

# 89<sup>th</sup> Legislative Session Update

City Council Meeting: March 4, 2025

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# 89<sup>th</sup> Legislative Session Key Dates



- The legislature can't pass any bills during the first 60 calendar days unless the governor declares it an emergency item or it's an emergency appropriation.

# Governor's Emergency Items

- **Property Tax Relief**
  - At least \$10 billion in new property tax relief from the budget surplus
  - Banning local loopholes that allow tax hikes without voter approval
  - **Two-thirds voter approval is required for any local tax increase**
  - Expanded business tax exemptions to help small businesses
- **Water Infrastructure Investment**
  - Make a one-time largest investment in water in Texas history, as well as dedicated \$1 billion per year for 10 years to upgrade infrastructure
  - New water supply development, including desalination and water transfers
  - Funding for rural water systems to sustain Texas' agriculture and local communities
- Teacher Pay Raise
- Expand Career Training
- School Choice
- Bail Reform
- Create a Texas Cyber Command

# Lt. Gov. Priorities

Senate Bill 1 – Senate’s Budget for Texas

Senate Bill 2 – Providing School Choice

Senate Bill 3 – Banning THC in Texas

Senate Bill 4 – Increasing the Homestead Exemption to \$140,000  
(\$150,000 for seniors)

Senate Bill 5 – Combatting Alzheimer’s – Establishing DPRIT  
(Dementia Prevention & Research Institute of Texas)

Senate Bill 6 – Increasing Texas’ Electric Grid Reliability

Senate Bill 7 – Increasing Investments in Texas’ Water Supply

Senate Bill 8 – Requiring Local Law Enforcement to Assist the  
Federal Government’s Deportation Efforts

Senate Bill 9 – Reforming Bail – Keeping Violent Criminals Off Our  
Streets

Senate Bill 10 – Placing the Ten Commandments in School

Senate Bill 11 – Protecting the Freedom to Pray in School

Senate Bill 12 – Establishing a Parental Bill of Rights in Public  
Education

Senate Bill 13 – Guarding Against Inappropriate Books in Public  
Schools

Senate Bill 14 – Texas DOGE – Improving Government Efficiency

Senate Bill 15 – Removing Barriers to Affordable Housing

Senate Bill 16 – Stopping Non-Citizens from Voting

Senate Bill 17 – Stopping Foreign Adversaries’ Land Grabs

Senate Bill 18 – Stopping Drag Time Story Hour

Senate Bill 19 – Stopping Taxpayer Dollars for Lobbyists

Senate Bill 20 – Stopping AI Child Pornography

Senate Bill 21 – Establishing the Texas Bitcoin Reserve

Senate Bill 22 – Establishing Texas as America’s Film Capital

Senate Bill 23 – Removing the Cap on the Rainy-Day Fund to Secure  
Texas’ Long-term Financial Future

Senate Bill 24 – Educating Texas Students on the Horrors of  
Communism

Senate Bill 25 – Making Texas Healthy Again



# 2025 Legislative Priorities

## 1. Fiscal Responsibility and Revenue Protection

- Advocate for dedicated state funding for the Disabled Veterans Homestead Exemption (DVHS) Program to offset local revenue losses that impact funding for critical city services.
- Oppose unfunded mandates that place financial burdens on local governments and divert resources away from community priorities.

## 2. Infrastructure and Sustainable Development

- Support increased funding for
  - Local transportation
  - Infrastructure projects
  - Improved quality of life for residents
- Support increased state grants and expanded use of Hotel Occupancy Tax (HOT) funds



# 2025 Legislative Priorities

## 3. Local Control and Governance

- Oppose legislation that erodes local control or weakens the ability of locally elected leaders to address unique challenges and opportunities.
- Oppose legislation that preempts local authority to regulate activities affecting density, zoning, permitting, and inspections.
- Oppose legislation that limits the time or authority the City has to review site plans and plats.
- Oppose legislation that limits city authority over extraterritorial jurisdiction (ETJ), including boundary changes, annexations, and disannexations.

