

TO: Honorable Mayor and Members of the City Council  
From: Paul A. Hofmann, City Manager  
Date: June 10, 2021  
Subject: Weekly Memo, June 7-10, 2021



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**Paul's time out of office**

Assistant City Manager Gleason and I are both out of the office today and are attending the annual Texas City Management Conference this weekend. I will be co-presenting on the TCMA Code of Ethics on Saturday, June 12. You can reach me on my cell phone.

I plan to take vacation days June 18 – 25.

**Health Benefits Costs**

We have been working with our current benefits provider, through our benefits consultant, on developing a plan for the provision of health benefits to city employees next fiscal year. Unfortunately, our claims history points to a rate increase. We have suggested amendments to our current plan that would reduce the amount of increase in premiums that we and city employees pay. Those amendments would increase the maximum out of pocket expenses for city employees and deductible amounts and would require in-network services in order to receive coverage. Even with these plan design changes, we anticipate a 7.8 percent increase from our current provider.

Our consultant tells us that testing the market would not put us in a better position.

We have also been presented with a significant increase in dental benefits costs. We have taken the advice from our consultant to test the market and are awaiting responses to our request for proposals.

We will present more information with the budget recommendation. However, I am happy to meet with Council Members who have detailed questions about the anticipated costs and our plan design.

**Summertime at the Bastrop Public Library**

The library has been a busy place since the start of the Tails & Tales summer reading program, on Tuesday, June 1. As of Wednesday morning, a total of 480 kids, teens and adults had registered for the program. Over 120 people have started the Community Adventure Challenge, 66 children and parents came to Storytime Wednesday, and 20 Little Sheep Learning Center Summer Camp students visited for books and an activity on Thursday morning. The library has had an average of 400 visitors per day in the last week.

The Friends of the Library worked with the Parks crew to set up a Little Library in Bob Bryant Park near the pavilion. The Friends will maintain the structure and keep it supplied with books.



### **Discovery Days Summer Program**

Discovery Days is a three-week program for kids aged 8 to 12 years old who are enrolled in the City's Recreation Program. Discovery Days will take place each week on Tuesday through Thursday mornings. Each day has a theme and will include inquiry-based learning opportunities led by retired college professors. We will have youth worker volunteers to serve as camp cohort leaders. Themes will align with city priorities including Bastrop's "Bird City" designation.

Thank you, Terry Moore for working to add youth-oriented programming to our recreation offerings.

### **Bastrop Library's Story with a Cop**

Chiefs Nagy and Steffanic, CRO McIntyre, Detective Wagner, and Officers Barnes, Alvarado and Astran participated in the Story with a Cop program at the historical chimney in Fisherman's Park.



## Future Agenda Items

June 22, 2021

- Hold Public Hearing on Hunters Crossing PID service plan and proposed assessment levy
- Consider action to approve a Development Agreement with Bastrop 552 aka Bastrop Colorado Bend, LLC
- Consider action to accept donation for the addition of Disc Golf, Birding Blind, and Purple Martin Bird Houses in Bob Bryant Park
- Consider action to approve on second reading Ordinance 2021-07 Signs

July 13, 2021

- Authorize issuance of Certificates of Obligation
- Presentation on agreement for telecommunications and 911 service with County
- Consider Resolution to amend Rules of Procedures
- River Loop Project Contract Award
- Presentation of Updated Employee Handbook (rescheduled)

July 27, 2021

- Receive briefing on the City Manager's submitted budget for FY 2022
- Receive quarterly presentations from Bastrop EDC, Visit Bastrop, and our Community Assets
- Interlocal agreement with Bastrop County for 911 addressing
- Public Hearing and action on Development Agreement for Viridian Development
- Presentation for the Bastrop County Municipal Utility District 3 and 4

August 5, 2021

- Consider action to place a proposal to adopt tax rate for FY 2021-2022 on next agenda

August 10, 2021

- City Managers 2<sup>nd</sup>. evaluation
- Consider action on approving the Financial Management Policy
- Annual review of the Financial Management Policy
- Annual review of the Purchasing Policy
- Presentation of 3<sup>rd</sup>. quarter report

#### **Attachments**

- TML Legislative Update Number 22



# Legislative UPDATE

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June 11, 2021  
Number 22

## **Eighty-Seventh Legislature Adjourns:** **Cities Retain Their Voice**

A legislative session that got its start during two major disasters—the Coronavirus Pandemic and Winter Storm Uri—ended just as unusually, with House members leaving the building on the penultimate day to break a quorum on a bill they disliked.

In between, important legislation was passed, much of it beneficial for Texas cities. One bill that passed, H.B. 5, will speed the expansion of broadband to underserved communities by creating a new Broadband Development Office to be overseen by the comptroller. Assisting the expansion of broadband—as H.B. 5 does—was a TML priority.

Another TML priority was supporting legislation that hardens the electric grid in the wake of Uri. Several grid-related bills were passed, including S.B. 3, to try to prevent future electric disasters.

Good annexation legislation passed, as well. S.B. 374, corrects unintended consequences related to annexing roads that was caused by legislation passed in 2017 and 2019.

Many bills that would have harmed city authority either failed to pass or passed in negotiated form that cities can live with, including the following:

- A community censorship bill that would have prevented cities from hiring advocates or joining associations that advocate for their issues at the Capitol.
- A debt bill that, in its early form, would have prevented the issuance of most certificates of obligation for infrastructure projects by requiring they be paid from the maintenance and operations side of the property tax rate.
- A bill that would have harmfully expanded the application of calendar “shot clocks” in the building permitting and land development fields.
- A “super preemption” bill that would have prevented many city regulations from applying to any state license holder.
- Legislation requiring paid sick and injury leave for first responders that was duplicative of already existing workers compensation laws.
- A bill that would have prevented cities from regulating backyard agricultural practices.

There were many more harmful bills that ended up on the “cutting room floor”, as it were, or were negotiated by the League and its cities into an acceptable format.

Not all restrictive bills were defeated, however, and all of the ones that passed will be summarized in detail later in this edition of the Update. Included among those that passed are a bill preventing police “defunding” in certain large cities, legislation waiving governmental immunity for development agreements, and a bill limiting the scope of the disaster exception under last session’s revenue cap bill.

On balance, it was a positive session for Texas cities as they emerge from two unprecedented disasters. City leaders had a “seat at the table” on important legislation and constructive communication between city officials and legislators was critical in fighting back some of the most problematic legislation. There will be a special session later in 2021 to address legislative redistricting, in addition to other unfinished business from the regular session, during which any of the harmful ideas mentioned above could be revived. We will be ready.

## **City-Related Bills**

The following sections contain summaries of the 249 city-related bills passed by the Eighty-Seventh Legislature. The governor has until June 20 to sign bills, veto them, or let them become law without his signature. The effective date of each bill is noted in a parenthetical following each bill described below. Some of the bills will become effective as soon as they are signed (e.g., “effective immediately”), others (unless vetoed) will become effective on September 1, and a few have special effective dates.

Future issues of the *TML Legislative Update* or *Texas Town & City* magazine will provide additional details on some of the bills described here, may include summaries of “straggler” bills that for various reasons were not summarized at the time of printing, and will provide other updates as appropriate.

The link for each bill leads to its “landing page” on the Texas Legislature Online website. To read the final version, click on the “text” tab and click on the “enrolled” version on that screen.

### **Property Tax**

**[H.B. 988 \(Shine/Hancock\)](#)** – **Property Tax Appraisal**: this bill, among other things: (1) provides that a member of the governing body, officer, or employee of a taxing unit commits a Class A misdemeanor if the person directly or indirectly communicates with the chief appraiser or another employee of the appraisal district in which the taxing unit participates for the purpose of influencing the value at which property in the district is appraised, unless the person owns or leases the property that is the subject of the communication; (2) authorizes the governing body of a taxing unit, any part of which is located in an area designated a disaster area on or after January 1, 2020, to take official action to extend the date by which goods-in-transit must be transported to another location in the state or outside the state to a date not later than the 270th day after the date the person acquired the property in or imported the property into the state for the purposes of the goods-in-transit property tax exemption; and (3) provides that the authority described in (2), above, expires on December 31, 2025. (Summarized provisions are effective January 1, 2022, certain other provisions in the bill are effective immediately.)

**[H.B. 1090 \(Bailes/Nichols\)](#)** – **Property Tax Appraisal**: provides that, if the chief appraiser discovers that real property was omitted from an appraisal roll in one of the three preceding tax years, the chief appraiser shall appraise the property as of January 1 of each tax year that it was omitted and enter the property and its appraised value in the appraisal records. (Effective September 1, 2021.)

**[H.B. 1197 \(Metcalf/Campbell\)](#)** – **Property Tax Exemption**: extends from six years to ten years the amount of time that a tract of land that is contiguous to the tract of land on which a religious organization’s place of regular religious worship is located may be exempted from property taxes



when the religious organization is expanding or constructing a new place of religious worship. (Effective January 1, 2022.)

**H.B. 1869 (Burrows/Bettencourt)** – **Debt Financing:** modifies the definition of “debt” for purposes of the debt service property tax rate calculation to only include debt that meets one of the following requirements: (1) has been approved at an election; (2) includes self-supporting debt; (3) evidences a loan under a state or federal financial assistance program; (4) is issued for “designated infrastructure”, which means infrastructure, including a facility, equipment, rights-of-way, or land, for the following purposes: (a) streets, roads, highways, bridges, sidewalks, parks, landfills, parking structures, or airports; (b) telecommunications, wireless communications, information technology systems, applications, hardware, or software; (c) cybersecurity; (d) as part of any utility system, water supply project, water plant, wastewater plant, water and wastewater distribution or conveyance facility, wharf, dock, or flood control and drainage project; (e) police stations, fire stations, or other public safety facilities, jails, juvenile detention facilities, or judicial facilities, and any facilities that are physically attached to these facilities; (f) as part of any school district; or (g) as part of any hospital district that includes a teaching hospital; (5) is a refunding bond; (6) is issued in response to an emergency related to a hurricane or tropical storm; (7) is issued for renovating, improving, or equipping existing buildings or facilities; (8) is issued for vehicles or equipment; or (9) is issued for a tax increment reinvestment zone or a transportation reinvestment zone. (Effective September 1, 2021.)

**H.B. 2429 (Meyer/Bettencourt)** – **Property Tax Rate Notice:** this bill, for a city with a population of less than 30,000 that is not required to hold a tax rate election and for which the qualified voters may not petition to hold an election, establishes alternate provisions for notice of the property tax rate when the de minimis tax rate of the city exceeds the voter-approval tax rate. (Effective immediately.)

**H.B. 2535 (Sanford/Perry)** – **Property Tax Appraisal:** provides that, in determining the market value of real property, the chief appraiser shall analyze the effect on that value of, and exclude from that value the value of, any chicken coops or rabbit pens used for the noncommercial production of food for personal consumption. (Effective January 1, 2020.)

**H.B. 2723 (Meyer/Bettencourt)** – **Tax Rate Notice:** requires: (1) the Department of Information Resources to develop and maintain an easily accessible Internet website that lists each property tax database and includes a method to assist a property owner in identifying the appropriate property tax database for the owner’s property; and (2) certain existing property tax rate notices to contain a statement encouraging taxpayers to visit a website collecting property tax database information to read as follows: “Visit Texas.gov/PropertyTaxes to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.” (Effective immediately, but changes made by the bill apply only to a notice required to be delivered for a property tax year beginning on or after January 1, 2021.)

**H.B. 3610 (Gervin-Hawkins/Springer)** – **Property Tax Exemption:** this bill, among other things: (1) exempts property owned by an open-enrollment charter school from property taxes; and (2) exempts the portion of real property that is leased to an independent school district, community



college district, or open-enrollment charter school from property taxes if the portion of the real property that is leased to the public school is: (a) used exclusively by the public school for the operation or administration of the school or the performance of other educational functions of the school; and (b) reasonably necessary for a purpose under (a) as found by the school's governing body. (Effective September 1, 2021.)

**H.B. 3629 (Bonnen/Taylor)** – **Property Tax Deferral**: this bill, among other things, provides that a taxing unit may not file suit to collect delinquent taxes on the residence homestead of an elderly or disabled person or disabled veteran, and the property may not be sold at a sale to foreclose the lien, until the 181st day after the date the collector for the taxing unit delivers a notice of delinquency of the taxes following the date the individual no longer owns and occupies the property as a residence homestead. (Effective September 1, 2021.)

**H.B. 3833 (P. King/Hancock)** – **Property Tax Appraisal**: this bill, among other things: (1) modifies the appraisal of certain nonexempt property used for low-income or moderate-income housing if the property in question is under construction or has not reached stabilized occupancy on January 1 of the tax year in which the property is appraised; (2) eliminates the requirement for a property owner to pay interest along with an additional tax imposed on certain agriculture land and timber land if a change in the use of the land occurs; and (3) provides that, if land appraised as recreational, park, scenic land, or public access airport property is diverted to another use, an additional tax is imposed on the land equal to the difference between the taxes imposed on the land for each of the previous three years and interest is eliminated. (Effective immediately.)

**H.B. 3971 (Meyer/West)** – **Appraisal of Property in Historic District**: provides that when determining the market value of residential real property located in an area that is zoned or otherwise designated as a historic district under city, state, or federal law, the chief appraiser shall consider the effect on the property's value of any restriction placed by the historic district on the property owner's ability to alter, improve, or repair the property. (Effective January 1, 2022.)

**S.B. 63 (Nelson/Meyer)** – **Appraisal Process**: makes several changes to the property tax appraisal process, including: (1) imposing term limits on appraisal district board of directors members for appraisal districts established in a county with a population of 120,000 or more; (2) prohibiting certain former employees of an appraisal district from later serving on an appraisal district board of directors; (3) prohibiting certain former members of the appraisal review board from serving as an employee of the appraisal district; (4) providing that a person is entitled to an exemption from property taxation of the appraised value of a solar or wind-powered energy device owned by the person that is installed or constructed on real property and is primarily for production and distribution of energy for on-site use, regardless of whether the person owns the real property on which the device is installed or constructed; (5) imposing a 90-day and 30-day time limit on various determinations that a chief appraiser can make on certain exemptions and other appraisal applications; and (6) limiting the ability of a chief appraiser to offer evidence at certain protest and appraisal hearings in support of modifying or denying an application. (Effective September 1, 2021.)

**S.B. 611 (Campbell/Lopez)** – **Property Tax Exemption**: this bill: (1) exempts from property taxes the residence homestead of the surviving spouse of a member of the armed services who is

fatally injured in the line of duty; (2) except as provided by (3), below, requires a chief appraiser to accept and approve or deny an application for a residence homestead exemption after the deadline for filing it has passed if it is filed not later than two years after the delinquency date for taxes on the homestead; and (3) requires a chief appraiser to accept and approve or deny an application for a homestead exemption for a partially or totally disabled veteran after the deadline for filing it has passed if it is filed not later than five years after the delinquency date for the taxes on the property. (Effective January 1, 2022, but only if **S.J.R. 35** is approved at the election on November 2, 2021.)

**S.B. 742 (Birdwell/Anderson)** – **Installment Payments in Disaster or Emergency Area:** provides that, for certain property owned or leased by a business entity in a disaster or emergency area that has not been damaged as a result of a disaster or emergency, the governing body of a taxing unit may authorize a person to pay the taxing unit’s property taxes in four equal installments without penalty or interest if the first installment is paid before the delinquency date and is accompanied by notice to the taxing unit that the person will pay the remaining taxes in three equal installments. (Effective immediately.)

**S.B. 794 (Campbell/Meyer)** – **Disabled Veteran Property Tax Exemption:** modifies the eligibility for a homestead property tax exemption for a totally disabled veteran to a disabled veteran who “has been awarded by” the United States Department of Veterans Affairs 100 percent disability compensation, instead of a disabled veteran who “receives from” the United States Department of Veterans Affairs 100 percent disability compensation. (Effective January 1, 2022.)

**S.B. 1257 (Birdwell/Murphy)** – **Property Tax Abatement:** requires a chief appraiser to include in a tax abatement report submitted to the comptroller a list of the kind, number, and location of all proposed improvements of the property in connection with each tax abatement agreement within the district in the year following the year in which or an agreement is executed. (Effective September 1, 2021.)

**S.B. 1421 (Bettencourt/Thierry)** – **Property Tax Appraisal:** this bill, among other things, authorizes the appraisal review board, on the motion of the chief appraiser or of a property owner, to direct by written order changes in the appraisal roll or related appraisal records under certain circumstances for the current tax year and for either of the two preceding tax years to correct an inaccuracy in the appraised value of the owner’s tangible personal property that is the result of an error or omission in a rendition statement or property report filed for the applicable tax year. (Effective September 1, 2021.)

**S.B. 1427 (Bettencourt/Shine)** – **Property Tax Exemption:** clarifies that the temporary property tax exemption for a portion of the appraised value of property damaged by a disaster only applies when there is physical damage to a property caused by a disaster. (Effective immediately.)

**S.B. 1438 (Bettencourt/Meyer)** – **Tax Rate Calculation in Disaster Area:** this bill, among other things:

1. repeals existing law relating to the calculation of a tax rate in a disaster area;

2. provides that the governing body of a taxing unit, other than a school district, may direct the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit (an eight percent voter-approval rate) if any part of the taxing unit is located in an area declared a disaster area during the current tax year by the governor or by the president of the United States and at least one person is granted a temporary property tax exemption for a portion of the appraised value of property damaged by a disaster;
3. requires the designated officer or employee to continue calculating the voter-approval tax rate in the manner provided by Number 2, above, until the earlier of: (a) the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred; or (b) the third year after the tax year in which the disaster occurred;
4. provides that in the first tax year following the last tax year for which the designated officer or employee calculates the voter-approval tax rate under Number 2, above, the taxing unit's voter-approval tax rate is reduced by the taxing unit's emergency revenue rate;
5. provides that when increased expenditure of money by a taxing unit other than a school district is necessary to respond to a disaster, including a tornado, hurricane, flood, wildfire, or other calamity, but not including a drought, epidemic, or pandemic, that has impacted the taxing unit and the governor has declared any part of the area in which the taxing unit is located as a disaster area, an election is not required to approve a tax rate exceeding the voter-approval tax rate or de minimis tax rate, as applicable, for the year following the year in which the disaster occurs;
6. provides that, if a taxing unit adopts a tax rate under Number 5, above, the amount by which the rate exceeds the taxing unit's voter-approval tax rate for that tax year may not be considered when calculating the taxing unit's voter-approval tax rate for the tax year following the year in which the taxing unit adopts the rate;
7. requires a taxing unit that calculates the taxing unit's voter-approval tax rate under Number 2, above, or adopts a tax rate that exceeds the taxing unit's voter-approval tax rate for that tax year without holding an election under Number 5, above, to specify the disaster declaration that provides the basis for authorizing the taxing unit to calculate or adopt a tax rate under the applicable statute;
8. provides that a taxing unit that in a tax year specifies a disaster declaration under Number 7, above, may not in a subsequent tax year specify the same disaster declaration as providing the basis for authorizing the taxing unit to calculate or adopt a tax rate under the disaster authority if, in an intervening year, the taxing unit specifies a different disaster declaration as the basis for authorizing the taxing unit to calculate or adopt a tax rate; and
9. eliminates the ability of a local taxing unit to adopt the temporary exemption for qualified property damaged by a disaster following the date the taxing unit adopts a tax rate, making the property tax exemption mandatory regardless of when the disaster occurs.

(Effective immediately.)

**S.B. 1449 (Bettencourt/Murphy)** – **Property Tax Exemption:** provides that a person is entitled to a property tax exemption for tangible personal property with a taxable value of less than \$2,500 and that is held or used for the production of income. (Effective January 1, 2022.)

**S.J.R. 35 (Campbell/Lopez)** – **Property Tax Exemption:** amends the Texas Constitution to authorize the legislature to exempt from property taxes the residence homestead of the surviving spouse of a member of the armed services who is fatally injured in the line of duty. (Effective if approved at the election on November 2, 2021.)

## **Public Safety**

**H.B. 9 (Klick/Campbell)** – **Obstructing Highway:** provides that it is a state jail felony if, in committing the offense of obstructing a highway or other passageway, the actor knowingly: (1) prevents the passage of an authorized emergency vehicle that is operating the vehicle’s emergency audible or visual signals; or (2) obstructs access to a hospital or other health care facility that provides emergency medical care. (Effective September 1, 2021.)

**H.B. 54 (Talarico/Whitmire)** – **Police Reality TV Shows:** prohibits a law enforcement agency from authorizing a person to accompany and film a peace officer acting in the line of duty for the purpose of producing a reality television program. (Effective immediately.)

**H.B. 103 (Landgraf/Zaffirini)** – **Active Shooter Alert System:** requires the Texas Department of Public Safety to establish the Texas Active Shooter Alert System and allows local law enforcement agencies to request activation of the system when certain criteria are met. (Effective September 1, 2021.)

**H.B. 390 (S. Thompson/Huffman)** – **Human Trafficking:** imposes requirements for human trafficking awareness and prevention in commercial lodging establishments, and provides that: (1) a peace officer may enter the premises of a commercial lodging establishment between the hours of 9 a.m. and 5 p.m. Monday through Friday to ensure compliance with the requirements of the bill; (2) a city ordinance, rule, or other regulation related to human trafficking awareness and prevention in commercial lodging establishments, including training and certification requirements, is not preempted; and (3) in the case of a conflict between a city ordinance and this new law, the more stringent regulation controls. (Effective January 1, 2022, except that the requirement that the attorney general adopt related rules is effective September 1, 2021.)

**H.B. 402 (Hernandez/Alvarado)** – **Asset Forfeiture:** provides, among other things, that the head of a law enforcement agency may cover the costs of a contract with a city or county program to provide services to domestic victims of trafficking using any portion of the gross amount credited to the agency’s special asset forfeiture fund from the forfeiture of contraband that: (1) is used in the commission of, or used to facilitate or intended to be used to facilitate the commission of, an offense of human trafficking; or (2) consists of proceeds gained from the commission of, or property acquired with proceeds gained from the commission of, an offense of human trafficking. (Effective September 1, 2021.)

**H.B. 558 (White/Hall) – Blood and Breath Specimens:** this bill:

1. requires a peace officer to take a specimen of a person's blood if:
  - a. the officer arrests the person for certain intoxication offenses involving the operation of a motor vehicle or a watercraft;
  - b. the person refuses the officer's request to submit to the taking of a specimen voluntarily;
  - c. the person was the operator of a motor vehicle or a watercraft involved in an accident that the officer reasonably believes occurred as a result of the offense; and
  - d. at the time of the arrest, the officer reasonably believes that as a direct result of the accident any individual has died, will die, or has suffered serious bodily injury;
2. requires a peace officer to take the specimen of a person's breath or blood under any of the following circumstances, if the officer arrests the person for an intoxication offense involving the operation of a motor vehicle or a watercraft and the person refuses the officer's request to submit to the taking of a specimen voluntarily:
  - a. the person was the operator of a motor vehicle or a watercraft involved in an accident that the officer reasonably believes occurred as a result of the offense and, at the time of the arrest, the officer reasonably believes that as a direct result of the accident an individual other than the person has suffered bodily injury and been transported to a hospital or other medical facility for medical treatment;
  - b. the offense for which the officer arrests the person is an offense of driving while intoxicated with a child passenger; or
  - c. at the time of the arrest, the officer possesses or receives reliable information from a credible source that the person:
    - i. has been previously convicted of or placed on community supervision for the offense of driving while intoxicated with a child passenger, intoxication assault, or intoxication manslaughter, or an offense under the laws of another state containing elements substantially similar to the elements of such offenses; or
    - ii. on two or more occasions, has been previously convicted of or placed on community supervision for the offense of driving while intoxicated, flying while intoxicated, boating while intoxicated, or assembling or operating an amusement ride while intoxicated, or an offense under the laws of another state containing elements substantially similar to the elements of such offenses;
3. provides that the peace officer shall designate the type of specimen to be taken under the provisions of Number 2, above; and
4. provides that a peace officer may not require the taking of a specimen unless the officer:
  - a. obtains a warrant directing that the specimen be taken; or
  - b. has probable cause to believe that exigent circumstances exist.

(Effective September 1, 2021.)

**H.B. 763 (Toth/Zaffirini) – Seized Alcoholic Beverages:** provides that an alcoholic beverage, its container, and its package which has been seized by a peace officer shall be: (1) destroyed or disposed of by a peace officer; or (2) delivered to the Texas Alcoholic Beverage Commission

(TABC) for immediate public or private sale in the manner TABC considers best. (Effective September 1, 2021.)

**H.B. 929 (Sherman/West)** – **Body Worn Cameras**: provides that: (1) a body worn camera policy must: (a) include provisions related to the collection of a body worn camera, including the applicable video and audio recorded by the camera, as evidence; (b) require a peace officer who is equipped with a body worn camera and actively participating in an investigation to keep the camera activated for the entirety of the officer’s active participation in the investigation unless the camera has been deactivated in compliance with such policy; and (2) a peace officer equipped with a body worn camera may choose not to activate a camera or may choose to discontinue a recording currently in progress for any encounter with a person that is not related to an investigation. (Effective September 1, 2021.)

**H.B. 1024 (Geren/Hancock)** – **Alcohol To-Go**: this bill allows for the pickup and delivery of alcoholic beverages for off-premises consumption under certain circumstances. (Effective immediately.)

**H.B. 1069 (Harris/Birdwell)** – **First Responders Carrying Handguns**: this bill:

1. prohibits a city with a population of 30,000 or less that has not adopted collective bargaining from adopting or enforcing an ordinance, order, or other measure that generally prohibits a first responder who holds a license to carry a handgun, holds an unexpired certification of completion of a handgun training course for first responders, and has the required liability insurance from: (a) carrying a concealed or holstered handgun while on duty; or (b) storing a handgun on the premises of or in a vehicle owned or leased by the city if the handgun is secured with a device approved by the Texas Department of Public Safety (DPS);
2. provides that the prohibition in Number 1, above, does not prohibit a city from adopting an ordinance, order, or other measure that: (a) prohibits a first responder from carrying a handgun while on duty based on the conduct of the first responder; or (b) limits the carrying of a handgun only to the extent necessary to ensure that carrying the handgun doesn’t interfere with the first responder’s duties;
3. authorizes a city with a population of 30,000 or less that has not adopted collective bargaining to adopt a policy authorizing a first responder who holds a license to carry a handgun, holds an unexpired certification of completion of a handgun training course for first responders, and has the required liability insurance to: (a) carry a concealed or holstered handgun while on duty; or (b) store a handgun on the premises of or in a vehicle owned or leased by the city if the handgun is secured with a device approved by DPS;
4. provides that a first responder may not engage in the conduct described in Number 3(a)-(b), above, unless the city has adopted a policy authorizing the conduct;
5. provides that a first responder may discharge a handgun while on duty only in self-defense;
6. provides that a city that employs or supervises a first responder is not liable in a civil action arising from the discharge of a handgun by a first responder who is licensed to carry a handgun;
7. provides that the discharge of a handgun by a first responder who is licensed to carry a handgun is outside the course and scope of the first responder’s duties;



8. provides that one or more complaints received by a city with respect to a specific first responder constitute grounds for prohibiting or limiting that first responder's carrying a handgun while on duty;
9. defines "first responder" to mean a public safety employee whose duties include responding rapidly to an emergency, including fire protection personnel and emergency medical services personnel, but not including volunteer emergency services personnel, or a peace officer or reserve law enforcement officer who is performing law enforcement duties; and
10. requires the public safety director of DPS to establish a handgun training course for first responders.

(Effective September 1, 2021.)

