigration detainer request required by the bill; and

6. the state is liable for expenses, costs, judgment, or settlement under (5), above.

(Effective September 1, 2017.)

**S.B. 12 (West/King) – Bulletproof Vests:** provides that: (1) the criminal justice division of the governor’s office shall establish and administer a grant program to provide financial assistance to a law enforcement agency that seeks to equip its peace officers with bulletproof vests, ballistic plates, and plate carriers; (2) a law enforcement agency may apply for the grant only if the agency first adopts a policy addressing the: (a) deployment and allocation of vests or plates to its officers; and (b) usage of vests or plates by its officers; (3) a law enforcement agency receiving the grant must provide to the criminal justice division proof of purchase of bulletproof vests, ballistic plates, and plate carriers, including the price of each item and the number of each type of item purchased, as soon as practicable after receiving the grant; and (4) the vest or plate purchased with the grant must comply with a National Institute of Justice standard for rifle protection. (Effective immediately.)

**S.B. 30 (West/Thompson) – Police Officer/Civilian Interaction Training:** provides that:

1. the State Board of Education and the Texas Commission on Law Enforcement shall enter into a memorandum of understanding that establishes each agency’s respective responsibilities in developing instruction, including curriculum and instructional modules, on proper interaction with peace officers during traffic stops and other in-person encounters.

2. the instruction must include information regarding: (a) the role of law enforcement and the duties and responsibilities of peace officers; (b) a person’s rights concerning interactions with peace officers; (c) proper behavior for civilians and peace officers during interactions; (d) laws regarding questioning and detention by peace officers, including any law requiring a person to present proof of identity to a peace officer, and the consequences for a person’s or officer’s failure to comply with those laws; and (e) how and where to file a complaint against or a compliment on behalf of a peace officer.

3. in developing the instruction under the bill, the board and the commission may consult with any interested party, including a volunteer work group convened for the purpose of making recommendations regarding the instruction.

4. before finalizing any instruction, the board and the commission shall provide a reasonable period for public comment.

5. subject to rules adopted by the board, a school district or open-enrollment charter school may tailor the instruction developed under this section as appropriate for the district’s or
school’s community, and in tailoring the instruction, the district or school shall solicit
input from local law enforcement agencies, driver training schools, and the community.

6. as part of the minimum curriculum requirements, the commission shall require a law
enforcement officer to complete the civilian interaction training program established
under the bill.

7. an officer shall complete the program not later than the second anniversary of the date the
officer is licensed unless the officer completes the program as part of the officer’s basic
training course.

(Effective September 1, 2017.)

S.B. 344 (West/Sheffield) – Emergency Detention: provides that: (1) a peace officer who
apprehends a person believed to have a mental illness may transfer that person to emergency
medical services personnel in accordance with a memorandum of understanding with an
emergency medical services provider for transport to an inpatient or other suitable mental health
facility; (2) a memorandum of understanding in (1) must: (a) address responsibility for the cost
of transporting the person taken into custody; and (b) be approved by the county and local mental
health authority with respect to the transportation cost provisions; and (3) a peace officer who
transfers a person under (1) must provide certain notice to the person apprehended and a
completed notification of detention to the emergency medical services personnel. (Effective
immediately.)

S.B. 526 (Birdwell/Capriglione) – Fraudulent Activity: provides that: (1) when the office of
the attorney general (OAG) receives a report concerning fraudulent activity, the OAG shall
notify an appropriate law enforcement agency with jurisdiction to investigate the fraudulent
activity; and (2) an authorized governmental agency may share confidential information or
information to which access is otherwise restricted by law with one or more other authorized
governmental agencies and the shared confidential information remains confidential and legal
restrictions on access to the information apply. (Effective September 1, 2017.)

VETOED S.B. 570 (Rodriguez/Walle) – Scrap Tires: provides that: (1) a used or scrap tire
generator, junkyard, or fleet operator that stores used or scrap tires outdoors must store the tires
in a secure manner that locks the tires during nonbusiness hours; (2) the Texas Commission on
Environmental Quality (TCEQ) must adopt rules to require a person who uses more than 1,000
used or scrap tires in a construction project to obtain approval from the TCEQ before using the
tires; (3) a retailer must keep a record of any customer that retains a scrap tire that has been
removed from a customer’s vehicle during the purchase of a tire from a retailer; (4) a retailer
who takes possession of a scrap tire from a customer described in (3) must store or legally
dispose of the scrap tire; (5) a retailer must post a sign, with specifications provided by the
TCEQ, in a location readily visible to the customer that specifies the requirements for the
disposal of scrap and used tires; allow a seller to contract for the transportation of used or scrap
tires with only certain transporters or tire processors or face certain civil and criminal liability;
(6) used and scrap tire transporters must register with TCEQ and provide certain financial
assurance in favor of the state; (7) certain transporters, including: (a) a person who owns or
operates a municipal solid waste truck; and (b) a city that owns or operates a transport vehicle to
transport used or scrap tires to an authorized facility, are excepted from the requirement of (6)
provided that each load is manifested as required by TCEQ; (8) the TCEQ must use the money from the financial assurance described in (6) for the cleanup of abandoned tire storage sites; (9) a transporter must maintain certain records and submit an annual report to TCEQ; (10) a political subdivision is not required to comply with the requirements of (9) regarding the transportation of used or scrap tires directly from a roadway or easement maintained by the subdivision; and (10) penalties, including fines and confinement, will be assessed for violations of the requirements described above. (Effective September 1, 2017.)

S.B. 840 (Zaffirini/Martinez) – Drones: makes it lawful to capture an image using an unmanned aircraft in this state if the image is captured: (1) by or for a telecommunications provider for certain activities; (2) by or for a law enforcement authority and is of real property or a person on real property that is within 25 miles of the United States border for the sole purpose of ensuring border security; (3) by an employee or affiliate of an insurance company in connection with underwriting a policy or rating or adjusting a claim and the operator is authorized by the Federal Aviation Administration to conduct the operations. (Effective September 1, 2017.)

