

Legislative Update: A Recap of a Long 88th Legislative Session and a Look to 2025

TML Small Town Conference
Granbury, Texas
May 2, 2024



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2023 Highlights

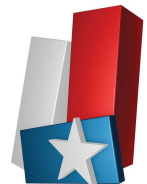
- Regular Session (140 days)
- The first removal of a House member in almost 100 years
- The impeachment of Attorney General
- Fights between the Senate and House on property tax reform
- Fights between Gov. and the House on school vouchers
- 4th Special Session gaveled out on December 5, 2023 (329 days later)



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88th Legislative Session – By the Numbers

- 8,344 bills and joint resolutions filed - 1,880 tracked bills (23%)
- 1,258 bills passed - 230 tracked bills passed
- 1,073 bills passed (87th Legislative Session)



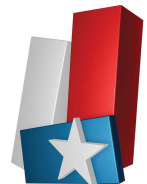
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Preemption

- The 2023 session saw breakthrough of “super preemption” legislation, in addition to the usual, narrowly-tailored preemption bills.
- Significant legislation that passed:
 - **H.B. 2127** – Prevents cities and counties from adopting, enforcing, or maintaining local regulations related to an activity located in a field of regulation occupied by state law in certain state codes.
- Litigation Update



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Land Use

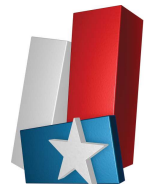
- Land use issues dominated the session as it related to cities, with a focus on disannexation, ETJ removal, development shot clocks, the right-to-farm in city limits, and zoning authority.
- Significant legislation that passed:
 - **S.B. 2038** – Release of area from ETJ by petition or election
 - **H.B. 1750** – Limits on city regulation of agricultural operations
 - **H.B. 3699/H.B. 14** – Numerous changes to platting review process
 - **S.B. 929** – Compensation for termination of non-conforming use
- Litigation Update



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Look to 2025 *Senate Interim Charges*

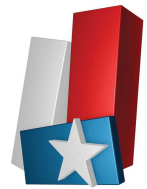
- **ETJ:** Study issues related to the implementation of SB 2038 and HB 3053 (Disannexation), and make recommendations to secure and enhance the protection of landowners' property rights.
- **Housing Affordability:** Study issues related to housing, including housing supply, homelessness, and methods of providing and financing affordable housing. Make recommendations to reduce regulatory barriers, strengthen property rights, and improve transparency and accountability in public programs for housing.



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City Finance and Administration

- Property tax relief the focus of regular and special sessions.
- Legislature addressed city fees more than other revenue sources.
- Few bills passed addressing city sales taxes or city debt.
 - **H.B. 3492** – Prohibits value-based city permit fees
 - **S.B. 577** – Local alcohol fees and public health districts
 - **S.B. 1420** – Local HOT tax reporting changes



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Look to 2025 *Senate Interim Charges*

- **Additional Property Tax Relief and Reform:** Report the effects of the \$18 Billion tax cut with the \$100,000 homestead exemption. Make recommendations for further property tax relief and reform, including methods to improve voter control over tax rate setting and debt authorization. (Senate Local Government)
- **Continue Cutting Property Taxes:** ID best combination to further increase the amount of homestead exemption and compression to continue cutting property taxes. Report cost of eliminating: (1) School M&O; (2) All school property taxes; and (3) All property taxes.



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Economic Development

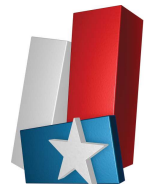
- Former Chapter 313 school value limitations were updated and recodified, with indirect impact on cities. Some positive economic development authority passed for cities, along with expanded reporting requirements.
- Significant legislation that passed:
 - **H.B. 5** – ISD tax limitation program
 - **S.B. 543** – City transfer of land in 380 agreements
 - **S.B. 1340** – Expands 380 and tax abatement reporting



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Public Safety and Personnel

- Legislature shifted focus from reform to address certain public safety issues – street takeovers, catalytic converter theft, and paper tags.
- Significant legislation that passed:
 - **H.B. 1819** – Prohibits local juvenile curfews
 - **H.B. 471** – Paid illness and injury leave for first responders
 - **H.B. 3186** – Mandatory youth diversion programs
 - **H.B. 718** – Paper tags beginning in 2025
 - **H.B. 1442** – Seizure of cars used in street takeovers
 - **S.B. 224** – Increased penalties for catalytic converter theft



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Open Government and Elections

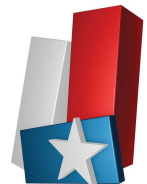
- As always, the session featured a push for increased transparency. Some of the legislation that passed will create additional work and expense for cities in years to come.
- Significant legislation that passed:
 - **H.B. 357** – Scheduling runoff elections
 - **H.B. 3033** – Omnibus PIA reform bill
 - **S.B. 943** – Requirements on newspapers to post notices



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Utilities and Environment

- Utility legislation highlighted with historic investments in broadband deployment and water infrastructure.
- Significant legislation that passed:
 - **H.B. 9/H.J.R. 125/S.B. 1238** – Broadband funding
 - **S.B. 28/S.J.R. 75** – Texas Water Fund and Water Supply Fund



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TML Legislative Process

- **Municipal Policy Summit**

- August 12-13, 2024
- Policy briefing in Austin on all municipal issues
- Members appointed by TML President
- Report goes to annual business meeting for approval

- **TML Business Meeting**

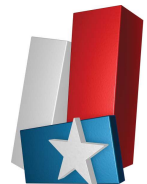
- Delegates consider resolutions submitted by the membership at Annual Conference
- One delegate from each city
- Resolutions due August 2024



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Grassroots Efforts

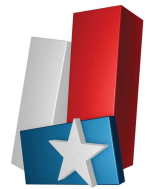
- Get to know your legislators, contact them often
- Stay informed on issues
- Understand the legislative process
- Become a resource for your legislator and TML
- Be able to act quickly during session



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How to Stay Informed

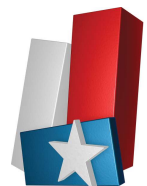
- TML *Legislative Update*
- Post-Session Update articles
- Full list of passed bills:
https://www.tml.org/DocumentCenter/View/3820/LU2023_23
- Call/email TML Legislative or Legal department with questions
- Monthly legislative webinars during session
- TML alert emails



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TML Legislative Team

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Questions?

