

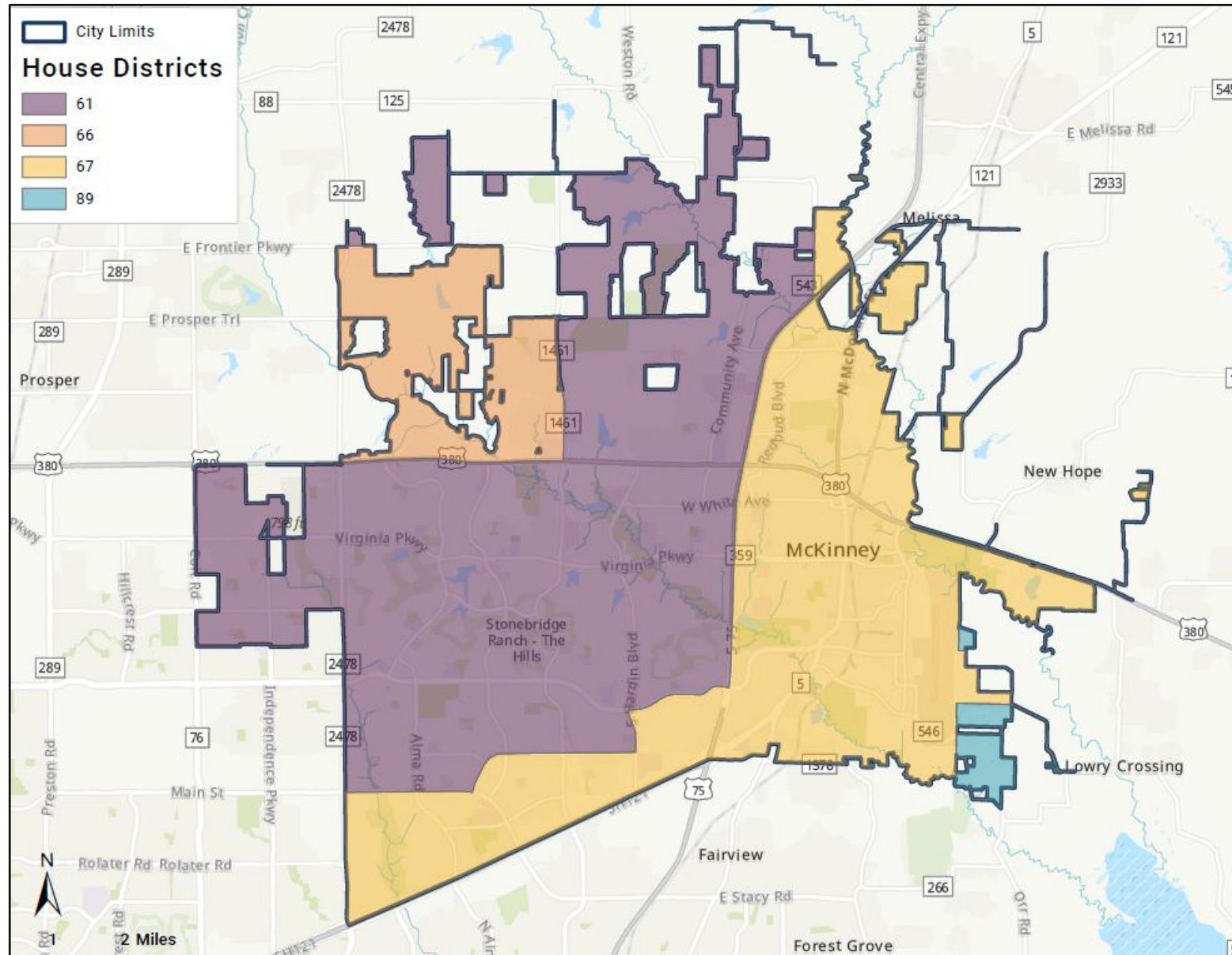


MCKINNEY, TEXAS

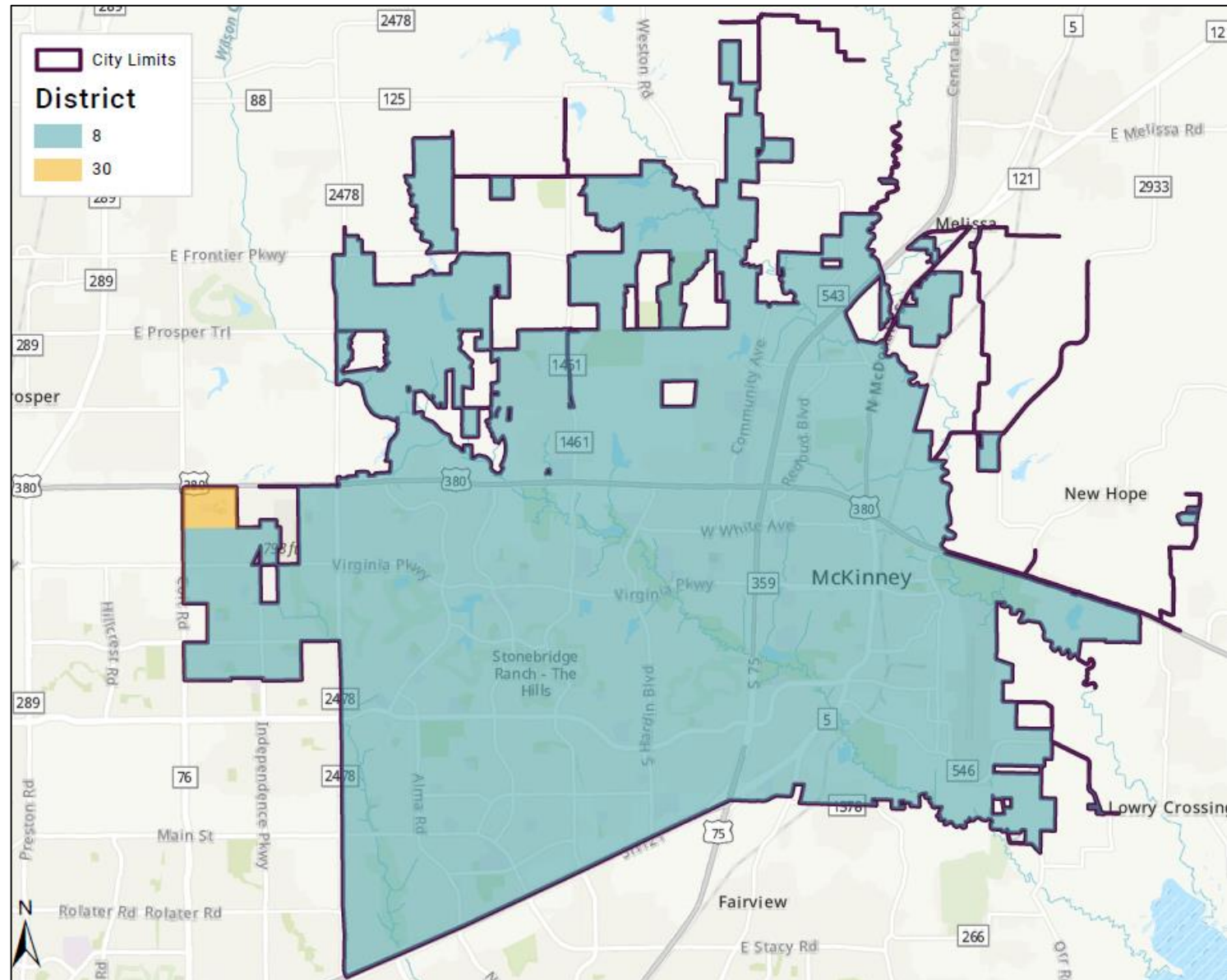
88th Legislative Session Recap



New House Map



New Senate Map



Our Home – Our Decisions

McKinney National Airport

Economic Development

Tax Reform

Education & Workforce

Transportation & Water

Elections & Open Government

Total Bills Filed & Passed

- **8,344 Bills & Joint Resolutions Filed**
 - *Approx. 23% impacting cities (per Texas Municipal League*)*
- **1,258 Bills Passed**
 - *Approx. 18% impacting cities**
 - *17% more than the 87th session*