## 4. Economic Growth and Business Development

- Oppose legislation that would hinder local economic development tools, including incentives or other support mechanisms critical for attracting and retaining businesses.

## 5. Advocacy and Municipal Representation

- Oppose efforts to restrict the ability of the Texas Municipal League (TML) and similar organizations from advocating on behalf of local governments in Texas.



# 89th Session Updates

- City Related Bills (as of Feb. 24):
  - 886 bills filed in House
  - 453 bills filed in Senate
- Have met with:
  - Representative Lujan
  - Representative Schoolcraft
  - Senator Campbell's Office
- NEP Legislative Trip - February 27

# DVHS Related Bills We Are Tracking

- **H.B. 244/H.B. 1383, S.B. 247** - Relating to the applicability of the law governing the provision of state aid to certain local governments disproportionately affected by the granting of ad valorem tax relief to disabled veterans.
- **H.B. 2032, S.B. 1126** - would provide:
  - (1) that a disabled veteran is entitled to an exemption from property tax for the veteran's residence homestead if the veteran has a disability rating of at least ten percent but less than a hundred percent;
  - (2) that the exemption described in (1), above, is a percentage of the appraised value of the veteran's residence homestead equal to the veteran's disability rating;
  - (3) that the surviving spouse of a disabled veteran who qualified for an exemption under (1), above, is entitled to an exemption of the same percentage of the appraised value of the same residence homestead if: (a) the surviving spouse has not remarried since the death of the disabled veteran; and (b) the property was the residence homestead of the spouse when the veteran died and remains the residence homestead of the spouse; and
  - (4) if a surviving spouse who qualifies for an exemption under (3), above, subsequently qualifies another residence homestead, the spouse is entitled to an exemption of the new residence homestead equal to the dollar amount of the exemption in the last year in which the surviving spouse received an exemption under that subsection.
- **H.B. 1932** - would extend the 100 percent homestead exemption for 100 percent disabled veterans and their surviving spouses to include veterans who are at least 60 percent disabled and their surviving spouses.

Highlighted Bills have been referred to a committee

# Bills We are Tracking

**S.B. 470, H.B. 1453** - Relating to the issuance of anticipation notes and/or certificates of obligation by local governments.

**H.B. 2574, H.B. 2736** - Relating to the vote required to approve the issuance of bonds or to increase taxes by a political subdivision.

**S.B. 844** - Relating to procedures for changes to a zoning regulation or district boundary.

**H.B. 369, H.B. 878, S.B. 673 and H.B. 1779** - Relating to the authority of a municipality to regulate accessory dwelling units allowed on certain property.

**S.B. 854** - Relating to municipal regulation of multifamily and mixed-use development on religious land.

**H.B. 987** - Relating to the time for issuance of a municipal building permit.

**S.B. 878** - Relating to limitations on the use of public money under certain economic development agreements or programs adopted by certain political subdivisions.

**S.B. 1143** - Relating to certain planning, notification, and evaluation requirements with respect to workforce development programs in this state.

# Bills We Are Tracking Cont.

**S.B. 19, H.B. 309, S.B. 239** - Relating to the use by a political subdivision of public funds for lobbying and certain other activities.

**H.B. 416** - Relating to the deadlines for performing various functions in connection with the ad valorem tax system.

**H.B. 698** - Relating to the abolition of ad valorem taxes and the creation of a joint interim committee on the abolition of those taxes.

**H.B. 1688** - Relating to a local option exemption from ad valorem taxation of all or part of the appraised value of the residence homesteads of certain peace officers.

**H.B. 784** - Relating to a grant program for municipal pedestrian infrastructure administered by the Texas Department of Housing and Community Affairs.

**S.B. 422/H.B. 1480** - Relating to the award of library construction grants by the Texas State Library and Archives Commission.



# Next Steps

TML Legislative Webinar: March 6

TML Legislative Action Day – March 19

Next Legislative Update – May 6

Track Bills via [Texas Legislature Online](#)  
or [capitol.texas.gov](http://capitol.texas.gov)

# COMMENTS AND QUESTIONS