**H.B. 1172 (Howard/Zaffirini)** – **Sexual Assault Victims**: this bill, among other things: (1) provides that a peace officer or an attorney representing the state may not request or take a polygraph examination of a person who, in a complaint, charges or seeks to charge the commission of certain sexual offenses; (2) provides that a law enforcement agency that receives a report of a sexual assault shall, within 120 hours of the assault and with the requisite consent, request a forensic medical examination of the victim for use in the investigation or prosecution of the offense; (3) repeals a provision that provides that a law enforcement officer may refuse to request a forensic medical examination of the victim of a sexual assault if: (a) the person reporting the sexual assault has made one or more false reports of sexual assault to any law enforcement agency; and (b) there is no other evidence to corroborate the current allegations of sexual assault; (4) provides that, before conducting an investigative interview with a sexual assault victim, the peace officer conducting the interview shall offer the victim the opportunity to have an advocate from a sexual assault program present with the victim during the interview, if the advocate is available at the time; (5) provides that, if the advocate described in (4), above, is not available at the time of the interview, the peace officer conducting the interview shall offer the victim the opportunity to have a crime victim liaison from the law enforcement agency, a peace officer who has completed a sexual assault training program, or a victim's assistance counselor from a state or local agency or other entity present with the victim during the interview; and (6) provides that a peace officer or law enforcement agency that provides an advocate, liaison, or counselor with access to a victim reporting a sexual assault is not subject to civil or criminal liability for providing that access. (Effective September 1, 2021.)

**H.B. 1407 (Schaefer/Hughes)** – **Handguns**: excepts a handgun that is visible, in a holster, and in a motor vehicle (along with the licensed holder of the gun) from the prohibition against displaying a handgun in plain view of another person in a public place. (Effective September 1, 2021.)

**H.B. 1419 (Hull/Alvarado)** – **Missing Persons**: provides, among other things, that: (1) a law enforcement agency shall: (a) on receiving a report of a missing child or person, immediately, but not later than two hours after receiving the report, report the name of the person to the Alzheimer's Association Safe Return emergency response center, if applicable; (b) not later than the 60th day after the date the agency receives the report described in (1)(a), above, enter the name of the missing child or person into the National Missing and Unidentified Persons System, with all available identifying features such as dental records, fingerprints, other physical characteristics,

and a description of the clothing worn when last seen, as well as all available information describing any person reasonably believed to have taken or retained the missing child or missing person; (c) inform the person who filed the report of the missing child or missing person that the information will be entered into the clearinghouse, the national crime information center missing person file, and the National Missing and Unidentified Persons System, and reported to the Alzheimer's Association Safe Return emergency response center, if applicable; and (d) as soon as possible, enter information not immediately available to the agency when the original entry is made into the clearinghouse, the national crime information center file, and the National Missing and Unidentified Persons System as a supplement to the original entry; and (2) immediately after the return of a missing person or the identification of an unidentified body, the local law enforcement agency having jurisdiction of the investigation shall: (a) clear the entry in the National Crime Information Center database; and (b) notify the National Missing and Unidentified Persons System. (Effective September 1, 2021.)

**H.B. 1545 (Cyrier/Hall)** – **Commission on Jail Standards**: continues the functions of the Commission on Jail Standards and, among other things, repeals the requirement that the chief jailer of each municipal lockup submit to the commission an annual report of persons under 17 years of age securely detained in the lockup. (Effective September 1, 2021.)

**H.B. 1694 (Raney/Schwertner)** – **9-1-1 Good Samaritan**: this bill, known as the Jessica Sosa Act, provides: (1) a defense to prosecution for certain drug offenses if the actor: (a) was the first person to request emergency medical assistance in response to the possible overdose of another person and: (i) made the request for medical assistance during an ongoing medical emergency; (ii) remained on the scene until medical assistance arrived; and (iii) cooperated with medical assistance and law enforcement; or (b) was the victim of a possible overdose for which emergency medical assistance was requested by the actor or by another person during an ongoing medical emergency; (2) exceptions to the defense in (1), above, if: (a) at the time the request for emergency medical assistance was made: (i) a peace officer was in the process of arresting the actor or executing a search warrant describing the actor or the place from which the request for medical assistance was made, or (ii) the actor was committing certain other offenses other than one for which the defense is available; (b) the actor has previously been convicted or placed on deferred adjudication community supervision for certain offenses; (c) the actor was acquitted in a previous proceeding in which the actor successfully used the defense in (1), above; (d) at any time during the 18-month period preceding the date of the commission of the instant offense, the actor requested emergency medical assistance in response to the possible overdose of the actor or another person; and (3) that the defense in (1), above, does not preclude the admission of evidence obtained by law enforcement resulting from the request for emergency assistance if that evidence pertains to an offense for which the defense in (1), above, is not available. (Effective September 1, 2021.)

**H.B. 1755 (Metcalf/Hancock)** – **Alcohol To-Go**: provides that a mixed beverage permittee may not permit any person to take any alcoholic beverage purchased on the licensed premises from the premises where sold, except that a person who orders wine with food may remove the container of wine from the premises whether the container is opened or unopened. (Effective September 1, 2021.)

**H.B. 1758 (Krause/Birdwell)** – **Unmanned Aircraft**: this bill: (1) requires each law enforcement agency that uses or intends to use a drone for law enforcement purposes to: (a) adopt a written policy regarding the agency’s use of force by means of a drone, before the agency first uses a drone, and update the policy as necessary; and (b) not later than January 1 of each even-numbered year submit the policy to the Texas Commission on Law Enforcement (TCOLE) in the manner prescribed by TCOLE; and (2) provides that, notwithstanding any other law, the use of force, including deadly force, involving a drone is justified only if: (a) at the time the use of force occurred, the actor was employed by a law enforcement agency; and (b) the use of force: (i) would have been justified under certain other law; and (ii) did not involve the use of deadly force by means of an autonomous drone; and (c) before the use of force occurred, the law enforcement agency employing the actor adopted and submitted to TCOLE a policy on the agency’s use of force by means of a drone, as described in (1), above, and the use of force conformed to the requirements of that policy. (Effective September 1, 2021.)

**H.B. 1900 (Goldman/Huffman)** – **Law Enforcement Funding**: this bill:

1. characterizes a “defunding municipality” as a city with a population of more than 250,000: (a) that adopts a budget for a fiscal year that, in comparison to the city’s preceding fiscal year, reduces the appropriation to the city’s police department; and (b) for which the criminal justice division of the governor’s office issues a written determination finding that the city has made a reduction described by (a);
2. provides that, in making a determination of whether a city is a “defunding municipality” according to the budget adopted for the first fiscal year beginning on or after September 1, 2021, the criminal justice division of the governor’s office shall compare the appropriation to the city’s police department in that budget to the appropriation to the police department in the budget of the preceding fiscal year or the second preceding fiscal year, whichever is greater (this specific requirement expires on September 1, 2023);
3. provides that a city is not considered to be a defunding municipality under Number 1, above, if: (a) for a fiscal year in which the city adopts a budget that is less than the budget for the preceding fiscal year, the percentage reduction to the appropriation to the city’s police department does not exceed the percentage reduction to the total budget; or (b) before adoption of the budget, the city applies for and is granted approval from the criminal justice division of the governor’s office for a reduction to the appropriation to the city’s police department to account for: (i) capital expenditures related to law enforcement during the preceding fiscal year; (ii) the city’s response to a state of disaster; or (iii) another reason approved by the division;
4. provides that, for purposes of making a determination of whether a city is a defunding municipality, a city’s appropriation to the city’s police department does not include: (a) any grant money received by the city during any fiscal year; or (b) any sales and use tax revenue received by the city for the purpose of financing a crime control and prevention district;
5. provides that a city is considered a defunding municipality until the criminal justice division of the governor’s office issues a written determination finding that the city has reversed the inflation-adjusted reductions described in Number 1(a), above;
6. requires the criminal justice division of the governor’s office to: (a) compute the inflation rate used to make determinations under Number 5, above, each fiscal year using a price

- index that accurately reports changes in the purchasing power of the dollar for cities in this state; and (b) publish the inflation rate in the Texas Register;
7. provides that a defunding municipality may not annex an area during the period beginning on the date that the criminal justice division of the governor's office issues the written determination that the city is a defunding local government and ending on the 10th anniversary of the date on which the criminal justice division of the governor's office issues a written determination finding that the defunding municipality has reversed the reductions described in Number 1, above;
  8. provides: (a) that a defunding municipality, on the next available uniform date that occurs after the date on which the criminal justice division of the governor's office issues a written determination that a city is a defunding municipality, shall hold a separate election in each area annexed in the preceding 30 years by the city on the question of disannexing the area; (b) that the defunding municipality shall immediately disannex an area by ordinance for which a majority of votes received in the election favor disannexation; (c) that if an area is disannexed pursuant to an election under (a), the city may not attempt to annex the area before the 10th anniversary of the date on which the criminal justice division of the governor's office issues a written determination finding that the city has reversed the reductions described in Number 1, above; and (d) that a city holding a disannexation election under (a) may not use public funds on informational campaigns relating to the election;
  9. requires a defunding municipality to calculate a municipal public safety expenditure adjustment to the city's property tax rate;
  10. prohibits the governing body of a defunding municipality from adopting a property tax rate for the current tax year that exceeds the lesser of the city's no-new-revenue tax rate or voter-approval tax rate for that tax year;
  11. provides: (a) that the comptroller may not, before July 1 of each state fiscal year, send to a defunding municipality its share of city sales and use taxes collected by the comptroller during the state fiscal year; and (b) that before sending the defunding municipality its share of sales and use taxes, the comptroller shall deduct the amount reported to the comptroller for the defunding municipality under Number 12, below, and credit that deducted amount to the general revenue fund, which must be appropriated only to the Department of Public Safety;
  12. provides that not later than August 1 of each state fiscal year, the criminal justice division of the governor's office shall report to the comptroller for each defunding municipality the amount of money the state spent in that state fiscal year to provide law enforcement services in the defunding municipality;
  13. requires a defunding municipality to, for the purpose of funding retirement benefits, increase municipal contributions to a public retirement system in which its employees participate as members in a manner that ensures that the total amount the city and members contribute to the system for the fiscal year on which the determination is based is not less than the total amount the city and members of the system contributed to the system for the fiscal year immediately preceding the fiscal year on which the determination is based;
  14. prohibits the governing body of a municipally-owned electric utility that is located in a city that is a defunding local government from charging a customer: (a) at a rate higher than the rate the customer was charged or would have been charged on January 1 of the year that the city was determined to be a defunding local government; (b) any customer fees in

amounts higher than the customer fees the customer was charged or would have been charged on January 1 of the year that the city was determined to be a defunding local government; and (c) any types of customer fees that the customer was not charged or would not have been charged on January 1 of the year that the city was determined to be a defunding local government;

15. provides that if a municipally-owned utility has not transferred funds to the defunding municipality under Number 14, above, the municipally-owned utility may increase its rates to account for: (a) pass-through charges imposed by a state regulatory body or the Electric Reliability Council of Texas; (b) fuel, hedging, or wholesale power cost increases; or (c) to fulfill debt obligations; and
16. prohibits a municipally-owned utility that increases rates under Number 15, above, from transferring funds to the defunding municipality until the date the criminal justice division of the governor's office issues a written determination finding that the city has reversed the reduction.

(Effective September 1, 2021.)

**H.B. 1927 (Schaefer/Schwertner)** – **Unlicensed Handgun Carry**: this bill, known as the *Firearms Carry Act of 2021*:

1. leaves the current handgun licensing scheme in place, presumably for purposes of reciprocity with other states and ease of handgun purchases;
2. authorizes most Texans over 21 years of age to carry a handgun in a concealed manner or openly in a holster, without the requirement to obtain a handgun license;
3. modifies language in the Texas Penal Code to make it a crime to carry a handgun only by someone who is younger than 21 years of age or in the previous five years has been convicted of the following state crimes: (a) assault causing bodily injury, including to a spouse; (b) deadly conduct, including discharging a firearm at persons, a habitation, a vehicle or a building; (c) making a terroristic threat; or (d) disorderly conduct by: (i) discharging a firearm in a public place other than a public road or a sport shooting range; or (ii) displaying a firearm or other deadly weapon in a public place in a manner calculated to alarm;
4. prohibits a person who is a member of a criminal street gang or a person convicted of a felony or a family violence offense from possessing a firearm, with some limited exceptions (Note: The federal Gun Control Act makes it unlawful for certain additional categories of persons convicted of serious crimes to ship, transport, receive, or possess firearms or ammunition);
5. mandates that the Texas Department of Public Safety (DPS) develop free-of-charge and post online a course on firearms safety and handling, and that DPS prepare an annual report to the legislature related to handgun carry;
6. provides that a licensed or unlicensed carrier is prohibited from entering certain places listed in Penal Code Section 46.03, including, among many others and most relevant to cities: (a) the premises of a polling place on the day of an election or while early voting is in progress; and (b) the premises of any government court or offices utilized by the court, unless pursuant to written regulations or written authorization of the court (it remains

unclear whether this prohibition applies to the building or only the rooms housing the court or court offices);

7. provides that a licensed carrier is prohibited from entering the room or rooms where a meeting of a governmental entity is held, if the meeting is an open meeting subject to the Open Meetings Act, only if: (a) the entity provided notice as required by the Open Meetings Act, and (b) the entity provides notice that carry is prohibited in the meeting (e.g., by posting the existing 30.06 sign [licensed concealed carry prohibition] and/or 30.07 sign [licensed open carry prohibition] at the entrance to the meeting room);
8. provides that an unlicensed carrier may not enter the room or rooms where an open meeting of a governmental entity is held (Note: the new 46.15(o) sign, described in Number 9, below, allows only a “person” to prohibit unlicensed carry, and a city is not a person under the Penal Code definition);
9. provides that a person or business, but not a city, may provide notice under Penal Code Section 46.15(o) that firearms and other weapons are prohibited on the premises or other property by posting a sign at each entrance to the premises or other property that: (a) includes language that is identical to or substantially similar to the following: “Pursuant to Section 46.03 Penal Code (places weapons prohibited), a person may not carry a firearm or other weapon on this property”; (b) includes the language described by (a) in both English and Spanish; (c) appears in contrasting colors with block letters at least one inch in height; and (d) is displayed in a conspicuous manner clearly visible to the public;
10. provides that a person or a business, but not a city, may post a notice similar to that in Number 9, above, but under the authority of Penal Code Section 30.05, to prohibit unlicensed carry on their property;
11. provides that the signage in Number 9, above, should be posted at each entrance to the property and: (a) include language that is identical to or substantially similar to the following: “Pursuant to Section 30.05, Penal Code (criminal trespass), a person may not enter this property with a firearm”; (b) include the language described by (a) in both English and Spanish; (c) appear in contrasting colors with block letters at least one inch in height; and (d) be displayed in a conspicuous manner clearly visible to the public;
12. provides that a city may not prohibit a person who is authorized by law to carry a handgun from doing so: (a) in a public park (prior to this bill, a city could prohibit anyone other than a handgun license holder from carrying a firearm in a city park, but after this bill’s passage, a city can’t prohibit anyone who is lawfully carrying a firearm from bringing it into the park); (b) at a public meeting of a city, county, or other governmental body, unless the entity posts proper notice to prohibit that carry is prohibited; (c) at a political rally, parade, or official political meeting; or (d) at a nonfirearms-related school, college, or professional athletic event; and
13. authorizes a peace officer who is acting in the lawful discharge of the officer’s official duties to temporarily disarm an unlicensed carrier when that person enters a nonpublic, secure portion of a law enforcement facility, if the law enforcement agency provides a gun locker where the peace officer can secure the person’s handgun, and if the peace officer returns the handgun to the person immediately after the person leaves the nonpublic, secure portion of the law enforcement facility.

(Effective September 1, 2021.)



**H.B. 1938 (Jetton/Kolkhorst)** – **Body Worn Camera Grants:** provides that a law enforcement agency that provides body worn cameras to its peace officers may apply to the office of the governor for a grant to defray the cost of data storage for recordings created with the body worn cameras. (Effective September 1, 2021.)

**H.B. 2106 (Perez/Zaffirini)** – **Credit Card Skimmers:** this bill, among other things: (1) transfers rulemaking authority regarding credit card skimmers at motor fuel dispensers from the attorney general to the Texas Department of Licensing and Regulation (TDLR), and redesignates the payment card fraud center as the financial crimes intelligence center at TDLR; (2) provides that a law enforcement agency or the financial crimes intelligence center may disclose certain information regarding the discovery of a credit card skimmer (which would otherwise be confidential) to the public if the law enforcement agency or the chief intelligence coordinator for the center determines that the disclosure of the information furthers a law enforcement purpose; (3) provides that TDLR may enter into agreements with law enforcement agencies or other governmental agencies for the operation of the financial crimes intelligence center; and (4) provides that the financial crimes intelligence center may, among other things, provide training and educational opportunities to law enforcement. (Effective September 1, 2021.)

**H.B. 2366 (Buckley/Hughes)** - **Penal Offenses:** provides, among other things, that: (1) the offense of directing a light from a laser pointer to a uniformed safety officer, including a peace officer, security guard, firefighter, emergency medical service worker, or other uniformed city, state, or federal officer is enhanced to: (a) a felony of the third degree if the conduct causes bodily injury to the officer; or (b) a felony of the first degree if the conduct causes serious bodily injury to the officer; and (2) a person commits an offense if the person explodes or ignites fireworks with the intent to: (a) interfere with the lawful performance of an official duty by a law enforcement officer; or (b) flee from a person the actor knows is a law enforcement officer attempting to lawfully arrest or detain the actor. (Effective September 1, 2021.)

**H.B. 2462 (Neave/Paxton)** – **Forensic Medical Examinations:** this bill, among other things,: (1) provides that a victim of a sexual assault is entitled to a forensic medical examination if, within 120 hours of the offense: (a) the offense is reported to a law enforcement agency; or (b) a forensic medical examination is otherwise conducted at a health care provider; (2) provides that, if a sexual assault is reported to a law enforcement agency within 120 hours after the assault, the law enforcement agency, with the consent of the victim of the reported assault, a person authorized to act on behalf of the victim, or an employee of the Department of Family and Protective Services, shall request a forensic medical examination of the victim for use in the investigation or prosecution of the offense; (3) provides that, if a sexual assault is not reported within the period described by (2), above, and the victim is a minor, on receiving the appropriate consent, a law enforcement agency shall request a forensic medical examination of the victim for use in the investigation or prosecution of the offense; (4) provides that, if a sexual assault is not reported within the period described by (2), above, and the victim is not a minor, on receiving the appropriate consent, a law enforcement agency may request a forensic medical examination of a victim of a reported sexual assault for use in the investigation or prosecution of the offense if: (a) based on the circumstances of the reported assault, the agency believes a forensic medical examination would further that investigation or prosecution; or (b) after a medical evaluation by a physician, sexual assault examiner, or sexual assault nurse examiner, the physician or examiner

notifies the agency that a forensic medical examination should be conducted; (5) provides that, if a sexual assault is reported to a law enforcement agency as described by (2), (3), or (4), above, the law enforcement agency shall document, in the form and manner required by the attorney general, whether the agency requested a forensic medical examination, and the law enforcement agency shall: (a) provide the documentation of the agency's decision regarding a request for a forensic medical examination to: (i) the health care provider and the physician, sexual assault examiner, or sexual assault nurse examiner, as applicable, who provides services to the victim that are related to the sexual assault; and (ii) the victim or the person who consented to the forensic medical examination on behalf of the victim; and (b) maintain the documentation of the agency's decision in accordance with the agency's record retention policies; (6) eliminates the provision in state law that requires a law enforcement agency that requests a forensic medical examination under (2), (3), and (4), above, to pay all costs of the examination and provides that a healthcare provider that provides such services shall be entitled to reimbursement by the attorney general; (7) provides that the statewide electronic tracking system for evidence collected in relation to a sexual assault or other sex offense that is implemented by the Texas Department of Safety (DPS) shall include the evidence collection kit and any other items collected during the forensic medical examination in relation to a sexual assault or other sex offense and submitted for a laboratory analysis that is necessary to identify the offender or offenders, regardless of whether the evidence is collected in relation to an individual who is alive or deceased; (8) provides that a law enforcement agency that fails to submit evidence of a sexual assault or other sex offense to a public accredited crime laboratory within 30 days after the date on which that evidence was received shall provide to DPS written documentation of the failure, including a detailed explanation for the failure, and shall submit such documentation on or before the 30th day after the date on which the agency discovers that the evidence was not submitted within the required period; and (9) provides that the failure of a law enforcement agency to comply with certain requirements related to collection, preservation, tracking, and submitting for analysis evidence of sexual assault or other sex offenses may be used to determine eligibility for receiving grant funds from DPS, the office of the governor, or another state agency. (Effective September 1, 2021.)

**H.B. 2677 (Bonnen/Taylor)** – **CLEAR Alert**: renames the statewide alert for missing adults between the ages of 18 to 65 to the Coordinated Law Enforcement Adult Rescue (CLEAR) Alert for Missing Adults. (Effective immediately.)

**H.B. 2706 (Howard/Nelson)** – **Forensic Medical Examinations**: this bill, among other things: (1) provides that evidence collected during a forensic medical examination may not be used to investigate or prosecute a misdemeanor offense, or an offense related to a controlled substance, alleged to have been committed by the victim from whom the evidence was collected; and (2) eliminates the provision in state law that requires a law enforcement agency that requests for a forensic medical examination for victims of sexual assault to pay all costs of the examination, and provides that a healthcare provider that provides such services shall be entitled to reimbursement by the attorney general. (Effective September 1, 2021.)

**H.B. 2911 (White/Hancock)** – **Next Generation 9-1-1 Service**: this bill, among other things: (1) provides that before September 1, 2025, all parts of the state must be covered by Next Generation 9-1-1 service; (2) creates the next generation 9-1-1 service fund as a fund in the state treasury outside the general revenue fund; (3) requires the comptroller to transfer to the credit of the next

generation 9-1-1 service fund any amount available from federal money provided to Texas from the Coronavirus State and Local Fiscal Recovery Funds of the American Rescue Plan Act of 2021 or from any other federal governmental source; (4) provides that money deposited to the credit of the next generation 9-1-1 service fund may be used only for the purpose of supporting the deployment and reliable operation of next generation 9-1-1 service, including the costs of equipment, operations, and administration and may be distributed to only the Commission on State Emergency Communications and emergency communication districts and must be used in a manner that complies with federal law; (5) provides that the comptroller may issue guidelines for use by the commission and emergency communication districts in implementing the bill; (6) requires all money in the next generation 9-1-1 service fund to be distributed in accordance with the requirements of the bill not later than December 31, 2022, and all money distributed under the bill be spent not later than December 31, 2024, for the deployment and reliable operation of next generation 9-1-1 service; and (7) repeals the provisions in state law: (a) that provide that on receipt of an invoice from a wireless service provider for reasonable expenses for network facilities, including equipment, installation, maintenance, and associated implementation costs, the Commission or an emergency services district of a home-rule city or an emergency communication district created under state law shall reimburse the wireless service provider in accordance with state law for all expenses related to 9-1-1 service; and (b) that provide that funds collected under the equalization surcharge are not precluded from being used to cover costs under (7)(a) as necessary and appropriate, including for rural areas that may need additional funds for wireless 9-1-1. (Effective September 1, 2021.)

**H.B. 3026 (Canales/Alvarado)** – **Automated Motor Vehicle:** this bill: (1) adopts the current definitions for: (a) “automated motor vehicle” as a motor vehicle on which an automated driving system is installed; and (b) “automated driving system” as hardware and software that, when installed on a motor vehicle and engaged, are collectively capable of performing, without any intervention or supervision by a human operator: (i) all aspects of the entire dynamic driving task for the vehicle on a sustained basis; and (ii) any fallback maneuvers necessary to respond to a failure of the system; and (2) exempts automated motor vehicles and driving systems from certain required vehicle equipment and inspection screenings. (Effective September 1, 2021.)

**H.B. 3363 (Harless/West)** – **Warrants:** provides, among other things, that: (1) for the purpose of requesting a judicial order for the installation and use of a mobile tracking device, a peace officer’s affidavit must provide facts and circumstances that show probable cause to believe (instead of reasonable suspicion under current law) that criminal activity has been, is, or will be committed and the installation and use of the mobile tracking device is likely to produce information that is material to an ongoing criminal investigation of that criminal activity; (2) unless a magistrate directs in the warrant a shorter period for the execution of any search warrant issued for the search of any property, for a wire intercept, or for the installation of tracking equipment, the period allowed for the execution of the warrant, exclusive of the day of its issuance and of the day of its execution, is: (a) 15 whole days if the warrant is issued solely to search for and seize specimens from a specific person for DNA analysis and comparison, including blood and saliva samples; (b) 10 whole days if the warrant is issued for certain customer data information held in electronic storage or certain location information held in electronic storage; or (c) three whole days if the warrant is issued for a purpose other than that described by (2)(a) or (2)(b); (3) only a prosecutor or a prosecutor’s assistant with jurisdiction in a county within a specific judicial district may file

an application for a warrant for certain location information held in electronic storage; (4) an authorized peace officer of a designated law enforcement office or agency or an authorized peace officer commissioned by the Texas Department of Public Safety (DPS) may, without a warrant, require the disclosure of certain location information held in electronic storage if: (a) the officer reasonably believes an immediate life-threatening situation exists that: (i) is within the officer's territorial jurisdiction; and (ii) requires the disclosure of the location information before a warrant can, with due diligence, be obtained; and (b) there are sufficient grounds on which to obtain a warrant requiring the disclosure of the location information; and (5) not later than 48 hours after requiring disclosure of location information without a warrant under (4), above, an authorized peace officer shall obtain a warrant for that purpose. (Effective September 1, 2021.)

**H.B. 3712 (E. Thompson/West) – Peace Officer Training:** provides that: (1) the basic peace officer training course required as part of the peace officer training program may not be less than 720 hours; (2) the basic peace officer training course must include training on: (a) the prohibition against the intentional use of a choke hold, carotid artery hold, or similar neck restraint by a peace officer in searching or arresting a person unless the officer reasonably believes the restraint is necessary to prevent serious bodily injury to or the death of the peace officer or another person; (b) the duty of the officer to intervene or stop or prevent another peace officer from using force against a person suspected of committing an offense in certain situations; and (c) the duty of a peace officer who encounters an injured person while discharging the officer's official duties to immediately and as necessary request emergency medical services personnel to provide the person with emergency medical services and, while waiting for emergency medical services personnel to arrive, provide first aid or treatment to the person to the extent of the officer's skills and training, unless the request for emergency medical services personnel or the provision of first aid or treatment would expose the officer or another person to a risk of bodily injury or the officer is injured and physically unable to make the request or provide the treatment; (3) the Texas Commission on Law Enforcement (TCOLE) shall develop and maintain a model training curriculum and model policies for law enforcement agencies and peace officers that must include the items described in (2), above; and (4) before the first day of each 24-month training unit during which peace officers are required to complete 40 hours of continuing education programs, TCOLE shall specify the mandated topics to be covered in up to 16 of the required hours. (Effective September 1, 2021.)

**S.B. 64 (Nelson/White) – Peer Support:** provides, among other things, that: (1) the Texas Commission on Law Enforcement (TCOLE) shall develop a peer support network for law enforcement officers that includes: (a) peer-to-peer support; (b) training for peer service coordinators and peers that includes suicide prevention training; (c) technical assistance for program development, peer service coordinators, licensed mental health professionals, and peers; and (d) identification, retention, and screening of licensed mental health professionals; (2) as part of the peer support network for law enforcement officers, TCOLE shall ensure law enforcement officers have support in both urban and rural jurisdictions; (3) information relating to a law enforcement officer's participation in peer-to-peer support and other peer-to-peer services under the network is confidential and may not be disclosed under the Public Information Act, by: (a) TCOLE; (b) a law enforcement agency that employs a law enforcement officer participant; or (c) any other state agency or political subdivision that employs a law enforcement officer participant; and (4) a law enforcement officer's participation in peer-to-peer support and other peer-to-peer

services under the network may not: (a) serve as the basis for a revocation, suspension, or denial of a license issued by TCOLE; or (b) be considered in any proceeding related to the officer's TCOLE licensure. (Effective immediately.)