S.B. 920 (Whitmire/Lucio III) – Recovery of Personal Property: provides: (1) an amendment to state law that allows a person access to a residence or former residence to retrieve personal property on the basis of danger caused by family violence; and (2) that if a justice of the peace finds that application for a writ of entry to property establishes that the current occupant poses a clear and present danger of family violence to the applicant or the applicant’s dependent, the justice of the peace may waive the requirements for a bond, notice, and hearing, and grant the applicant a temporary ex parte writ authorizing the applicant to enter the residence accompanied by a peace officer to retrieve the property listed in the application. (Effective September 1, 2017.)

S.B. 1096 (Zaffrini/Smithee) – Wards: provides that, as soon as practicable, but not later than the first working day after the date a peace officer who arrests a ward (defined as a person for whom a guardian has been appointed), takes a ward into custody for proceedings before or including a referral to a court, or takes a ward into custody to an emergency detention, shall notify the court having jurisdiction over the ward’s guardianship of the ward’s detention or arrest or transportation to a emergency detention facility. (Effective September 1, 2017.)

S.B. 1138 (Whitmire/Krause) – Blue Alert System: requires the Department of Public Safety, with the cooperation of the Texas Department of Transportation, the office of the governor, and other appropriate law enforcement agencies in Texas, to develop and implement a statewide blue alert system to be activated to aid in the apprehension of an individual suspected of killing or causing serious bodily injury to a law enforcement officer. (Effective September 1, 2017.)

S.B. 1187 (West/Phillips) – No Insurance Citations: prohibits a police officer from issuing a citation for operating a motor vehicle without financial responsibility, unless: (1) the officer attempts to verify through the verification program that financial responsibility has been established for the vehicle; or (2) the citation includes an affirmative indication that the officer was unable to verify financial responsibility. (Effective immediately.)
S.B. 1253 (West/Smithee) – Custodial Interrogations: provides that: (1) unless good cause exists that makes electronic recording infeasible, a law enforcement agency must make a complete and contemporaneous electronic recording of any custodial interrogation that occurs in a place of detention and is of a person suspected of committing or charged with murder, capital murder, kidnapping, aggravated kidnapping, trafficking, sexual abuse of a child, indecency with a child, improper student/teacher relationship, sexual assault, aggravated sexual assault, or sexual performance by a child; (2) a recording in (1) is complete only if the recording begins at or before the time the interrogated person enters the area in which the interrogation will take place or receives a Miranda warning, whichever is earlier, and continues until the interrogation ceases; (3) good cause for not recording an interrogation described in (1) includes: (a) the interrogated person refuses to respond or cooperate; (b) a statement is made outside of a custodial interrogation; (c) the recording equipment did not function or the equipment is inadvertently operated incorrectly; (d) exigent public safety concerns prevent or render infeasible the making of a recording; or (e) a peace officer or agent of the law enforcement agency reasonably believed the person interrogated was not taken into custody for an offense described in (1); (4) a recording described in (1) is exempt from public disclosure; and (5) a statement by a person accused of an offense in (1) is not admissible in a criminal proceeding unless an electronic recording is made of the statement or the attorney representing the state offers proof that good cause existed that made recording infeasible. (Effective September 1, 2017.)

S.B. 1326 (Zaffirini/Price) – Criminal Defendants with Mental Illnesses: provides that: (1) a sheriff or municipal jailer must notify the magistrate within 12 hours if a defendant is in custody for an offense that is a Class B misdemeanor or higher and there is credible information that the defendant has a mental illness; (2) the time period for mental health authorities to provide additional information to the magistrate is shortened to require it within 96 hours after an order is issued for those in custody and within 30 days for those released from custody; (3) magistrates can order defendants to submit to exams at the jail or other appropriate places in addition to mental health facilities; (4) magistrates must submit monthly reports to the Office of Court Administration on the number of written assessments they received; (5) additional findings are necessary by the magistrate to release these defendants on a personal bond; and (6) a county or counties may jointly develop and implement jail-based competency restoration programs. (Effective September 1, 2017.)

S.B. 1571 (Huffman/Frullo) – Juveniles: provides that: (1) a law enforcement officer who takes possession of a child in an emergency without a court order may release the child to: (a) certain licensed residential child-care facilities; (b) a juvenile probation department; (c) the Department of Family and Protective Services (department); or (d) any person authorized by law to take possession of the child; and (2) before a law enforcement officer may release a child to a person authorized by law to take possession of the child, other than a governmental entity, the officer must: (a) verify that the child is not a missing child; (b) verify that the person does not have an outstanding warrant, a protective order issued against the person, and is not a registered sex offender; (c) obtain any other information the department considers relevant; (d) determine whether the person is registered as someone who has abused or neglected a child; (e) verify that the person is at least 18 years of age; and (f) maintain a record regarding the child’s placement including identifying information about the child and the name/address of the person to whom the child is being released. (Effective September 1, 2017.)
S.B. 1805 (Lucio/Lucio III) – Training: provides that the Texas Facilities Commission shall construct a multiuse training and operations center facility to be used by the Department of Public Safety, the Texas military forces, county and municipal law enforcement agencies, and any other military or law enforcement agency, including agencies of the federal government: (1) for training purposes; (2) to house law enforcement assets and equipment; and (3) to support and initiate tactical operations and law enforcement missions. (Effective September 1, 2017.)

S.B. 1849 (Whitmire/Coleman) – Sandra Bland Act: this bill: (1) provides that law enforcement agencies under certain circumstances shall make a good faith effort to divert persons to proper treatment centers if they are accused of misdemeanors and suffering a mental health crisis; (2) provides that counties shall develop plans for community collaboratives to provide services for person experiencing homelessness, substance abuse or mental illness; (3) creates a prisoner safety fund for capital improvements to county jails; (4) requires training for peace officers on de-escalation techniques for interaction with members of the public; (5) requires racial profiling policies to provide the telephone number, mailing address and email address for a compliment or complaint with respect to tickets, citations or warnings issued by a peace officer and to report whether physical force resulting in bodily injury was used during the stop; and (6) requires law enforcement agencies to examine the feasibility of equipping peace officers who regularly detain or stop motor vehicles with a body worn camera. (Effective September 1, 2017.)