Property Tax Relief

- **Senate Bill 2 & House Joint Resolution 2 (88th 2nd Special)**
 - *Over \$12 billion in state funding to reduce school property tax rates*
 - *\$100,000 homestead exemption for school property taxes (currently @ \$40K)*
 - *A 20% “circuit breaker” (i.e., appraisal cap) on appraised values for non-homesteaded properties that are valued at <\$5 million*
 - *Creates newly elected positions on local appraisal boards*
 - *Savings on franchise tax for small business*
 - *Requires Approval via Constitutional Election in November*

House Bill 2127

- **“Super” Preemption Bill**
 - *Expressly preempts certain home rule city regulations, AND*
 - *Potentially preempts other home rule city regulations in fields occupied by state statute in particular codes, depending on how courts rule, AND*
 - *Creates a cause of action for lawsuits against a home rule city to determine whether a city regulation is preempted, BUT*
 - *Requires three months’ notice before a claimant may bring a lawsuit against a city.*

House Bill 2127

- Which city regulations may be preempted by the bill?
 - *Unless expressly authorized, a city ordinance that regulates conduct in a field of regulation that is occupied by a provision of one of the following codes is void and unenforceable:*
 - Agriculture Code
 - Business & Commerce Code
 - Finance Code
 - Insurance Code
 - Labor Code
 - Natural Resources Code
 - Occupations Code
 - Property Code

Public Finance

- **House Bill 2071 – PFCs**

- *Requires PFC properties to be within the boundaries of the sponsoring jurisdiction.*
- *Imposes audit requirements.*
- *Requires renovations and low income set asides for PFC acquisitions.*
- *Effective immediately on passage (signed by Governor 6/18/2023).*

- **Senate Bill 1999 – Unused Tax Rate Increment**

- *Adjusts increment calculations from a rate outlook to a dollar outlook.*
- *Maintains 3-year increment window.*

Public Finance

- **Senate Bill 543 – 380 Agreements**

- *Allows a municipality to transfer real property it owns to an entity as a part of a Chapter 380 agreement.*

- **Senate Bill 1340 – 380 Agreement Reporting**

- *Expands municipality reporting requirements to the Texas Comptroller.*

- **House Bill 4082 – Certificates of Obligations**

- *Sport facilities, stadiums, civic centers, convention centers, coliseums, and hotels no longer allowable for CO's/TAN's.*

Land Use

- **Senate Bill 2038 – ETJ**

- *Release of an area from ETJ by petition or election*
- *ETJ release provisions don't apply to an area:*
 - *Designated as industrial district*
 - *Subject to a strategic partnership agreement*
 - *Located within five miles of a military base*
 - *Voluntarily annexed into a city's ETJ if located in high growth county with population over 240,000.*
 - *Located in certain parts of San Antonio ETJ*
- *Annexations after January 1, 2023 do not expand the ETJ unless would-be residents of the ETJ request inclusion*
- *If an area is released from ETJ, any city/county interlocal agreements giving city authority to regulate subdivisions is terminated as to the area and county is granted authority*

Land Use

- **House Bill 3699 – Platting**

- *Platting review process changes, including:*
 - *Removing plans from 30-day shot clock*
 - *Allowing city to delegate plat review to staff*
 - *Allowing city submittal calendars*
 - *Requiring all plat application materials to be published*
 - *Prohibits a city or P&Z from requiring an analysis, study, document, agreement, or similar requirement to be included as part of a plat application, development permit, or subdivision of land if not explicitly allowed by state law*

McKinney Specific Bills

- **House Bill 1 (General Appropriations Bill)**
 - *\$5,000,000 for the purpose of funding a hangar facility project at the McKinney National Airport for use by the Department of Public Safety*
- **House Bill 5012**
 - *Relating to the authority of certain municipalities to use certain tax revenue for hotel and convention center projects and other qualified projects*
- **Senate Bill 2598 *Vetoed***
 - *Relating to the creation of the Honey Creek Improvement District No. 1; providing authority to issue bonds; providing authority to impose assessments and fees*

For More...

- Reach out to Staff
- TML Conference October 4th-6th in Dallas
- Review Texas Municipal League's Weekly *Legislative Update*
 - tml.org/579/Legislative-Update
- Full List of Passed Bills
 - tml.org/DocumentCenter/View/3820/LU2023_23



Questions?

