

## Memorandum

**Memorandum No: 25-116**

**Date:** April 21, 2025  
**To:** Honorable Mayor and City Council  
**From:** Ryan Henderson, City Manager   
**Re:** Draft Legislative Agenda and Bill Update

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During Collin County Days in Austin on Tuesday, April 1 and Wednesday, April 2 the Mayor, Councilmember Patterson-Herndon, and Councilmember Baker briefly discussed adopting a legislative agenda to effectively communicate the City of Anna's position on bills before the Anna delegation (Senator Paxton and Representatives Leach and Richardson). A draft agenda for City Council review is as follows. This will be placed on the City Council's April 22 meeting agenda as an item for consideration.

### City of Anna's Legislative Priorities

The Anna City Council encourages members of the 89<sup>th</sup> Texas Legislature to:

1. Preserve Local Authority: Advocate against state preemption of municipal powers to ensure decisions reflect local community needs.
2. Enhance Public Safety: Seek funding and legislative support for law enforcement resources, emergency response capabilities, and community policing initiatives.
3. Invest in Infrastructure: Prioritize funding for transportation improvements, water and sewer systems, and other critical infrastructure to support growth and development.
4. Promote Economic Development: Support policies and programs that attract businesses, foster entrepreneurship, and expand the local economy.

In accordance with the general legislative statements above, if adopted by the City Council, the City of Anna would **SUPPORT** the following filed legislation:

1. Preserve Local Authority by supporting these bills:
  - H.B. 21 (Gates) / H.B. 2937 (Anchia) / H.B. 1585 (C. Bell) – HFCs can't exempt property outside jurisdiction
  - H.B. 1028 (Shaheen) / S.B. 1508 (Hagenbuch) / S.B. 1062 (Kolkhorst) / H.B. 1080 (Curry) - Allow cities alternate methods for publications of legal notices
  - S.B. 1503 (Bettencourt) – ESD can't annex city territory without city consent
  - H.B. 3782 (Smithee) – Digital Newspapers: allows a city to publish a notice in a digital newspaper in lieu of publishing a notice in a newspaper.

2. Enhance Public Safety by supporting these bills:
  - H.B. 2217 (Wharton) / S.B. 1788 (Hagenbuch) / H.B. 3577 (Little) / H.B. 4264 (Hefner) - Creates new law enforcement grant programs or expands current law enforcement grant programs
  - H.B. 1893 (Cook) – Law enforcement agencies may release license plate number of motor vehicles captured in video recordings under the public information law. - Reported favorably from House Delivery of Government Efficiency Committee w/o amendments
3. Invest in Infrastructure by supporting these bills:
  - S.B. 7 (Perry) – Creates New Water Supply for Texas Fund for water infrastructure projects
  - H.B. 2962 (Barry) - extends the Miscellaneous Gross Receipts Tax. The Miscellaneous Gross Receipts Tax is paid by political subdivisions for their electricity usage. School districts were exempted in the last legislative session; however, cities were not exempted at that time. The City of Anna would benefit between \$15,000 to \$20,000 in taxes paid to GCEC and Gexa. The amount that the city paid in 2024 to Gexa alone was \$14,711.64.
  - H.B. 4657 (Barry) – Local Government Water Redevelopment Fund
  - H.B. 884 (C. Hernandez) / S.B. 178 (Menendez) - Increases street maintenance sales tax flexibility
  - H.B. 1998 (Spiller) / S.B. 830 (Parker) / H.B. 4084 (Little); H.B. 5405 (Bernal) - Increases the competitive bidding threshold to account for increased costs to cities
4. Promote Economic Development by supporting these bills:
  - H.B. 3066 (Leach) / S.B.2297(Paxton): Entitles certain municipalities to certain tax revenue associated with hotel and convention center projects; expands the definition of a “qualified project” to include facilities such as convention centers, hotels, restaurants, bars, retail establishments, spas, and parking areas or structures.

In accordance with the general legislative statements above, if adopted by the City Council, the City of Anna would **OPPOSE** the following filed legislation:

1. Preserve Local Authority by opposing these bills:
  - H.B. 5266 (C. Bell) – Would allow AG to investigate and file suit against city for alleged violation of law
  - H.B. 2715 (Curry) – Removal of Elected Officials: allows the governor to suspend an officer of the state or a political subdivision of the state for not following and executing the laws of this state in accordance with the officer’s oath of office.
  - S.B. 2237(Bettencourt)/H.B. 762 (Leach) – Cap severance pay for city employees at 20 weeks’ pay

#### *Advocacy Restrictions*

- S.B. 19 (Middleton) / S.B. 1420 (Nichols) / H.B. 571 (Cain) / H.B. 671 (Shaheen) / H.B. 3615 (Schatzline) / (Patterson) – Political subdivision may not spend public funds to hire lobbyist, but exceptions for nonprofit state associations to provide legislative services, communicate with legislators, and testify for or against legislation.
- S.B. 239 (Middleton) / H.B. 309 (Leo-Wilson) / H.B. 1189 (Troclair) / H.B. 1294 (Patterson) – Political subdivisions may not spend public funds to hire lobbyist or to pay a nonprofit state association that hires a lobbyist.