Transportation

H.B. 100 (Paddie/Schwertner) – Transportation Network Companies: Preempts a city’s authority to regulate transportation network companies (TNCs). Specifically, provides that:

1. TNC drivers are not common, contract, or motor carriers;
2. the regulation of TNCs is an exclusive power and function of the State of Texas;
3. a city is prohibited from, in relation to a TNC: (a) imposing a tax; (b) requiring an additional license of permit; (c) setting rates; (d) imposing operational or entry requirements, or (e) imposing other requirements;
4. an airport owner or operator may impose certain regulations on a TNC;
5. the governing body of a governmental entity with jurisdiction over a cruise ship terminal may impose certain regulations on TNCs;
6. a person may not operate a TNC without a permit;
7. the permit shall be issued by the Texas Department of Licensing and Regulation for a fee determined by department rule to cover the costs of administering the permit;
8. TNCs and their drivers must have state-mandated insurance coverage;
9. passengers may consent to sharing a digitally prearranged ride;
10. a TNC must disclose to passengers the fare calculation method and provide an option to receive an estimated fare;
11. a TNC must provide the driver’s first name and picture, the make, model, and license plate number of the driver’s vehicle before a passenger enters a vehicle;
12. a receipt must be provided to the passenger;
13. a TNC must implement an intoxicating substance policy that prohibits a driver from any amount of intoxication;
14. certain requirements on driver eligibility and vehicles are mandated;
15. a TNC must conduct a local, state, and national criminal background check that includes the use of: (a) a commercial multistate and multijurisdictional criminal records locator, and (b) the national sex offender registry database;
16. a TNC must obtain and review a potential driver’s driving record;
17. an individual is prohibited from operating as a driver on the company’s digital network, if the individual: (a) has been convicted of more than three moving violations in the last three years; (b) has been convicted of fleeing or attempting to elude a police officer, reckless driving, or driving without a valid driver’s license in the last three years; or (c) has been convicted of driving while intoxicated, fraud, theft, or terrorism in the last seven years;
18. a driver logged in to a digital network is prohibited from soliciting or providing rides other than through the digital network;
19. a driver may refuse to transport a passenger acting in an unlawful, disorderly, or endangering manner;
20. a TNC must adopt a nondiscrimination policy;
21. each TNC must conduct a 2 year accessibility pilot program in one of the four largest markets in which the company operates;
22. a city may contract with a TNC for the coordination of large events in the city;
23. a TNC must maintain individual ride and driver records for at least five years;
24. any records disclosed to a public entity by a TNC are not subject to disclosure under the Public Information Act;
25. a city and a TNC may enter into an agreement for data sharing; and
26. the Texas Department of Licensing and Regulation may suspend or revoke a permit issued to a TNC that violates any applicable rules.

(Effective immediately. Note: a TNC operating under a city ordinance immediately before the effective date may operate at any location in the state without the required permit until the later of: (1) the 30th day after the date rules adopted by the Texas Department of Licensing and Regulation become effective; or (2) the date the company’s application for a permit submitted to the department is approved or denied. On the effective date, any city ordinance related to TNCs is void and has no effect.)

H.B. 561 (Murphy/Kolkhorst) – Golf Carts and Utility Vehicles: authorizes: (1) the Texas Department of Motor Vehicles to issue license plates for certain vehicles (e.g., golf carts and utility vehicles) operated by a motor carrier for the purpose of picking up and delivering mail, parcels, and packages; (2) vehicles described in (1) to operate on a public highway that is not an interstate or limited-access highway and that has a speed limit of not more than 35 miles per hour; (3) vehicles described in (1) to operate on certain subdivision and condominium property; and (4) cities to allow vehicles described in (1) to operate on all or part of public highway that is in the corporate boundaries of the city and has a speed limit of not more than 35 miles per hour. (Effective immediately.)
H.B. 920 (Kacal/Creighton) – All-Terrain Vehicles: provides that: (1) the triangular orange flag that must be placed on an all-terrain vehicle that is operated on a public street, road, or highway be at least six feet above ground level; and (2) all persons providing law enforcement, firefighting, ambulance, medical, or other emergency services may operate an all-terrain vehicle on a public street, road, or highway (excluding an interstate or limited-access highway) when: (a) performing official duties; (b) the operator attaches a flag as described in (1); (c) the headlights and taillights are illuminated; (d) the operator has a driver’s license; and (e) the operation does not exceed a distance of 10 miles from the point of origin to the destination. (Effective September 1, 2017.)

H.B. 1140 (Anderson/Hinojosa) – Transportation Funding: would, for purposes of allocation categories for state transportation funding, provide that: (1) “large urbanized area” means an urbanized area with a population of 200,000 or more; (2) “small urbanized area” means an urbanized area with a population of less than 200,000; and (3) the Texas Transportation Commission shall allocate to large urbanized, small urbanized, and nonurbanized areas under the formula program provided in state law the amount appropriated from all sources to the commission each state fiscal biennium for public transportation, other than money from the United States and amounts specifically appropriated for coordination, technical support, or other administrative costs. (Effective September 1, 2017.)

H.B. 1956 (Springer/Nichols) – Off-Highway Vehicles: provides that: (1) the term “off-highway” vehicle means an all-terrain vehicle, recreational off-highway vehicle, or utility vehicle; (2) the term “utility vehicle” means a vehicle that is not a golf cart or lawn mower and is: (a) equipped with side-by-side seating; (b) is designed to propel itself with at least four tires; (c) is designed by the manufacturer for off-highway use only; and (d) is designed by the manufacturer primarily for utility work and not recreational purposes; and (3) various laws currently applicable to “all-terrain” vehicles are applicable to “off-highway” vehicles. (Effective September 1, 2017.)

H.B. 2319 (Paddie/Creighton) – Overweight Vehicles: provides that: (1) a vehicle or combination of vehicles that is powered by an engine fueled primarily by natural gas may exceed any weight limitation imposed by the state by an amount that is equal to the difference between the weight of the vehicle attributable to the natural gas tank and fueling system carried by that vehicle and the weight of a comparable diesel tank and fueling system, provided that the maximum gross weight of the vehicle or combination of vehicles may not exceed 82,000 pounds; and (2) certain overweight intermodal shipping containers may be driven on certain roads near the Arkansas border. (Effective immediately.)

