

Williamson County Legislative Meeting

**85th Regular Legislative Session
Jester Annex – Harrell and Andersen Rooms
1801 E. Old Settlers Boulevard
Round Rock, Texas 78664
Thursday, February 9, 2017
5:30 p.m.**

AGENDA:

- 1. SB2 and Impact of Proposed Rollback Rate Changes**
- 2. Unfunded Mandates**
- 3. Tax Codes – Potential County Sales Tax with Repeal of 323.101 (b)**
- 4. Mental Health**
- 5. DSRIP**
- 6. Local Provider Participation Fund**
- 7. County Park Department Authority**
 - Ability to Charge Entrance Fees**
 - Ability to Create Enforceable Park Rules and Regulations**
- 8. M.U.D. Legislation**
- 9. Transportation**

Potential Impacts of Senate Bill 2

Calculation at 4%

Tax Year	GWI Eff Rate	GWI M&O RB	Debt Rate	Total GWI Rate	RFM Eff Rate	RFM M&O RB	Total County RB Rate	Actual Adopted Rate	Difference
2015		0.271747	0.167500	0.439247		0.038964	0.478211	0.481529	-0.003318
2016	0.406579	0.261065	0.167500	0.428565	0.036959	0.038437	0.467002	0.476529	-0.009527
2017	0.395452	0.249801	0.157887	0.407688	0.036982	0.038461	0.446149		
2018	0.376347	0.239100	0.142951	0.382051	0.037004	0.038484	0.420535		
2019	0.352643	0.228844	0.127954	0.356798	0.036974	0.038453	0.395251		
2020	0.329223	0.218959	0.116385	0.335344	0.036979	0.038458	0.373802		
2021	0.309366	0.209461	0.105937	0.315398	0.036984	0.038463	0.353861		
2022	0.261993	0.187325	0.096492	0.283817	0.036989	0.038468	0.322285		

Calculation at 8%

Tax Year	GWI Eff Rate	GWI M&O RB	Debt Rate	Total GWI Rate	RFM Eff Rate	RFM M&O RB	Total County RB Rate	Actual Adopted Rate
2015	0.418157	0.282199	0.167500	0.449699	0.037466	0.040463	0.490162	0.481529
2016	0.409659	0.274432	0.167500	0.441932	0.036959	0.039915	0.481847	0.476529
2017	0.404279	0.268941	0.157887	0.426828	0.036982	0.039994	0.466822	
2018	0.395511	0.268993	0.142495	0.411488	0.037004	0.039965	0.451453	
2019	0.381308	0.269059	0.127954	0.397013	0.036974	0.039931	0.436944	
2020	0.367911	0.269163	0.116385	0.385548	0.036795	0.039937	0.425485	
2021	0.357288	0.269273	0.105937	0.375210	0.036984	0.039943	0.415153	
2022	0.347737	0.269246	0.096492	0.365738	0.036989	0.039948	0.405686	

Difference in Taxes

Tax Year	Entity	Taxable Value	Taxes at 4% RB	Taxes at 8% RB	Difference	Total Levy Lost
2015	GWI	41,462,518,084	182,122,866.81	183,069,041.47	-946,174.66	
2015	RFM	41,291,451,686	16,088,801.23	16,516,580.67	-427,779.44	\$ (1,373,954.10)
2016	GWI	46,042,228,353	197,320,875.94	200,987,679.01	-3,666,803.07	
2016	RFM	46,025,278,018	17,690,736.11	18,410,111.21	-719,375.10	\$ (4,386,178.16)
2017	GWI	52,379,150,352	213,543,720.00	223,568,984.62	-10,025,264.62	
2017	RFM	52,315,744,956	20,121,158.67	20,923,159.04	-802,000.37	\$ (10,827,264.99)
2018	GWI	58,387,965,894	223,071,807.58	240,259,473.10	-17,187,665.52	
2018	RFM	58,321,594,957	22,444,482.60	23,308,225.42	-863,742.82	\$ (18,051,408.34)
2019	GWI	65,023,037,041	232,000,895.70	258,149,910.05	-26,149,014.35	
2019	RFM	65,011,152,671	24,998,738.54	25,959,603.37	-960,864.84	\$ (27,109,879.18)
2020	GWI	72,346,108,268	242,608,333.31	278,928,973.51	-36,320,640.19	
2020	RFM	72,333,817,731	27,818,139.62	28,887,956.79	-1,069,817.16	\$ (37,390,457.36)
2021	GWI	80,424,795,134	253,658,195.36	301,761,873.82	-48,103,678.47	
2021	RFM	80,412,109,502	30,928,909.68	32,119,008.90	-1,190,099.22	\$ (49,293,777.69)
2022	GWI	89,333,128,485	253,542,605.27	326,725,197.46	-73,182,592.19	
2022	RFM	89,320,063,203	34,359,641.91	35,681,578.85	-1,321,936.94	\$ (74,504,529.12)