- S.B. 1695 (Hall) - Restricts cities and counties from using public funds to influence legislation, with exceptions for providing information to legislators, elected official advocacy, and actions that don't require registering as a lobbyist

#### *Land Use / Zoning Preemption*

- S.B. 15 (Bettencourt)/H.B. 3919(Gates) – Caps minimum lot size for greenfields and other zoning restrictions for small lots; bracketed to cities over 150K pop in counties over 300K. (Tiny Homes on 5 Acres or More) This bill would allow tiny lots to be built anywhere if they are on 5 acres or more and in areas zoned for single family homes and limits the City's ability to regulate the lot be any larger than 1,400 square feet, wider than 20 feet, or deeper than 60 feet. City can't require more than 1 parking spot per home. This could be 31 units per acre, which is 155 homes on a 5-acre lot. This bill would require significantly more water and wastewater infrastructure to serve these units. - Passed Senate
- H.B. 878 (Vasut) – Caps minimum lot sizes and allows Accessory Dwelling Units (ADUs) by right
- H.B. 950 (Hayes) – Disannexation of annexed areas unless city provides full municipal services by 9/1/29
- H.B. 2494 (Craddick) / S.B. 1844 (Paxton) – Disannexation of most city areas unless city provides full municipal services (no deadline)
- S.B. 673 (Hughes) – Allows ADUs by right; (Accessory Dwelling Units with no City regulations) Allows Accessory Dwelling Units (ADUs) for everyone, without city regulations on size, height, or parking. Impacts surrounding neighbor's property rights, available street parking, and could impact water and wastewater service in neighborhoods as more people rent these units.
- H.B. 3897 (C. Bell) / S.B. 2695 (Creighton) – City can't annex ESD territory if ESD finds that city can't provide adequate services
- H.B. 3275 (Richardson) – No city parking minimums for new commercial buildings
- H.B. 23 (Harris) / S.B. 2354 (Creighton) / H.B. 4677 (Harris) / S.B. 1450 (Bettencourt) – Applicant may request third-party review of development documents or land improvements by a certified engineer or building inspector; (Third Party Review of Development) is a priority of the Speaker that requires cities to allow for a third-party review and inspections for developments.
- S.B. 840 (Hughes) / H.B. 3404 (Hefner) – Must allow mixed-use and multifamily developments and residential conversions in non-residential areas. This bill allows multifamily apartments to go in any zoning category, including commercial, industrial, and warehouse. Prohibits much of the city's ability to regulate the size or setbacks of these units and doesn't allow the city to require more than one parking spot per unit. Passed the Senate.
- S.B. 854 (Middleton) / H.B. 3172 (Gates) – Must allow mixed-use and multifamily developments on religious-owned land; (Religious Land Multi-Family) This bill would allow any land owned by a religious entity (including all faiths as described by the IRS) and allows them to build multifamily, supportive, and group housing, with no zoning hearing and no City regulations on the design of the buildings or parking requirements other than ADA parking. This bill does not prevent a religious entity from signing a 100-year lease agreement with a developer to develop for profit apartments, with no requirements for low-income individuals or Texas Department of Housing and Community Affairs (TDHCA) tax credits.
- Senate Bill 15 (Bettencourt): This bill seeks to cap minimum lot sizes for greenfields and imposes zoning restrictions for small lots, potentially facilitating more flexible land use and development opportunities. As of March 21, 2025, it was reported favorably as substituted in the Senate.
- Senate Bill 673 (Hughes): This bill pertains to the regulation of accessory dwelling units (ADUs) by political subdivisions.

- H.B. 4163 (Guillen) – Agricultural Operations: prevents cities from requiring the owners or lessees of agricultural operations to mow, bale, shred, or hoe material on the public road right-of-way next to their property.
- H.B. 3299 (Reynolds) – Building material regulation restriction no longer applies to commercial buildings
- S.B. 785 (Flores) / H.B. 1835 (Guillen) – City must allow HUD-Code manufactured homes in residential zoning districts; The city cannot stop a mobile home being built in an existing residential neighborhood, no protections for HOA or deed restricted community. A manufactured home could go on any land in a neighborhood and requires the city to create a place for manufactured housing in some zoning category. - Voted from Senate Local Government.