**S.B. 69 (Miles/White)** – **Use of Force:** provides that: (1) a peace officer has a duty to intervene to stop or prevent another peace officer from using force against a person suspected of committing an offense if: (a) the amount of force exceeds that which is reasonable under the circumstances; and (b) the officer knows or should know that the other officer's use of force: (i) violates state or federal law; (ii) puts a person at risk of bodily injury, and is not immediately necessary to avoid imminent bodily injury to a peace officer or other person; and (iii) is not required to apprehend the person suspected of committing an offense; (2) a peace officer who witnesses the use of excessive force by another peace officer shall promptly make a detailed report of the incident and deliver the report to the supervisor of the peace officer making the report; and (3) the use of any force, by any person, including a peace officer or person acting in and at the direction of an officer, in connection with the arrest of another person, is not a justified use of force if such force is used in a manner that impedes the normal breathing or circulation of the blood of the person by applying pressure to the person's throat, neck, or torso or by blocking the person's nose or mouth. (Effective September 1, 2021.)

**S.B. 112 (West/Sherman)** – **Warrants:** provides, among other things, that: (1) for the purpose of requesting a judicial order for the installation and use of a mobile tracking device, a peace officer's affidavit must provide facts and circumstances that show probable cause to believe (instead of reasonable suspicion under current law) that criminal activity has been, is, or will be committed and the installation and use of the mobile tracking device is likely to produce information that is material to an ongoing criminal investigation of that criminal activity; (2) unless a magistrate directs in the warrant a shorter period for the execution of any search warrant issued for the search of any property, for a wire intercept, or for the installation of tracking equipment, the period allowed for the execution of the warrant, exclusive of the day of its issuance and of the day of its execution, is: (a) 15 whole days if the warrant is issued solely to search for and seize specimens from a specific person for DNA analysis and comparison, including blood and saliva samples; (b) 10 whole days if the warrant is issued for certain customer data information held in electronic storage or certain location information held in electronic storage; or (c) three whole days if the warrant is issued for a purpose other than that described by (2)(a) or (2)(b); (3) only a prosecutor or a prosecutor's assistant with jurisdiction in a county within a specific judicial district may file an application for a warrant for certain location information held in electronic storage; (4) an authorized peace officer of a designated law enforcement office or agency or an authorized peace officer commissioned by the Texas Department of Public Safety (DPS) may, without a warrant, require the disclosure of certain location information held in electronic storage if: (a) the officer reasonably believes an immediate life-threatening situation exists that: (i) is within the officer's territorial jurisdiction; and (ii) requires the disclosure of the location information before a warrant can, with due diligence, be obtained; and (b) there are sufficient grounds on which to obtain a warrant requiring the disclosure of the location information; and (5) not later than 48 hours after requiring disclosure of location information without a warrant under (4), above, the authorized peace officer shall obtain a warrant for that purpose. (Effective September 1, 2021.)



**S.B. 281 (J. Hinojosa/Lucio)** – **Hypnotically Induced Testimony**: provides that a statement made during or after a hypnotic session by a person who has undergone investigative hypnosis for the purposes of enhancing the person’s recollection of an event at issue in a criminal investigation or case is not admissible against a defendant in a criminal trial, whether offered in the guilt or innocence phase or the punishment phase of the trial. (Effective September 1, 2021.)

**S.B. 315 (Huffman/Hunter)** – **Sexually Oriented Businesses**: this bill: (1) provides that an individual younger than 18 years may not be on the premises covered by a permit or license issued by the Texas Alcoholic Beverage Commission (TABC) if a sexually oriented business operates on the premises; (2) provides that the holder of a license or permit covering a premises described in (1), above, may not knowingly or recklessly allow an individual younger than 18 years to be on the premises; (3) provides that if a permit or license holder is found to violate (2), above, TABC shall suspend the permit or license for the first and second violation, and cancel the permit or license for the third violation; (4) prohibits a sexually oriented business from allowing an individual younger than 18 years to enter the premises of the business; (5) provides that a sexually oriented business commits an offense if it violates (4), above; (6) amends current law to provide that it is a common nuisance to: (i) employ or enter into a contract for the performance of work or the provision of services with an individual younger than 21 years for work or services performed at a sexually oriented business; or (ii) permit an individual younger than 18 years to enter the premises of a sexually oriented business; (7) amends current law to provide that a sexually oriented business may not hire or enter into a contract with an individual younger than 21 years for the performance of work or the provision of services other than a contract to perform repairs, maintenance, or construction services at the business; and (8) amends current law to provide that a child is a person younger than 21 years for purposes of the criminal offense of employing, authorizing, or inducing a child to work in a sexually oriented commercial activity or in any place of business permitting, requesting or requiring a child to work nude or topless. (Effective immediately.)

**S.B. 335 (Johnson/Wu)** – **Toxicological Evidence**: provides, among other things, that: (1) a governmental or public entity or an individual, including a law enforcement agency, prosecutor’s office, or crime laboratory, that is charged with the collection, storage, preservation, analysis, or retrieval of toxicological evidence, shall ensure that toxicological evidence collected pursuant to an investigation or prosecution of an intoxication and alcoholic beverage offense, is retained and preserved for the greater of two years or the period of the statute of limitations for the offense if the indictment or information charging the defendant, or the petition in a juvenile proceeding, has not been presented or has been dismissed without prejudice; (2) a person from whom toxicology evidence is collected and, if the person is a minor, the person’s parent or guardian, shall be notified of the periods for which evidence may be retained and preserved, and such notice must be given by: (a) an entity or individual described by (1), above, that collects the evidence, if the entity or individual collected the evidence directly from the person or collected it from a third party; or (b) the court, if the records of the court show that the person was not given the notice described by (2)(a) and the toxicological evidence is subject to the certain retention periods; (3) the entity or individual charged with storing toxicological evidence may destroy the evidence on expiration of the applicable retention period, provided that: (a) notice is given in accordance with (2), above; and (b) if applicable, the prosecutor’s office gives written approval for the destruction; (4) before requesting a person who is arrested for certain offenses related to operating a motor vehicle or a



watercraft while intoxicated to submit to the taking a specimen of the person's blood or breath, a peace officer shall inform the person orally and in writing that if the person submits to the taking of a blood specimen, the specimen will be retained in accordance with applicable retention periods; and (5) if a person consents to the request of an officer to submit to the taking of a specimen described in (4), above, the officer shall request the person to sign a statement that: (a) the officer requested that the person submit to the taking of a specimen; (b) the person was informed of the consequences of not submitting to the taking of a specimen; and (c) the person voluntarily consented to the taking of a specimen. (Effective September 1, 2021.)

**S.B. 476 (Nelson/Stucky)** – **Sexual Assault**: provides for the establishment of a county adult sexual assault response team in each county that consists of, among others, the police chief, or the police chief's designee, of the police department with the largest population in the county, for the purpose of strengthening the collaborative response and enhancing health and judicial outcomes for sexual assault survivors who are adults. (Effective September 1, 2021.)

**S.B. 709 (Hall/Canales)** – **Texas Commission on Fire Protection**: this bill, among other things, (1) provides that the Texas Commission on Fire Protection (Commission) is continued until 2033; (2) provides that advisory members appointed by the Commission shall serve six-year staggered terms but may not be appointed to more than two consecutive terms; (3) provides that if a person holds more than one certificate issued by the Commission, the Commission may collect only one fee for the renewal of those certificates; (4) provides that a certificate issued by the Commission is valid for one or two years as determined by Commission rule; (5) provides that the Commission may: (a) waive any prerequisite to obtaining a certificate for an applicant who holds a license or certificate issued by another jurisdiction: (i) that has licensing or certification requirements substantially equivalent to those of Texas; or (ii) with which Texas has a reciprocity agreement; (6) makes an agreement with another state to allow for Commission certification by reciprocity; and (7) eliminates a provision in state law that provides that, in adopting or amending a rule under the Commission's authority or any other law, the Commission shall seek the input of the fire fighter advisory committee, and that the Commission shall permit the advisory committee to review and comment on any proposed rule, including a proposed amendment to a rule, before the rule is adopted. (Effective September 1, 2021.)

**S.B. 1056 (Huffman/Wu)** – **False Reports**: this bill, among other things: (1) creates a criminal offense for a person if: (a) the person makes a report of a criminal offense or an emergency or causes a report of a criminal offense or an emergency to be made to a peace officer, law enforcement agency, 9-1-1 service, official or volunteer agency organized to deal with emergencies, or any other governmental employee or contractor who is authorized to receive reports of a criminal offense or emergency; (b) the person knows that the report is false; (c) the report causes an emergency response from a law enforcement agency or other emergency responder; and (d) in making the report or causing the report to be made, the person is reckless with regard to whether the emergency response by a law enforcement agency or other emergency responder may directly result in bodily injury to another person; and (2) provides that if a person is convicted of an offense under (1), above, the court may order the defendant to make restitution to an entity for the reasonable costs of the emergency response by that entity resulting from the false report. (Effective September 1, 2021.)

**S.B. 1550 (Nelson/Goldman)** – **Airport Police Force:** provides that: (1) the governing body of a joint board, or the governing body of a political subdivision, including a city, that operates an airport served by an air carrier certified by the Federal Aviation Administration or the United States Department of Transportation may: (1) establish an airport police force; and (2) commission and employ a peace officer, if the employee takes and files the oath required of peace officers. (Effective September 1, 2021.)

**S.B. 2212 (West/S. Thompson)** – **Duty to Render and Request Aid:** provides that a peace officer: (1) who encounters an injured person while discharging the officer’s official duties shall immediately and as necessary: (a) request emergency medical services personnel to provide the person with emergency medical services; and (b) while waiting for emergency medical services personnel to arrive, provide first aid or treatment to the person to the extent of the officer’s skill and training; and (2) is not required to request emergency medical services or provide first aid or treatment under (1), above, if: (a) making the request or providing the treatment would expose the officer or another person to a risk of bodily injury; or (b) the officer is injured and physically unable to make the request or provide the treatment. (Effective September 1, 2021.)

## **Sales Tax**

**H.B. 1445 (Oliverson/Nichols)** – **Sales Tax Exemption:** exempts from sales taxes a medical billing service performed before the original submission of: (1) a medical or dental insurance claim related to health or dental coverage; or (2) a claim related to health or dental coverage made to a medical assistance program funded by the federal government, a state government, or both. (Effective January 1, 2022.)

**H.B. 3799 (Metcalf/Nichols)** – **Sales Tax Exemption:** exempts items sold by a nonprofit organization at a county fair from sales taxes. (Effective October 1, 2021.)

**S.B. 153 (Perry/Sanford)** – **Sales Tax Exemption:** exempts from sales taxes data processing services designed to process payment made by credit card or debit card. (Effective October 1, 2021.)

**S.B. 197 (Nelson/Noble)** – **Sales Tax Exemption:** exempts the sale of an animal by a nonprofit animal welfare organization from sales and use taxes. (Effective October 1, 2021.)

**S.B. 313 (Huffman/Meyer)** – **Sales Tax Exemption:** exempts firearm safety equipment from sales taxes. (Effective September 1, 2021.)

**S.B. 1524 (Hughes/Guillen)** – **Sales Tax Refund Pilot Program:** establishes a sales tax refund pilot program for a person who employs at least one apprentice in a qualified apprenticeship position for at least seven months during a calendar year. (Effective January 1, 2022.)

## **Community and Economic Development**

**H.B. 5 (Ashby/Nichols)** – **Broadband Development Office**: this bill, among other things:

1. requires the governor’s broadband development council to: (a) research and monitor the progress of: (i) deployment of broadband statewide; (ii) purchase of broadband by residential and commercial customers; and (iii) patterns and discrepancies in access to broadband; and (b) study industry and technology trends in broadband and the detrimental impact of pornographic or other obscene materials on residents of this state and the feasibility of limiting access to those materials;
2. establishes a broadband development office within the comptroller’s office;
3. for purposes of the broadband development office, defines “broadband service” as internet service with the capability of providing: (a) a download speed of 25 megabits per second or faster; and (b) an upload speed of three megabits per second or faster;
4. authorizes the comptroller by rule to adjust the threshold speeds for broadband services defined in Number 3, above, if the Federal Communications Commission adopts upload or download threshold speeds for advanced telecommunications capability that are different from those listed in Number 3, above;
5. requires the broadband development office to: (a) serve as a resource for information regarding broadband service and digital connectivity in the state; (b) engage in outreach to communities regarding the expansion, adoption, affordability, and use of broadband service and the programs administered by the office; and (c) serve as an information clearinghouse in relation to federal programs providing assistance to local entities with respect to broadband service and addressing barriers to digital connectivity;
6. requires the broadband development office to create, update annually, and publish on the comptroller’s website a map classifying each designated area in the state as: (a) an eligible area, if fewer than 80 percent of the addresses in the designated area have access to broadband service and the federal government has not awarded funding under a competitive process to support the deployment of broadband service in the designated area; or (b) an ineligible area, if 80 percent or more of the addresses in the designated area have access to broadband service or the federal government has awarded funding under a competitive process to support the deployment of broadband service to addresses in the designated area;
7. requires the map described in Number 6, above, to display: (a) the number of broadband service providers that serve each designated area; (b) for each eligible area, an indication of whether the area has access to Internet service that is not broadband service, regardless of the technology used to provide the service; and (c) each public school in the state and an indication of whether the area has access to broadband service;
8. provides that if information available from the Federal Communications Commission is not sufficient for the broadband development office to create or update the map, the office may request the necessary information from a political subdivision or broadband service provider, and the subdivision or provider may report the information to the office;
9. establishes a petition process, under which a political subdivision or broadband service provider may petition the broadband development office to reclassify a designated area on the map as an eligible area or ineligible area;

10. requires the broadband development office to establish a program to award grants, low-interest loans, and other financial incentives to applicants for the purpose of expanding access to, and adoption of, broadband service in designated areas determined to be eligible areas;
11. requires the broadband development office to establish and publish eligibility criteria for award recipients under Number 10, above;
12. provides that the broadband development office may not award a grant, loan, or other financial incentive to a noncommercial provider of broadband service for an eligible area if a commercial provider of broadband service has submitted an application for the eligible area;
13. provides that an award granted under the broadband development program does not affect distributions received by a broadband provider from the state universal service fund;
14. requires the broadband development office to prepare, update, and publish on the comptroller's Internet website a state broadband plan that establishes long-term goals for greater access to and adoption, affordability, and use of broadband service in Texas;
15. requires the broadband development office, in developing the state broadband plan, to: (a) to the extent possible, collaborate with state agencies, political subdivisions, broadband industry stakeholders and representatives, and community organizations that focus on broadband services; (b) consider the policy recommendations of the governor's broadband development council; (c) favor policies that are technology-neutral and protect all members of the public; (d) explore state and regional approaches to broadband development; and (e) examine broadband service needs related to public safety, public education, and public health;
16. establishes the broadband development account in the state's general revenue fund consisting of: (a) appropriations of money to the account by the legislature; (b) gifts, donations, and grants, including federal grants; and (c) interest earned on the investment of the money in the account; and
17. establishes the broadband development office board of advisors to provide guidance to the broadband development office regarding the expansion, adoption, affordability, and use of broadband service and the programs administered by the office.

(Effective immediately.)

**H.B. 738 (Paul/Nichols) – Building Codes:** this bill: (1) provides that the 2012 version of the International Residential Code is the residential building code in this state, and the 2012 version of the International Building Code is the commercial building code in this state; (2) authorizes a city to establish procedures to adopt local amendments “that may add, modify, or remove requirements” set by the codes in (1), above, but only if the city: (a) holds a public hearing on the local amendment before adopting the amendment; and (b) adopts the local amendment by ordinance; (3) prohibits a city from enacting an ordinance, bylaw, order, building code, or rule requiring the installation of a multipurpose residential fire protection sprinkler system or any other fire sprinkler protection system in a new or existing one- or two-family dwelling; and (4) excepts from the prohibition in (3), above, a city that has enacted an ordinance, bylaw, order, building code, or rule requiring the installation of a multipurpose residential fire protection sprinkler system or any other fire protection sprinkler system in a new or existing one- or two-family dwelling on or before January 1, 2009. (Effective January 1, 2022, except that a requirement that a city establish

rules and take other necessary action to implement (1) and (2) before January 1, 2022, is effective September 1, 2021.)

**H.B. 871 (Morrison/Kolkhorst)** – **Contractor Registration Fees:** this bill: (1) prohibits a city from charging a licensed air conditioning and refrigeration contractor a registration fee for: (a) worked performed in the city; or (b) notice that an air conditioning and refrigeration license has been obtained; and (2) provides that the prohibition in (1), above, does not prohibit a city from charging a building permit fee. (Effective September 1, 2021.)

**H.B. 1475 (Cyrier/Buckingham)** – **Board of Adjustment:** provides that, in exercising its authority to grant or deny a variance, a board of adjustment may consider the following as grounds to determine whether compliance with the zoning ordinance as applied to a structure would result in an unnecessary hardship: (1) whether the financial cost of compliance is greater than 50 percent of the appraised value of the structure as shown on the most recent certified appraisal roll; (2) whether compliance would result in a loss to the lot on which the structure is located of at least 25 percent of the area on which development may physically occur; (3) whether compliance would result in the structure not being in compliance with a requirement of a city ordinance, building code, or other requirement; (4) whether compliance would result in the unreasonable encroachment on an adjacent property or easement; or (5) whether the city considers the structure to be a nonconforming structure. (Effective September 1, 2021.)

**H.B. 1505 (Paddie/Hancock)** – **Broadband:** establishes: (1) state funding for the Texas Broadband Pole Replacement Program; and (2) a process by which a broadband provider may apply for and attach an affixture of cables, strands, wires, and associated equipment used in the provision of a broadband provider's services to a pole owned and controlled by an electric cooperative. (Effective September 1, 2021.)

**H.B. 1543 (Parker/Creighton)** – **Public Improvement Districts:** this bill, among other things: (1) provides that the resolution adopted by a city council authorizing the creation of a public improvement district (PID), other than a tourism PID, takes effect on the date the resolution is adopted; (2) requires a city to file a copy of a PID-creation resolution under (1), above, with the county clerk of each county in which all or part of the PID is located not later than the seventh day after the date the city council adopts the resolution; (3) requires a city council to approve a PID service plan, or amend or update the plan, only by ordinance; (4) requires a city to file a copy of the initially-adopted or amended PID service plan with the county clerk of each county in which all or part of the PID is located not later than the seventh day after the date the city council approves the service plan; (5) revises the language of the mandatory notice of obligations related to a PID used in a real estate transaction to include, among other things, additional information about the PID assessment levied against the property; (6) authorizes the city or county that created the PID to provide additional information regarding the district in the PID obligation notice described in (5), above, including whether an assessment has been levied, the amount of the assessment, and the payment schedule for assessments; (7) requires the PID obligation notice described in (5), above, to be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract; (8) provides that in the event a contract of purchase and sale is entered into without the seller providing the required notice of PID obligations, the purchaser is entitled to terminate the contract; and (9)



provides that it shall be conclusively presumed that the purchaser has waived all rights to terminate the contract under (8), above, or recover damages or other remedies or rights, if the seller furnishes the notice of PID obligations at or before closing the purchase and sale contract and the purchaser elects to close even though the notice was not timely furnished before execution of the contract. (Effective September 1, 2021.)

**H.B. 1554 (Rogers/ Buckingham)** – **Municipal Development Districts**: authorizes a municipal development district to use money in the development project fund to pay the costs of planning, acquiring, establishing, developing, constructing, or renovating one or more development projects located outside the district if: (1) the project is located in the extraterritorial jurisdiction of the city that created the district; (2) the board determines that the development project will provide an economic benefit to the district; and (3) the following entities, as applicable, approve the development project by resolution: (a) the city that created the district; and (b) each city in whose corporate limits or extraterritorial jurisdiction the project is located. (Effective Immediately.)

**H.B. 1929 (Wilson/Buckingham)** – **ETJ Development Agreements**: this bill: (1) defines the term “contract” to mean a contract for an ETJ development agreement and defines such a contract to be a program authorized by the legislature under Article III, Section 52-a of the Texas Constitution; (2) provides that: (a) a city that enters into a contract described in (1), above, waives immunity from suit for the purpose of adjudicating a claim for breach of contract; (b) actual damages (but not exemplary damages), specific performance, or injunctive relief may be granted in an adjudication brought against a city for breach of a contract, and that damages are limited to (i) the balance due and owed by the city under the contract, (ii) any amount owed by the landowner as a result of the city’s failure to perform under the contract, including compensation for the increased cost of infrastructure as a result of delays or accelerations caused by the city, (iii) reasonable attorney’s fees, and (iv) interest; (3) provides that a contract described in (1), above, that is entered into by a city and a landowner prior to the effective date of this bill is validated, enforceable, and may be adjudicated subject to the terms and conditions of this bill; and (4) annexation by a city of the land subject to a contract does not invalidate the enforceability of the contract. (Effective Immediately.)

**H.B. 2127 (C. Turner/Hancock)** – **Public Entertainment Zones**: this bill: (1) defines the term “public entertainment zone” to mean an area of land that: (a) is owned by a city with a population of 175,000 or more; (b) is designated as a public entertainment zone by the governing body of a city in a formal meeting; and (c) contains a public safety facility; and (2) authorizes the concessionaire for a public entertainment zone to allow a patron who possess an alcoholic beverage to enter or leave a licensed or permitted premises within the zone if the alcoholic beverage: (a) is in an open container; (b) appears to be possessed for present consumption; (c) remains within the confines of the zone, excluding a parking lot; and (d) was purchased legally at a licensed or permitted premises within the zone. (Effective September 1, 2021.)

**H.B. 2404 (Meyer/Zaffirini)** – **Chapter 380 Economic Development Agreements**: this bill, among other things:

1. requires the comptroller to create and make accessible on the Internet a database, to be known as the Chapter 380 and 381 Agreement Database, that contains information



regarding all city and county economic development agreements under Chapters 380 and 381 of the Local Government Code, respectively;

2. provides that, for each local economic development agreement described in Number 1, above, the database must include: (a) the name of the local government that entered into the agreement; (b) a numerical code assigned to the local government by the comptroller; (c) the address of the local government's administrative offices and public contact information; (d) the name of the appropriate officer or other person representing the local government and that person's contact information; (e) the name of any entity that entered into the agreement with the local government; (f) the date on which the agreement went into effect and the date on which the agreement expires; (g) the focus or scope of the agreement; (h) an electronic copy of the agreement; and (i) the name and contact information of the individual reporting the information to the comptroller;
3. requires a city, not later than the fourteenth day after entering into, amending, or renewing an economic development agreement under Chapter 380 of the Local Government Code, to submit to the comptroller the information described by Number 2, above, in the form and manner prescribed by the comptroller in addition to providing a direct link on the city's website to the location of the agreement information published on the comptroller's website;
4. authorizes the comptroller to consult with the appropriate officer of, or other person representing, each local government that enters into a local economic development agreement to obtain the information necessary to operate and update the database;
5. requires the comptroller to enter the relevant information into the database not later than the 15th business day after the date the comptroller receives the information from the providing local government;
6. requires the information, including a copy of the agreement, to remain accessible to the public through the database during the period the agreement is in effect;
7. provides that if a local government that enters into a local economic development agreement described in Number 1, above, does not comply with the requirement to provide information to the comptroller, the comptroller shall send a written notice to the local government describing the information that must be submitted to the comptroller and inform the local government that if the information is not provided on or before the 30th day after the date the notice is provided, the local government will be subject to a civil penalty of \$1,000;
8. provides that, if a local government does not report the required information to the comptroller, the local government is liable to the state for a civil penalty of \$1,000 and the attorney general may sue to collect a civil penalty; and
9. creates a defense to an action brought under Number 8, above, that the local government provided the required information or documents to the extent the information or documents are not exempt from disclosure or confidential under the Public Information Act.

(Effective September 1, 2021.)

**H.B. 2667 (Smithee/Perry)** – **Broadband**: this bill: (1) provides that the statewide uniform charge in support of the universal service fund is payable by each provider of Voice over Internet Protocol Service; and (2) defines “high cost rural area” for purposes of the universal service fund as: (a) an area: (i) receiving support from the universal service fund to assist telecommunications providers

in providing basic local telecommunications service at reasonable rates in high cost rural areas on December 31, 2020; and (ii) served by a telecommunications provider that is subject to rate regulation; and (b) any other exchange: (i) receiving support under the Texas High Cost Universal Service Plan or the Small and Rural Incumbent Local Exchange Company Universal Service Plan; and (ii) not excluded by PUC rule based on the number of telecommunications providers serving the exchange, the population density in the exchange, and the number of customers served per route mile of plant in service used to provide basic local telecommunications service served by a small provider. (Effective immediately.)

**H.B. 3215 (Geren/Hughes)** – **Energy Efficiency Building Standards:** provides that Standard 301 of the American National Standard for the Calculation and Labeling of the Energy Performance of Dwelling and Sleeping Units using an Energy Rating Index accredited energy efficiency program, commonly cited as ANSI/RESNET/ICC 301, is in compliance with certain state law provided that: (a) the building meets the mandatory requirements of Section R406.2 of the 2018 International Energy Conservation Code; (b) the building’s thermal envelope is at least equal to the levels of efficiency and solar heat gain coefficient in Table R402.1.2 or Table R402.1.4 of the 2018 International Energy Conservation Code; and (c) the standard used to measure compliance for single-family residential construction uses a certain energy rating index depending on climate zone. (Effective September 1, 2021.)

**H.B. 3853 (Anderson/Perry)** – **Middle Mile Broadband Service:** this bill, among other things: (1) defines “middle mile broadband service” as the provision of excess fiber capacity on an electric utility’s electric delivery system or other facilities to an Internet service provider to provide broadband service, and provides that the term does not include the provision of Internet service to end-use customers on a retail basis; (2) authorizes certain electric utilities, not including a municipally owned utility, to own, construct, maintain, and operate fiber optic cables and other facilities for providing middle mile broadband service in unserved and underserved areas; (3) provides that if a city is already collecting a charge or fee from the electric utility for the use of the public rights-of-way for the delivery of electricity to retail electric customers, the city may not require a franchise, an amendment to a franchise, or an additional charge, fee, or tax from the electric utility for the use of the public rights-of-way for middle mile broadband service; (4) provides that if a city or local government is not already collecting a charge or fee from the electric utility for the use of the public rights-of-way, the city may impose a charge on the provision of middle mile broadband service, but the charge may not be greater than the lowest charge that the city or local government imposes on other providers of broadband service for use of the public rights-of-way in its jurisdiction; and (5) establishes a system by which an electric utility that plans a project to deploy middle mile broadband must submit a written plan to the Public Utility Commission (PUC) for PUC approval. (Effective immediately.)

**S.B. 4 (Buckingham/Burrows)** – **National Anthem:** this bill provides that: (1) a governmental entity, including a city, may not enter into an agreement with a professional sports team that requires a financial commitment by the state or any governmental entity unless the agreement includes a written verification that the professional sports team will play the United States national anthem at the beginning of each team sporting event held at the team’s home venue or other facility controlled by the team for the event; (2) a team’s failure to comply with the written verification requirement in (1), above, for any team sporting event at the team’s home venue or other facility:

(a) constitutes a default of the agreement; (b) immediately subjects the team to any penalty the agreement authorizes for default; and (c) may subject the team to debarment from contracting with the state; and (3) the attorney general may intervene to enforce the provision in (1), above, if the governmental entity fails to timely adhere to the default provision. (Effective September 1, 2021.)

**S.B. 113 (West/Rodriguez)** – **Community Land Trusts**: this bill, among other things: (1) expands the type of nonprofit organizations that may constitute a community land trust; (2) provides that, once adopted by the governing body of a taxing unit, certain community land trust tax exemptions continue to apply to the property until the governing body rescinds the exemption in the manner provided by law; and (3) imposes certain requirements on a chief appraiser who is appraising land or a housing unit leased by a community land trust, including that the chief appraiser use the income method of appraisal. (Effective September 1, 2021.)

**S.B. 291 (Schwertner/Bucy)** – **Commercial Construction**: requires a developer, as soon as practicable after beginning construction of a commercial building project, to visibly post the following information at the entrance to the construction site: (1) the name and contact information of the developer; and, (2) a brief description of the project. (Effective September 1, 2021.)