Williamson County Unfunded Mandates 2016

Indigent Health Care Costs	\$7,021,579
Justice System (Includes Indigent Defense)	\$22,918,961
Court Appointed Attorneys for CPS	\$700,000
Victim Assistance	\$291,956
Jury Payments	\$66,461
Jail Operational Costs	\$22,620,303
Indigent Health Care in Jail	\$1,293,755
Prescription Drug Costs in Jail	\$282,480
Medical Staff in Jail	\$1,428,783
Training of Jail Staff	\$48,150
Facilities Maintenance of Jail	\$1,018,529
Court Mandated Training	\$416,515
Adult Probation Expenditures	\$178,851
Juvenile Probation Expenditures	\$11,026,202
Autopsies	\$1,013,640
DPS Office	\$82,056
Veterans Affairs/ Veterans Services Office	\$333,562
Tax Office - Motor Vehicle Division Only	\$2,368,000
Mandatory Newspaper Advertising	\$26,954
Open Meeting Expenditures	\$10,000
County Elections - State and Federal	\$1,859,754
TOTAL	\$75,006,491

NOTES: 1. None of the above includes facilities costs or any associated debt service

2. Local property taxes used on State highway system (2000-2015) - \$564,358,879



Local Investment in State Highway System 2000-2015

State Highway System Projects

Local Property Tax Dollars	\$297,474,214
Pass-Through Finance (project costs plus financing costs)	\$202,465,281

Subtotal State Highway System Projects **\$499,939,495**

I-35 Projects

Local Property Tax Dollars	\$10,589,448
Pass-Through Finance (project costs plus financing costs)	\$53,829,936

Subtotal I-35 Projects **\$64,419,384**

TOTAL WILLIAMSON COUNTY INVESTMENT IN STATE HIGHWAY SYSTEM **\$564,358,879**



PRIME
STRATEGIES,
INC.

HNTB

October 2016

TAX CODE

TITLE 3. LOCAL TAXATION

SUBTITLE C. LOCAL SALES AND USE TAXES

CHAPTER 323. COUNTY SALES AND USE TAX ACT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 323.001. SHORT TITLE. This chapter may be cited as the County Sales and Use Tax Act.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987.

Sec. 323.002. DEFINITIONS. The words used in this chapter and defined by Chapters 151 and 321 have the meanings assigned by Chapters 151 and 321.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987.

Sec. 323.003. OTHER PORTIONS OF TAX APPLICABLE. Subtitles A and B, Title 2, and Chapters 142 and 151 apply to the taxes and to the administration and enforcement of the taxes imposed by this chapter in the same manner that those laws apply to state taxes unless modified by this chapter.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 2, Sec. 14.13, eff. Aug. 28, 1989; Acts 2003, 78th Leg., ch. 1310, Sec. 117, eff. Oct. 1, 2003.

SUBCHAPTER B. IMPOSITION OF SALES AND USE TAXES BY COUNTIES

Sec. 323.101. TAX AUTHORIZED. (a) A qualified county may adopt or repeal the county sales and use tax authorized by this chapter at an election in which a majority of the qualified voters of the county approve the adoption or repeal of the tax, as applicable.

(b) A county is qualified to adopt the tax only if no part of the county is located in a rapid transit authority created under Chapter 451, Transportation Code, or a regional transportation authority created under Chapter 452 of that code.