#### *Municipal Finance*

- S.B. 3026 (Bettencourt)– Prevents a city from backing new property value out of no-new-revenue rate, takes out 3.5% multiplier, does away with de minimis rate for cities under 30,000, eliminates disaster allowances for property tax rate adoption
  - H.B. 19 (Meyer) – All bond elections to November; eliminates COs except under very limited circumstances; city cannot issue GO debt if the debt service would exceed 20 percent of total property tax collection for the preceding three years
  - S.B. 1024 (Bettencourt) – Five-year waiting period for COs and TANs after failed bond election; reported from Senate Local Government; on Senate Intent calendar
2. Enhance Public Safety by opposing these bills:
    - H.B. 1677 (Canales) – Requires meet and confer requirements for fire fighter disciplinary actions in non-civil service cities under 10,000
    - H.B. 2098 (A. Martinez) – Mandatory civil service in cities over 25,000
    - H.B. 2713 (Darby) / S.B. 1331 (Hancock) – Cities over 70,000 may not repeal civil service after it has been in effect for at least one year
  3. Invest in Infrastructure by opposing these bills:
    - H.B. 1453 (Tepper) / S.B. 470 (Sparks) – Prohibits use of COs for roads, administrative buildings, courthouses, airports, libraries, parks, and convention centers
    - S.B. 2015 (Bettencourt) / H.B. 4272 (Patterson) – City may require that a telecommunications company relocate lines due to a city road project, but relocation will be at city’s expense
    - H.B. 4972 (Cain) – Prohibit transferring city-owned utility revenue to general fund
    - S.B. 924 (Hancock) – No franchise fees on streaming services; voted from Senate Business and Commerce
  4. Promote Economic Development by opposing these bills:
    - S.B. 878 (Birdwell) – 380 incentive agreement reforms; The bill prohibits the city from granting exemption or other relief from property taxation in a Chapter 380 agreement. Loans or grants may not exceed a period of ten years and may not be renewed more than three times, and each renewal period may not exceed five years. Left pending in committee. - Voted from Senate Economic Development

Additional bills that would affect the City of Anna and we are actively tracking include:

#### **Property Taxes**

- [H.B. 9](#) (Meyer) – \$250,000 exemption for appraised value of business personal property; reported from House Ways and Means
- [H.B. 5490](#) (Troclair) – All debt and property tax elections to November; 2/3 of voters needed to pass GO bonds; 2/3 of voters to approve tax rate exceeding voter-approval rate
- [S.B. 1025](#) (Bettencourt) – any ballot that increases taxes must say “THIS IS A TAX INCREASE” passed Senate
- [S.B. 2478](#) (Bettencourt) – 75% of council must approve GO bonds; 75% of council must approve tax rate exceeding no-new-revenue rate

## Debt

- [S.B. 533](#) (Sparks) – All bond elections must be in November; on Senate intent calendar

## Land Use

### Impact Fees

- [H.B. 2225](#) (Buckley)/[S.B. 1883](#) (Bettencourt) – Imposes pre-notice requirements for impact fees, supermajority vote to approve impact fee, and a waiting period for increases

### Development Moratoria

- [H.B. 2559](#) (Patterson)/[S.B. 1882](#) (Bettencourt)/[H.B. 5489](#) (Dyson) – Limits or temporarily prohibits a city’s ability to adopt a development moratorium

### Zoning Changes

- [H.B. 2687](#) (Guillen) – Cities must send zoning change notices by certified mail and allows nearby property owners to petition for reconsideration for up to two years
- [S.B. 1160](#) (Campbell) – Expands zoning notice requirements to 1,500 feet

### Zoning Protests

- [H.B. 1742](#) (Hickland) – Raises protest threshold to 50% and reduces supermajority requirement
- [S.B. 844](#) (Hughes)/[H.B. 24](#) (Orr) – Raises protest threshold to 60% (from 20% of affected neighbors) under certain circumstances - Left pending in House Land & Resource Management

### ETJ

- [S.B. 1509](#) (Bettencourt) – No city regulations in the ETJ
- [S.B. 2522](#) (Bettencourt) – No subdivision regulations or more stringent utility regulations in ETJ
- [S.B. 2523](#) (Bettencourt) – S.B. 2038 ETJ release changes
- [H.B. 1901](#) (Cook)/[H.B. 2024](#) (Turner)/[H.B. 2512](#) (Geren) – S.B. 2038 fixes