**S.B. 374 (Seliger/Shine)** – **Annexation of Rights-of-Way**: this bill provides that: (1) a city annexing an area on request of the owners, an area with less than 200 population by petition, an area with at least 200 population by election, or certain special districts may also annex with the area the right-of-way of a street, highway, alley or other public way or of a railway line spur, or roadbed that is: (a) contiguous and runs parallel to the city’s boundaries; and (b) contiguous to the area being annexed; (2) a city may annex a right-of-way described under (1), above, only if: (a) the city provides written notice of the annexation to the owner of the right-of-way not later than the 61st day before the date of the proposed annexation; and (b) the owner of the right-of-way does not submit a written objection to the city before the date of the proposed annexation; and (3) certain width requirements do not apply to the annexation of a right-of-way under (1), above. (Effective immediately.)

**S.B. 500 (Miles/Rose)** – **Operating Boarding Home without License**: this bill: (1) creates a Class B misdemeanor offense for operating a boarding home facility without a permit; and (2) provides that (1), above, only applies in a county or city that requires a permit to operate a boarding home facility as authorized by certain state law. (Effective September 1, 2021.)

**S.B. 507 (Nichols/Anderson)** – **Broadband in State Rights-of-Way**: requires the Texas Transportation Commission to promulgate rules: (1) establishing an accommodation process that authorizes broadband-only providers to use state highway rights-of-way, subject to highway purposes, for: (a) new broadband facility installations; (b) additions to or maintenance of existing broadband facility installations; (c) adjustments or relocations of broadband facilities; and (d) existing broadband facilities retained within the rights-of-way; and (2) prescribing minimum requirements for the accommodation, method, materials, and location for the installation, adjustment, and maintenance of broadband facilities under the accommodation process. (Effective immediately.)

**S.B. 678 (Alvarado/Button)** – **Small Business Disaster Recovery Loans:** requires the governor’s Economic Development and Tourism Office by rule to establish a loan program to use money from the small business disaster recovery revolving fund to provide financial assistance to small businesses affected by a disaster. (Effective September 1, 2021.)

**S.B. 804 (Menéndez/Cortez)** – **Tourism Public Improvement Districts:** this bill: (1) authorizes a city council to include property in a tourism public improvement district after establishment of the district if: (a) the property is a hotel; and (b) a sufficient number of the record owners of the real property currently included and proposed to be included in the district have consented to be included in the district by signing the original petition to establish the district or by signing a petition or written consent to include property in the district; (2) provides that no newly constructed hotel property may be added to the district unless the record owner of the property consents to its inclusion; and (3) provides that for purposes of (1)(b), above, the number of consenting record owners is sufficient if the record owners own more than 60 percent of the appraised value of taxable real property liable for assessment in the district and: (a) constitute more than 60 percent of all record owners of taxable real property liable for assessment in the district; or (b) own, in aggregate, more than 60 percent of the area of all taxable real property liable for assessment in the district. (Effective immediately.)

**S.B. 877 (Hancock/Morrison)** – **Building Inspections:** this bill: (1) provides that, in an area of a city subject to a disaster declaration by the governor or a declaration of local disaster, a building inspection may be performed by a person: (a) other than the owner of the building, or a person whose work is the subject of the inspection; and (b) who is: (i) certified to inspect buildings by the International Code Council; (ii) employed as a building inspector by the city in which the building is located; (iii) employed as a building inspector by any political subdivision, if the city in which the building is located has approved the person to perform inspections during a disaster; or (iv) a licensed engineer; (2) prohibits a city from collecting an additional inspection fee related to the inspection of a building performed under (1), above; (3) provides that a person who performs an inspection under (1), above, must comply with the city’s building regulations and policies, and not later than the 30th day after the date of the inspection, provide notice to the city of the inspection; and (4) allows a city to prescribe a reasonable format for the notice required in (3), above. (Effective immediately.)

**S.B. 1090 (Buckingham/Murr)** – **Building Materials:** exempts the following from certain regulations regarding the use of building products, materials, or methods used in the construction or renovation of residential or commercial buildings: (1) a city, to the extent that the city regulates outdoor lighting for the purpose of reducing light pollution, that has adopted a resolution stating the city’s intent to become certified as a Dark Sky Community that does not regulate outdoor lighting in a manner that is more restrictive than the prohibitions or limitations required to become certified as a Dark Sky Community; (2) a standard for a plumbing product required by an ordinance or other regulation implementing certain water conservation plans or programs; (3) a standard for a plumbing product imposed by the Texas Water Development Board as a condition for applying for or receiving financial assistance under a program administered by the board; and (4) certain land use restrictions contained in plats and other instruments in certain cities. (Effective September 1, 2021.)

**S.B. 1168 (Campbell/C. Bell)** – **Extraterritorial Jurisdiction:** in an area in a city’s extraterritorial jurisdiction that has been disannexed under certain law or for which the city has attempted and failed to obtain consent for annexation under certain law, this bill: (1) prohibits a city from imposing a fine or fee on a person on the basis of an activity that occurs wholly in the area, or the management or ownership of property located wholly in the area; and (2) provides that the prohibition in (1), above, does not apply to a fine or fee for water, sewer, drainage, or other related utility services. (Effective immediately.)

**S.B. 1210 (Johnson/Oliverson)** – **Refrigerants:** provides that a building code or other requirement applicable to commercial or residential buildings or construction may not prohibit the use of certain substitutes for hydrofluorocarbon refrigerants authorized under federal law. (Effective January 1, 2023.)

**S.B. 1269 (Whitmore/K. King)** – **Main Street:** would amend current state law allowing cities to participate in a main street program by modifying the program to include “communities” and their historic neighborhood commercial districts rather than cities. (Effective September 1, 2021.)

**S.B. 1338 (Zaffirini/Sanford)** – **Annexation/Development Agreements:** this bill: (1) requires that, at the time a city makes an offer to a landowner to enter into an agreement in which the landowner consents to annexation or makes an offer to enter into a development agreement, the city provide the landowner with a written disclosure: (a) that the landowner is not required to enter into the agreement; (b) of the authority under which the city may annex the land with references to relevant law; (c) with a plain-language description of the annexation procedures applicable to the land; (d) whether the procedures require the landowner’s consent; and (e) with a statement regarding the city’s waiver of immunity to suit; and (2) provides that a failure to provide the disclosure in (1), above, makes the agreement void. (Effective September 1, 2021.)

**S.B. 1465 (Hinojosa/Guillen)** – **Small and Rural Community Success Fund:** this bill, among other things, establishes the Texas small and rural community success fund to make loans to economic development corporations (EDCs) for eligible EDC projects. (Effective immediately.)

**S.B. 1585 (Hughes/Cyrier)** – **Historic Landmark:** provides that (1) a city that has more than one zoning, planning, or historical commission shall designate one of those commissions as the entity with the exclusive authority to approve the designations of properties as local historic landmarks; (2) property owned by a religious organization may be included in a local historic district only if the organization consents to the inclusion; and (3) a city must, not later than the 15th day before the date of the initial hearing in front of the zoning, planning, or historical commission, if any, or the governing body of the municipality, provide the property owner a statement that describes the impact that inclusion of the owner's property in a local historic district may have on the owner and the owner’s property. (Effective September 1, 2021.)

## **Elections**

**H.B. 574 (Bonnen/Taylor)** – **Election Offenses:** provides that a person commits a felony of the second degree if the person knowingly or intentionally makes any effort to: (1) count votes the



person knows are invalid or alter a report to include votes the person knows are invalid; or (2) refuse to count votes the person knows are valid or alter a report to exclude votes the person knows are valid. (Effective September 1, 2021.)

**H.B. 1128 (Jetton/Kolkhorst)** – **Election Bystanders:** this bill: (1) authorizes the following people to be lawfully present in a polling place during the time the presiding judge arrives there on election day until the precinct returns have been certified and the election records assembled for distribution following the election: (a) an election judge or clerk; (b) a watcher; (c) the secretary of state; (d) a staff member of the Elections Division of the Office of the Secretary of State performing an official duty; (e) an election official, a sheriff, or a staff member of an election official or sheriff delivering election supplies; (f) a state inspector; (g) a person admitted to vote; (h) a child under 18 years of age accompanying a parent who has been admitted to vote; (i) a person providing authorized assistance to a voter; (j) a person providing assistance to a voter; (k) a person accompanying a voter who has a disability; (l) a special peace officer appointed by the presiding judge; (m) the county chair of a political party conducting a primary election; (n) an authorized voting system technician; (o) the county election officer as necessary to perform tasks related to the administration of the election; or (p) a person whose presence has been authorized by the presiding judge; (2) authorizes the following people to be lawfully present in the meeting place of an early voting ballot board during the time of the board’s operation: (a) a presiding judge or member of the board; (b) a watcher; (c) a state inspector; (d) an authorized voting system technician; (e) the county election officer, as necessary to perform tasks related to the administration of the election; or (f) a person whose presence has been authorized by the presiding judge; and (3) authorizes the following people to be lawfully present in the central counting station while ballots are being counted: (a) a counting station manager, tabulation supervisor, assistant to the tabulation supervisor, presiding judge, or clerk; (b) a watcher; (c) a state inspector; (d) an authorized voting system technician; (e) the county election officer, as necessary to perform tasks related to the administration of the election; or (f) a person whose presence has been authorized by the counting station manager. (Effective September 1, 2021.)

**H.B. 1264 (K. Bell/Springer)** – **Deceased Resident Report:** the bill, among other things, requires the local registrar of deaths to file each abstract of a death certificate with the voter registrar of the decedent’s county of residence and the secretary of state as soon as possible, but not later than the seventh day after the date the abstract is prepared. (Note: previous law required the local registrar to file the abstract with the voter registrar not later than the 10th day of the month following the month in which the abstract was prepared.) (Effective September 1, 2021.)

**H.B. 1382 (Bucy/Hughes)** – **Mail Ballot Tracking:** requires the secretary of state to develop or otherwise provide an online tool to each early voting clerk that enables a person who submits an application for a ballot to be voted by mail to track the location and status of the person’s application and ballot on the secretary’s Internet website and on the county’s Internet website if the early voting clerk is the county clerk of a county that maintains an Internet website. (Effective September 1, 2021.)

**H.B. 1622 (Guillen/ Hughes)** – **Early Voting Reporting:** this bill: (1) allows a person registered to vote in the county where the early voting clerk is conducting early voting to submit a complaint to the secretary of state stating that an early voting clerk has not delivered to the local canvassing



authority a report of the early voting votes cast not later than the time of the local canvass; (2) requires the secretary of state to create and maintain a system for receiving and recording complaints; and (3) requires the secretary of state to maintain a record indicating which counties and early voting clerks have failed to comply with the requirements of early voting reporting. (Effective September 1, 2021.)

**H.B. 3107 (Clardy/Zaffirini) – Election Practices and Procedures:** this bill, among many other things: (1) provides that in the case of an election in which any members of a political subdivision’s governing body are elected from territorial units such as single-member districts, the state laws governing the election of unopposed candidates apply if each candidate for an office that is to appear on the ballot in that territorial unit is unopposed and no opposed at-large race is to appear on the ballot; (2) requires the notice of a general or special election to state the internet website of the authority conducting the election; (3) provides that an election services contract may not change a political subdivision’s requirement to keep an election officer’s office open for election duties for at least three hours each day, during regular office hours, on regular business days during a specified period of time prior to election day and beginning not later than the 50th day before the date of each general election of the political subdivision or the third day after the date a special election is ordered by an authority of the political subdivision and ending not earlier than the 40th day after election day; (4) expands the methods of notice that an election authority conducting the drawing to order names of candidates on the ballot may use to notify candidates of the date, hour, and place of the drawing to include telephone, email, and personal written notice; (5) requires an election officer at the polling place to maintain a registration omissions list; (6) provides that if the name of a voter who is offering to vote is not on the precinct list of registered voters, an election officer may contact the voter registrar regarding the voter’s registration status; (7) provides that provisional voting records are not available for public inspection until the first business day after the date the early voting ballot board completes the verification and counting of provisional ballots and delivers the provisional ballots and other provisional voting records to the general custodian of election records; (8) provides that a voter’s defective ballot that is timely returned to the clerk as a marked ballot must be treated as a marked ballot not timely returned if the corrected ballot is timely returned as a marked ballot by the close of the polls on election day or as the voter’s ballot for the election if the corrected ballot is not timely returned by the close of the polls on election day; (9) requires the authority with whom an application for a place on the ballot must be filed to designate an email address in the notice of deadlines for filing an application for a place on the ballot; (10) provides that for cities conducting recall elections, a vacancy in an officer’s office occurs on the date of the final canvass of a successful recall election; (11) provides that for an election in which the territory served by the early voting clerk is situated in a county with a population of 100,000 or more, or in an election in which the territory served by the clerk is situated in more than one county and the sum of the populations of the counties is 100,000 or more, must conduct early voting by personal appearance at each temporary branch polling place on the days that voting is required to be conducted at the main early voting polling place and remain open for at least: (a) eight hours each day; or (b) three hours each day if the city or county clerk does not serve as the early voting clerk for the territory holding the election and the territory has fewer than 1,000 registered voters; and (12) provides that for an election in which the territory served by the early voting clerk is situated in a county with a population under 100,000, or in an election in which the territory served by the clerk is situated in more than one county and the sum of the populations of the counties is under 100,000, voting at a temporary branch may be on any days

and during any hours of the period for early voting by personal appearance, as determined by the authority establishing the temporary voting branch, and may also order early voting to be conducted on a Saturday or Sunday at any one or more of the temporary branch polling places. (Effective September 1, 2021.)

**H.B. 4555 (Guillen/Hinojosa)** – **Eligibility for Public Office:** this bill: (1) requires a candidate’s application for a place on the ballot to include an indication that the candidate has either not been finally convicted of a felony or, if so convicted, has been pardoned or otherwise released from the resulting disabilities; (2) requires a candidate who has been convicted of a felony to include in the candidate’s application for a place on the ballot proof that the candidate is eligible for public office; and (3) creates a Class B misdemeanor offense for a person to knowingly provide false information in an application for a place on the ballot regarding whether the person has been finally convicted of a felony or has been pardoned or otherwise released from the resulting disabilities. (Effective September 1, 2021.)

**S.B. 598 (Kolkhorst/Jetton)** – **Auditable Voting Systems:** provides, among other things, that: (1) a voting system that consists of direct recording electronic voting machines may not be used in an election unless the system is considered an “auditable voting system” that uses, creates, or displays a paper record that may be read by the voter and is not capable of being connected to the Internet or any other computer network or electronic device; (2) an authority that purchased a voting system other than an auditable voting system after September 1, 2014, and before September 1, 2021, may use available federal funding, and if federal funding is not available, available state funding to convert the purchased voting system into an auditable voting system in accordance with a specific schedule; (3) the requirement to use an auditable voting system in (1), above, does not apply to an election held before September 1, 2026; (4) beginning September 1, 2026, a voting system may not be capable of being connected to any external or internal communications network, including the Internet; (5) beginning September 1, 2026, a voting system may not have the capability of permitting wireless communication; and (6) the secretary of state may not waive certain requirements in the bill. (Effective September 1, 2021.)

**S.B. 1111 (Bettencourt/Paul)** – **Residency:** this bill, among other things, modifies the definition of “residence” for purposes of elections to provide that: (1) a person may not establish residence for the purpose of influencing the outcome of a certain election; (2) a person may not establish a residence at any place the person has not inhabited; and (3) a person may not designate a previous residence as a home and fixed place of habitation unless the person inhabits the place at the time of designation and intends to remain. (Effective September 1, 2021.)

**S.B. 1116 (Bettencourt/Bucy)** – **Posting Election Information:** requires, among other things, that: (1) a city that holds an election and maintains an Internet website shall post on its public website the following as soon as practicable after the election: (a) the results of each election; (b) the total number of votes cast; (c) the total number of votes cast for each candidate or for or against each measure; (d) the total number of votes cast by personal appearance on election day; (e) the total number of votes cast by personal appearance or mail during the early voting period; and (f) the total number of counted and uncounted provisional ballots cast; (2) information required to be posted under (1), above, must be accessible without having to make more than two selections or view more than two network locations after accessing the city’s Internet website home page; and

(3) not later than the 21st day before election day, a city that holds an election and maintains an Internet website shall post on the public Internet website: (a) the date of the next election; (b) the location of each polling place; (c) each candidate for an elected office on the ballot; and (d) each measure on the ballot. (Effective September 1, 2021.)

**S.B. 1387 (Creighton/Clardy) – Voting System:** this bill provides that: (1) for a voting system or voting system equipment to be approved for use in an election, the voting system must have been manufactured, stored, and held in the United States and sold by a company whose: (a) headquarters are located in the United States; and (b) parent company’s headquarters, if applicable, are located in the United States; and (2) for a voting system or voting system equipment to be considered manufactured in the United States as required in (1), above, final assembly of the voting system or voting system equipment must have occurred in the United States and all firmware and software must have been installed and tested in the United States. (Effective September 1, 2021.)

**S.B. 1418 (Schwertner/Wilson) – Presiding Election Judge:** provides that the presiding election judge of the early voting ballot board may, at the discretion of the appropriate authority, be compensated at a higher rate than presiding election judges. (Effective September 1, 2021.)

### **Emergency Management**

**H.B. 2211 (Metcalf/Perry) – In Person Hospital Visits:** provides, among other things, that: (1) during a qualifying period of disaster, a hospital may not prohibit in-person visitation with a patient receiving care or treatment at the hospital unless federal law or a federal agency requires the hospital to prohibit in-person visitation during that period; (2) a hospital may not prohibit in-person visitation by a religious counselor with a patient who is receiving care or treatment at the hospital and who is seriously ill or dying for a reason other than the religious counselor’s failure to comply with a requirement by the hospital for the counselor to complete a health screening before entering the hospital and wear personal protective equipment at all times while visiting a patient at the hospital; and (3) in the event of a conflict between the provisions of the bill and any provision of a qualifying official disaster order, the provisions of the bill prevail. (Effective September 1, 2021.)

**S.B. 6 (Hancock/Leach) – Pandemic Liability:** this bill, among other things, provides that:

1. except in a case of reckless conduct or intentional, willful, or wanton misconduct, and subject to other limited exceptions, a physician, health care provider, or first responder is not liable for an injury, including economic and noneconomic damages, or death arising from care, treatment, or failure to provide care or treatment relating to or impacted by a pandemic disease or a disaster declaration issued by the president or governor related to a pandemic disease, if the physician, health care provider, or first responder proves by a preponderance of the evidence that:
  - a. a pandemic disease or disaster declaration related to a pandemic disease was a producing cause of the care, treatment, or failure to provide care or treatment that allegedly caused the injury or death; or

- b. the individual who suffered injury or death was diagnosed or reasonably suspected to be infected with a pandemic disease at the time of the care, treatment, or failure to provide care or treatment;
2. the statutory provisions relating to liability of physicians, health care providers, and first responders during a pandemic described in Number 1, above, do not constitute a waiver of sovereign immunity of the state or governmental immunity of a political subdivision and do not create a civil cause of action;
3. a person (including a governmental entity) is not liable for injury or death caused by exposing an individual to a pandemic disease during a pandemic emergency unless the claimant establishes that:
  - a. the person who exposed the individual:
    - i. knowingly failed to warn the individual of or remediate a condition that the person knew was likely to result in the exposure of an individual to the disease, provided that the person:
      1. had control over the condition;
      2. knew that the individual was more likely than not to come into contact with the condition; and
      3. had a reasonable opportunity and ability to remediate the condition or warn the individual of the condition before the individual came into contact with the condition; or
    - ii. knowingly failed to implement or comply with government-promulgated standards, guidance, or protocols intended to lower the likelihood of exposure to the disease that were applicable to the person or the person's business, provided that:
      1. the person had a reasonable opportunity and ability to implement or comply with the standards, guidance, or protocols; and
      2. the person refused to implement or comply with or acted with flagrant disregard of the standards, guidance, or protocols; and
      3. the government-promulgated standards, guidance, or protocols that the person failed to implement or comply with did not, on the date that the individual was exposed to the disease, conflict with government-promulgated standards, guidance, or protocols that the person implemented or complied with; and
  - b. reliable scientific evidence shows that the failure to warn the individual of the condition, remediate the condition, or implement or comply with the government-promulgated standards, guidance, or protocols was the cause in fact of the individual contracting the disease;
4. a claimant must serve on the defendant, not later than the 120th day after the date a defendant files an answer to a claim to which Number 3, above, applies:
  - a. a report authored by at least one qualified expert that provides a factual and scientific basis for the assertion that the defendant's failure to act caused the individual to contract a pandemic disease; and
  - b. a curriculum vitae for each expert whose opinion is included in the report.

(Effective immediately.)

**S.B. 239 (Powell/Collier)** – **Disaster Educational Materials**: the bill: (1) requires the Department of State Health Services (DSHS) to develop and implement a disease prevention information system for dissemination of immunization information during a declared state of disaster or local state of disaster; and (2) provides that during a declared state of disaster or local state of disaster, DSHS shall ensure that educational materials regarding immunizations are available to local health authorities for distribution to specified organizations. (Effective September 1, 2021.)

**S.B. 863 (Blanco/Hull)** – **Residential Child Care Facilities**: provides that, to the extent necessary to comply with a state or local order during a state of disaster, the Health and Human Services Commission may authorize a residential child-care facility to temporarily: (1) relocate to a new location that is not stated in the facility’s license; or (2) provide care to one or more children at an additional location that is not stated in the facility’s license. (Effective immediately.)

**S.B. 967 (Kolkhorst/Klick)** – **Expiration of Public Health Orders**: provides that a public health order issued by a health authority that is imposed on more than one individual, animal, place, or object expires on the fifteenth day following the date the order is issued unless, before the fifteenth day: (1) the governing body of a city or the commissioners court of a county that appointed the health authority by majority vote extends the order for a longer period; or (2) if the health authority is jointly appointed by a city and county, the commissioner’s court of the county extends the order for a longer period. (Effective September 1, 2021.)

**S.B. 968 (Kolkhorst/Klick)** – **Public Health Disaster Preparedness**: this bill, among other things:

1. provides that the presiding officer of the governing body of a political subdivision may not issue an order during a declared state of disaster or local disaster to address a pandemic disaster that would limit or prohibit: (a) housing and commercial construction activities, including related activities involving the sale, transportation, and installation of manufactured homes; (b) the provision of governmental services for title searches, notary services, and recording services in support of mortgages and real estate services and transactions; (c) residential and commercial real estate services, including settlement services; or (d) essential maintenance, manufacturing, design, operation, inspection, security, and construction services for essential products, services, and supply chain relief efforts;
2. requires the Texas Department of Emergency Management (TDEM) to establish a process for designating individuals who are included in the emergency assistance registry as medically fragile, and collaborate with first responders, local governments, and local health departments to conduct wellness checks on those individuals during certain events (e.g., a disaster or power outage), as determined by TDEM;
3. provides that a wellness check under (2), above, must include an automated phone call, a personalized call and, if the person is unresponsive to calls, an in-person check, and requires each city to adopt procedures to conduct wellness checks in compliance with minimum standards adopted by TDEM;
4. makes various changes to the Communicable Disease Prevention and Control Act, including providing that: (a) the Department of State Health Services is the “preemptive authority” for purposes of the Act, and shall collaborate with local elected officials to

prevent the spread of disease and protect the public health; and (b) a regional public health disaster declaration or order must be filed with the county clerk or city secretary in each area to which it applies, unless the circumstances prevent or impede the filing; and

5. provides that a governmental entity may not issue a vaccine passport, vaccine pass, or other standardized documentation to certify an individual's COVID-19 vaccination status to a third party for a purpose other than health care or otherwise publish or share any individual's COVID-19 immunization record or similar health information for a purpose other than health care.

(Effective immediately.)

## **Municipal Courts**

**H.B. 80 (J. Johnson/Whitmire)** – **Municipal Court:** provides, when fines and costs are being imposed on a defendant under the conservatorship of the Department of Family and Protective Services or in extended foster care, that a municipal judge: (1) may not require a defendant to pay any amount of fines and costs; and (2) may require the defendant to perform community services to discharge fines and costs if the fines and costs are not waived. (Effective September 1, 2021.)

**H.B. 569 (Sanford/West)** – **Misdemeanor Fines:** provides, among other things, that in imposing a fine and costs in a case involving a misdemeanor punishable by a fine only, the justice or judge shall credit the defendant for any time the defendant was confined in jail or prison while serving a sentence for another offense at a rate of \$150 for each day of confinement if that confinement occurred after the commission of the misdemeanor. (Effective September 1, 2021.)

**H.B. 788 (Geren/Zaffirini)** – **Court Program:** expands the definition of a public safety employee, for the purpose of participating in a public safety employee treatment court program, to include an emergency service dispatcher. (Effective September 1, 2021.)

**H.B. 1071 (Harris/Whitmire)** – **Animals in Court:** allows a qualified facility dog or qualified therapy animal in certain court proceedings. (Effective September 1, 2021.)

**H.B. 3774 (Leach/Huffman)** – **Municipal Court Pleas:** provides, among many other things, that: (1) a judge may not accept a plea of guilty or plea of nolo contendere from a defendant in open court unless it appears to the judge that the defendant is mentally competent and the plea is free and voluntary; (2) the Texas Forensic Science Commission (commission) must adopt a code of professional responsibility and rules establishing sanctions for code violations to regulate the conduct of persons, laboratories, facilities, and other entities regulated by the state; (3) the commission is authorized to initiate an investigation of a forensic analysis or a forensic examination or test not subject to accreditation without receiving a complaint (former state law allowed for educational purposes); (4) a “forensic analyst” or “forensic science expert” is a professional service subject to the Professional Services Procurement Act; and (5) a “protective order” is defined to include an order issued by a court in this state to prevent sexual assault or abuse, stalking, trafficking, or other harm to an applicant. (Effective September 1, 2021, except



that certain provisions creating new judicial district or statutory county courts have special effective dates.)

**H.B. 4293 (Hinojosa/Zaffirini) – Court Reminder Program:** this bill: (1) authorizes the Office of Court Administration of the Texas Judicial System, or the judges of the county courts, statutory county courts, and district courts with jurisdiction over criminal cases in each county, to partner with cities and local law enforcement agencies to allow: (a) individuals to whom a peace officer issues a citation and releases to receive text message reminders of scheduled court appearances; and (b) criminal defendants in municipal court to receive text message reminders of scheduled court appearances; and (2) requires any city that partners with the Office of Court Administration of the Texas Judicial System to pay all costs of sending reminders to municipal criminal defendants, including the costs of linking the municipal court database with the state court administrator database. (Effective September 1, 2021.)

**S.B. 41 (Zaffirini/Leach) – Court Costs:** this bill consolidates, allocates and increases certain state civil court costs to be used for the following: (1) to support a statewide electronic filing technology project for courts in this state; (2) to provide grants to counties to implement components of the project; or (3) to support court technology projects that have a statewide impact as determined by the office of court administration. (Effective January 1, 2022.)

**S.B. 49 (Zaffirini/Murr) – Defendants with Mental Illness or Intellectual Disability:** provides revisions to criminal trial and sentencing procedures, including procedures for magistrates, relating to a defendant who may have a mental illness or who may be a person with an intellectual disability, makes revisions to competency restoration programs, and sets out provisions relating to outpatient treatment program participation for civilly committed individuals. (Effective September 1, 2021.)

**S.B. 111 (West/Collier) – Duties of Law Enforcement Agency:** provides that: (1) a law enforcement agency filing a case with an attorney representing the state in a criminal case, excluding a city attorney or prosecutor appearing in a justice or municipal court, shall submit to the attorney a written statement by an employee of such agency with knowledge of the case acknowledging that all documents, items, and information in the possession of the agency that are required to be disclosed to the defendant as discovery have been transmitted to the attorney; and (2) at any time after a case is filed with the attorney representing the state a law enforcement agency discovers or acquires any additional document, item, or information required to be disclosed to a defendant, an employee of the agency shall promptly transmit such document to the attorney. (Effective September 1, 2021.)

