Legislative Update
GFOAT Fall Conference 2019
Arlington, Texas

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86th Texas Legislature
Revenue Caps *Finally* Passed, Now What?

**S.B. 2:**
- Effective January 1, 2020
- 3.5% “voter-approval rate” plus automatic election
  - 3-year banking
  - De minimis relief for cities under 30,000
- All new notice/transparency requirements
- Automatic election in November puts cities in a time crunch
City Role in Protecting Property Values

**H.B. 2439**: City can’t regulate building materials authorized by national building codes with limited exceptions
Property Tax Abatement Lives on...Kind of

H.B. 3143:

• Chapter 312 authority extended until 2029
• New hearing and 30-day notice requirements added
• BUT - How viable are 312 agreements in light of a 3.5% cap?
The End of Annexation as We Know It

H.B. 347: Bye-bye annexation
What Does *Wayfair* Mean for Texas Cities?

- Comptroller issued rules October 2018, believes no legislation strictly required to begin state and city collection  
  - October 1, 2019 start date for collection
- **H.B. 1525**: shift all sourcing, including in-state, to destination if goods sold at certain “marketplaces”
- **H.B. 2153**: Comptroller-recommended legislation affects city share  
  - Blended rate instead of individual city rates
  - Cities collect based on current sales tax collections, not actual deliveries from out-of-state retailers
S.B. 1152: Providers don’t have to pay both cable and telecom franchise fees—can drop the lowest statewide
**Red Light Cameras Are Officially Dead**

**H.B. 1631:** No new red light camera contracts; existing contracts continue until expiration unless they contained language that authorized termination on basis of adverse state legislation.
Legislature Reacts to *Doyal*

**S.B. 1640**: Attempt to make criminal conspiracy provision of Open Meetings Act constitutional

“Stated plainly, ‘[t]his shows that criminal penalties, particularly imprisonment, are not necessary to the proper and effective functioning of open meeting laws.’”
Council Meetings Just Got More Interesting

**H.B. 2840**: Must allow public to comment in public meetings
How Do Cities Calculate Building Permit Fees?

**H.B. 852**: Residential permit fees
Technology-Related (Unfunded) Mandates

- **H.B. 305**: If a city has a website, requires meeting, election, and other info be posted.
- **H.B. 3834**: All city officials and employees with access to government computer systems must complete annual cybersecurity training; can be offered in-house.
- **S.B. 1303**: Required digital mapping for home rule cities.
The Platting Shot Clock

**H.B. 3167**: Must approve/disapprove subdivision plat/plan applications w/in 30 days or deemed approved
“Temporary Custodians” and PIA Requests

**S.B. 944:** Temporary Custodian


Taxpayer Funded Lobby Transparency

H.B. 1495: Lobby reporting and budgeting
Post Session Resources?
https://www.tml.org

LEGISLATIVE UPDATE

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- TML Legislative Update 24
  - More to Come: "Post Session Updates"
  - Post Session Update: Governor Continues Texas State Board of Plumbing Examiners
  - Post Session Update: Property Tax Reform
  - Post Session Update: Contracts Disclosure
  - 2019 City Tax and Budget Deadlines Memo Now Available
Questions?

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