

# The City of Waco Legislative Update

4.1.2025



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# LEGISLATIVE UPDATE AGENDA

- Texas 89<sup>th</sup> Legislature: Mid-Session Update
- FY26 Federal Appropriations Process



# Texas 89<sup>th</sup> Legislature: Mid- Session Update

# 89<sup>th</sup> Texas Legislature Dates of Interest

- March 14, 2025: 60<sup>th</sup> day of legislature, bill filing deadline has passed
  - 6,600+ bills filed in House; 3,500+ bills filed in Senate
- Monday, May 12<sup>th</sup>: Last day for House Committees to Report bills
- Monday, June 2<sup>nd</sup>: Last day of Legislature



# 89<sup>th</sup> Texas Legislature State Legislative Priorities

## **Governor Abbott:**

- Property Tax Relief – Tax and Debt Elections
- School Choice
- Teacher Pay
- Water Investments
- Expanding Career and Technology Training
- Bail Reform
- Texas Cyber Command





# 89<sup>th</sup> Texas Legislature State Legislative Priorities

## **Lt. Governor's Priorities:**

- SB 2 – Education Savings Accounts (passed Senate)
- SB 4 – Increasing the homestead exemption to \$140,000 (passed Senate)
- SB 7 – Increasing investments in Texas water supply
- SB 8 – Requiring local law enforcement to assist federal deportation efforts (County level)
- SB 15 – Removing barriers to affordable housing
- SB 19 – Stopping taxpayer dollars for lobbyists



# 89<sup>th</sup> Texas Legislature State Legislative Priorities

## State Budget:

- \$335 billion biennial budget: \$24 billion surplus + \$28 billion state stabilization fund
  - \$6.5 billion marked for property tax relief
  - \$2.5 billion for water
  - \$1 billion for education savings accounts





# 89<sup>th</sup> Texas Legislature Advocacy Efforts

## Waco Day in Austin:

- Texas Travel Industry Unity Dinner and Capitol Visit
- Waco Day in Austin
- Bill Advocacy
  - HB1080
  - HB2626





# Bill Topics

# Waco Legislative Priorities

## Local Bills:

- HB 2626/SB 1194: Creation of the Central Texas Water Alliance, a water authority founded by Bell County, Bell County Water Control & Improvement District No. 1, the Clearwater Underground Water Conservation District, and McLennan County
  - Passed Senate; Pending in House Committee on Natural Resources
- HB 3693: Would add Waco to the list of eligible entities for the use of project finance zones
- HB 3830: Creation of franchise tax credit incentive for manure hauled out of the watershed

## Local Defense:

- Source water protection – closely watching to ensure legislation is not filed this session that weakens the permitting structure in place to protect Lake Waco and the North Bosque River Watershed

# Bills Impacting Cities

## Property Taxes:

- \$250k exemption for appraised value of business personal property (HB 9)
- Voting requirements on debt and property tax elections (HB 5490, SB 2478)
- Increasing restrictions on no-new-revenue rate (SB 3026)

## Debt:

- Move bond elections to November (HB 19, SB 533)
- Eliminate most COs and restrictions on GO debt issuance (HB 1453, SB 470)
- Waiting periods for debt issuance after a failed bond election (SB 1024)



# Bills Impacting Cities

## Land Use:

- Minimum lot size cap, allow Accessory Dwelling Units (ADUs) by right (HB 878, SB 15, SB 673)
- Limiting multifamily developments in single-family zoning districts (HB 369, HB 5514)
- Mixed- Use and Multifamily residential developments in certain areas (SB 840, HB 3404, SB 854, HB 3172)

## Zoning:

- Zoning notice requirement changes (HB 2687, SB 1160)
- Protest threshold changes (HB 24, HB 1742, SB 844)
- Zoning challenges enforced by mandamus or injunctive relief (SB 2215)

# Waco Legislative Priorities

## **Extra Territorial Jurisdiction (ETJ):**

- No city regulations in the ETJ; No subdivision regulations or more stringent utility regulations in the ETJ (SB 1509, SB 2522)
- ETJ release changes (SB 2038)
- Fixes to SB 2038 from prior session (HB 1901, HB 2024, HB 2512)