## Public Safety

### Immigration Enforcement

- [H.B. 2361](#) (Spiller)/[H.B. 2390](#) (Kerwin) – Local law enforcement agencies must enter into agreement w/ICE to enforce state and federal immigration laws

### Active Shooters

- [H.B. 33](#) (McLaughlin)/[S.B.2862](#) (Flores) – Uvalde Strong bill requiring local active shooter planning and response oversight

### Public Camping Ban

- [S.B. 241](#) (Flores) – Cities must enforce public camping bans; voted from Senate Local Government

### Less Lethal Projectiles

- [S.B. 2570](#) (Flores) – Defense of prosecution for less-lethal projectiles/TASER 10

### Drones

- [H.B. 41](#) (Hefner) – City cannot acquire or use drones from certain foreign countries or companies located in certain foreign countries

## Elections

### Dates

- [S.B. 1209](#) (Hughes) – Eliminates May uniform election date; reported from Senate State Affairs

### Ballot Propositions

- [H.B. 524](#) (Tepper) – Home rule cities must submit proposed ballot initiatives to AG to review for compliance with state law before ordering election
- [H.B. 631](#) (Swanson) – Establishes mandatory ballot language, city or voter can ask SOS to review ballot language, and voter can file lawsuit challenging ballot language
- [S.B. 506](#) (Bettencourt) – Ballot proposition language must be clear, and voter may submit ballot proposition for SOS review
- [S.B. 1548](#) (Zaffirini) – Petition for home-rule city ballot initiative must be signed by five percent of the city's qualified voters (removed or 20,000 qualified voter threshold)

## Utilities

### Residential Energy Backup Regulation

- [S.B. 1252](#) (Schwertner)/[H.B. 3493](#) (King) – Prohibit a city from adopting or enforcing an amendment to local electrical code regulating or requiring city inspection of backup energy systems; SB 1252 on Senate intent calendar

## Open Government

### Public Meeting Notices

- [H.B. 1522](#) (Gerdes) – Governmental bodies must provide three business days notice for all public meetings and budget meeting notice must include physical copy of budget
- [H.B. 3850](#) (Canales) – Governmental bodies must allow public to address the body on items not on the agenda before/during the agenda discussion; can limit to five people
- [S.B. 2485](#) (Bettencourt) – would require every governmental body to broadcast each open meeting on the governing body's website
- [S.B. 2424](#) (Hall) – Lt. Governor or member of legislature can attend closed session of meeting of governmental body upon request

### Public Information Act

- [H.B. 111](#) (Capriglione) – would subject organizations receiving 51 percent of revenue from public funds to PIA; would limit attorney-client exception to disclosure
- [S.B. 824](#) (Middleton) / [S.B. 852](#) (Middleton) / [S.B. 919](#) (Zaffirini) – Omnibus PIA bills – (shortens some deadlines, in some cases, governing body must complete PIA training) [S.B. 986](#) (Bettencourt) – Bad faith AG request penalty, expedited response program
- [S.B. 1130](#) (Middleton) – Mandatory ADR if requestor doesn't like request response

## Administration

- [H.B. 3225](#) (Alders) - Restriction of Library Collections: would, among other things: prohibit a city library from maintaining sexually explicit material in a physical or electronic collection that a minor may access; require a city library that maintains sexually explicit material in a physical or electronic collection to implement age verification measures to prevent minors from accessing such materials

### Must Allow Licensed Carry in City Leases

- [H.B. 1715](#) (Cain)/[S.B. 1065](#) (Hall) – Must include language allowing licensed carry in leases of city-owned property

### City Finance and Economic Development

- [H.B. 134](#) (Meyer) – Destination sourcing for local sales taxes in certain cases

- [H.B. 5267](#) (C. Bell) – Expenditure limit on all cities, city can only exceed with election
- [S.B. 1851](#) (Nichols) – Subject to no-new-revenue rate for not conducting annual audit

Enforcing State Drug Laws

- [S.B. 1870](#) (Perry)/[H.B. 5082](#) (Leach) – Cities and counties may not hold an election on a charter provision prohibiting or limiting enforcement of state drug laws, or adopt a similar local ordinance or policy

Road Contractor Liability

- [S.B. 2823](#) (Bettencourt) – Contractor who designs, installs, constructs, repairs or maintains a highway, road, street, or related traffic management devices for local government is not liable for harm if contractor’s performance materially complied with relevant contract documents

c: Taylor Lough, Assistant City Manager  
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Management Team