(c) An authority created under Chapter 451 or 452, Transportation Code, is prohibited from imposing the tax provided for by those chapters in a county in

which the county sales and use tax provided for by this section is in effect or is scheduled to take effect. For the purposes of this section, an authority is not considered to be located in any county in which fewer than 250 persons are both residents of the authority and the county.

(d) A county may not adopt a sales and use tax under this section if as a result of the adoption of the tax the combined rate of all sales and use taxes imposed by the county and other political subdivisions of this state having territory in the county would exceed two percent at any location in the county.

(e) If the voters of a county approve the adoption of a sales and use tax at an election held on the same election date on which a municipality having territory in the county adopts a sales and use tax or an additional sales and use tax and as a result the combined rate of all sales and use taxes imposed by the county and other political subdivisions of this state having territory in the county would exceed two percent at any location in the county, the election to adopt a county sales and use tax has no effect.

(f) The provisions of this chapter govern the application, collection, and administration of a sales and use tax imposed under Chapter 285 or 775, Health and Safety Code, to the extent not inconsistent with the provisions of those chapters. Provided, however, that Subsection (b) shall not apply to a tax authorized under those chapters.

(g) Expired.

Added by Acts 1987, 70th Leg., ch. 191, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1987, 70th Leg., 2nd C.S., ch. 54, Sec. 2, eff. Oct. 20, 1987; Acts 1989, 71st Leg., 1st C.S., ch. 40, Sec. 6, eff. Sept. 1, 1989; Acts 1997, 75th Leg., ch. 65, Sec. 2, eff. May 9, 1997; Acts 1997, 75th Leg., ch. 165, Sec. 30.272, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 639 (S.B. 917), Sec. 15, eff. June 17, 2011.

Sec. 323.102. EFFECTIVE DATES: NEW TAX, TAX REPEAL. (a) Except as provided by Subsection (c), a tax imposed under this chapter takes effect on the October 1st after the expiration of the first complete calendar quarter occurring after the date on which the comptroller receives a notice of the action as required by Section 323.405(b).

(b) The repeal of a tax abolished under this chapter takes effect on the October 1st after the expiration of the first complete calendar quarter occurring after the date on which the comptroller receives a notice of the action as required by Section 323.405(b).

TEXAS *Conference of*
Urban Counties

Principles

1. Urban Counties value responsive and accountable government.
2. Urban Counties believe that local government is more responsive and accountable to the citizens and communities and should be utilized for service delivery whenever practical.
3. Urban county citizens hold commissioners court responsible for all county business even though commissioners courts lack authority over many aspects and segments of county business. There is a disconnect between responsibility and authority. This weakens accountability.
4. Urban Counties need greater authority and tools to deal with the problems of contemporary urban society.
5. Urban Counties believe that permissive authority is always good. Restrictions, proscriptions, and mandates are almost always harmful.
6. Urban counties believe that State funds for specific programs should be allocated to counties, regions, or other local areas based upon population, number of clients, or some other appropriate measure of the need for that program or service.
7. Urban Counties believes that funds collected for a purpose should be used for that purpose and supports ending the reliance and utilization of dedicated revenues to balance the State budget.

Priority Issues

Items in this list are the legislative priorities of the Urban Counties.

① Taxation Policy

1. Support the significant reduction of property tax rates by measures to reduce the cost of government and by replacing property tax revenue with revenue from other sources.
2. Require sales price disclosure on transfer of real property.
3. Oppose any expansion of the pollution control property tax exemption that would include property used to produce goods or services.
4. Oppose expansion of tax exemptions for property owned by a taxpayer to include leased property other than property leased to a charter school for one or more grades from kindergarten through grade 12.
5. Oppose arbitrary limits on local government that are more restrictive than limits on state government, so long as:
 - a. Commissioners Courts remain limited in their ability to manage county business and control county budgets; and
 - b. There is no constitutional protection against unfunded mandates.

6. Clarify the scope of the tax exemption for nonprofit community business organizations to prevent expansion of the exemption to other entities.
7. Support allowing local taxing units to set a residence homestead exemption as a percentage, a flat-dollar level, or a percentage with a minimum or maximum individual value.