H.B. 3087 (Morrison/Nichols) – Service Vehicle Lighting: would require certain highway maintenance vehicles, including public utility vehicles or tow trucks, to have certain lighting equipment as directed by the Texas Department of Transportation when working near a highway. (Effective September 1, 2017.)

H.B. 3654 (Wray/Perry) – Road Machinery: defines, for purposes of the rules of the road, the term “road machinery” to mean a self-propelled vehicle that was originally and permanently
designed as machinery, is not designed or used primarily to transport persons or property, and is only incidentally operated on a highway. (Effective September 1, 2017.)

S.B. 312 (Nichols/L. Gonzales) – Texas Department of Transportation: this is the Texas Department of Transportation sunset bill. Of interest to cities, the bill – among other things – continues the department until September 1, 2029, and provides that:

1. for a sign (billboard) existing on March 1, 2017, that was erected before that date: (a) the sign may not be higher than 85 feet, excluding a cutout that extends above the rectangular border of the sign; and (b) a person may rebuild a sign described by (a) without obtaining a new or amended permit from the department, provided that the sign is rebuilt at the same location where the sign existed on March 1, 2017, and at a height that does not exceed the height of the sign on that date.

2. if a proposed improvement of the state highway system requires the closing of a highway, the department shall, before entering into a contract for the proposed improvement, coordinate the highway closure by communicating in person or by telephone call, email, or other direct method of communication with public officials from cities affected by the closure to avoid any adverse economic impact on the cities during: (a) periods of increased travel on the state highway system, including major state and federal holidays and school holidays; and (b) other periods of high commercial activity in the state, including sales tax holidays.

3. a city by ordinance may require the person in charge of a garage or repair shop where a motor vehicle is brought to report to a department of the city within 24 hours after the garage or repair shop receives the motor vehicle, giving the engine number, registration number, and the name and address of the owner or operator of the vehicle, if the vehicle was in an accident causing damage to the property of any one person to the apparent extent of $1,000 or more or shows evidence of a vehicle having been struck by a bullet.

4. a change in or a modification of a written report of a motor vehicle accident prepared by a peace officer that alters a material fact in the report may be made only by the peace officer who prepared the report, unless: (a) the change is made by a written supplement to the report; and (b) the written supplement clearly indicates the name of the person who originated the change.

5. the department shall publish on its internet website the report that a city with a red light photo enforcement system prepares annually (the report is required by existing law and relates to monitoring and annually reporting to the department the number and type of traffic accidents at the intersection to determine whether the system results in a reduction in accidents or a reduction in the severity of accidents).

6. the Statewide Transportation Plan must, among other things, contain specific and clearly defined transportation system strategies, long-term transportation goals for the state and measurable targets for each goal, and other related performance measures.

7. in selecting transportation projects, the department shall consider the transportation system strategies, goals and measurable targets, and other related performance measures.

8. the department shall prepare a long-term plan for a statewide passenger rail system and update the plan at least once every five years, and the plan shall include: (a) an analysis of short-term and long-term effects of each proposed passenger rail system on state and local road connectivity, including effects on oversize or overweight vehicles and other
commercial traffic; and (b) an analysis of the effect of each proposed passenger rail system on statewide transportation planning, including the effect on future state and local road construction and road maintenance needs.

9. the department may enter into agreements with local governments, convention and visitors bureaus, chambers of commerce, or other governmental or nongovernmental entities for the purpose of purchasing supplies and materials to be used for aesthetic entrances to cities or census designated places along interstate highways or highway corridors or ornamental decorations along overpasses, provided that the department may not expend appropriated funds solely to plan, design, or construct aesthetic entrances to cities or census designated places along interstate highways or highway corridors or ornamental decorations along overpasses.

10. the department shall develop and prominently display on the department’s Internet website a dashboard that clearly communicates to the public the transportation system strategies, goals and measurable targets, and other related performance measures established by the department and the department’s progress, including trends over time, in meeting the strategies, goals and targets, and other related performance measures.

11. the department shall conduct a comprehensive analysis regarding the effect of funding allocations made to various funding categories and project selection decisions on accomplishing the goals described in the statewide transportation plan.

12. the Texas Transportation Commission by rule shall: (a) adopt a policy comprehensively explaining the department’s approach to public involvement and transparency related to the unified transportation program; and (b) require the department to, at a minimum, make a report on any change to the unified transportation program available on the department’s Internet website and provide the report to the commission in a public meeting, regardless of any rules adopted for public hearings and approvals.

13. the department shall conduct a review of project development activities in each district’s project portfolio on a regular basis and use the review to monitor and evaluate the performance of each district, and shall, when appropriate, seek input from key stakeholders, such as local government project sponsors or metropolitan planning organizations.

14. the commission shall adopt rules governing the alignment of the department’s state and federal funding forecasts, including the annual funding forecast, with the funding forecasts of metropolitan planning organizations, including the funding forecasts used for long-term planning and the 10-year transportation plan.

15. the commission by rule shall require a hearing for projects that substantially change the layout or function of a connecting roadway or an existing facility, including the addition of managed lanes, high-occupancy vehicle lanes, bicycle lanes, bus lanes, and transit lanes.

16. the department may not award a contract for the construction, maintenance, or improvement of a highway in this state to a contractor unless the contractor and any subcontractor register with and participate in the E-verify program to verify employee information.

(Effective September 1, 2017.)
S.B. 1102 (Creighton/Paddie) – Vehicle Weight Limits: provides that a vehicle or combination of vehicles that is powered by an engine fueled primarily by natural gas may exceed any weight limitation imposed by the state by an amount that is equal to the difference between the weight of the vehicle attributable to the natural gas tank and fueling system carried by that vehicle and the weight of a comparable diesel tank and fueling system, provided that the maximum gross weight of the vehicle or combination of vehicles may not exceed 82,000 pounds. (Effective immediately.)

S.B. 1383 (Perry/K. King) – Fluid Milk Trucks: provides, among other things, that: (1) the Texas Department of Transportation may issue a permit to a truck to transport fluid milk that meets certain weight requirements; (2) a permit issued under (1) authorizes the operation of a truck-tractor and semitrailer combination on highways and roads approved by the department; and (3) unless otherwise provided by state or federal law, a county or city may not require a permit, fee, or license for the operation of a fluid milk truck in addition to a permit, fee, or license required by state law. (Effective January 1, 2018.)