**S.B. 1373 (Zaffirini/White) – Municipal Courts:** provides that: (1) any officer authorized to collect a fine, reimbursement or other fee, or item of cost may request the trial court in which a criminal action or proceeding was held to make a finding that a fine, reimbursement or other fee, or item of cost imposed in the action or proceeding is uncollectible if the officer believes: (a) the defendant is deceased; (b) the defendant is serving a sentence for imprisonment for life or life without parole; (c) the fine, reimbursement or other fee, or item of cost has been unpaid for at least 15 years; or (d) the fine, reimbursement or other fee, or item of cost is otherwise uncollectible; and

(2) a court may order the officer described in (1), above, to designate a fine, reimbursement or other fee, or item of cost as uncollectible in the fee record. (Effective September 1, 2021.)

## **Open Government**

**H.B. 872 (Bernal/Menédez)** – **Confidentiality of Government-Operated Utility Customer Information:** this bill provides that: (1) information is excepted from disclosure under the Public Information Act if it is information maintained by a government-operated utility that: (a) discloses whether services have been discontinued, or reveals whether an account is delinquent or eligible for disconnection by the government-operated utility; or (b) is collected as part of an advanced metering system for usage, services, and billing, including amounts billed or collected for utility usage, except that all such information is to be made available to that customer or their designated representative if the information directly relates to utility services provided to the customer and is not confidential under law; (2) a government-operated utility may not disclose personal and utility usage information for government operated utility customers unless the customer requests that the government-operated utility disclose such information on an appropriately marked form or other written request for disclosure (Note: former law made personal information and utility usage information confidential only if the customer elected to keep the information confidential on a form provided by the government-operated utility); and (3) a government-operated utility must provide notice of the customer’s right to request disclosure of personal and utility usage information, along with the form to elect for disclosure, in each customer’s utility bill or on the government-operated utility’s website. (Effective immediately.)

**H.B. 1082 (P. King/Zaffirini)** – **Public Information:** provides that: (1) with regard to information a city holds as an employer, the home address, home telephone number, emergency contact information, social security number, and personal family information of an elected public officer, is excepted from the Public Information Act, regardless of whether the elected officer complies with certain requirements to elect the information be kept confidential; (2) with regard to information contained in records maintained by the city in any capacity, an elected public officer’s home address, home telephone number, emergency contact information, date of birth, social security number, and family member information is excepted from the Public Information Act if the elected officer elects to keep the information confidential; and (3) elected public officers are added to the list of individuals who may choose to restrict public access to certain information in appraisal records. (Effective immediately.)

**S.B. 244 (Bettencourt/Campos)** – **Tax Increment Reinvestment Zone:** makes the board of directors of a tax reinvestment zone subject to the Open Meetings Act. (Effective September 1, 2021.)

**S.B. 841 (Hughes/Schaefer)** – **Public Information:** adds certain honorably retired law enforcement positions to the personal information exceptions of the Public Information Act and the confidentiality of home address section in the tax appraisal statute. (Effective immediately.)

**S.B. 858 (Johnson/Davis)** – **Public Information:** provides: (1) that the following personal identifying information collected by a metropolitan rapid transit authority, regional transportation

authority, municipal transit department, or coordinated county transportation authority is confidential and not subject to public disclosure: (a) trip data, including the time, date, origin, and destination of a trip, and demographic information collected when the person purchases a ticket or schedules a trip; and (b) other personal information, including financial information; and (2) personal identifying information described in (1), above, may be disclosed to a governmental agency or institution of higher education if the requestor confirms in writing that the use of the information will be strictly limited to use in research or in producing statistical reports, but only if the information is not published, redisclosed, sold, or used to contact any individual. (Effective Immediately.)

**S.B. 1225 (Huffman/Paddie)** – **Temporary Suspension of TPIA:** this bill, among other things, provides that: (1) for purposes of suspending the requirements of the Texas Public Information Act (TPIA), during a catastrophe, the term “catastrophe” does not mean a period when staff is required to work remotely and can access information responsive to an application for information electronically, but the physical office of the governmental body is closed; (2) a governmental body may suspend the requirements of the TPIA only once for each catastrophe; (3) a governmental body may suspend the requirements of the TPIA if the governmental body is currently significantly impacted by a catastrophe such that the catastrophe directly causes the inability of a governmental body to comply with the TPIA; (4) a governmental body that initiates a suspension period may not initiate another suspension period related to the same catastrophe, except for a single extension period, and that the combined suspension period for a governmental body may not exceed a total of 14 consecutive calendar days with respect to any single catastrophe; (5) if a governmental body closes its physical offices, but requires staff to work, including remotely, then the governmental body shall make a good faith effort to continue responding to applications for public information, to the extent staff have access to public information responsive to an application, while its administrative offices are closed; and (6) failure to respond to requests in accordance with (5), above, may constitute a refusal to request an attorney general's decision or a refusal to supply public information or information that the attorney general has determined is public information that is not excepted from required disclosure. (Effective September 1, 2021.)

### **Other Finance and Administration Bills**

**H.B. 29 (Swanson/Hughes)** – **Temporary Weapon Storage:** this bill: (1) allows a political subdivision to provide a person temporary secure weapon storage when entering a building or portion of a building used by the political subdivision that is generally open to the public and in which carrying a firearm, knife, club or other weapon is prohibited by state law or the political subdivision; (2) allows weapon storage to be provided via self-service weapon lockers or other temporary secure weapon storage operated at all times by a designated employee of the political subdivision; (3) allows a political subdivision to collect a fee of not more than \$5 for the use of a self-service weapon locker or other temporary secure weapon storage; and (4) addresses how a political subdivision must handle an unclaimed weapon. (Effective September 1, 2021.)

**H.B. 525 (Shaheen/Hall)** – **Religious Organizations:** this bill: (1) provides that a religious organization is an essential business at all times, including during a declared state of disaster, and the organization’s religious and other related activities are essential activities, even if the activities

are not listed as essential in an order issued during the disaster; (2) provides that a governmental entity may not: (a) at any time, including during a declared state of disaster, prohibit a religious organization from engaging in religious and other related activities or continuing to operate in the discharge of the organization's foundational faith-based mission and purpose; or (b) during a declared state of disaster order a religious organization to close or otherwise alter the organization's purposes or activities; and (3) authorizes a person and the attorney general to seek certain relief for a violation of the prohibition in (2). (Effective immediately.)

**H.B. 604 (Noble/Zaffirini)** – **Animal Shelter**: requires that, as soon as practicable after an animal is placed in the custody of an animal shelter, the shelter scan the animal to determine whether a microchip is implanted in the animal. (Effective September 1, 2021.)

**H.B. 624 (Shine/Campbell)** – **Offense Against Public Servant**: increases the criminal penalty for certain offenses committed in retaliation for, or on account of, a person's service or status as a public servant. (Effective September 1, 2021.)

**H.B. 636 (S. Thompson/Whitmire)** – **Texas State Board of Plumbing Examiners**: this is the Texas State Board of Plumbing Examiners sunset bill. The bill, among other things, continues the functions of the Texas State Board of Plumbing Examiners through September 1, 2027. (Effective immediately.)

**H.B. 957 (Oliverson/Springer)** – **Firearm Suppressors (Silencers)**: this bill: (1) prohibits a city council or an officer, employee, or other body that is part of a city (including a police department) from: (a) adopting a rule, order, ordinance, or policy under which the city enforces, or by consistent action allows the enforcement of, a federal statute, order, rule, or regulation that purports to regulate a firearm suppressor if the statute, order, rule, or regulation imposes a prohibition, restriction, or other regulation that does not exist under Texas law; and (b) enforcing or attempting to enforce any federal statute, order, rule, or regulation described in (1)(a); (2) provides that a violation of the prohibition in (1) may be enforced by denying certain state grant funds to the city; (3) authorizes any citizen residing in the jurisdiction of a city to file a complaint with the attorney general if the citizen offers evidence to support an allegation that the city violated the prohibition in (1); (4) authorizes the attorney general, upon receipt of a valid citizen complaint, to file a writ of mandamus or seek other equitable relief to compel a city to comply with the requirements in the bill, and allows the attorney general to recover reasonable expenses in obtaining such relief; and (5) removes the prohibition in state law against possessing a firearm suppressor, and provides that any pending criminal action for that offense is dismissed on the effective date of the bill. (Effective September 1, 2021.)

**H.B. 1118 (Capriglione/Paxton)** – **Cybersecurity**: provides that: (1) a local government employee or official that uses a computer to complete at least 25 percent of the employee or official's required duties shall complete a cybersecurity training certified by the state cybersecurity coordinator and the state's cybersecurity council; (2) the governing body of a local government or the governing body's designee may deny access to the local government's computer system or database to an individual identified as one that is required to take cybersecurity training and is noncompliant with that requirement; (3) to apply for certain state grants (submitted on or after September 1, 2021), a local government must submit with its grant application proof of compliance

with the cybersecurity training requirements; and (4) a local government that has not complied with the cybersecurity training requirements must repay the grant and will be ineligible for another grant for two years. (Effective immediately.)

**H.B. 1239 (Sanford/Paxton)** – **Religious Freedom:** this bill provides that: (1) for purposes of a disaster declared under Texas Disaster Act of 1975, the Texas Religious Freedom Restoration Act is not considered a regulatory statute and may not be suspended; and (2) a government agency or public official may not issue an order that closes or has the effect of closing places of worship. (Effective immediately.)

**H.B. 1256 (Ashby/Huffman)** – **Specialty Court Funding:** requires the comptroller to deposit one percent of both the mixed beverage gross receipts tax and the mixed beverage sales tax to the credit of the specialty court account. (Effective September 1, 2021.)

**H.B. 1276 (Parker/Springer)** – **Food Service Establishments:** this bill: (1) allows a food service establishment that holds a permit to sell food other than prepared food directly to consumers if the food: (a) is labeled with any information required by the Health and Human Services Commission; (b) is appropriately inspected and bears an official mark of USDA inspection, if the food is meat or poultry; and (c) is properly refrigerated, if applicable; and (2) prohibits a city or public health district from requiring a food service establishment that sells food directly to an individual consumer to obtain a food manufacturer license or permit if the establishment complies with the requirements in (1) and is not required to hold a food manufacturer license or permit under other state law. (Effective immediately.)

**H.B. 1322 (Shaheen/Zaffirini)** – **Proposed State Agency Rules:** requires that a state agency required to file notice of a proposed rule with the secretary of state must also publish on the agency's Internet website a summary of the proposed rule written in plain language, in both English and Spanish, that the general public, including individuals with limited English proficiency, can readily understand because the language is concise and well-organized. (Effective September 1, 2023.)

**H.B. 1410 (Murphy/Creighton)** – **Water Districts:** among other things, provides that: (1) when a city consents to the inclusion of land in a water district it may restrict the purposes for which a district may issue bonds to those purposes authorized by law for the district; and (2) the outstanding principal amount of debt obligations issued to finance a recreational facility in a water district may not exceed three percent of: (a) the value of the taxable property in the district; or (b) under certain circumstances, the value of the taxable property in the district making payments to a political subdivision under a contract. (Effective immediately.)

**H.B. 1493 (Herrero/Hinojosa)** – **Falsely Implying Governmental Affiliation:** provides: (1) that a governmental unit, including a city, is entitled to enjoin another person's use of an entity name that falsely implies governmental affiliation with the governmental unit; (2) that in an action brought under (1), the governmental unit is entitled to injunctive relief throughout the state, and in the court's discretion, reasonable attorney's fees and court costs if a court finds that the person against whom injunctive relief is sought willfully intended to imply governmental affiliation with the governmental unit; and (3) procedures that the Secretary of State shall follow when a filing



entity or foreign filing entity uses a name that falsely implies an affiliation with a governmental entity. (Effective September 1, 2021.)

**H.B. 1500 (Hefner/Creighton)** – **Firearm Regulation:** this bill: (1) provides that the Texas Disaster Act of 1975 does not authorize any person to prohibit or restrict the business or operations of a firearms or ammunition manufacturer, distributor, wholesaler, supplier, or retailer or a sport shooting range, in connection with a disaster; (2) provides that the governor may not, during a state of disaster, suspend or limit the sale, dispensing, or transportation of explosives or combustibles that are components of firearm ammunition; (3) provides that a directive issued during a state of emergency may not prohibit or restrict the business or operations of a firearms or ammunition manufacturer, distributor, wholesaler, supplier, or retailer or a sport shooting range; and (4) removes certain express statutory authority of a city to regulate the use of firearms, air guns, or knives in the case of an insurrection, riot, or natural disaster. (Effective September 1, 2021.)

**H.B. 1540 (S. Thompson/Huffman)** – **Offenses:** this bill: (1) adds drink solicitation to the list of acts or offenses that can trigger an automatic denial of certain alcoholic beverage permits or licenses if specific circumstances occurred and the application was made within a specified time period; (2) provides that if a law enforcement agency has reason to believe an activity related to prostitution or illegal massage services has occurred at property that is leased to a person operating a massage establishment, the law enforcement agency may provide written notice of the alleged activity, instead of an arrest, to each person maintaining the property; (3) provides that in an action brought to abate certain common nuisances, a court may award a prevailing party reasonable attorney's fees in addition to costs incurred in bringing the action; (4) provides that proof in the form of an arrest or testimony from a law enforcement agent of activities relating to prostitution at a massage establishment taking place after the notice described in (2) is provided serves as prima facie evidence that a defendant did not make a reasonable attempt to abate activities relating to prostitution; (5) provides that proof that illegal massage services are committed at a place maintained by the defendant after notice described in (2) is provided to the defendant is prima facie evidence that the defendant knowingly tolerated the activity and did not make a reasonable attempt to abate the activity; (6) provides that, for purposes of (4) and (5), notice is considered to be provided to the defendant on the earlier of: (a) seven days after the postmark date of the notice; or (b) the date the defendant actually received notice; (7) provides that a person or enterprise commits racketeering if, for financial gain, the person or enterprise commits an offense related to trafficking of persons; (8) provides that a sex offender who is placed under community supervision may not go in, on, or within 1,000 feet, of certain child-care facilities operating as residential treatment centers; (9) provides that the penalty for certain offenses related to controlled substances is enhanced to a felony of the third degree if it shown that the offense was committed by any unauthorized person 18 years of age or older, in, on, or within 1,000 feet of premises owned, rented, or leased by certain child-care facilities operating as residential treatment center; and (10) provides that the commissioners court of a county or governing body of a city may establish a first offender solicitation of prostitution prevention program for defendants charged with the offense of solicitation of prostitution. (Effective September 1, 2021.)

**H.B. 1560 (Goldman/Buckingham)** – **Texas Department of Licensing and Regulation:** provides for the continuation and functions of the Texas Department of Licensing and Regulation and, among other things: (1) deregulates (no longer licenses) polygraph examiners; and (2)



eliminates certain court-ordered driver education programs. (Effective September 1, 2021, except as otherwise provided.)

**H.B. 1693 (Shaheen/Miles)** – **Financial Responsibility**: this bill: (1) authorizes a justice or municipal court to access the financial responsibility verification program to verify financial responsibility for the purpose of court proceedings; and (2) requires the costs associated with accessing the verification program to be paid out of the county treasury by order of the commissioners’ court or the municipal treasury by order of the governing body of the municipality, as applicable. (Effective immediately.)

**H.B. 1920 (Capriglione/Springer)** – **Weapons at Airport**: this bill: (1) provides that it is a defense to prosecution for the offense of carrying a weapon in a prohibited place that the actor was authorized by a federal agency or an airport operator to possess a firearm in a secured area; and (2) includes in the definition of “secured area” of an airport terminal building an aircraft parking area that is used by common carriers in air transportation, but not by general aviation, and to which access is controlled under federal law (the term does not include a baggage claim area, a motor vehicle parking area used by passengers, employees, or persons awaiting an arrival, or an area used by the public to pick up or drop off passengers or employees). (Effective September 1, 2021.)

**H.B. 1925 (Capriglione/Buckingham)** – **Camping in Public**: this bill:

1. creates a Class C misdemeanor criminal offense for a person who intentionally or knowingly camps in a public place without the effective consent of the officer or agency having the legal duty or authority to manage the public place;
2. provides that consent given by an officer or agency of a political subdivision is not effective for the purposes of (1), unless given to authorize the person to camp for certain recreational, homeless shelter, beach access, and emergency shelter purposes;
3. provides that an ordinance, order, rule, or other regulation adopted by a state agency or political subdivision relating to prohibiting camping in a public place or affecting the authority of a state agency or political subdivision to adopt or enforce an ordinance, order, rule, or other regulation relating to prohibiting camping in a public place is not preempted if the ordinance, order, rule, or other regulation: (a) is compatible with and equal to or more stringent than the offense in (1); or (b) relates to an issue not specifically addressed by the offense created in (1);
4. requires that, before or at the time a peace officer issues a camping in public citation, the peace officer make a reasonable effort to: (a) advise the person of an alternative place at which the person may lawfully camp; and (b) contact, if reasonable and appropriate, an appropriate official of the political subdivision in which the public place is located, or an appropriate nonprofit organization operating within that political subdivision, and request the official or organization to provide the person with: (i) information regarding the prevention of human trafficking; or (ii) any other services that would reduce the likelihood of the person suspected of committing the offense continuing to camp in the public place;
5. provides that the requirement in (4), above, does not apply when a peace officer determines there is an imminent threat to the health or safety of a person and compliance is impracticable;

6. provides that if a person is arrested or detained solely for a public camping offense, the peace officer must ensure that all of the person's personal property not designated as contraband under other law is preserved by: (a) permitting the person to remove all the property from the public place at the time of the person's departure; or (b) taking custody of the property and allowing the person to retrieve the property after the person is released from custody;
7. prohibits a political subdivision from designating a property to be used by homeless individuals to camp unless the Department of Housing and Community Affairs approves a plan to do so, and provides that the Department may not approve a plan if the property is a public park;
8. prohibits a local entity from adopting or enforcing a policy under which the entity prohibits or discourages the enforcement of any public camping ban;
9. provides that, in compliance with (8), a local entity may not prohibit or discourage a peace officer or prosecuting attorney who is employed by or otherwise under the direction or control of the entity from enforcing a public camping ban;
10. authorizes the attorney general to bring an action in a district court in Travis County or in a county in which the principal office of the entity is located to enjoin a violation of (8), and provides the attorney general may recover reasonable expenses, including court costs, reasonable attorney's fees, investigative costs, witness fees, and deposition costs;
11. provides that a local entity may not receive state grant funds for the state fiscal year following the year in which a final judicial determination in an action brought under (10) is made that the entity has intentionally violated (8);  
and
12. provides that a local entity that has not violated (8) may not be denied state grant funds, regardless of whether the entity is a part of another entity that is in violation of (8).

(Effective September 1, 2021.)

**H.B. 2025 (Hunter/Huffman)** – **Federal Census**: this bill, among other things, provides that, until September 1, 2023, a statute that applies to a political subdivision having a certain population according to the most recent federal census: (1) continues to apply to the same political subdivisions to which the statute applied under the 2010 federal census, regardless of whether the political subdivisions continue to have the populations prescribed by the statute according to the 2020 federal census; and (2) does not apply to a political subdivision to which the statute did not apply under the 2010 federal census, regardless of whether the political subdivision has the population prescribed by the statute according to the 2020 federal census. (Effective immediately.)

**H.B. 2205 (Romero/Schwertner)** – **Swimming Pools**: this bill, among other things, provides that: (1) pool safety standards adopted by rule by the Department of State Health Services must comply with a version of the International Swimming Pool and Spa Code that is not older than the version in effect on May 1, 2019; (2) a person may use, maintain, and repair a pool or spa that was in compliance with the laws of this state on August 31, 2021, and related mechanical, electrical, and plumbing systems in accordance with the laws applicable to the pool or system on that date; (3) a municipality may adopt a more recent version of the International Swimming Pool and Spa Code than in (1) to apply in the municipality; and (3) to the extent a provision of a code adopted by a municipality under (2) conflicts with a law of this state or a regulation on pool operation and

management, water quality, safety standards unrelated to design and construction, signage, or enclosures, the law or regulation controls. (Effective September 1, 2021.)

**H.B. 2622 (Holland/Hall)** – **Firearm Regulation:** this bill provides that: (1) notwithstanding any other law, an agency of this state, a political subdivision of this state, or a law enforcement officer or other person employed by an agency of this state or a political subdivision of this state may not contract with or in any other manner provide assistance to a federal agency or official with respect to the enforcement of a federal statute, order, rule, or regulation that: (a) imposes a prohibition, restriction, or other regulation that does not exist under the laws of Texas; and (b) relates to: (i) a registry requirement for a firearm, a firearm accessory, or ammunition; (ii) a requirement that an owner of a firearm, a firearm accessory, or ammunition possess a license as a condition of owning, possessing, or carrying the firearm, firearm accessory, or ammunition; (iii) a requirement that a background check be conducted for the private sale or transfer of a firearm, a firearm accessory, or ammunition; (iv) a program for confiscating a firearm, a firearm accessory, or ammunition from a person who is not otherwise prohibited by the laws of Texas from possessing the firearm, firearm accessory, or ammunition; or (v) a program that requires an owner of a firearm, a firearm accessory, or ammunition to sell the firearm, firearm accessory, or ammunition; (2) the prohibition in (1) does not apply to a federal statute, order, rule or regulation in effect on January 19, 2021; and (3) a violation of the prohibition in (1) may be enforced: (a) by denying certain state grant funds to the political subdivision; and (b) through certain court action by the attorney general that is initiated by citizen complaint. (Effective September 1, 2021.)

**H.B. 2730 (Deshotel/Kolkhorst)** – **Eminent Domain:** makes several changes to the eminent domain process. Of primary importance to cities, the bill:

1. requires the attorney general, at least once every two years, to evaluate the landowner's bill of rights statement and make any change to the landowner's bill of rights statement that the attorney general determines necessary, including making a change to the writing style of the statement to ensure the statement is written in plain language designed to be easily understood by the average property owner;
2. provides that a person may not receive state certification to buy, sell, lease, or transfer an easement or right-of-way for another for compensation in connection with telecommunication, utility, railroad, or pipeline service unless the person successfully completes at least 16 classroom hours of coursework approved by the Texas Real Estate Commission in:
  - a. the law of eminent domain, including the rights of property owners;
  - b. appropriate standards of professionalism in contacting and conducting negotiations with property owners; and
  - c. ethical considerations in the performance of right-of-way acquisition services;
3. provides that an entity with eminent domain authority makes a bona fide offer when the entity's initial offer to a property owner is made in writing and includes:
  - a. a copy of the landowner's bill of rights statement;
  - b. a statement, in bold print and a larger font than the other portions of the offer, indicating whether the compensation being offered includes:
    - i. damages to the remainder, if any, of the property owner's remaining property; or

- ii. an appraisal of the property, including damages to the remainder, if any, prepared by a certified appraiser;
  - c. an instrument of conveyance; and
  - d. the name and telephone number of a representative of the entity who is:
    - i. an employee of the entity;
    - ii. an employee of an affiliate providing services on behalf of the entity;
    - iii. a legal representative of the entity; or
    - iv. if the entity does not have employees, an individual designated to represent the day-to-day operations of the entity;
4. requires that an entity that files a condemnation petition must concurrently provide a copy of the petition to the property owner by certified mail, return receipt requested, and first class mail;
  5. provides that if an entity has received written notice that the property owner is represented by counsel, the entity must also concurrently provide a copy of the condemnation petition to the property owner's attorney by first class mail, commercial delivery service, fax, or email;
  6. requires the judge of a court in which a condemnation petition is filed or to which an eminent domain case is assigned to, not later than the 30th calendar day after the date the petition is filed, appoint three disinterested real property owners who reside in the county as special commissioners, and appoint two disinterested real property owners who reside in the county as alternate special commissioners;
  7. provides that each party shall have until the later of ten calendar days after the date of the order appointing the special commissioners, or 20 days after the date the petition was filed to strike one of the three special commissioners, in which case an alternate special commissioner shall serve as a replacement for the special commissioner based on the order that the alternate special commissioners are listed in the initial order of appointment;
  8. provides that if a party exercises a strike under Number 7, above, the other party may, by the later of the third day after the date of filing the initial strike or the date of the initial strike deadline, strike a special commissioner from the resulting panel, provided the other party has not earlier exercised a strike;
  9. entitles each party in an eminent domain proceeding to a copy of the court's order appointing special commissioners; and
  10. requires the court to promptly provide the signed order appointing special commissioners to the party initiating the condemnation proceeding, and that party must: (a) provide a copy of the signed order to the property owner and each other party by certified mail, return receipt requested; and (b) if the entity has received written notice that the property owner is represented by counsel, concurrently provide a copy of the signed order to the property owner's attorney by first class mail, commercial delivery service, fax, or email.

(Effective January 1, 2022.)

**H.B. 3069 (Holland/Hughes) – Statute of Limitations on Claims:** this bill: (1) requires a governmental entity to bring suit for damages for certain claims against: (a) a registered or licensed architect, engineer, interior designer, or landscape architect in this state, who designs, plans, or inspects the construction of an improvement to real property or equipment attached to real property, not later than eight years after the substantial completion of the improvement or the

beginning of operation of the equipment in an action arising out of a defective or unsafe condition of the real property, the improvement, or the equipment; and (b) a person who constructs or repairs an improvement to real property not later than eight years after the substantial completion of the improvement in an action arising out of a defective or unsafe condition of the real property or a deficiency in the construction or repair of the improvement; and (2) excepts from (1): (a) a contract entered into by the Texas Department of Transportation; (b) a project that receives money from the state highway fund or a federal fund designated for highway and mass transit spending; and (c) a civil works project. (Effective immediately.)

**H.B. 3340 (Swanson/Bettencourt)** – **Dangerous Dogs**: this bill provides that: (1) any order to destroy a dog is stayed for a period of ten calendar days from the date the order is issued, during which period the dog’s owner may file a notice of appeal; and (2) a court, including a justice court, may not order the destruction of a dog during the pendency of an appeal related to a dangerous dog, including an order to destroy a dangerous dog and an order determining that a dog is a dangerous dog. (Effective September 1, 2021.)

**H.B. 3583 (Paddie/Hinojosa)** – **Energy Savings Performance Contracts**: this bill: (1) limits the scope of an energy savings performance contract by, among other things, excluding from the term “energy savings performance contract” the design or new construction of a water supply project, water plant, wastewater plant, water and wastewater distribution or conveyance facility, or drainage project; (2) prohibits modifying the scope of an energy savings performance contract for a water supply project, water plant, wastewater plant, water and wastewater distribution or conveyance facility, or drainage project through a change order, contract addendum, or other method: (a) to perform work that is not related to, connected with, or otherwise ancillary to the measures identified in the original scope of an energy savings performance contract; or (b) in a way that increases the price of the original awarded contract by more than 25 percent of the original contract value; and (3) provides that a contract entered into or an arrangement made in violation of certain state law governing energy savings performance contracts is voidable as against public policy, and that the state law may be enforced through an action for declaratory or injunctive relief filed not later than the 10th day after the date the contract is awarded. (Effective immediately.)

**H.B. 3584 (Murr/Buckingham)** – **Historical Monuments**: provides: (1) notwithstanding any other law, a monument, marker, or medallion installed by the Texas Historical Commission is state property solely under the commission’s custody and control and may not be altered, removed, relocated, covered, obscured, or concealed without the express written permission of the commission; (2) that the attorney general may file suit in district court to seek civil penalties in of not less than \$50 nor more than \$1,000 for each day of violation and equitable relief in accordance with current state law against a person who violates this amendment; (3) a presumption that if a person commits a violation on more than one day, that the person committed a violation on each intervening day between the days of violation; and (4) a waiver of governmental immunity for any county, city, or other political subdivision to the extent liability is created under (1). (Effective September 1, 2021.)

**H.B. 3786 (Holland/Nelson)** – **Electronic Submission to Comptroller**: among other things, this bill authorizes the comptroller, after providing notice, to require a document, payment, notice,



report, or other item required to be submitted to the comptroller to be submitted electronically. (Effective September 1, 2021.)