~~8. Support reforms to process for equity appeals of appraisals.~~

9. Repeal the loophole allowing leased heavy equipment to be valued for property taxes as 1/12th of annual leased revenue rather than market value.
10. Oppose the repeal of the penalty when land that was previously appraised as agricultural property is converted to another use.
11. Oppose all new property tax exemptions, expansion of existing exemptions, or any other narrowing of tax base unless approved by the Urban Counties.
12. Oppose expansion to all taxpayers the right to pay property taxes in installments over the year.
13. Oppose reducing or eliminating agriculture and open-space rollback taxes, but support adjustment of the current 7% annual interest used to calculate rollback taxes.
14. Oppose extending deferment of property taxes beyond the elderly and disabled.

② Juvenile & Criminal Justice

1. Support full state funding for all mandatory JJAEP placements in an amount adequate for year round programs.
2. Support an increase in state funding for indigent defense purposes.
3. Authorize county jails to take necessary actions that result in the suspension of SSI & Medicaid benefits and their re-instatement on release, rather than termination of those benefits.
4. Support additional state funding for juvenile probation departments if the age of criminal responsibility is raised to 18.
5. Support grandfather provisions for all jails that were not designed for face-to-face visitation but for video visitation in full compliance with existing State law and jail standards.
6. Support sufficient State funding for local juvenile probation departments to pay for the full costs of keeping in local programs, or in regional detention facilities, all children diverted from State facilities through a restructuring of the State Juvenile Justice Department.
7. Support state payment to counties for costs of detaining in county jails technical parole violators and new-offense violators held solely for parole revocation purposes.
8. Oppose changes in court costs in criminal cases that are expected to have a negative fiscal impact to counties.
9. Support changes to pre-trial release to require the use of locally verified evaluation tools to determine a criminal defendant's risk of flight or danger to the community. Promote: (1) establishing pretrial risk assessments; (2) the elimination of bond schedules; (3) greater discretion for magistrates regarding

pre-trial release; and (4) rebuttable presumptions in favor of personal bond.

10. Support additional funding for DPS crime labs provided it does not negatively impact existing local crime labs.
 11. Oppose efforts to permit a defendant placed on deferred adjudication probation to obtain an expunction without payment of court costs unless the defendant is indigent.
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12. Support prohibiting a JP court from confining a defendant for failure to pay a fine or court costs for a fine-only offense.

③ Transportation

1. Oppose eliminating tolling options unless state funding for highways is increased sufficiently to replace lost toll revenue.
2. Support enhanced funding for freight transportation infrastructure projects to address economic growth and an ever increasing population.
3. Support changes to the administrative fees retained by counties to register vehicles only if the new fees are reasonably expected to recoup county costs for providing those services.
4. Oppose the establishment of uniform limits on the fees charged by authorized private deputies for title services.
5. Request and support including counties in any proposed statutory changes for TxDOT intended to mitigate increased and unnecessary road building costs due to delays in utility relocation.

④ Health and Human Services

1. Support increased funding for mental health and substance abuse services state-wide.
2. Expand capacity of both forensic and civil beds in the state hospital system.
3. Support the continuation of the 1115 Medicaid Transformation Waiver.
4. Support state action related to state participation in the funding of indigent health care to maximize access to available federal funds.
5. Not oppose the repeal of the Drivers Responsibility Program. If repealed, seek replacement funding for trauma care.
6. Support a dual approach of state funding for jailer mental health training, increase inpatient capacity, and support diversion at the earliest possible point utilizing the Expanded Sequential Intercept Model.
7. Support continued federal funding to local communities for refugee healthcare.
8. Support expansion to additional counties of the Harris County mental health jail diversion pilot program model to reduce recidivism, arrest, and incarceration of individuals with mental illness.