S.B. 2006 (Watson/Morrison) – Texas Highway Beautification Act: provides that: (1) the Texas Highway Beautification Act, under which the Texas Department of Transportation regulates signs along state highways, essentially applies only to a “commercial sign” (as opposed to all “outdoor advertising”); and (2) commercial sign means a sign that is: (a) intended to be leased, or for which payment of any type is intended to be or is received, for the display of any good, service, brand, slogan, message, product, or company, except that the term does not include a sign that is leased to a business entity and located on the same property on which the business is located; or (b) located on property owned or leased for the primary purpose of displaying a sign. (Note: This bill is meant to address the appeals court holding in Auspro Enterprises v. Texas Department of Transportation, which held most of the Highway Beautification Act unconstitutional because it impermissibly regulated political and other signs based on the content of the sign.) (Effective immediately.)

S.B. 2205 (Hancock/Geren) – Automated Driving Systems: provides:

1. for a definition of automated driving system and automated motor vehicle;
2. that a city may not impose a fee, registration, franchise, or regulation related to the operation of an automated motor vehicle or driving system;
3. that the owner of an automated driving system is considered the operator of the vehicle for the purpose of assessing compliance with applicable traffic or motor vehicle laws;
4. that the automated driving system is considered to be licensed to operate the vehicle;
5. that a licensed human operator is not required to operate a motor vehicle if an automated driving system installed on the vehicle is engaged;
6. that an automated motor vehicle may not operate on a highway in this state with the automated driving system engaged unless the vehicle is:
   a. capable of operating in compliance with traffic and motor vehicle laws;
   b. equipped with a recording device installed by the manufacturer;
   c. equipped with an automated driving system in compliance with federal laws;
   d. registered and titled, in accordance with state law; and
   e. covered by motor vehicle liability coverage.
7. that, if an automated motor vehicle is in an accident, the automated vehicle or any human operator must comply with Chapter 550 of the Transportation Code.

(Effective September 1, 2017.)

**Utilities and Environment**

**H.B. 544 (Anderson/Hinojosa) – Rural Water Assistance Fund:** allows the Texas Water Development Board to use the Rural Water Assistance Fund to assist rural political subdivisions with water planning. (Effective immediately.)

**H.B. 931 (Miller/Kolkhorst) – Hike and Bike Trails:** removes the “hike-and-bike trails” Harris County bracket in current law to make the following provisions apply statewide: (1) an electric utility, as the owner, easement holder, occupant, or lessee of land, may enter into a written agreement with a political subdivision to allow public access to and use of the premises of the electric utility for recreation, exercise, relaxation, travel, or pleasure; (2) the electric utility, by entering into an agreement or at any time during the term of the agreement, does not: (a) assure that the premises are safe for recreation, exercise, relaxation, travel, or pleasure; (b) owe to a person entering the premises for recreation, exercise, relaxation, travel, or pleasure, or accompanying another person entering the premises for recreation, exercise, relaxation, travel, or pleasure, a greater degree of care than is owed to a trespasser on the premises; or (c) assume responsibility or incur any liability for: (i) damages arising from or related to bodily or other personal injury to or death of any person who enters the premises for recreation, exercise, relaxation, travel, or pleasure or accompanies another person entering the premises for recreation, exercise, relaxation, travel, or pleasure; (ii) property damage sustained by any person who enters the premises for recreation, exercise, relaxation, travel, or pleasure or accompanies another person entering the premises for recreation, exercise, relaxation, travel, or pleasure; or (iii) an act of a third party that occurs on the premises, regardless of whether the act is intentional; (3) number (2), above, does not limit the liability of an electric utility for serious bodily injury or death of a person proximately caused by the electric utility’s wilful or wanton acts or gross negligence with respect to a dangerous condition existing on the premises; (4) the limitation on liability provided by the law applies only to a cause of action brought by a person who enters the premises for recreation, exercise, relaxation, travel, or pleasure or accompanies another person entering the premises for recreation, exercise, relaxation, travel, or pleasure; or (5) the doctrine of attractive nuisance does not apply to a claim that is subject to the law; and (6) a written agreement entered into under the law may require the political subdivision to provide or pay for insurance coverage for any defense costs or other litigation costs incurred by the electric utility for damage claims under the law. (Effective September 1, 2017.)

**H.B. 965 (Springer/Perry) – Water Conservation:** allows a city owned utility to require a correctional facility that receives water from the city to comply with the water conservation measures adopted or implemented by the city, unless the operator of the facility submits to the city owned utility a written statement from the Texas Department of Criminal Justice that states the measure would endanger health and safety at the facility or unreasonable increase the costs of operating the facility. (Effective immediately.)
H.B. 1571 (Paddie/Hughes) – Energy Savings Performance Contracts: provides that, in relation to an energy savings performance contract: (1) the baseline calculation may be based on, in addition to criteria in current law, avoided anticipated costs; and (2) “energy savings” includes an estimated reduction in costs for anticipated equipment replacement and repair. (Effective immediately.)

H.B. 1573 (Price/Creighton) – Water Loss Audits: requires the Texas Water Development Board to: (1) implement rules requiring city water loss audits to be completed by a person trained to conduct water loss audits; and (2) make training on water loss audit available for free on the board’s website. (Effective September 1, 2017.)

H.B. 1619 (Shine/Buckingham) – Outdoor Burning: provides that, if outdoor burning violates a Texas Commission on Environmental Quality rule and city ordinance, the conduct may only be prosecuted under the city ordinance unless it is a subsequent violation or involves the burning of heavy oils, asphaltic materials, potentially explosive materials, or chemical wastes. (Effective September 1, 2017.)

H.B. 1648 (Price/Seliger) – Water Conservation Plan: requires a city that provides potable water service to 3,300 or more connections to designate an employee as the water conservation coordinator in the water conservation plan submitted to the Texas Water Development Board. (Effective September 1, 2017.)