**H.B. 3807 (Hunter/Hinojosa)** – **Lifeguards**: among other things, provides that as part of the duty to clean and maintain the condition of public beaches, a city shall: (1) during reasonable daylight hours from Memorial Day to Labor Day, provide: (a) occupied lifeguard towers or mobile lifeguard units on each side of each pier, jetty, or other structure that protrudes into the Gulf of Mexico that is located within the corporate boundaries; or (b) a single occupied lifeguard tower or mobile lifeguard unity at each pier, jetty, or other structure that protrudes into the Gulf of Mexico that tis located within the corporate boundaries if the single tower provides and unobstructed view of both sides of the structure;(2) post within 100 yards of each side of each structure described by (1) signs clearly describing the dangerous water conditions that may occur near the structure; and (3) the city may suspend or alter these duties during dangerous weather conditions or emergency operations. (Effective September 1, 2021.)

**H.B. 3897 (S. Thompson/Birdwell)** – **Local Alcohol Permit Fees**: provides that the fee that a city may levy and collect for a brewer’s license or a brewer’s self-distribution license may not exceed 50 percent of the fee set by rule for the license. (Effective September 1, 2021.)

**H.B. 3898 (Anchia/Huffman)** – **Public Retirement Systems Funding**: provides, among other things, that: (1) an evaluation of the appropriateness, adequacy, and effectiveness of a public retirement system’s investment practices and performance that is required to be conducted by an independent firm must include: (a) a summary of the firm’s experience in evaluating institutional investment practices and performance and a statement that the firm’s experience meets the required experience; (b) a statement indicating the nature of any existing relationship between the independent firm and the public retirement system and confirming that the firm and any related entity are not involved in directly or indirectly managing the investments of the system; (c) a list of the types of remuneration received by the independent firm from sources other than the public retirement system for services provided to the system; (d) a statement identifying any potential conflict of interest or any appearance of a conflict of interest that could impact the analysis included in the evaluation due to an existing relationship between the independent firm and: (i) the public retirement system; or (ii) any current or former member of the governing body of the system; and (e) an explanation of the firm’s determination regarding whether to include a recommendation for specific evaluation matters; (2) a public retirement system shall conduct the evaluation described by (1): (a) once every three years, if the total assets of the retirement system as of the last day of the preceding fiscal year were at least \$100 million; or (b) once every six years, if the total assets of the retirement system as of the last day of the preceding fiscal year were at least \$30 million and less than \$100 million; (3) a public retirement system is not required to conduct the evaluation described by (1) if the total assets of the retirement system as of the last day of the preceding fiscal year were less than \$30 million; (4) a governmental entity that is the employer of active members of a public retirement system evaluated under (1) may pay all or part of the costs of the evaluation, and the public retirement system shall pay any remaining unpaid costs of the evaluation; (5) the governing body of a public retirement system and, if the system is not a statewide retirement system, its associated governmental entity shall: (a) jointly, if applicable: (i) develop and adopt a written funding policy that details a plan for achieving a funded ratio of the system that is equal to or greater than 100 percent; and (ii) timely revise the policy to



reflect any significant changes to the policy, including changes required as a result of formulating and implementing a funding soundness restoration plan; (b) post a copy of the most recent edition of the policy on a publicly available Internet website; (6) a public retirement system shall notify the associated governmental entity in writing if the system receives an actuarial valuation indicating that the system's actual contributions are not sufficient to amortize the unfunded actuarial accrued liability within 30 years; and (7) instances in which the governing body of a public retirement system and the governing body of the associated governmental entity shall jointly formulate a funding soundness restoration plan, including a revised funding soundness restoration plan. (Effective September 1, 2021.)

**H.B. 4107 (Burrows/Kolkhorst)** – **Eminent Domain by a Common Carrier Pipeline**: this bill: (1) requires a common carrier or its employees, contractors, agents, or assigns to, before entering property for the purpose of making a preliminary survey to be used in the exercise of the power of eminent domain, provide the property owner with: (a) written notice of the carrier's intent to enter the property; and (b) an indemnification provision in favor of the property owner with respect to damages, if any, resulting from the survey; (2) provides that notice and indemnification provided under (1), above: (a) must be provided to the property owner not later than the second day before the date of entry to the property; (b) must include the phone number of a person whom the property owner may contact regarding any questions or objections the property owner has relating to the survey, and (c) may be provided by first class mail, e-mail, personal delivery to an adult living on the property, or by any other method of service authorized by the Texas Rules of Civil Procedure; and (3) imposes various restrictions on access to the property for which notice is required under (1), above. (Effective September 1, 2021.)

**H.B. 4346 (Leman/Springer)** – **Firearm Regulation**: this bill: (1) prohibits an instrument granting an access easement from restricting or prohibiting an easement holder or an easement holder's guest from possessing, carrying, or transporting a firearm or an alcoholic beverage over the servient estate while using the easement for the easement's purpose; (2) prohibits the owner of a servient estate from enforcing a restrictive covenant in an instrument granting an access easement over the servient estate that restricts or prohibits the easement holder or the easement holder's guest from possessing, carrying, or transporting a firearm or an alcoholic beverage over the servient estate while using the easement for the easement's purpose; and (3) provides that the prohibitions in (1) and (2) do not apply to a right-of-way easement for a pipeline, electric transmission line, or other utility. (Effective September 1, 2021.)

**S.B. 73 (Miles/Klick)** – **Local Health Departments**: this bill: (1) defines a local public health entity as including a local health unit, a local health department, and a public health district; and (2) requires the executive commissioner of Health and Human Services Commission to establish a separate provider type for a local public health entity for purposes of enrollment as a provider for and reimbursement under the medical assistance program. (Effective September 1, 2021.)

**S.B. 149 (Powell/Goldman)** – **Unmanned Aircraft**: in relation to the prosecution of the offense of operating an unmanned aircraft over certain facilities, this bill adds to the definition of the term "critical infrastructure facility" a: (1) public or private airport depicted in a current aeronautical chart published by the Federal Aviation Administration; and (2) military installation owned or

operated by the federal government, the state, or another governmental entity. (Effective September 1, 2021.)

**S.B. 157 (Perry/Craddick) – Eminent Domain Reporting Requirements:** this bill: (1) exempts a city with a population of less than 25,000 from eminent domain reporting requirements if the city’s eminent domain authority information has not changed from the information reported in the city’s most recently filed report; and (2) provides that for a city described by (1), above, if the city’s eminent domain authority information is the same as the information in the eminent domain database from the previous reporting period, the city, not later than February 1 of the current reporting period, shall confirm the accuracy of the information by electronically updating the city’s previously filed report with the comptroller. (Effective September 1, 2021.)

**S.B. 454 (Kolkhorst/Lambert) – Local Mental Health Authority:** this bill, among other things, requires the Health and Human Services Commission to require each local mental health authority group to meet at least quarterly to collaborate on planning and implementing regional strategies to reduce: (1) costs to local governments of providing services to persons experiencing a mental health crisis; (2) transportation to mental health facilities of persons served by an authority that is a member of the group; (3) incarceration of persons with mental illness in county jails that are located in an area served by an authority that is a member of the group; and (4) visits by persons with mental illness at hospital emergency rooms located in an area served by an authority that is a member of the group. (Effective immediately.)

**S.B. 474 (Lucio/Collier) – Unlawful Restraint of Dog:** this bill: (1) prohibits and creates a criminal offense for the unlawful restraint of a dog; and (2) provides that the prohibition in (1) does not preempt a local regulation relating to the restraint of a dog or affect the authority of a political subdivision to adopt or enforce an ordinance or requirement relating to the restraint of a dog if the regulation, ordinance, or requirement: (a) is compatible with and equal to, or more stringent than, the prohibition; or (b) relates to an issue not specifically addressed by the prohibition. (Effective September 1, 2021.)

**S.B. 475 (Nelson/Capriglione) – Cybersecurity:** this bill, among other things: (1) requires the Department of Information Resources (DIR) to establish a framework for regional cybersecurity working groups to execute mutual aid agreements that allow state agencies, local governments, and others to assist with responding to a cybersecurity event in the state; (2) requires DIR to establish the Texas volunteer incident response team to provide rapid response assistance to any participating entity (which could include a city) under DIR’s direction during a cybersecurity event; (3) authorizes DIR to establish a regional network security center to assist in providing cybersecurity support and network security to certain entities (including cities) that elect to participate in and contract for services through such a center; (4) makes confidential and excepted from disclosure under the Public Information Act information written, produced, collected, assembled, or maintained by DIR, a participating entity, the cybersecurity council, or a volunteer relating to the response team if the information: (a) contains the contact information of a volunteer; (b) identifies or provides a means of identifying a person who may, as a result of disclosure of the information, become a victim of a cybersecurity event; (c) consists of a participating entity’s cybersecurity plans or cybersecurity-related practices; or (d) is obtained from a participating entity or from a participating entity’s computer system in the course of providing assistance through the

team; and (5) includes robotic process automation among the next generation technologies a local government must consider using in the administration of the government. (Effective September 1, 2021.)

**S.B. 617 (Kolkhorst/Wilson)** – **Farmers’ Markets**: this bill: (1) provides that a permit issued to a farmer or food producer for the sale of food directly to consumers: (a) must be valid for a term of not less than one year; (b) may impose an annual fee in an amount not to exceed \$100 for the issuance or renewal; and (c) must cover sales at all locations the holder is authorized to sell food, including farmers’ markets, farm stands, and farms; and (2) creates a cause of action for a farmer or food producer whose permit does not comply with (1) to recover: (a) the amount the farmer or food producer was charged in excess of the annual fee; and (b) reasonable and necessary attorney’s fees. (Effective September 1, 2021.)

**S.B. 700 (Buckingham/Cyrier)** – **Texas Parks and Wildlife Department**: this is the Texas Parks and Wildlife Department sunset bill. The bill, among other things, continues the functions of the Texas Parks and Wildlife Department until September 1, 2033. (Effective September 1, 2021.)

**S.B. 703 (Buckingham/Canales)** – **Texas Department of Agriculture**: this is the Texas Department of Agriculture sunset bill. The bill, among other things: (1) continues the department until 2033; and (2) repeals: (a) the Rural Foundation; (b) the Rural Health & Economic Development Advisory Council; and (c) the Early Childhood Health and Nutrition Interagency Council. (Effective September 1, 2021.)

**S.B. 705 (Lucio/Cyrier)** – **Animal Health Commission**: this is the Texas Animal Health Commission sunset bill. The bill continues the commission until 2033. (Effective September 1, 2021.)

**S.B. 721 (Schwertner/Leman)** – **Eminent Domain**: provides that an entity seeking to acquire property through the use of eminent domain shall, not later than the third business day before the date of a special commissioner’s hearing, disclose to the property owner any and all current and existing appraisal reports produced or acquired by the entity relating specifically to the owner’s property and used in determining the entity’s opinion of value, if an appraisal report is to be used at the hearing. (Effective September 1, 2021.)

**S.B. 725 (Schwertner/Leman)** – **Eminent Domain**: provides that: (1) land qualifies for appraisal for property tax purposes as agricultural land if a portion or parcel of the land is subject to a right of way that is less than 200 feet wide and that was taken by condemnation if the remainder of the parcel of land qualifies for appraisal as agricultural land; and (2) if additional taxes are due because the land is diverted to a nonagricultural use as a result of a condemnation, the additional taxes and interest are the personal obligation of the condemning entity and not the property owner from whom the property was taken. (Effective September 1, 2021.)

**S.B. 726 (Schwertner/Leman)** – **Eminent Domain**: this bill, among other things, in relation to a property owner’s right to repurchase property from a condemning entity: (1) eliminates as available elements to establish “actual progress” on a project: (a) the acquisition of a tract or parcel of real property adjacent to the property for the same public use project for which the owner’s

property was acquired; and (b) for a governmental entity, the adoption by a majority of the entity's governing body at a public hearing of a development plan for a public use project that indicates that the entity will not complete more than one tolling action before the tenth anniversary of the date of acquisition of the property; and (2) requires three of five remaining elements to be met to establish actual progress. (Effective September 1, 2021.)

**S.B. 780 (Hinojosa/Raymond)** – **Intergovernmental Agreements:** allows a local government to enter into an intergovernmental support agreement with a branch of the armed forces of the United States under the National Defense Authorization Act to provide installation-support services to a military installation located in Texas. (Effective immediately.)

**S.B. 790 (Zaffirini/Howard)** – **Ambulance Balance Billing:** provides that: (1) a county or city may elect to consider a health benefit plan payment towards a claim for air or ground ambulance services provided by the county or city as payment in full for those services regardless of the amount the county or city charged for those services; (2) a county or city may not practice balance billing for a claim for which the county or city makes an election described in (1); and (3) the Texas Department of Insurance shall conduct a study on the balance billing practices of ground ambulance service providers, the variations in prices for ground ambulance services, the proportion of ground ambulances that are in-network, trends in network inclusion, and factors contributing to the network status of ground ambulances. (Effective September 1, 2021.)

**S.B. 798 (Nelson/Neave)** – **Family Violence:** this bill, among other things, allows a victim of dating violence, a victim of family violence, or a child of a victim of dating or family violence, to request, without payment of a fee, a certified copy of the individual's birth record. (Effective September 1, 2021.)

**S.B. 911 (Hancock/Burrows)** – **Third-Party Food Delivery Service:** this bill, among other things: (1) defines "third-party food delivery service" as a website, mobile application, or other service that acts as an intermediary between consumers and multiple restaurants not owned or operated by the service to arrange for the delivery or pickup of food or beverages from those restaurants; (2) preempts a city or county from adopting or enforcing an ordinance or regulation that affects the terms of an agreement that meets the requirements of (3) between a third-party food delivery service and a restaurant; and (3) provides that an agreement between a third-party food delivery service and a restaurant must: (a) be in writing; (b) expressly authorize the service to arrange for the delivery or pickup of food or beverages from that restaurant; and (c) clearly state each fee, including a commission or other charge, that the restaurant will be required to pay to the service or absorb in connection with an order arranged through the service. (Effective January 1, 2022.)

**S.B. 1122 (Zaffirini/Holland)** – **Comptroller Contracts for Travel Services:** this bill, among other things, prohibits the comptroller from charging a city a fee if a city officer or employee who is engaged in official city business participates in the comptroller's contract for travel services for the purpose of obtaining reduced airline fares and reduced travel agent fees. (Effective immediately.)

**S.B. 1642 (Creighton/Canales)** – **Navigation Districts:** this bill, among other things, authorizes a navigation district to respond to and fight a fire or explosion or hazardous material incident that occurs on, or adjacent to, a waterway, channel, or turning basin that is located in the district’s territory, regardless of whether the waterway, channel, or turning basin is located in the corporate limits of a city. (Effective immediately.)

**S.B. 1827 (Huffman/Holland)** – **Opioid Abatement Account:** this bill, among other things: (1) defines “statewide opioid settlement agreement” as all settlement agreements and related documents entered into by Texas through the attorney general, political subdivisions that have brought a civil action for an opioid-related harm claim against an opioid manufacturer, distributor, or retailer, and opioid manufacturers, distributors, or retailers relating to illegal conduct in the marketing, promotion, sale, distribution, and dispensation of opioids that provide relief for Texas and political subdivisions of Texas; (2) requires the attorney general and comptroller to maintain a copy of a statewide opioid settlement agreement, including any amendments to the agreement, and make the copy available on the attorney general’s and comptroller’s Internet websites; (3) establishes the Texas Opioid Abatement Fund Council to ensure that money recovered by Texas through a statewide opioid settlement agreement is allocated fairly and spent to remediate the opioid crisis in Texas by using efficient and cost-effective methods that are directed to regions of Texas experiencing opioid-related harms; (4) provides that the executive commissioner of the Health and Human Services Commission shall appoint the regional members for the council in (3) from a list of two qualified candidates provided by the governing bodies of counties and cities that: (a) brought a civil action for an opioid-related harm against a released entity; (b) released an opioid-related harm claim in a statewide opioid settlement agreement; and (c) are located within the regions for which the member is being appointed; (5) creates the opioid abatement account as a dedicated account in the general revenue fund administered by the comptroller, which may be appropriated only to a state agency for the abatement of opioid-related harms; and (6) establishes the opioid abatement trust fund as a trust fund established outside of the state treasury that is administered by the Texas Treasury Safekeeping Trust Company. (Effective immediately.)

**S.B. 1955 (Taylor/Burrows)** – **Learning Pods:** this bill, among other things: (1) exempts any “learning pod” (defined as group of children who, based on the voluntary association of the children’s parents, meet together at various times and places to participate in or enhance the children’s primary or secondary academic studies, including participation in an activity or service provided to the children in exchange for payment) from any ordinance, rule, regulation, policy, or guideline adopted by a local governmental entity that applies to a school district campus or child-care facility, including any requirements regarding staff-to-child ratios, staff certification, background checks, physical accommodations, or building or fire codes; (2) exempts any group, building, or facility associated with or used by a learning pod from any ordinance, rule, regulation, policy, or guideline adopted by a local governmental entity that would not apply to the group, building, or facility if it was not associated with or used by a learning pod; (3) provides that an employee, contractor, or agent of a school district or other local governmental entity may not initiate or conduct a site inspection of, investigation of, or visit to a location in which a learning pod meets if the district or entity would not have initiated or conducted the inspection, investigation, or visit if the learning pod did not meet at that location; and (4) prohibits a school district or other local governmental entity from requiring: (a) a learning pod to be registered with



the district or entity; or (b) a person participating in a learning pod to report to the district or entity information regarding the learning pod 's existence or operation. (Effective immediately.)

**S.J.R. 27 (Hancock/Leach)** – **Religious Services:** amends the Texas Constitution to prohibit the state or a political subdivision of the state from enacting, adopting, or issuing a statute, order, proclamation, decision, or rule that prohibits or limits religious services by a religious organization established to support and serve the propagation of a sincerely held religious belief. (Effective if approved at the election on November 2, 2021.)

## **Personnel**

**H.B. 7 (Button/Nelson)** – **Unemployment Compensation:** provides that for purposes of calculating the replenishment ratio, the amount of benefits charged or paid shall not include the amount of benefits paid and not effectively charged to an employer's account as a result of an order or proclamation by the governor declaring at least 50 percent of the counties in this state to be in a state of disaster or emergency. (Effective immediately.)

**H.B. 786 (Oliverson/Perry)** – **CPR Training:** provides that a city that employs or appoints a telecommunicator shall provide training to the telecommunicator of not less than 20 hours during each 24-month period of employment that includes: (1) telecommunicator cardiopulmonary resuscitation training; and (2) other topics selected by the Texas Commission on Law Enforcement or the employing city. (Effective September 1, 2021.)

**H.B. 792 (Burns/Birdwell)** – **Police Dispatchers:** provides that: (1) a city with a population of more than 10,000 may adopt an alternate work schedule for the police department dispatchers if a majority of the dispatchers vote in favor of the alternate work schedule; and (2) a dispatcher working under an alternate work schedule described in (1) is entitled to overtime pay if the dispatcher works more hours during a calendar month than the number of hours in the normal work month of the majority of the employees of the city other than fire fighters and police officers. (Effective September 1, 2021.)

**H.B. 1589 (Davis/Menéndez)** – **Paid Military Leave:** provides that: (1) a person who is an officer or employee of the state, a city, a county, or another political subdivision and who is a member of the Texas military forces, a reserve component of the armed forces, or a member of a state or federally authorized urban search and rescue team is entitled to paid leave of absence for each day the person is called to state active duty by the governor or another appropriate authority in response to a disaster, not to exceed seven workdays in a fiscal year; and (2) during the leave of absence described in (1), the person may not be subjected to loss of time, efficiency rating, personal time, sick leave, or vacation time. (Effective September 1, 2021.)

**H.B. 2073 (Burrows/Springer)** – **Paid Quarantine Leave:** provides that: (1) the governing body of a political subdivision, including a city, shall develop and implement a paid quarantine leave policy for fire fighters, peace officers, detention officers, and emergency medical technicians who are employed by, appointed by, or elected for the political subdivision and ordered to quarantine or isolate due to a possible or known exposure to a communicable disease while on duty; (2) a paid



quarantine leave policy must: (a) provide that a fire fighter, peace officer, detention officer, or emergency medical technician on paid quarantine leave receives: (i) all employment benefits and compensation, including leave accrual, pension benefits, and health benefit plan benefits for the duration of the leave; and (ii) reimbursement for reasonable costs related to the quarantine, including lodging, medical, and transportation; and (b) require that the leave be ordered by the person's supervisor or the political subdivision's health authority; and (3) a political subdivision may not reduce a fire fighter's, peace officer's, detention officer's, or emergency medical technician's sick leave balance, vacation leave balance, holiday leave balance, or other paid leave balance in connection with paid quarantine leave taken in accordance with a policy adopted (1). (Effective immediately.)

**S.B. 22 (Springer/Patterson) – Disease Presumption:** provides, among other things, that:

1. a detention officer, custodial officer, firefighter, peace officer, or emergency medical technician who suffers from severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) or coronavirus disease 2019 (COVID-19) that results in death or total or partial disability is presumed to have contracted the virus or disease during the course and scope of employment as a detention officer, custodial officer, firefighter, peace officer, or emergency medical technician if the detention officer, custodial officer, firefighter, peace officer, or emergency medical technician:
  - a. is employed in the area designated in a disaster declaration by the governor or another law and the disaster is related to severe acute respiratory syndrome SARS-CoV-2 or COVID-19; and
  - b. contracts the disease during the disaster declared by the governor;
2. the presumption under (1) applies only to a person who:
  - a. is employed as a detention officer, custodial officer, firefighter, peace officer, or emergency medical technician on a full-time basis;
  - b. is diagnosed with SARS-CoV-2 or COVID-19:
    - i. using a test authorized, approved, or licensed by the United States Food and Drug Administration; or
    - ii. if the person is deceased, using a test described by (2)(b)(i) or by another means, including by a physician;
  - c. was last on duty:
    - i. not more than 15 days before the date the person is diagnosed with SARS-CoV-2 or COVID-19; or
    - ii. if the person is deceased, not more than 15 days before the date the person: (A) was diagnosed with SARS-CoV-2 or COVID-19; (B) began to show symptoms of SARS-CoV-2 or COVID-19 as determined by a licensed physician; (C) was hospitalized for symptoms related to SARS-CoV-2 or COVID-19; or (D) died if SARS-CoV-2 or COVID-19 was a contributing factor in the person's death;
3. a rebuttal to a presumption described in (1) may not be based solely on evidence relating to the risk of exposure to SARS-CoV-2 or COVID-19 of a person with whom a detention officer, custodial officer, firefighter, peace officer, or emergency medical technician resides;
4. an injured employee who is subject to the presumption described in (1) and whose claim for benefits is determined to be compensable by an insurance carrier or division of the

workers' compensation of the Texas Department of Insurance, may request reimbursement for health care paid by the employee, including copayments and partial payments, by submitting to the carrier a legible written request and documentation showing the amounts paid to the health care provider;

5. the provisions of (1)-(4) expire on September 1, 2023;
6. a person subject to the presumption described in (1) who on or after the date the governor declared a disaster relating to SARS-CoV-2 or COVID-19, but before the effective date of this bill, contracted SARS-CoV-2 or COVID-19, may file a claim for benefits related to SARS-CoV-2 or COVID-19, on or after the effective date of the bill, regardless of whether that claim is otherwise considered untimely and the provisions of the bill apply to that claim; and
7. a person who is subject to the presumption described in (1) who on or after the date the governor declared a disaster relating to SARS-CoV-2 or COVID-19, but before the effective date of this bill, filed a claim for benefits related to SARS-CoV-2 or COVID-19, and whose claim was subsequently denied may, on or after the effective date of this bill, request in writing that the insurance carrier reprocess the claim and the changes in law made by this bill shall apply to that claim, and such request to reprocess a claim shall be filed not later than one year after the effective date of this bill.

(Effective immediately.)

**S.B. 24 (Huffman/Bonnen) – Police Pre-Employment Procedures:** provides that:

1. a law enforcement agency hiring a police officer is entitled to view the contents of the officer's departmental civil service personnel file (commonly referred to as the "g" file);
2. before a law enforcement agency may hire a person licensed by the Texas Commission on Law Enforcement (TCOLE), the agency must, on a form and in the manner prescribed by TCOLE:
  - a. obtain the person's written consent for the agency to review the information required to be reviewed;
  - b. request from TCOLE and any other applicable person information required to be reviewed; and
  - c. submit to TCOLE confirmation that the agency, to the best of the agency's ability before hiring the person:
    - i. contacted each entity or individual necessary to obtain the information required to be reviewed under; and
    - ii. obtained and reviewed as related to the person, as applicable:
      - A. personnel files and other employee
      - B. records from each previous law enforcement agency employer, including the employment application submitted to the previous employer;
      - C. employment termination reports maintained by TCOLE;
      - D. service records maintained by TCOLE;
      - E. proof that the person meets the minimum qualifications for enrollment in a TCOLE training program;

- F. a military veteran’s United States Department of Defense Form DD-214 or other military discharge record;
  - G. criminal history record information;
  - H. information on pending warrants as available through the Texas Crime Information Center and National Crime Information Center;
  - I. evidence of financial responsibility required to operate a vehicle;
  - J. driving record from the Department of Public Safety;
  - K. proof of United States citizenship; and
  - L. information on the person’s background from at least three personal references and at least two professional references;
3. if an entity or individual contacted for information required to be reviewed refused to provide the information or did not respond to the request for information, the confirmation submitted to TCOLE must document the manner of the request and the refusal or lack of response;
  4. if TCOLE or a law enforcement agency receives from a law enforcement agency a request for information and the person’s consent on the forms and in the manner prescribed by TCOLE, TCOLE or the agency shall provide the information to the requesting agency;
  5. the confirmation form submitted to TCOLE under (2)(c) is not confidential and is subject to disclosure under the Public Information Act;
  6. TCOLE shall:
    - a. by rule establish the required forms and procedures for making a person’s employment records available;
    - b. post the forms and procedures on TCOLE’s internet website; and
    - c. retain a record of each submitted confirmation form;
  7. the head of a law enforcement agency or the agency head’s designee shall review and sign each required confirmation form before submission to TCOLE, and the failure of an agency head or the agency head’s designee to comply shall be grounds for suspension of the agency head’s TCOLE license; and
  8. a law enforcement agency, agency head, or other law enforcement official is not liable for civil damages for:
    - a. a report made by that agency or person if the report is made in good faith; or
    - b. making a person’s information available to a hiring law enforcement agency under the provisions of this bill.

(Effective September 1, 2021.)

**S.B. 45 (Zaffirini/Zwiener) – Sexual Harassment:** provides that an employer commits an unlawful employment practice if sexual harassment of an employee occurs and the employer or the employer’s agents or supervisors: (1) know or should have known that the conduct constituting sexual harassment was occurring; and (2) fail to take immediate and appropriate corrective action. (Effective September 1, 2021.)

**S.B. 818 (Powell/C. Turner) - Unemployment Compensation:** provides that: (1) benefits computed on benefit wage credits of an employee or former employee may not be charged to the account of an employer if the employee’s last separation from the employer’s employment before the employee’s benefit year was caused by the employee being called to provide service in the

uniformed services or in the Texas military forces, provided that the employer has not been found to be in violation of federal or state reemployment provisions with respect to the employee; and (2) an individual is not disqualified for unemployment benefits if the individual's separation from employment was caused by the individual being called to provide services in the uniformed services or the Texas military forces. (Effective September 1, 2021.)

