

GFOAT Legislative Update:

Local Control Takes Some Hits But Mostly Survives

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Presenter:

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The “Cutting Room Floor”

The League and city officials defeated legislation that would have:

1. Reduced the current cap on annual increases in residential appraisals from 10 percent to some lesser amount, applied the cap to all real property; or capped city revenues.
2. Limited the ability of cities to issue debt.
3. Eliminated municipal annexation authority.
4. Eliminated the ability of city officials to lobby or to join an association that lobbies on their behalf.
5. Eliminated the concept of “home rule” cities.
6. Preempted ANY city regulation not expressly authorized by state law, or specifically preempted ordinances on plastic bags, payday/auto title lenders, Uber/Lyft, red light cameras, texting while driving, and more.



Property Tax

- **HB 1953 (D. Bonnen/Hinojosa):** Property tax rate notice deadline (Eff. Jan 1, 2016)
- **SB 1/SJR 1 (Nelson/D. Bonnen):** \$25k school district homestead exemption (Eff. January 1, 2015 if it passes this November)

Property Tax

- **SB 1760 (Creighton/D. Bonnen):** (1) 60% vote to exceed effective rate; (2) if exceeding effective rate, notice must describe what increase will be spent on. (Eff. January 1, 2016)

Sales Tax

H.B. 157 (Larson/Eltife) – Sales Tax: provides that: (1) a city may hold an election to impose a dedicated sales and use tax for sports and venue districts, crime control and prevention districts, economic development corporations, property tax relief, or street maintenance at any rate that is an increment of at least one-eighth of one percent and that would not result in a combined rate that exceeds the maximum local sales and use tax rate of two percent; and (2) **a city may hold an election to impose its general sales and use tax at any rate that is an increment of at least one-eighth of one percent and that would not result in a combined rate that exceeded the maximum local sales and use tax rate of two percent.** (Effective September 1, 2015.)



Debt

- **HB 1378 (Flynn/Bettencourt):** Local debt reporting: (1) annual compilation of detailed debt information; (2) in lieu of report, can link to equivalent information already available; (3) needs to be posted on internet but can have comptroller do so; (4) less reporting for cities under 15,000. (Eff. Jan 1, 2016)

QUESTIONS?



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