H.B. 1818 (L. Gonzales/V. Taylor) – Texas Railroad Commission: this is the Texas Railroad Commission “sunset bill.” It continues the commission until September 1, 2029, and – among other things – provides that: (1) the oil and gas division of the commission shall develop and publish an annual plan, after seeking stakeholder input, for each state fiscal year to use the oil and gas monitoring and enforcement resources of the commission strategically to ensure public safety and protect the environment; (2) the commission by rule may establish pipeline safety and regulatory fees to be assessed for permits or registrations for pipelines under the jurisdiction of the commission’s pipeline safety; and (3) the commission may not award a contract for goods or services in this state to a contractor unless the contractor and any subcontractor register with and participate in the E-verify program to verify employee information. (Effective September 1, 2017.)

H.B. 2369 (Nevarez/Lucio) – Water Rates: provides that: (1) a city utility that provides water or sewer service to a public school district may not charge the district a fee based on the number of district students or employees in addition to the rates the utility charges the district for the service; and (2) a public school district charged a fee based on the number of students or employees may appeal the charge by filing a petition with the Public Utility Commission. (Effective immediately.)

**VETOED** H.B. 2377 (Larson/Perry) – Brackish Groundwater Development: provides that: (1) groundwater conservation districts may adopt rules for the issuance of permits to withdraw brackish groundwater from a well in a designated brackish groundwater production zone for a project designed to treat brackish groundwater to drinking water standards; (2) the minimum
term for a permit issued for a well the produces brackish groundwater from a designated brackish groundwater production zone is 30 years; and (3) the holder of a permit must submit annual reports to the groundwater conservation district on the amount of brackish groundwater withdrawn and aquifer levels. (Effective September 1, 2017.)

**H.B. 2533 (Geren/Estes) – Civil Environmental Lawsuits:** provides that: (1) before instituting a claim under chapter 7 of the Water Code, a city must provide (a) written notice of each alleged violation, (b) the facts in support of the claim, and (c) the specific relief sought to the attorney general and the executive director of the Texas Commission on Environmental Quality; (2) a city may institute a claim on or after the 90th day after the attorney general and executive director of TCEQ receive the notice, unless the attorney general or TCEQ have commenced their own civil suit; and (3) if a city discovers a violation that is within 120 days of the expiration of the limitations period, then the notice requirement timeframe is shortened to 45 days. (Effective September 1, 2017.)

**VETOED H.B. 2943 (Larson/Perry) – State Water Pollution Control Fund:** provides that: (1) projects eligible for assistance under Section 603(c) of the Federal Water Pollution Control Act are eligible for state funding administered through the Water Development Board; and (2) the Texas Water Development Board may use the revolving fund for loans for a term not to exceed the lesser of 30 years or the projected useful life. (Effective immediately.)

**H.B. 3177 (Lucio/Estes) – Contested Cases:** adds an additional allowance for the executive director of the Texas Commission on Environmental Quality to act on an application or request if the matter has become uncontested before parties are named because each person who requested a contested case hearing has withdrawn the request or agreed in writing to the action to be taken by the executive director. (Effective September 1, 2017.)

**H.B. 3257 (Paddie/Hancock) – Fuel Gas Systems:** prohibits a state agency or political subdivision from restricting the use or installation of a specific fuel gas pipe product that is approved for use and installation by the International Fuel Gas Code. (Effective immediately.)

**H.B. 3735 (Frank/Rodriguez) – Water Rights:** provides that the holder of a water right that begins using desalinated seawater after acquiring the water right has a right to expedited consideration of an application to amend the water right, if certain conditions are met. (Effective September 1, 2017.)

**VETOED H.B. 3987 (Larson/Nichols) – Financial Assistance:** allows the Texas Water Development Board to use the state participation account of the water development fund to provide financial assistance for desalination or aquifer storage and recovery facilities. (Effective September 1, 2017.)

**S.B. 735 (Hancock/Cook) – Electric Rates:** this bill applies to an investor-owned electric utility that operates solely inside ERCOT and provides, among other things, that: (1) not later than June 1, 2018, the Public Utility Commission by rule shall establish a schedule that requires an electric utility to make periodic filings with the commission to modify or review base rates charged by the electric utility; (2) the schedule may be established on the basis of: (a) the period
since the commission entered the commission’s final order in the electric utility’s most recent base rate proceeding; (b) whether the electric utility has earned materially more than the utility’s authorized rate of return on equity as demonstrated by earnings monitoring reports; or (c) other criteria that the commission determines is in the public interest; (3) the commission shall extend the date for the proceeding required by (1) by one year on a year-to-year basis if, 180 days before the date the proceeding is required, the electric utility’s most recent earnings monitoring report shows the electric utility is earning, on a weather-normalized basis, less than 50 basis points above: (a) for a transmission and distribution utility, the average of the most recent commission-approved rate of return on equity for each transmission and distribution utility with 175,000 or more metered customers; and (b) for a transmission-only utility, the average of the most recent commission-approved rate of return on equity for each transmission-only utility; (4) the commission may extend the date for the proceeding required by (1) for good cause shown or because of resource constraints of the commission; (5) the bill does not limit the ability of a regulatory authority to initiate a base rate proceeding at any time under this title; and (6) beginning on the effective date of the schedule adopted by the commission under (1), the electric utility may adjust the utility’s rates under this section more than four times between base rate proceedings. (Effective immediately.)

S.B. 873 (Creighton/Murphy) – Master Water Meters: allows a tenant of an apartment home, manufactured home, condominium, or other multiple use facility to file a complaint with the Public Utility Commission for a violation relating to the assessment of a portion of utility costs for submetered and nonsubmetered master metered water and wastewater services. (Effective immediately.)