**S.B. 1105 (Hughes/Anchia)** – **TMRS Return To Work:** provides, among other things, that: (1) the retirement annuity of a person who is reemployed by a city in which the employee most recently performed creditable service before the person's retirement shall not be suspended, provided that the person does not become an employee of the person's reemploying city at any time during the 12 consecutive months after the effective date of the person's last retirement from the reemploying city; and (2) if the annuity payments of a person who resumed employment with the person's reemploying city before September 1, 2021, were discontinued and suspended and the person has not terminated their employment with the city, on the filing of a written application with the Texas Municipal Retirement System (TMRS), TMRS shall resume making the annuity payments to the person, provided: (a) the person's retirement that preceded the resumption of employment was based on a bona fide termination of employment; and (b) the person did not become an employee of the person's reemploying city at any time during the 12 consecutive months after the effective date of the person's retirement from the reemploying city. (Effective September 1, 2021.)

**S.B. 1359 (Hughes/White)** – **Mental Health Leave Policy:** provides among other things, that: (1) each law enforcement agency shall develop and adopt a policy allowing the use of mental health leave by peace officers employed by the agency who experience a traumatic event in the scope of that employment; and (2) the policy adopted under (1) must: (a) provide clear and objective guidelines establishing the circumstances under which a peace officer is granted mental health leave and may use mental health leave; (b) entitle a peace officer to mental health leave without a deduction in salary or other compensation; (c) enumerate the number of mental health leave days available to a peace officer; and (d) detail the level of anonymity for a peace officer who takes mental health leave. (Effective September 1, 2021.)

## **Purchasing**

**H.B. 692 (Shine/Creighton)** – **Public Works Contracts Retainage:** this bill provides that:

1. "warranty period" means the period of time specified in a contract during which certain terms applicable to the warranting of work performed under the contract are in effect;
2. a governmental entity shall: (a) include in each public works contract a provision that establishes the circumstances under which: (i) a public works project is considered substantially complete; (ii) the governmental entity may release the retainage for substantially completed portions of the project, or fully completed and accepted portions of the project; (b) maintain an accurate record of accounting for the retainage withheld on periodic contracts payments, and the retainage released to the prime contractor for a public works contract; and (c) for certain public works contracts with a value of \$10 million or

- more, pay any remaining retainage on periodic contract payments, and the interest earned on the retainage, to the prime contractor on completion of the contract;
3. if the total value of a public works contract is less than \$5 million, a governmental entity may not withhold retainage in an amount that exceeds 10 percent of the contract price and the rate of retainage may not exceed 10 percent for any item in a bid schedule or schedule of values for the project, including materials and equipment delivered on site to be installed;
  4. if the total value of a public works contract is \$5 million or more, a governmental entity may not withhold retainage in an amount that exceeds five percent of the contract price and the rate of retainage may not exceed five percent for any item in a bid schedule or schedule of values for the project, including materials and equipment delivered on site to be installed;
  5. if a public works contract relates to the construction or maintenance of a dam, regardless of the total value of the contract, a governmental entity may not withhold retainage in an amount that exceeds 10 percent of the contract price and the rate of retainage may not exceed 10 percent for any item in a bid schedule or schedule of values for the project, including materials and equipment delivered on site to be installed;
  6. the limitations described in (3)-(5), above, do not apply to certain water contracts;
  7. for a competitively awarded contract with a value of \$10 million or more, and for a contract that was awarded using a method other than competitive bidding, a governmental entity and prime contractor may agree to deposit in an interest-bearing account the retainage withheld on periodic contract payments;
  8. a governmental entity may not withhold retainage: (a) after completion of the contract by the prime contractor, including during the warranty period; or (b) for the purpose of requiring the prime contractor, after completion of the contract, to perform work on manufactured goods or systems that were specified by the designer of record and properly installed by the contractor;
  9. on application to a governmental entity for final payment and release of retainage, the governmental entity may withhold retainage if the governmental entity provides written notice and there is a bona fide dispute between the governmental entity and the prime contractor and the reason for the dispute is that labor, services, or materials provided by the prime contractor, or by a person under the direction or control of the prime contractor, failed to comply with the express terms of the contract or if the surety on any outstanding surety bond executed for the contract does not agree to the release of retainage; and
  10. if there is no bona fide dispute as described (9), above, and neither party is in default, a prime contractor is entitled to: (a) cure any noncompliant labor, services, or materials; or (b) offer the governmental entity a reasonable amount of money as compensation for any noncompliant labor, services, or materials that cannot be promptly cured.

(Effective immediately.)

**H.B. 1428 (Huberty/Huffman)** – **Contingent Fee Contracts:** excepts the following types of contingent fee contracts for legal services from certain requirements: (1) a contract entered into by a political subdivision for the collection of certain delinquent obligations; and (2) a contract entered into by a political subdivision for certain public security services. (Effective September 1, 2021.)

**H.B. 1476 (K. Bell/Nichols)** – **Goods and Services Payments:** this bill: (1) requires a governmental entity to notify a vendor of an error or disputed amount in an invoice submitted for payment by the vendor not later than the 21st day after the date the entity receives the invoice, and include in the notice a detailed statement of the amount of the invoice which is disputed; and (2) provides that a governmental entity may withhold from payments required no more than 110 percent of the disputed amount. (Effective September 1, 2021.)

**H.B. 1477 (K. Bell/Nichols)** – **Public Work Contracts:** this bill: (1) defines, for purposes of certain state laws regarding public work performance and payment bonds: (a) a “prime contractor” to include a person who leases any public property, other than a person who leases property from certain river authorities; and (b) a “public work contract” to include work performed on public property owned by a governmental entity or on property leased by a governmental entity to a nongovernmental entity, but does not include certain river authority contracts; and (2) provides that a governmental entity that makes a public work contract with a prime contractor or authorizes a nongovernmental entity leasing public property from the governmental entity to enter into a public work contract with a prime contractor to require the contractor, before beginning the work, to execute to the governmental entity in certain circumstances, a performance bond and a payment bond. (Effective September 1, 2021.)

**H.B. 2116 (Krause/Powell)** – **Architects and Engineers:** this bill provides that: (1) with certain exceptions, a covenant or promise in, in connection with, or collateral to a contract for engineering or architectural services related to an improvement to real property is void and unenforceable if the covenant or promise provides that a licensed engineer or registered architect must defend a party, including a third party against a claim based wholly or partly on the negligence of, fault of, or breach of contract by the owner, the owner’s agent, the owner’s employee, or another entity over which the owner exercises control; (2) a covenant or promise in, in connection with, or collateral to a contract for engineering or architectural services related to an improvement to real property may provide for the reimbursement of an owner’s reasonable attorney’s fees in proportion to the engineer’s or architect’s liability; (3) notwithstanding (1), an owner that is a party to a contract for engineering or architectural services related to an improvement to real property may require in the contract that the engineer or architect name the owner as an additional insured under any of the engineer’s or architect’s insurance coverage to the extent additional insureds are allowed under the policy and provide any defense to the owner provided by the policy to a named insured; and (4) a construction contract for engineering or architectural services related to the construction or repair of an improvement to real property must require that the architectural or engineering services be performed with the professional skill and care ordinarily provided by competent architects or engineers under the same or similar circumstances and professional license, and a provision in a contract establishing a different standard is void and unenforceable. (Effective September 1, 2021.)

**H.B. 2581 (Kacal/Hancock)** – **Construction and Civil Works Projects:** this bill: (1) requires a the governing body of a governmental entity that considers a construction contract using a method other than competitive bidding to, among other things, publish in the request for qualifications a detailed methodology for scoring each criterion; (2) provides that: (a) an offeror who submits a bid, proposal, or response to a request for qualifications for a construction contract under certain



law may, after the contract is awarded, make a request in writing to the governmental entity to provide documents related to the evaluation of the offeror's submission; and (b) not later than the 30th day after the date a request is made, the governmental entity shall deliver to the offeror the documents relating to the evaluation of the submission including, if applicable, its ranking of the submission; (3) provides that for civil works projects, the weighted value assigned to price must be at least 50 percent of the total weighted value of all selection criteria; however, if the governing body of a governmental entity determines that assigning a lower weighted value to price is in the public interest, the governmental entity may assign to price a weighted value of not less than 36.9 percent of the total weighted value of all selection criteria; and (4) provides that when the competitive sealed proposal procurement method is used, the governmental entity shall make the evaluations, including any scores, public and provide them to all offerors not later than the seventh business day after the date the contract is awarded. (Effective September 1, 2021.)

**S.B. 13 (Birdwell/P. King)** – **Energy Boycott**: among other things, prohibits a city from entering into a contract with a value of \$100,000 or more that is to be paid from public funds with a company with more than 10 full-time employees for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott energy companies; and (2) will not boycott energy companies during the term of the contract. (Effective September 1, 2021.)

**S.B. 19 (Schwertner/Capriglione)** – **Firearms**: among other things, (1) prohibits a governmental entity from entering into a contract with a value of \$100,000 or more that is to be paid from public funds with a company with more than 10 full-time employees for the purchase of goods or services unless the contract contains a written verification from the company that it: (a) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (b) will not discriminate during the term of the contract against a firearm entity or firearm trade association; and (2) provides that the prohibition in (1) does not apply to a city that (a) contracts with a sole-source provider, or (b) the city does not receive any bids from a company that is able to provide the required verification required by (1). (Effective September 1, 2021.)

**S.B. 58 (Zaffirini/J. Turner)** – **Cloud Computing Services**: adds cloud computing services to the definition of the term “personal property” for purposes of the Public Property Finance Act. (Effective September 1, 2021.)

**S.B. 59 (Zaffirini/Geren)** – **Comptroller Purchasing Program**: authorizes the Texas Comptroller's office to advertise its state purchasing program for local governments in any available media or otherwise promote the purchasing program. (Effective immediately.)

**S.B. 219 (Hughes/Leach)** – **Real Property Construction and Repair**: this bill: (1) provides that, in regard to a contract for the construction or repair of improvement to real property, a contractor is not responsible for the consequences of design defects in and may not warranty the accuracy, adequacy, sufficiency, or suitability of plans, specifications, or other design documents provided to the contractor by a person other than the contractor's agents, contractors, fabricators, or suppliers, or its consultants, of any tier; (2) requires a contractor, within a reasonable time of learning of a defect, inaccuracy, inadequacy, or insufficiency in the plans, specifications, or other design documents, disclose in writing to the person with whom the contractor enters into a contract the existence of any known defect in the plans, specifications, or other design documents that is

discovered by the contractor, or that reasonably should have been discovered by the contractor using ordinary diligence, before or during construction; (3) excepts certain contracts from the new provisions regarding responsibility for defects in plans and specifications described in (1) and (2); (4) requires a construction contract for architectural or engineering services or a contract related to the construction or repair of an improvement to real property that contains architectural or engineering services as a component to require that the architectural or engineering services be performed with the professional skill and care ordinarily provided by competent architects or engineers practicing under the same or similar circumstances and professional license, and a provision in a contract with a different standard of care is void and unenforceable; and (5) provides that certain limitations on a contractor's responsibility for certain defects do not apply to a design-build contract. (Effective September 1, 2021, except for (5) which clarifies existing law and applies to a contract entered into before, on, or after September 1, 2021.)

**S.B. 538 (Blanco/Longoria)** – **Technology Purchases:** expands the Department of Information Resources' cooperative contracts purchasing program for information technology commodity items to include items in demand by political subdivisions and governmental entities of another state. (Effective September 1, 2021.)

**S.B. 1821 (Huffman/Canales)** – **Contingent Fee Contracts for Legal Services:** amends the definition of the term "contingent fee contract" to include an amendment to a contingent fee contract if the amendment: (1) changes the scope of representation; or (2) may result in the filing of an action or the amending of a petition in an existing action. (Effective immediately.)

**S.B. 2116 (Campbell/Parker)** – **Critical Infrastructure:** among other things, prohibits a city from entering into a contract or other agreement relating to "critical infrastructure" (defined to mean a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility) in this state with a company if the city knows that the company is: (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by: (a) individuals who are citizens of China, Iran, North Korea, Russia, or other designated countries; or (b) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or other designated countries; or (2) headquartered in China, Iran, North Korea, Russia, or other designated countries. (Effective September 1, 2021.)

## **Transportation**

**H.B. 914 (Hernandez/Huffman)** – **Parking:** allows: (1) a city to authorize a city employee to request the removal and storage of a vehicle in an area where on-street parking is regulated by an ordinance and that: (a) is parked illegally; or (b) is parked legally, but has been unattended for more than 48 hours and is reasonably believed to be abandoned; and (2) a parking facility owner or towing company to remove a vehicle from a public roadway under the direction of a city employee authorized to make a request under (1). (Effective September 1, 2021.)

**H.B. 1257 (Ashby/Nichols)** – **Property in Right-of-Way:** authorizes a law enforcement agency to remove an unattended manufactured home from a roadway or right-of-way without consent of

the owner if the agency determines that the home blocks the roadway or endangers public safety. (Effective September 1, 2021.)

**H.B. 1281 (Wilson/Schwertner)** – **Golf Carts**: this bill: (1) allows a golf cart to be operated in a master planned community: (a) that is a residential subdivision or has in place a uniform set of restrictive covenants; and (b) for which a county or city has approved one or more plats; (2) provides that a person may operate a golf cart in a master planned community described in (1) without a golf cart license plate on a highway for which the posted speed limit is not more than 35 miles per hour, including through an intersection of a highway for which the posted speed limit is more than 35 miles per hour; (3) allows a golf cart to be operated on a highway for which the posted speed limit is not more than 35 miles per hour, if the golf cart is operated during the daytime and not more than five miles from the location where the golf cart is usually parked and for transportation to or from a golf course; (4) allows a city to prohibit the operation of a golf cart on a highway in the following areas if the city council determines the prohibition is necessary in the interest of safety: (a) in a master planned community described in (1), above; (b) on a public or private beach that is open to vehicular traffic; or (c) on a highway for which the posted speed limit is not more than 35 miles per hour as described in (2), above. (Effective immediately.)

**H.B. 1759 (Krause/Hancock)** – **Railroad Grade Crossings**: includes “on-track equipment,” defined as any car, rolling stock, equipment, or other device that, alone or coupled to another device, is operated on a railroad track, among the equipment and devices that trigger special operational restrictions on vehicles (e.g., stop and speed restrictions). (Effective September 1, 2021.)

**S.B. 763 (Powell/Cook)** – **Urban Air Mobility**: requires the Texas Transportation Commission to appoint an advisory committee to assess current state law and any potential changes to state law that are needed to facilitate the development of urban air mobility operations and infrastructure in this state. (Effective September 1, 2021.)

**S.B. 941 (Buckingham/E. Morales)** – **Scenic Byways Program**: this bill: (1) directs the Texas Department of Transportation to establish a State Scenic Byways Program, under which a political subdivision or other community group may apply for grants for federal funding; and (2) provides that only a highway designated under certain state law as prohibited from having commercial signs may be designated as a State Scenic Byway. (Effective September 1, 2021.)

**S.B. 1055 (Huffman/Reynolds)** – **Crosswalk**: this bill: (1) provides that it is a criminal offense for a person, with criminal negligence, to operate a motor vehicle within the area of a crosswalk and cause bodily injury to a pedestrian or a person operating a bicycle, scooter, electronic personal assistive mobility device, neighborhood electric vehicle, or golf cart; and (2) imposes certain requirements for the operator of a vehicle to yield the right-of-way to a pedestrian. (Effective September 1, 2021.)

**S.B. 1064 (Alvarado/Schofield)** – **City-Owned Vehicles**: this bill: (1) allows a city that owns and operates a motor vehicle, trailer, or semitrailer that is exempt from the payment of a registration fee to apply to register the vehicle, trailer, or semitrailer for an extended registration period of not less than one year or more than eight years; and (2) provides that a vehicle registered for an

extended period under (1) is subject to inspection requirements as if the motor vehicle, trailer, or semitrailer were registered without an extended registration period. (Effective September 1, 2021.)

**S.B. 1334 (Hinojosa/Canales)** – **Toll Bridges**: allows a city within 15 miles of a section of the Rio Grande that forms the border between this state and the United Mexican States to donate to the United States property or a building, structure, or other facility acquired, constructed, improved, enlarged, or equipped in whole or in part with proceeds from the sale of certain toll bridge-related bonds. (Effective immediately.)

## **Utilities and Environment**

**H.B. 17 (Deshotel/Birdwell)** – **Restriction on Regulation of Utility Services**: this bill: (1) prohibits a regulatory authority, planning authority, or political subdivision of this state from adopting or enforcing an ordinance, resolution, regulation, code, order, policy, or other measure that has the purpose, intent, or effect of directly or indirectly banning, limiting, restricting, discriminating against, or prohibiting the connection or reconnection of a utility service or the construction, maintenance, or installation of residential, commercial, or other public or private infrastructure for a utility service based on the type or source of energy to be delivered to the end-use customer; (2) prohibits an entity, including a regulatory authority, planning authority, political subdivision, or utility, from imposing any additional charge or pricing difference on a development or building permit applicant for utility infrastructure that: (a) encourages those constructing homes, buildings, or other structural improvements to connect to a utility service based on the type or source of energy to be delivered to the end-use customer; or (b) discourages the installation of facilities for the delivery of or use of a utility service based on the type or source of energy to be delivered to the end-use customer; and (3) provides that the law does not limit the ability of a regulatory authority or political subdivision to choose utility services for properties owned by the regulatory authority or political subdivision. (Effective immediately.)

**H.B. 837 (Lucio III/Zaffirini)** – **Certificates of Convenience and Necessity**: provides that the Public Utility Commission by rule shall require a city or franchised utility to submit a report to the PUC verifying that the city or franchised utility has paid all required adequate and just compensation to a retail public utility for obtaining the certificate of convenience and necessity for an annexed area previously served by the retail public utility. (Effective September 1, 2021.)

**H.B. 963 (Lozano/Zaffirini)** – **Natural Gas Vehicle Grant Program**: this bill: (1) adds a used natural gas vehicle as a qualifying vehicle that may be considered for a grant under the Texas natural gas vehicle grant program; and (2) provides that a used natural gas vehicle that is proposed to replace an on-road heavy-duty or medium-duty motor vehicle must be of model year 2017 or later, provided that the model year may not be more than six years older than the current model year at the time of the submission of the grant application. (Effective September 1, 2021.)

**H.B. 1284 (Paddie/Hancock)** – **Railroad Commission**: provides that the Railroad Commission of Texas has jurisdiction over the injection and geologic storage of carbon dioxide. (Effective immediately.)

**H.B. 1510 (Metcalf/Creighton)** – **Response and Resilience of Certain Electric Utilities:** this bill, among other things: (1) expands the definition of “system restoration costs” to also include: (a) reasonable and necessary weatherization and storm-hardening costs incurred; and (b) reasonable estimates of costs to be incurred, by the electric utility, but such estimates shall be subject to true-up and reconciliation after the actual costs are known; (2) creates the Texas Electric Utility System Restoration Corporation (Corporation) as a nonprofit special purpose public corporation and instrumentality of Texas for the essential public purpose of providing a lower cost financing mechanism available to the Public Utility Commission and an electric utility operating outside of ERCOT to attract low-cost capital to finance system restoration costs; (3) requires that, in approving securitization, the PUC ensure that customers are not harmed as a result of any financing through the Corporation and that any financial savings or other benefits are appropriately reflected in customer rates; (4) provides that “qualified costs” also includes all costs of establishing, maintaining, and operating the Corporation and all costs of the Corporation and an issuer in connection with the issuance and servicing of the system restoration bonds, as approved in the financing order issued by the PUC under the law; (5) provides that the Corporation shall be self-funded and the state shall not budget for or provide any general fund appropriations for the Corporation; (6) expands the definition of “other factors” the PUC may consider in issuing a certificate of convenience and necessity for an electric utility to include any potential economic or reliability benefits associated with dual fuel and fuel storage capabilities in areas outside the ERCOT power region; and (7) provides that an electric utility operating solely outside of the ERCOT power region may, but shall not be required to, obtain a certificate to install, own, or operate a generation facility with a capacity of 10 megawatts or less. (Effective immediately.)

**H.B. 1520 (Paddie/Hancock)** – **Gas Utilities:** this bill, among other things: (1) provides that the Texas Public Finance Authority may create an issuing financing entity for the purpose of issuing customer rate relief bonds approved by the Railroad Commission of Texas (RRC) in a financing order; (2) provides that the RRC, on application of a gas utility to recover a regulatory asset, shall determine the regulatory asset amount to be recovered by the gas utility and a gas utility may request recovery of a regulatory asset under the bill only if the regulatory asset is related to Winter Storm Uri; (3) provides that if the RRC determines that customer rate relief bond financing for extraordinary costs is the most cost-effective method of funding regulatory asset reimbursements to be made to gas utilities, the RRC, after the final resolution of all applications filed by a gas utility to recover a regulatory asset, may request the authority to direct an issuing financing entity to issue customer rate relief bonds; (4) requires the RRC, in making the determination in (3), to find that the proposed structuring, expected pricing, and proposed financing costs of the customer rate relief bonds are reasonably expected to provide benefits to customers by: (a) considering customer affordability; and (b) comparing: (i) the estimated monthly costs to customers resulting from the issuance of customer rate relief bonds; and (ii) the estimated monthly costs to customers that would result from the application of conventional recovery methods; (5) provides that customer rate relief bonds are the limited obligation solely of the issuing financing entity and are not a debt of a gas utility or a debt or a pledge of the faith and credit of Texas or any political subdivision of Texas; (6) provides that, so long as any customer rate relief bonds or related financing costs remain outstanding, uniform monthly volumetric customer rate relief charges must be paid by all current and future customers that receive service from a gas utility for which a regulatory asset determination has been made under (2); (7) exempts the sale or purchase of or revenue derived from services performed in the issuance or transfer of customer rate relief bonds



issued from taxation by Texas or a political subdivision; (8) exempts a gas utility's receipt of customer rate relief charges from state and local sales and use taxes, utility gross receipts taxes and assessments, and from revenue for purposes of franchise tax; and (9) requires the RRC to conduct a study on measures to mitigate catastrophic weather events and provide a report of the findings to the governor, lieutenant governor, and speaker of the House of Representatives. (Effective immediately.)

**H.B. 1572 (Craddick/Springer)** – **Lease of Electric Generation Equipment**: this bill: (1) defines “electric generation equipment lessor or operator” as a person who rents to or operates for compensation on behalf of a third party electric generation equipment that: (a) is used on a site of the third party until the third party is able to obtain sufficient electricity service; (b) produces electricity on site to be consumed by the third party and not resold; and (c) does not interconnect with the electric transmission or distribution system; (2) exempts an electric generation equipment lessor or operator from the definition of an “electric utility”; and (3) provides that a person who is an electric generation equipment lessor or operator is not for that reason considered to be a retail electric utility. (Effective September 1, 2021.)

**H.B. 1905 (Harris/Taylor)** – **Regional Water Planning Groups**: this bill: (1) repeals the requirement for regional water planning groups to prioritize projects in their respective regional water plans for the purposes of bond enhancement agreements under the State Water Implementation Fund for Texas; and (2) repeals the requirement for each regional planning group to examine the financing needed to implement the water management strategies and projects identified in the group's most recent approved regional plan and report to the Texas Water Development Board: (a) how local governments, regional authorities, and other political subdivisions in the region propose to pay for water infrastructure projects identified in the plan; and (b) what role the regional planning group proposes for the state in financing projects identified in the plan, giving particular attention to proposed increases in the level of state participation in funding for regional projects to meet needs beyond the reasonable financing capability of local governments, regional authorities, and other political subdivisions involved in building water infrastructure. (Effective September 1, 2021.)

**H.B. 2483 (P. King/Hancock)** – **Utility Facilities for Restoring Service**: this bill, among other things: (1) provides that a transmission and distribution utility may: (a) lease and operate facilities that provide temporary emergency electric energy to aid in restoring power to the utility's distribution customers during a widespread power outage in which: (i) the independent system operator has ordered the utility to shed load; or (ii) the utility's distribution facilities are not being fully served by the bulk power system under normal operations; and (b) procure, own, and operate, or enter into a cooperative agreement with other transmission and distribution utilities to procure, own, and operate jointly, transmission and distribution facilities that have a lead time of at least six months and would aid in restoring power to the utility's distribution customers following a widespread power outage; (2) provides that a transmission and distribution utility that leases and operates facilities under (1)(a): (a) may not sell electric energy or ancillary services from those facilities; (b) must be operated in isolation from the bulk power system; and (c) may not be included in independent system operator: (i) locational marginal pricing calculations; (ii) pricing; or (iii) reliability models; (3) requires the Public Utility Commission (PUC) to permit: (a) a transmission and distribution utility that leases and operates facilities under (1)(a) to recover the



reasonable and necessary costs of leasing and operating the facilities, including the present value of future payments required under the lease, using the rate of return on investment established in the PUC's final order in the utility's most recent base rate proceeding; and (b) a transmission and distribution utility that procures, owns, and operates facilities under (1)(b) to recover the reasonable and necessary costs of procuring, owning, and operating the facilities, using the rate of return on investment established in the PUC's final order in the utility's most recent base rate proceeding; (4) provides that a transmission and distribution utility may request recovery of the reasonable and necessary costs of leasing or procuring, owning, and operating facilities under the bill, including any deferred expenses, through a periodic rate adjustment proceeding or in another ratemaking proceeding; and (5) provides that the bill expires on September 1, 2029. (Effective September 1, 2021.)

**H.B. 2586 (Thierry/Hall)** – **ERCOT Audit**: requires the Public Utility Commission to have an independent audit of each independent organization certified for the ERCOT power region. (Effective September 1, 2021.)

**H.B. 3476 (Schofield/Bettencourt)** – **Certificates of Convenience and Necessity**: this bill applies only to a city with a population of 500,000 or more and : (1) prohibits a city from requiring, as a condition of consent to grant a retail public utility a certificate of public convenience and necessity for a service area within the boundaries of the extraterritorial jurisdiction of a municipality, that all water and sewer facilities be designed and constructed in accordance with the municipality's standards for facilities; (2) requires that the Public Utility Commission (PUC) must include, as a condition of a certificate of public convenience and necessity granted in certain circumstances for a service area within the boundaries of a municipality, that all water and sewer facilities be designed and constructed in accordance with the municipality's standards for water and sewer facilities; and (3) provides, with certain exceptions, that the PUC must include, as a condition of a certificate of public convenience and necessity granted for a service area within the extraterritorial jurisdiction of a city, that all water and sewer facilities be designed and constructed in accordance with: (a) the Texas Commission on Environmental Quality's standards for water and sewer facilities applicable to water systems that serve greater than 250 connections; or (b) TCEQ's standards for water and sewer facilities applicable to water systems that serve 250 or fewer connections, if the PUC determines that: (i) standards for water and sewer facilities applicable to water systems that serve 250 or fewer connections are appropriate for the service area; and (ii) regionalization of the retail public utility or consolidation of the retail public utility with another retail public utility is not economically feasible. (Effective September 1, 2021.)

**H.B. 3615 (P. King/Buckingham)** – **District Cooling Systems**: this bill: (1) defines "chilled water program" as: (a) a program to produce chilled water at a central plant and pipe that water to buildings for air conditioning, including a district cooling system or chilled water service; or (b) any other program designed to used chilled water to provide air conditioning, reduce peak electric demand, or shift electric load; (2) defines "municipally owned utility" as, among other things, any chilled water program operated by the utility; (3) provides that information related to a chilled water program is not confidential as a public power utility competitive matter under the Public Information Act; and (4) provides that information or records of a municipally owned utility or municipality that operates a chilled water program are subject to disclosure under the Public Information Act if the information or records are reasonably related to: (a) a municipally owned

utility's rate review process; (b) the method a municipality or municipally owned utility uses to set rates for retail electric service; or (c) the method a municipality or municipally owned utility uses to set rates for a chilled water program described by (3). (Effective September 1, 2021.)