⑤ Clean Air Act

1. Support full funding for the next biennium for the Texas Emissions Reduction Plan, LIRAP, and LIP programs and maintain the integrity of the TERP, LIRAP, and LIP programs.
2. Support local administration of the LIRAP and LIP programs to ensure funds collected in the county are used in the county.
- ~~3. Use the TERP funds only for programs that will assist nonattainment and near nonattainment areas in meeting EPA Ozone standards.~~

6 Water

7 Revenue, Budget, and Miscellaneous

1. Confirm commissioners court authority over the county budget and contracting.
2. No unfunded mandates.
3. Oppose collective bargaining for peace officers unless supported by the commissioners court of the counties affected by the legislation.
4. Support local control over compensation and benefits paid by the county.
5. Establish that any increase in the fees to be paid to attorneys appointed to represent indigent criminal defendants may not take effect until the adoption of the next county budget and require at least 90 day notice of the proposed increase to be provided to the commissioners court.
6. Protect county authority to restrict or ban the sale and use of fireworks during drought conditions and when included in a local disaster declaration.
7. Support the creation of an online voter registration system.
8. Support full state funding for representation of indigent parties in child welfare cases.
9. Support legislation that permits counties to post public notices electronically in lieu of print publication.
10. Oppose financial penalties imposed on local governments by the state for failure to comply with state mandates to enforce or to not enforce federal laws.
11. Support the longstanding constitutional principle that governmental entities must justify substantial burdens on the exercise of religious rights by showing the furtherance of a compelling governmental interest by the least restrictive means.
12. Oppose requirements to include on bond propositions information other than the total amount of bonds to be issued if approved and the proposed uses of the bonds.
13. Support giving all counties the option to adopt a fire code and rules necessary to administer and enforce the fire code.
14. Oppose creation of a new fireworks season unless commissioners courts are granted discretion over the sale of fireworks in that county for the new season.
15. Support the current role of local emergency management authorities and the county judge in responding to potential and actual emergencies and disasters.
16. Oppose prohibiting the use of eminent domain for recreation purposes.
17. Support allowing any county to regulate game rooms.

18. Retain the current option to hold bond elections in May.
 19. Require telephone/telegraph facilities to follow the same procedures as other utilities in locating their facilities in the county Right-of-Way.
 20. Oppose restrictions on the ability of local governments to effectively and efficiently communicate with the legislature and other state and federal entities.
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21. Support financial transparency requirements that permit the use of existing reports and other documents and that minimize the need to express the same information in different manners or formats.
 22. Oppose mandates to produce financial reports that are duplicative of reports already required of counties.
 23. Support proposals to permit public access to public information on the personal devices of public officers and employees that include reasonable provisions to guard against frivolous and abusive lawsuits against public officers and employees.
 24. In the absence of market value transparency, oppose efforts to require local governments to pay an opposing party's attorney fees and court costs in eminent domain proceedings.
 25. Support efforts to maintain the long-established prohibition of guns in any portion of a building used by court participants.
 26. Establish that the earliest effective date for any increase in salary budgets outside the control of commissioners court shall be the first day of the next county fiscal year following 90 days notice of the proposed increase to be provided to the commissioners court.
 27. Oppose changes to the criteria governments must meet to show "actual progress" on projects to prevent real property acquired through eminent domain to be subject to repurchase if the changes would require significant expenditures for development labor and materials to show actual progress.
 28. Support continued federal funding for local communities to help cover operational costs for holding undocumented criminal aliens in the criminal justice system and the costs to house them.
 29. Support changes to the mandated disclosure of interested parties by vendors to:
 - exempt small contracts and contracts awarded to low bidders, through cooperative purchasing programs, or through interlocal agreements;
 - clarify the mandate applies only to written contracts for goods and services;
 - clarify that contracts remain valid if a vendor fails to accurately make a mandated disclosure; and
 - clarify that a "controlling interest" is an ownership or participating interest in an entity that exceeds 50%.
 30. Oppose new mandated reporting of receipt and use of Federal funds by counties.
 31. Support commissioners court optional authority to allow blanket approval to a county appraisal district board the authority to lease or convey property.
 32. Support removing the limitations on the number of counties that may choose, with Secretary of State authorization, to transition into the Countywide Polling Places program.
 33. Oppose injecting commissioners courts as decision makers in condemnation

actions not involving their respective counties.