## **Planning + Permitting:**

- Impact Fees – pre-notice requirements, supermajority vote, waiting periods (HB 2225, SB 1883)
- Remove ability to require certain number of parking spaces for new construction after 9/1/25 (HB 3275)
- Limits/Prohibitions on development moratoria (HB 2559, SB 1882, HB 5489)
- Third party review requests by developers (HB 23, SB 2354, HB 4677, SB 1450)
- Cleaning up Building Material Regulation Restriction from prior session (HB 3299)

# Waco Legislative Priorities

## **(Dis)Annexation:**

- Emergency Services District/City territory annexation (SB 1503, HB 3897, SB 2695)
- Disannexation of certain areas if city does not provide full municipal services (HB 950, HB 2494, SB 1844)

## **Public Safety:**

- Local law enforcement (currently county-level) required to enter into agreement with ICE to enforce state and federal immigration (HB 2361, HB 2390)
- Uvalde Strong bill – planning and response oversight requirements (HB 33, SB 2862)
- Drone purchase restrictions (HB 41)
- Civil Service – collective bargaining (HB 3171, SB 777)



# Waco Legislative Priorities

## **Preemption:**

- Addition of Health and Safety Code to Super Preemption; preemption of cities on regulating elephants or any other dangerous/wild animal regulated by State statute (HB 5042)
- Addition of Election Code and Penal Codes to Super Preemption (HB 5203)
- Addition of subtitles within Local Government Code related to Land Use to Super Preemption (HB 5612)
- Preemption of local food service, health, food truck, and sound regulations (HB 2156, SB 1008, HB 2844, HB 2683)

## **Community Advocacy/Lobbying:**

- No public funds for lobbyists or state nonprofit associations (SB 19, SB 1420, HB 571, HB 671, HB 3615)
- No public funds for lobbyists or state nonprofit associations (SB 239, HB 309, HB 1189, HB 1294)
- No public funds or other compensation to directly or indirectly influence legislation (SB 1695)

# Waco Legislative Priorities

## **Elections:**

- Elimination of May uniform election date (SB 1209)
- Ballot proposition language review by AG office or Secretary of State (HB 524, HB 631, SB 506)
- Ballot initiative petitions (SB 1548)

## **Utilities:**

- Water infrastructure funding resource creation (SB 7, HB 4657)
- City to fund telecommunication line relocation costs imposed by city road projects (SB 2015, HB 4272)
- Utility revenue fund transfer to general fund prohibition (HB 4972)
- Cable and video streaming services (SB 924, HB 2479)

# Waco Legislative Priorities

## **Open Government:**

- Posting timelines, public comment, broadcast of open meetings on website, legislature attendance in closed session (HB 1522, HB 3850, SB 2485, SB 2424)

## **Freedom of Information:**

- Public Information Act (PIA) applicability to publicly funded organizations (HB 111)
- ORR/PIA adjustments – timelines, training, etc. (SB 824, SB 852, SB 919, SB 986, SB 1130)



# Waco Legislative Priorities

## City Administration:

- Licensed carry in leased city-owned property (HB 1715, SB 1065)
- City finance and economic development: destination sourcing for local sales tax, expenditure limits for cities, annual audit enforcement, 380 agreement reforms (HB 134, HB 5267, SB 1851, SB 878)
- Severance pay caps at 20 weeks (HB 762)
- Property owner nuisance claims and requests for reimbursement (SB 2489, HB 4943)

# Fiscal Year 2026 Federal Appropriations

# FY26 Federal Appropriations Process

## **FY25 Continuing Resolution Passed by Congress on 3/11/25:**

- Avoided government shutdown, all FY25 earmarks were scrubbed
- Official guidance for FY26 process not yet issued – have requests ready

## **Waco Requests:**

- Waco Regional Air Traffic Control Tower - \$5 million
  - Siting study and design needs
- Lake Waco Watershed Protection Program - \$5 million
  - Request to prioritize existing federal appropriations for study and implementation of best management practices for phosphorus removal and reduction in the watershed
- Flat Creek Reuse Project - \$5 million
  - Ongoing project, has received prior federal funding amounts
  - Diversion of treated effluent for non-potable uses in Waco's Industrial District



**THANK YOU.**