S.B. 1004 (Hancock/Geren) – Small Cellular Network Deployment: this bill was sought by wireless companies and industry vendors (“network providers”) to quickly install small cellular equipment (“network nodes”) and/or towers in a city’s rights-of-way. It makes various findings related to the deployment of cellular network nodes in the public rights-of-way and municipal authority over those rights-of-way, and – with regard to access to a city’s rights-of-way for the installation of network nodes – provides that:

1. subject to the requirements of the bill and the approval of a permit application, if required, a network provider is authorized, as a permitted use, without need for a special use permit or similar zoning review and not subject to further land use approval, to do the following in the public right-of-way: (a) construct, modify, maintain, operate, relocate, and remove a network node or node support pole (a pole installed by a network provider for the primary purpose of supporting a network node); (b) modify or replace a utility pole (a pole that provides electric distribution or telecommunications service) or node support pole; and (b) collocate on a pole, subject to an agreement with the city that does not conflict with the bill.
2. a network provider taking an action authorized by (1), above, is subject to applicable codes, including applicable public right-of-way management ordinances.
3. a network provider shall construct and maintain network nodes and node support poles in a manner that does not: (a) obstruct, impede, or hinder the usual travel or public safety on a public right-of-way; (b) obstruct the legal use of a public right-of-way by other utility providers; (c) violate nondiscriminatory applicable codes; (d) violate or conflict with the
city’s publicly disclosed public right-of-way design specifications; or (e) violate the federal Americans with Disabilities Act.

4. a network provider shall ensure that each new, modified, or replacement utility pole or node support pole installed in a public right-of-way in relation to which the network provider received approval of a permit application does not exceed the lesser of: (1) 10 feet in height above the tallest existing utility pole located within 500 linear feet of the new pole in the same public right-of-way; or (b) 55 feet above ground level.

5. a network provider may not install a new node support pole in a public right-of-way without the city’s discretionary, nondiscriminatory, and written consent if the public right-of-way is in a municipal park or is near or in certain residential areas.

6. a network provider must obtain advance approval from a city before collocating new network nodes or installing new node support poles in an area zoned or otherwise designated as a historic district or as a design district if the district has decorative poles, and a city can require certain types of equipment in those areas.

7. a network provider shall, in relation to installation for which the city approved a permit application, comply with nondiscriminatory undergrounding requirements, including municipal ordinances, zoning regulations, state law, private deed restrictions, and other public or private restrictions, that prohibit installing aboveground structures in a public right-of-way without first obtaining zoning or land use approval, but a city can’t prohibit a network provider from replacing an existing structure.

8. a city may adopt a design manual for the installation and construction of network nodes and new node support poles in the public right-of-way that includes additional installation and construction details that do not conflict with the bill, including: (a) a requirement that an industry standard pole load analysis be completed and submitted to the city indicating that the service pole to which the network node is to be attached will safely support the load; and (b) a requirement that network node equipment placed on new and existing poles be placed more than eight feet above ground level.

9. a network provider shall comply with a design manual, if any, in place on the date a permit application is filed in relation to work for which the city approved the permit application, and no moratorium is allowed based on the lack of a design manual.

10. a city, subject to an agreement with the city that does not conflict with the bill, shall allow collocation of network nodes on “service poles” on nondiscriminatory terms and conditions and at a rate not greater than $20 per year per service pole.

11. A “service pole” for purposes of (10), above, means a pole, other than a municipally owned utility pole, owned or operated by a city and located in a public right-of-way, including: (a) a pole that supports traffic control functions; (b) a structure for signage; (c) a pole that supports lighting, other than a decorative pole; and (d) a pole or similar structure owned or operated by a city and supporting only network nodes.

With regard to applications and permits for the installation of network nodes, the bill provides that:

1. a city may not directly or indirectly require, as a condition for issuing a permit required under the bill, that the applicant perform services unrelated to the installation or collocation for which the permit is sought, including in-kind contributions such as reserving fiber, conduit, or pole space for the city.
2. A city may require a network provider to obtain one or more permits to install a network node, node support pole, or transport facility in a public right-of-way if the permit: (a) is of general applicability to users of the public right-of-way; (b) does not apply exclusively to network nodes; and (c) is processed on nondiscriminatory terms and conditions regardless of the type of entity submitting the application for the permit.

3. A network provider is entitled to file a consolidated permit application for not more than 30 network nodes and receive permits for the installation or collocation of those network nodes.

4. As part of the standard form for a permit application, a city may require the applicant to include applicable construction and engineering drawings and information to confirm that the applicant will comply with the city’s publicly disclosed public right-of-way design specifications and applicable codes, as well as certain other information.

5. For the imposition of “shot clocks” on permit approvals as follows: (a) not later than the 30th day after the date the city receives an application for a permit for a network node or node support pole, or the 10th day after the date the city receives an application for a permit for a transport facility, the city shall determine whether the application is complete and notify the applicant of that determination; and (2) a city must approve or deny an application for a node support pole not later than the 150th day after the date the municipality receives the complete application, a network node not later than the 60th day after the date the city receives the complete application, or a transport facility not later than the 21st day after the date the city receives a complete application.

6. A city that denies a complete application must document the basis for the denial, including the specific applicable code provisions or other municipal rules, regulations, or other law on which the denial was based, and provide an opportunity to cure.

7. The amount of an application fee charged by a city may not exceed the lesser of: (a) the actual, direct, and reasonable costs the municipality determines are incurred in granting or processing an application that are reasonably related in time to the time the costs of granting or processing an application are incurred (which may not include contingency payments or third-party engineering or legal review); or (b) $500 per application covering up to five network nodes, $250 for each additional network node per application, and $1,000 per application for each pole.

8. A city may not require a network provider to submit an application, obtain a permit, or pay a rate for most routine maintenance or replacement of “substantially similar” existing equipment as defined by the bill.

With regard to compensation for use of city rights-of-way, the bill provides that:

1. A public right-of-way rate for use of the public right-of-way may not exceed an annual amount equal to $250 multiplied by the number of network nodes installed in the public right-of-way in a city’s corporate boundaries.

2. A city may charge a network provider a lower rate or fee if the lower rate or fee is: (a) nondiscriminatory; (b) related to the use of the public right-of-way; and (c) not a prohibited gift of public property.

3. A city may adjust the amount of the public right-of-way rate not more often than annually by an amount equal to one-half the annual change, if any, in the consumer price index.
4. to increase the rate under (3), above, the city shall provide written notice to each network provider of the new rate, and the rate shall apply to the first payment due on or after the 60th day following that notice.

5. a network provider that wants to connect a network node to the network using the public right-of-way may: (a) install its own transport facilities; or (b) obtain transport service from a person that is paying municipal fees to occupy the public right-of-way that are the equivalent of not less than $28 per node per month.