34. Support the current permissive authority of governmental entities to sell property for less than fair market value.
35. Oppose granting whistleblower status to employees unless they report in writing illegal conduct to a person designated by the employing governmental entity to receive such reports, the attorney general, or an appropriate law enforcement authority.
36. Oppose shortening the early voting period.
37. Oppose new requirements that political subdivisions provide advance notice to the Governor before conveying land to the federal government, such conveyance being subject to disapproval by the Governor.
38. Support retaining the ability of governmental bodies to consider economic development information in closed meetings.
39. Support local control of the records of county and district clerks.

Positions on other proposals before the 85th Legislature

Items in this list are legislative positions regarding initiatives of member counties or other groups or organizations.

1. **Tax Rate Notice.** Clarify that a county or municipality that opts to use the simplified public notice for proposed tax rates is not also required to comply with additional notice requirements for those tax rates. *Travis County*
2. **Texas Highway Beautification Act.** Support Scenic Texas and other entities asking for a rehearing on the Texas Highway Beautification Act. *Scenic Texas*
3. **Jail Standards Exam.** Support creation of a comprehensive exam for jail commanders on the current rules and standards established by the Texas Commission on Jail Standards. *Mr. Craig Pardue*
4. **EDAP Water Funding.** Support increased funding for the Texas Water Development Board's Economically Distressed Areas Program. *El Paso County*
5. **Dishonored Checks.** Support an option to allow a county to contract with an outside collections firm to collect dishonored checks and credit card invoices. *Dallas County*
6. **Jury Summons.** Support allowing counties to include a link to a jury summons questionnaire with the jury summons in lieu of a hardcopy. *Dallas County*
7. **Electronic Monitoring.** Support allowing individuals placed on probation to participate in a County run electronic monitoring program in lieu of jail time. *Dallas County*
8. **Leasing Property.** Support consideration of authorizing counties to utilize a broker for leasing county owned space. *Dallas County*
9. **Drones.** Support prohibiting the operation of a drone over secure penal or correctional facilities. *Travis County*
10. County Welfare. Support removing the limit on the amount of petty cash a commissioners court may provide to a county welfare department in a county with a population greater than 1.3 million. *Harris County*
11. Supplemental Civil Service Commissions. Support optional authority of a commissioners court to appoint, and designate the responsibilities of, a

supplemental civil service commission to assist the county civil service commission. Dallas County.

12. Firework Authority. Support allowing a county to prohibit the use of fireworks during hours determined by commissioners court.
13. Law Library. Support allowing a county law library to be established anywhere in the county rather than only the county seat and allowing the county law library fund to be used to establish and maintain a self-help center to provide free legal resources to residents.
14. Bexar County Optional Vehicle Registration Fee. Support allowing Bexar County to impose, if approved by a majority of qualified voters, an additional \$10 vehicle registration fee for transportation projects chosen by their local RMA. Bexar County
15. Marriage Ceremony. Support authorizing the Bexar County Clerk to conduct marriage ceremonies and collect a \$25 fee that the county must use to fund grants to non-profits related to domestic violence. Bexar County.
16. Overseas Military E-Mail Ballot Program. Support the repeal of the expiration date of the Overseas E-Mail Ballot Pilot Program and allow any county to participate in the program. Bexar County.
17. Tax Abatement Removal within a TIRZ. Support removing the requirement for approval on tax abatements within TIRZ by entities not participating in the zone. Bexar County
18. Voting Equipment Certification. Support the use of election equipment certified by the U.S. Election Assistance Commission to be used in the State of Texas without further certifications. Bexar County
19. Super Utilizer Pilot Project. Support State funding for a Super Utilizer Pilot Project in Bexar County. Bexar County
20. Pretrial Program Fee. Support allowing county pretrial supervision programs, run outside CSCDs, to collect supervision fees. Bexar County
21. County Building Standards. Support allowing urban counties to adopt building regulations upon petition from residents and passage of a proposition to authorize said regulations. Bexar County
22. Solid Waste Collection in Unincorporated Areas. Support authorizing Counties to require the provision of solid waste collection by landlords of two or more leased dwellings located in an unincorporated area. Bexar County
23. Unclaimed Duplicate Tax Payment Retention. Support allowing a county to retain unclaimed duplicate property tax payments. Bexar County