

Memorandum

Memorandum No: 25-118

Date: May 9, 2025
To: Honorable Mayor and City Council
From: Ryan Henderson, City Manager 
Re: Legislative Bill Updates

As a reminder, on April 22 the City Council adopted its legislative priorities, which are as follows:

The Anna City Council encourages members of the 89th 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, the City of Anna **SUPPORTS** the following:

1. Preserve Local Authority by supporting these bills:

[H.B. 21](#) (Gates) / [H.B. 1585](#) (C. Bell) – HFC’s can’t exempt property outside jurisdiction – Placed on House calendar / Received from House

[S.B. 1062](#) (Kolkhorst) - Allow cities alternate methods for publications of legal notices – S.B. 1062 Passed House

[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; in House Calendars

2. Enhance Public Safety by supporting these bills:

[H.B. 2217](#) (Wharton) / [H.B. 4264 \(Hefner\)](#) - Creates new law enforcement grant programs or expands current law enforcement grant programs; HB 2217 referred to Senate Criminal Justice; HB 4264 referred to Senate Finance Committee

[H.B. 1893](#) (Cook) – Law enforcement agencies may release license plate number of motor vehicles captured in video recordings under the public information law. – Left pending in Senate Economic Development

3. Invest in Infrastructure by supporting these bills:

[S.B. 7](#) (Perry) – Creates New Water Supply for Texas Fund for water infrastructure projects; Substitute reported from House Natural Resources

[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; Left pending in House Ways and Means

[H.B. 1998](#) (Spiller) - Increases the competitive bidding threshold to account for increased costs to cities; Sent to House Calendars

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; Sent to House Calendars; Committee report distributed

In accordance with the City’s Legislative Priorities, the City of Anna **OPPOSES** the following filed legislation:

1. Preserve Local Authority by opposing these bills:

[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. Referred to Senate Local Government.

[S.B. 2237](#) (Bettencourt) / [H.B. 762](#) (Leach) – Cap severance pay for city employees at 20 weeks’ pay; Reported from House Intergovernmental Affairs; Left pending in Senate Local Government

[S.B. 412](#) (Middleton) / [H.B. 267](#) (Patterson) – Removes defense to prosecution for certain offenses involving material or conduct that is obscene or otherwise harmful to children. *Criminalizes Librarians* – Passed House and Senate; Sent to the Governor

[S.B. 2858](#) (Creighton) / H.B. 5203 - Preempts any city ordinance regulating conduct in a field of regulation that is occupied by a provision of the Election Code, Penal Code, or Health and Safety Code. In addition, the bill would authorize the attorney general to investigate an alleged violation and bring action against the city for adopting or enforcing an ordinance that the attorney general believes is preempted. Hearing in House Intergovernmental Affairs 5/13

[S.B. 3016](#) (Creighton) / H.B. 5612 (Bell) – Preemption of municipal regulation of land use, structures, businesses, municipal boundaries and annexation. – House received from Senate

Advocacy Restrictions

[S.B. 19](#) (Middleton) / S.B. 1420 (Nichols) / H.B. 571 (Cain) / H.B. 671 (Shaheen) / H.B. 3615 (Schatzline) – 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. Referred to House State Affairs

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. – Committee report sent to House Calendars

[H.B. 950](#) (Hayes) – Disannexation of annexed areas unless city provides full municipal services by 9/1/29; Reported as substitute

[H.B. 2494](#) (Craddick) / [S.B. 1844](#) (Paxton) – Disannexation of most city areas unless city provides full municipal services (no deadline) – On House Floor 5/10 / Received from Senate to House

[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. Reported favorably as substitute

[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. Committee report sent to Calendars / Received in House

[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. – Referred to Senate Local Government

[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. Reported favorably as substitute in House

[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. Reported out of Senate Local Government

[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. Referred to Senate Water, Ag, and Rural Affairs

[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. Senate to House Calendars

Municipal Finance

[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; left pending in committee

[S.B. 1024](#) (Bettencourt) – Five-year waiting period for COs and TANs after failed bond election. Scheduled for public hearing in House Pensions, investments and financial services on 5/16

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; placed on House calendar

[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. Placed on House Calendar.

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. Left pending in Committee / Referred to Senate Local Government

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. *The cost of future road*

expansions and other necessary work for a growing city will be burdensome. Referred to committee / left pending in committee.

[S.B. 924](#) (Hancock) – No franchise fees on streaming services. *Franchise fees are the rental costs paid by utilities that use the city's right-of-way or other city property to transmit their services. The City of Anna collects over \$1 million in franchise fees for use of city land and property.* Left pending in House subcommittee.

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. – Referred to House Ways and Means

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; passed House and reported as substitute in Senate Committee on Local Government
- [H.B. 5490](#) (Troxclair) – 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 could not revisit fees for 5 years. – On House Floor 5/5

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 – On House Floor 5/6

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 – HB 24 on House floor 5/6

ETJ

- [S.B. 1509](#) (Bettencourt) – No city regulations in the ETJ – referred to Local Government

- [S.B. 2522](#) (Bettencourt) – No subdivision regulations or more stringent utility regulations in ETJ – pending in committee
- [S.B. 2523](#) (Bettencourt) – S.B. 2038 ETJ release changes – on Senate intent calendar
- [H.B. 1901](#) (Cook)/[H.B. 2024](#) (Turner)/[H.B. 2512](#) (Geren) – S.B. 2038 fixes – HB 2512 reported favorably from committee

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 – On House floor 5/6
- [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; Referred to House State Affairs; sent to Calendars

City Finance and Economic Development

- [H.B. 134](#) (Meyer) – Destination sourcing for local sales taxes in certain cases; Considered in Calendars
- [H.B. 5267](#) (C. Bell) – Expenditure limit on all cities, city can only exceed with election; Sent to calendars
- [S.B. 1851](#) (Nichols) – Subject to no-new-revenue rate for not conducting annual audit; committee report distributed

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; Committee report sent to Calendars / Left pending in committee

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; Referred to committee

c: Assistant City Manager Taylor Lough
Assistant City Manager Greg Peters
City Attorney Clark McCoy
Management Team