6. a network provider may not install its own transport facilities unless the provider: (a) has a permit to use the public right-of-way; and (b) pays to the city a monthly public right-of-way rate for transport facilities in an amount equal to $28 multiplied by the number of the network provider’s network nodes located in the public right-of-way for which the installed transport facilities provide backhaul unless or until the time the network provider’s payment of municipal fees to the city exceeds its monthly aggregate per-node compensation to the city (any fee required by this provision is in addition to the $250 per node fee).

7. a city may not require a network provider to pay any compensation other than the compensation authorized by this chapter for the right to use a public right-of-way for network nodes, node support poles, or transport facilities for network nodes.

With regard to the size of equipment in a city’s rights-of-way, the bill provides that:

1. a network node to which the bill applies must conform to the following conditions: (a) each antenna that does not have exposed elements and is attached to an existing structure or pole: (i) must be located inside an enclosure of not more than six cubic feet in volume; (ii) may not exceed a height of three feet above the existing structure or pole; and (iii) may not protrude from the outer circumference of the existing structure or pole by more than two feet; (b) if an antenna has exposed elements and is attached to an existing structure or pole, the antenna and all of the antenna’s exposed elements: (i) must fit within an imaginary enclosure of not more than six cubic feet; (ii) may not exceed a height of three feet above the existing structure or pole; and (iii) may not protrude from the outer circumference of the existing structure or pole by more than two feet.

2. certain types of ancillary equipment defined by the bill are not included in the calculation under (1), above.

3. the cumulative size of other wireless equipment associated with the network node attached to an existing structure or pole may not: (a) be more than 28 cubic feet in volume; or (b) protrude from the outer circumference of the existing structure or pole by more than two feet.

4. ground-based enclosures, separate from the pole, may not be higher than three feet six inches from grade, wider than three feet six inches, or deeper than three feet six inches and pole-mounted enclosures may not be taller than five feet.

5. equipment attached to node support poles may not protrude from the outer edge of the node support pole by more than two feet and equipment attached to a utility pole must be installed in accordance with the National Electrical Safety Code, subject to applicable codes, and the utility pole owner’s construction standards.

With regard to other, miscellaneous items, the bill provides that:
1. the bill applies only to activities related to transport facilities for network nodes, activities of a network provider collocating network nodes in the public right-of-way or installing, constructing, operating, modifying, replacing, and maintaining node support poles in a public right-of-way, and municipal authority in relation to those activities.

2. a city may not enter into an exclusive arrangement with any person for use of the public right-of-way for the construction, operation, marketing, or maintenance of network nodes or node support poles.

3. a city, in its exercise of administrative and regulatory authority related to the management of and access to the public right-of-way, must be competitively neutral with regard to other users of the public right-of-way.

4. the governing body of a municipally owned utility shall allow collocation of network nodes on municipally owned utility poles on nondiscriminatory terms and conditions and pursuant to a negotiated pole attachment agreement, including any applicable permitting requirements of the municipally owned utility.

5. nothing in the bill shall govern attachment of network nodes on poles and other structures owned or operated by investor-owned electric utilities, electric cooperatives, telephone cooperatives, or telecommunications providers, and the bill does not confer on cities any new authority over those utilities, cooperatives, or providers.

6. subject to the bill and applicable federal and state law, a city may continue to exercise zoning, land use, planning, and permitting authority, including with respect to utility poles.

7. a city may exercise that authority to impose police-power-based regulations for the management of the public right-of-way that apply to all persons subject to the city.

8. a network provider shall relocate or adjust network nodes in a public right-of-way in a timely manner and without cost to the city managing the public right-of-way.

9. a network provider shall operate all network nodes in accordance with all applicable laws, including regulations adopted by the Federal Communications Commission and related to harmful interference.

10. if a rate, term, or condition of an agreement or ordinance related to the construction, collocation, operation, modification, or maintenance of network nodes does not comply with the requirements of the bill, a city shall amend the agreement or ordinance to comply with the bill and the amended rates, terms, or conditions shall take effect for those network nodes on the six-month anniversary of the effective date of the bill.

(Effective September 1, 2017.)

S.B. 1430 (Perry/Lucio) – Desalination: entitles an existing water right holder that begins using desalinated seawater to expedited consideration of an application for an amendment to the water right, provided that certain conditions are met. (Effective September 1, 2017.)

S.B. 1511 (Perry/Price) – Water Planning: requires: (1) the State Water Plan to review the projects included in the preceding state water plan that were given high priority by the Texas Water Development Board for financial assistance and assess: (a) the extent to which the projects that were implemented the preceding decade were needed; and (b) an analysis of any impediments to the implementation of any projects that were not implemented in the decade in

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which they were needed; and (2) a regional water planning group to amend the approved regional water plan to exclude a water management strategy or project declared infeasible and consider amending the plan to include a feasible water management strategy. (Effective September 1, 2017.)

**VETOED S.B. 1525 (Perry/Larson) – Water Availability:** requires the Texas Water Development Board to study aquifer storage and recovery projects identified in the state water plan and report the results of each study to the regional water planning groups. (Effective September 1, 2017.)

**S.B. 1731 (Birdwell/Meyer) – Emissions Reduction:** requires, among other things, that the Texas Commission on Environmental Quality establish a governmental alternative fuel fleet grant program to assist certain state agencies and political subdivisions in: (1) purchasing or leasing new motor vehicles that operate primarily on an alternative fuel; and (2) purchasing, leasing, or installing alternative refueling infrastructure, equipment, and services. (Effective on the date that the Texas Emissions Plan Reduction Fund is abolished, and the funding for those programs are continued in effect.

**S.B. 1842 (Lucio/Phelan) – Certificates of Convenience and Necessity:** amends the Water Code to provide modifications to the CCN process for water districts; and provides that a city’s consent is not required to amend a certificate for an area in the city’s extraterritorial jurisdiction. (Effective September 1, 2017.)

**S.B. 2014 (Creighton/Schubert) – Special Districts:** provides, among other things, that: (1) the Texas Commission on Environmental Quality may approve the creation of a special district that includes any portion of the land covered by the city’s consent to creation of the district; and (2) the legislature may create and may validate the creation of a district that includes any portion of the land covered by the city’s consent to the creation of the district. (Effective September 1, 2017.)

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