**H.B. 3648 (Geren/Hancock) – Natural Gas:** this bill requires: (1) the Railroad Commission (RRC) to coordinate with the Public Utility Commission (PUC) to adopt rules to establish a process to designate certain natural gas facilities and entities associated with providing natural gas in this state as critical customers or critical gas suppliers during energy emergencies; (2) the rules in (1) to: (a) establish criteria for designating persons who own or operate a facility under the jurisdiction of the RRC or engage in an activity under the jurisdiction of the RRC who must provide critical customer and critical gas supply information, as defined by the RRC, to the entities described by (4)(a); and (b) consider essential operational elements when defining critical customer designations and critical gas supply information for the purposes of (2)(a), including natural gas production, processing, and transportation, related produced water handling and disposal facilities, and the delivery of natural gas to generators of electric energy; (3) the PUC to collaborate with the RRC to adopt rules to establish a process to designate certain natural gas facilities and entities associated with providing natural gas in this state as critical during energy emergencies; (4) the rules in (3) to: (a) ensure that the independent organization certified for the ERCOT power region and each electric utility, municipally owned utility, and electric cooperative providing service in the ERCOT power region is provided with the information required by (1) and (2); (b) provide for prioritizing for load-shed purposes during an energy emergency the facilities and entities designated under (4)(a); and (c) provide discretion to an electric utility, municipally owned utility, or electric cooperative providing service in the ERCOT power region to prioritize power delivery and power restoration among the facilities and entities designated under (3) on the utility's or cooperative's systems, as circumstances require; and (5) the PUC to provide a report to the legislature regarding the implementation by the PUC of the designation and prioritization requirements in the bill by January 1, 2022. (Effective immediately.)

**H.B. 3689 (Cortez/Gutierrez) – Water Rate Appeals:** provides that the Public Utility Commission shall ensure that every appealed water rate is just and reasonable, including a municipally-owned utility's rates that are appealed by ratepayers who reside outside the corporate limits of the city. (Effective September 1, 2021.)

**H.B. 3717 (Burns/Lucio) – Sale of Utility System:** provides that a city is not required to hold an election to authorize the sale of a municipal retail water or sewer utility system if the Texas Commission on Environmental Quality has issued a notice of violation to the utility system and the city council finds, by official action, that the city is either financially or technically unable to restore the system to compliance with the applicable law or regulations. (Effective September 1, 2021.)

**H.B. 4492 (Paddie/Hancock) – Financing for Electric Market:** this bill, among other things:

1. provides that the comptroller shall invest not more than \$800 million of the economic stabilization fund balance to finance the default balance to be repaid by ERCOT market participants through default charges established by the Public Utility Commission (PUC) and that the interest rate charged in connection with the debt obligations must be calculated

by adding the rate determined by the Municipal Market Data Municipal Electric Index, as published by Refinitiv TM3, based on the credit rating of the independent organization plus 2.5 percent for a term not to exceed 30 years;

2. subjects electric municipally owned utilities to state law governing essential organizations and state law relating to Winter Storm Uri default balance financing and uplift financing.
3. requires the PUC to require that all market participants fully and promptly pay to the independent organization certified for the ERCOT power region all amounts owed to the independent organization, or provide for the full and prompt payment of those amounts owed, which must be calculated solely according to the protocols of the independent organization in effect during the period of emergency and subject to the jurisdiction of the commission, to qualify, or to continue to qualify, as a market participant in the ERCOT power region;
4. requires the independent organization certified for the ERCOT power region to report to the PUC that a market participant is in default for the failure to pay, or provide for the full and prompt payment of, all amounts owed to the independent organization and provides that the PUC may not allow the defaulting market participant to continue to be a market participant in the ERCOT power region for any purpose or allow the independent organization to accept the defaulting market participant's loads or generation for scheduling in the ERCOT power region until all amounts owed to the independent organization by the market participant are fully paid;
5. requires the PUC and the independent organization certified for the ERCOT power region to pursue collection in full of amounts owed to the independent organization by any market participant to reduce the costs that would otherwise be borne by other market participants or their customers;
6. provides that on application by the independent organization certified for the ERCOT power region, the PUC by order may authorize the independent organization to establish a debt financing mechanism to finance the default balance if the PUC finds that the debt obligations are needed to preserve the integrity of the wholesale market and the public interest, after considering: (a) the need to timely replenish financial revenue auction receipts used by the independent organization to reduce amounts short-paid to wholesale market participants; (b) the interests of wholesale market participants that are owed balances; and (c) the potential effects of uplifting those balances to the wholesale market without a financing vehicle;
7. provides that the financing order in (6) must include an adjustment mechanism requiring the independent organization to adjust default charges to refund, over the remaining period of the default charges, any payments made by a market participant toward unpaid obligations from the period of emergency that were included in the financed default balance;
8. provides that the PUC may contract with another state agency with expertise in public financing to establish a debt financing mechanism for the payment of the default balance under an order;
9. provides that a financing order must: (a) include terms ensuring that the imposition and collection of default charges authorized in the order shall be nonbypassable by wholesale market participants; and (b) authorize the independent organization to establish appropriate fees and other methods for pursuing amounts owed from entities exiting the wholesale market;

10. provides that the transfer and receipt of default charges are exempt from state and local sales and use, franchise, and gross receipts taxes;
11. requires the independent organization to file an application with the PUC to establish a debt financing mechanism for the payment of the uplift balance if the PUC finds that such financing will support the financial integrity of the wholesale market and is necessary to protect the public interest, considering the impacts on both wholesale market participants and retail customers;
12. requires that an order issued under (11) must: (a) state the uplift balance to be financed; (b) state the period over which the uplift charges must be assessed to repay the debt obligations, which may not exceed 30 years; and (c) provide the process for remitting the proceeds of the financing to load-serving entities who were exposed to the costs included in the uplift balance, including a requirement for the load-serving entities to submit documentation of their exposure;
13. requires the PUC to develop a one-time process that allows municipally owned utilities, electric cooperatives, river authorities, a retail electric provider that has the same corporate parent as each of the provider's customers, a retail electric provider that is an affiliate of each of the provider's customers, and transmission-voltage customers served by a retail electric provider to opt out of the uplift charges by paying in full all invoices owed for usage during the period of emergency;
14. provides that the PUC may contract with another state agency with expertise in public financing to establish a debt financing mechanism to finance the payment of the uplift balance under an order;
15. provides that transactions involving the transfer and ownership of uplift property and the receipt of uplift charges are exempt from state and local income, sales, franchise, gross receipts, and other taxes or similar charges; and
16. requires all load-serving entities that receive offsets to specific uplift charges from the independent organization to adjust customer invoices to reflect the offsets for any charges that were or would otherwise be passed through to customers under the terms of service with the load-serving entity, including by providing a refund for any offset charges that were previously paid.

(Effective immediately.)

**S.B. 2 (Hancock/Paddie)** – **ERCOT Board**: this bill, among other things, amends the qualifications of the board members of the independent organization certified for the ERCOT power region to require that every member be a resident of Texas. (Effective immediately.)

**S.B. 3 (Schwertner/Paddie)** – **Utility Preparedness**: this bill, among other things:

1. provides that with the cooperation of the Texas Department of Transportation, the Texas Division of Emergency Management (TDEM), the office of the governor, and the Public Utility Commission of Texas (PUC), the Texas Department of Public Safety shall develop and implement a statewide alert to be activated when the power supply in Texas may be inadequate to meet demand;

2. requires TDEM to create a list of suggested actions for state agencies and the public to take to prepare for winter storms and to develop disaster preparedness educational materials and post both on its internet website and distribute them to local governments;
3. establishes the Texas Energy Reliability Council to: (a) ensure that the energy and electric industries in Texas meet high priority human needs and address critical infrastructure concerns; and (b) enhance coordination and communication in the energy and electric industries in Texas;
4. requires the Texas Energy Reliability Council to submit a report including to the legislature on the reliability and stability of the electricity supply chain in Texas;
5. requires the Railroad Commission (RRC) to collaborate with the PUC to adopt rules to establish a process to designate certain natural gas facilities and entities associated with providing natural gas in this state as critical customers or critical gas suppliers during energy emergencies;
6. requires the RRC to adopt rules to require a gas supply chain facility operator to implement measures to prepare the well to operate during a weather emergency;
7. requires a municipally owned utility to regularly provide with bills sent to retail customers of the utility information about: (a) the utility's procedure for implementing involuntary load shedding; (b) the types of customers who may be considered critical care residential customers, critical load industrial customers, or critical load according to PUC rules; (c) the procedure for a customer to apply to be considered a critical care residential customer, a critical load industrial customer, or critical load according to PUC; and (d) reducing electricity use at times when involuntary load shedding events may be implemented;
8. requires the PUC to adopt rules to require each municipally owned utility, electric cooperative, qualifying facility, power generation company, or exempt wholesale generator, that provides generation service to implement measures to prepare the provider's generation assets to provide adequate electric generation service during a weather emergency according to reliability standards adopted by the PUC;
9. requires the independent organization for the ERCOT power region to: (a) inspect generation assets in the ERCOT power region for compliance with the reliability standards; (b) provide the owner of a generation asset with a reasonable period of time in which to remedy any violation the independent organization discovers in an inspection; and (c) report to the PUC any violation;
10. requires the PUC to adopt rules that require each electric cooperative, municipally owned utility, and transmission and distribution utility providing transmission service in the ERCOT power region to implement measures to prepare the cooperative's or utility's facilities to maintain service quality and reliability during a weather emergency according to standards adopted by the PUC;
11. requires the independent organization for the ERCOT power region to: (a) inspect the facilities of each electric cooperative, municipally owned utility, and transmission and distribution utility providing transmission service in the ERCOT power region for compliance with the reliability standards; (b) provide the owner of facility described by (a) with a reasonable period of time in which to remedy any violation the independent organization discovers in an inspection; and (c) report to the PUC any violation that is not remedied in a reasonable period of time;
12. requires the PUC to impose an administrative penalty on an entity, including a municipally owned utility or an electric cooperative, that violates a rule adopted under (10) in an amount

- not to exceed \$1,000,000 for a violation and each day a violation continues or occurs is a separate violation for purposes of imposing a penalty;
13. requires the PUC to adopt a system to allocate load shedding among electric cooperatives, municipally owned utilities, and transmission and distribution utilities providing transmission service in the ERCOT power region during an involuntary load shedding event initiated by an independent organization for the region during an energy emergency;
  14. requires the PUC to adopt rules to require electric cooperatives and municipally owned utilities providing transmission service in the ERCOT power region to: (a) maintain lists of customers willing to voluntarily participate in voluntary load reduction; and (b) coordinate with municipalities, businesses, and customers that consume large amounts of electricity to encourage voluntary load reduction;
  15. requires the PUC and the independent organization certified for the ERCOT power region to conduct simulated or tabletop load shedding exercises with providers of electric generation service and transmission and distribution service in the ERCOT power region;
  16. establishes the Texas Electricity Supply Chain Security and Mapping Committee to: (a) map Texas's electricity supply chain; (b) identify critical infrastructure sources in the electricity supply chain; (c) establish best practices to prepare facilities that provide electric service and natural gas service in the electricity supply chain to maintain service in an extreme weather event and recommend oversight and compliance standards for those facilities; and (d) designate priority service needs to prepare for, respond to, and recover from an extreme weather event;
  17. requires the PUC to adopt rules that: (a) establish an emergency pricing program for the wholesale market to take effect if the high system-wide offer cap has been in effect for 12 hours in a 24-hour period after initially reaching the high system-wide offer cap; and (b) establish an ancillary services cap to be in effect during the period an emergency pricing program is in effect;
  18. provides that a civil penalty for a gas utility provider who disconnects natural gas service to a residential customer during an extreme weather emergency shall be in an amount of not less than \$1,000 and not more than \$1,000,000 and the RRC shall adopt rules to establish a classification system to be used by a court for violations;
  19. requires the RRC to adopt rules regarding measures gas pipeline facility operators must implement to prepare gas pipeline facilities to maintain service quality and reliability during extreme weather conditions if the gas pipeline facility: (a) directly serves a natural gas electric generation facility operating solely to provide power to the electric grid for the ERCOT power region or for the ERCOT power region and an adjacent power region; and (b) is included on the electricity supply chain map created by the Texas Electricity Supply Chain Security and Mapping Committee under (16);
  20. defines "affected utility" as a retail public utility (including a municipally owned utility), exempt utility, or provider or conveyor of potable or raw water service that: (a) furnishes water service to more than one customer; and (b) is not in a county with a population of 3.3 million or more; or in a county with a population of 550,000 or more adjacent to a county with a population of 3.3 million or more;
  21. defines "emergency operations" as the operation of a water system during an extended power outage that impacts the operating affected utility;
  22. defines "extended power outage" as a power outage lasting for more than 24 hours;



23. requires an affected utility to: (a) ensure the emergency operation of its water system during an extended power outage at a minimum water pressure of 20 pounds per square inch, or at a water pressure level approved by TCEQ, as soon as safe and practicable following the occurrence of a natural disaster; and (b) adopt and submit to TCEQ for its approval: (i) an emergency preparedness plan that demonstrates the utility's ability to provide the emergency operations described by-(a); and (ii) a timeline for implementing the plan;
24. provides that not later than March 1, 2022, each affected utility shall submit to TCEQ the emergency preparedness plan described by (23)(b)(i);
25. provides that in accordance with TCEQ rules, an emergency preparedness plan under (23)(b)(i) for a provider of potable water shall provide for one or more of the following: (a) the maintenance of automatically starting auxiliary generators; (b) the sharing of auxiliary generator capacity with one or more affected utilities, including through participation in a statewide mutual aid program; (c) the negotiation of leasing and contracting agreements, including emergency mutual aid agreements with other retail public utilities, exempt utilities, or providers or conveyors of potable or raw water service, if the agreements provide for coordination with the division of emergency management in the governor's office; (d) the use of portable generators capable of serving multiple facilities equipped with quick-connect systems; (e) the use of on-site electrical generation or distributed generation facilities; (f) hardening the electric transmission and distribution system serving the water system; (g) for existing facilities, the maintenance of direct engine or right angle drives; (h) designation of the water system as a critical load facility or redundant, isolated, or dedicated electrical feeds; (i) water storage capabilities; (j) water supplies delivered from outside the service area of the affected utility; (k) the ability to provide water through artesian flows; (l) redundant interconnectivity between pressure zones; (m) emergency water demand rules to maintain emergency operations; or (n) any other alternative determined by TCEQ to be acceptable;
26. provides that each affected utility that supplies, provides, or conveys raw surface water shall include in its emergency preparedness plan under (23)(b)(i) provisions for demonstrating the capability of each raw water intake pump station, pump station, and pressure facility to provide raw water service to its wholesale customers during emergencies and provides that this provision does not apply to raw water services that are unnecessary or otherwise subject to interruption or curtailment during emergencies under a contract;
27. requires TCEQ to provide an affected utility with access to TCEQ's financial, managerial, and technical contractors to assist the utility in complying with the applicable emergency preparedness plan submission deadline and to create an emergency preparedness plan template for use by an affected utility when submitting a plan;
28. provides that an affected utility may adopt and enforce limitations on water use while the utility is providing emergency operations;
29. provides that except as specifically required by law, information provided by an affected utility is confidential and is not subject to disclosure under the Public Information Act;
30. provides that for the purposes of (31)-(33), "affected utility" means any retail public utility (including a municipally owned utility), exempt utility, or provider or conveyor of potable or raw water service that furnishes water service to more than one customer;
31. requires each affected utility to: (a) submit to the office of emergency management of each county in which the utility has more than one customer, the PUC, and the office of

- emergency management of the governor a copy of: (i) the affected utility's emergency preparedness plan; and (ii) TCEQ's notification to the affected utility that the plan is accepted; (b) submit to the PUC, each electric utility that provides transmission and distribution service to the affected utility, each retail electric provider that sells electric power to the affected utility, the office of emergency management of each county in which the utility has water and wastewater facilities that qualify for critical load status under rules adopted by the PUC, and the division of emergency management of the governor: (i) information identifying the location and providing a general description of all water and wastewater facilities that qualify for critical load status; and (ii) emergency contact information for the affected utility, including the person who will serve as a point of contact and the person's telephone number, the person who will serve as an alternative point of contact and the person's telephone number, and the affected utility's mailing address; (c) annually submit the information required by (b) to each electric utility that provides transmission and distribution service to the affected utility and to each retail electric provider that sells electric power to the affected utility; and (d) immediately update the information provided under (b) as changes to the information occur; (e) submit annually to each electric utility that provides transmission and distribution service to the affected utility and to each retail electric provider that sells electric power to the affected utility any forms reasonably required by an electric utility or retail electric provider for determining critical load status, including a critical care eligibility determination form or similar form;
32. provides that not later than May 1 of each year, each electric utility and each retail electric provider shall determine whether the facilities of the affected utility under (31) qualify for critical load status under rules adopted by the PUC;
  33. provides that if an electric utility determines that an affected utility's facilities under (31) do not qualify for critical load status, the electric utility and the retail electric provider, not later than the 30th day after the date the electric utility or retail electric provider receives the information required by (31)(b), (c), and (d), shall provide a detailed explanation of the electric utility's determination to the affected utility and the office of emergency management of each county in which the affected utility's facilities are located;
  34. provides that a retail public utility that is required to possess a certificate of public convenience and necessity or a district or affected county that furnishes retail water or sewer utility service shall not impose late fees or disconnect service for nonpayment of bills that are due during an extreme weather emergency until after the emergency is over and shall work with customers that request to establish a payment schedule for unpaid bills that are due during the extreme weather emergency;
  35. provides that a retail public utility or affiliated interest that violates (34) is subject to a civil penalty of not less than \$100 nor more than \$50,000 for each violation; and
  36. creates the State Energy Plan Advisory Committee to prepare a comprehensive state energy plan to be submitted to the legislature not later than September 1, 2022.

(Effective immediately.)

**S.B. 211 (Zaffirini/Landgraf)** – **TCEQ Judicial Review**: this bill, among other things, creates a uniform deadline of 30 days to appeal an order, decision, or other act of the Texas Commission on Environmental Quality for both water and solid waste orders. (Effective September 1, 2021.)

**S.B. 387 (Schwertner/Wilson)** – **Appeal of Water Service Rates in ETJ**: this bill: (1) expands the circumstances where ratepayers for water or sewer service who reside outside the corporate limits of a city may appeal the rates for that service to the Public Utility Commission (PUC) to include an increase in rates when the municipally-owned utility takes over the provision of service to ratepayers previously served by another retail public utility; (2) provides that (1) does not apply to a MOU that takes over the provision of service to ratepayers previously served by another retail public utility if the MOU: (a) takes over the service at the request of the ratepayer; (b) takes over the due to a sale or merger under state law; or (c) is required to take over the service by state law, an order of the Texas Commission on Environmental Quality, or an order of the PUC; and (3) provides that a ratepayer may use the appeals process in (1) to appeal increased rates charged to the ratepayer by a MOU by filing a petition for review with the PUC and the MOU not later than December 1, 2021, if the MOU began providing service to the ratepayer on or after September 1, 2016 only if the MOU has not changed rates since the MOU began providing service to the ratepayer. (Effective September 1, 2021.)

**S.B. 398 (Menéndez/Deshotel)** – **Distributed Renewal Generation Resources**: this bill, among other things:

1. preempts a city from prohibiting or restricting the installation of a solar energy device by a residential or small commercial customer except to the extent: (a) a property owner's association may prohibit the installation; or (b) the interconnection guidelines and interconnection agreement of a municipally owned utility serving the customer's service area, the rules of the Public Utility Commission of Texas, or the protocols of an independent organization, limit the installation of solar energy devices due to reliability, power quality, or safety of the distribution system;
2. provides that the preemption in (1) does not apply to: (a) transaction involving the sale or transfer of the real property on which a distributed renewable generation resource is located; (b) a person, including a person acting through the person's officers, employees, brokers, or agents, who markets, sells, solicits, negotiates, or enters into an agreement for the sale or financing of a distributed renewable generation resource as part of a transaction involving the sale or transfer of the real property on which the distributed renewable generation resource is or will be affixed; or (c) a third party that enters into an agreement for the financing of a distributed renewable generation resource;
3. provides that a person who owns or operates a distributed generation facility served by a municipally owned utility or electric cooperative in the ERCOT power region may sell electric power generated by the distributed generation facility at wholesale, including the provision of ancillary services;
4. provides that a person who owns or operates a distributed generation facility may sell electric power generated by the distributed generation facility at wholesale to a municipally owned utility or electric cooperative certificated for retail service to the area where the distributed generation facility is located or to a related generation and transmission electric cooperative;
5. requires the municipally owned utility or electric cooperative to purchase at wholesale the quantity of electric power generated by the distributed generation facility needed to satisfy the full electric requirements of the customer on whose side of the meter the distributed generation facility is installed and operated at a wholesale price agreed to by the customer and to resell that quantity of power at retail to the customer at the rate applicable to the

customer for retail service, which must at minimum include all amounts paid for the wholesale electric power, during: (a) an emergency declared by the independent organization certified for the ERCOT power region that creates the potential for interruption of service to the customer; (b) any service interruption at the customer's premises; (c) construction on the customer's premises that creates the potential for interruption of service to the customer; (d) maintenance and testing of the distributed generation facility; and (e) additional times mutually agreed on by the owner or operator of the distributed generation facility and the municipally owned utility or electric cooperative;

6. provides that in addition to a sale authorized under (9), on request by an owner or operator of a distributed generation facility, the municipally owned utility or electric cooperative shall provide wholesale transmission service to the distributed generation facility owner in the same manner as to other power generation companies for the sale of power from the distributed generation facility at wholesale, including for the provision of ancillary services, in the ERCOT market;
7. requires a municipally owned utility or electric cooperative to allow interconnection of a distributed generation facility and provide to a distributed generation facility on a nondiscriminatory basis wholesale transmission service, including at distribution voltage, in the same manner as for other power generation companies to transmit to the ERCOT power grid the electric power generated by the distributed generation facility; and
8. provides that a municipally owned utility or electric cooperative is not required to interconnect a distributed generation facility under the bill if, on the date the utility or cooperative receives an application for interconnection of the facility, the municipally owned utility or electric cooperative has interconnected distributed generation facilities with an aggregate capacity that equals the lesser amount of: (a) five percent of the municipally owned utility's or electric cooperative's average of the 15-minute summer peak load coincident with the independent system operator's 15-minute summer peak load in each of the months of June, July, August, and September; or (b) 300 megawatts, adjusted annually by the percentage of total system load growth in the ERCOT power region beginning in 2022. (Effective September 1, 2021.)

**S.B. 415 (Hancock/Holland)** – **Electric Energy Storage Facilities**: this bill, among other things, provides: (1) that a transmission and distribution utility, with prior approval of the Public Utility Commission, may contract with a power generation company to provide electric energy from an electric energy storage facility to ensure reliable service to distribution customers; and (2) in establishing the rates of a transmission and distribution utility, a regulatory authority—including a city—shall review a contract between the utility and a power generation company under (1) and the regulatory authority may authorize a transmission and distribution utility to include a reasonable return on the payments required under the contract only if the contract terms satisfy the relevant accounting standards for a capital lease or finance lease. (Effective September 1, 2021.)

**S.B. 669 (Springer/Lucio III)** – **Texas Water Development Board Reports**: this bill: (1) requires the Texas Water Development Board (TWDB) to make publicly available the most recent data relating to: (a) statewide water usage in the residential, industrial, agricultural, commercial, and institutional sectors; and (b) the data collection and reporting program for municipalities and water utilities with more than 3,300 connections; and (2) repeals the law that requires the TWDB,

in coordination with the Texas Commission on Environmental Quality, to prepare a report of the repair and maintenance needs of all dams that: (a) are not licensed by the Federal Energy Regulatory Commission; (b) do not have flood storage; (c) are required to pass floodwaters; and (d) have failed. (Effective September 1, 2021.)

**S.B. 900 (Alvarado/Paddie)** – **Aboveground Storage Tanks**: this bill, among other things: (1) requires the Texas Commission on Environmental Quality to establish a Performance Standards for Safety at Storage Vessels Program to provide for the protection of groundwater and surface water resources from a release of substances from a storage vessel in the event of an accident or natural disaster; (2) provides that a “storage vessel”: (a) is made of nonearthen materials; (b) is located on or above the surface of the ground; (c) has a capacity of 21,000 gallons or more of a regulated substance; and (d) is located at or is part of a petrochemical plant, a petroleum refinery, or a bulk storage terminal; (3) exempts certain tanks or pipes connected to certain tanks from the definition in (2) of “storage vessel”; and (4) establishes a fee. (Effective September 1, 2021.)

**S.B. 905 (Perry/Frank)** – **Potable Reuse of Wastewater**: this bill: (1) defines “direct potable reuse” as the introduction of treated reclaimed water either directly into a potable water system or into the raw water supply entering a drinking water treatment plant; and (2) requires the Texas Commission on Environmental Quality (TCEQ) to develop and make available to the public a regulatory guidance manual to explain TCEQ rules that apply to direct potable reuse. (Effective September 1, 2021.)

**S.B. 952 (Hinojosa/Walle)** – **Concrete Batch Plants**: requires that an application for a standard permit for a concrete batch plant issued by the Texas Commission on Environmental Quality include a plot plan that clearly shows: (1) a distance scale; (2) a north arrow; (3) all property lines, emission points, buildings, tanks, and process vessels and other process equipment in the area in which the facility will be located; (4) at least two benchmark locations in the area in which the facility will be located; and (5) if the permit requires a distance, setback, or buffer from other property or structures as a condition of the permit, whether the required distance or setback will be met. (Effective September 1, 2021.)

**S.B. 997 (Nichols/Harris)** – **Water and Sewer Rates**: this bill, among other things, provides: (1) that in an appeal on the amount paid for water or sewer service under a written contract for the rates a municipally-owned utility charges if it furnishes wholesale water or sewer service to another political subdivision, the Public Utility Commission (PUC) may not hold a hearing on or otherwise prescribe just and reasonable amounts to be charged under the contract unless the PUC determines that the amount charged under the contract harms the public interest; and (2) a judicial review process to challenge a PUC decision in (1). (Effective September 1, 2021.)

**S.B. 1281 (Hancock/P. King)** – **Electric Certificates of Convenience and Necessity**: this bill, among other things, requires the independent organization certified for the ERCOT power region to conduct a biennial assessment of the ERCOT power grid to assess the grid’s reliability in extreme weather scenarios, which must: (1) consider the impact of different levels of thermal and renewable generation availability; and (2) recommend transmission projects that may increase the grid’s reliability in extreme weather scenarios. (Effective September 1, 2021.)

**S.B. 1580 (Hancock/Paddie)** – **Electric Certificates of Convenience and Necessity:** this bill, among other things: (1) provides that no default or uplift charge or repayment may be allocated to or collected from a market participant, including a municipally owned utility, that: (a) otherwise would be subject to an uplift charge solely as a result of acting as a central counterparty clearinghouse in wholesale market transactions in the ERCOT power region; and (b) is regulated as a derivatives clearing organization, as defined by the Commodity Exchange Act; (2) requires the Public Utility Commission (PUC) to require that all market participants, including a municipally owned utility, pay or make provision for the full and prompt payment of amounts owed calculated solely according to the protocols in effect during the period of emergency (defined as the period beginning 12:00 a.m., February 12, 2021, and ending 11:59 p.m., February 20, 2021) to the independent organization for the ERCOT power region to qualify, or to continue to qualify, as a market participant in the ERCOT power region; (3) provides that if a market participant, including a municipally owned utility, has failed to fully repay all amounts calculated solely under the protocols in effect during the period of emergency of the independent organization certified for the ERCOT power region, the independent organization shall report the market participant as in default to the PUC and the PUC may not allow the independent organization to accept the defaulting market participant’s loads or generation for scheduling in the ERCOT power region, or allow the defaulting market participant to be a market participant in the ERCOT power region for any purpose, until all amounts owed to the independent organization by the market participant as calculated under the protocols are paid in full; and (4) provides that transactions involving the transfer and ownership of securitized property and the receipt of securitized charges for financing for electric cooperatives are exempt from state and local income, sales, franchise, gross receipts, and other taxes or similar charges. (Effective immediately.)

**S.B. 1890 (Creighton/Walle)** – **Texas Water Development Board Grants:** provides that the law regarding uniform grant and contract management does not apply to a contract for: (1) the flood infrastructure fund; (2) the Texas infrastructure resiliency fund; and, (3) the agriculture water conservation bond program. (Effective September 1, 2021.)

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