



MAY 3, 2025
GENERAL ELECTION
Candidate Packet



December 15, 2024

Dear Candidates and Officeholders:

Thank you for your interest in becoming a candidate for the City Council of the City of Amarillo. The 2025 General Election will be held Saturday, May 3, 2025. The following positions are up for election in the 2025 General Election for a two-year term:

- Mayor
- Councilmember Place 1
- Councilmember Place 2
- Councilmember Place 3
- Councilmember Place 4

All places on the City Council are at large and can be held by any qualified candidate. Each member elected will serve a two-year term from May 2025 to May 2027.

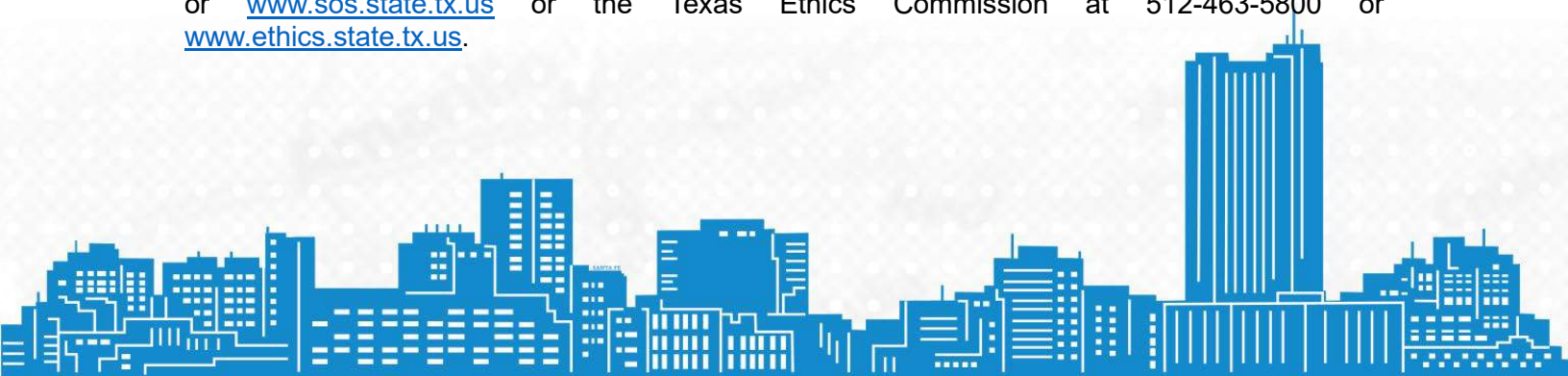
Running for office encompasses a broad range of activities. The Secretary of State of Texas and the Texas Ethics Commission each regulate portions of the election process at the local level. It is your responsibility to familiarize yourself with the laws applicable to running for elective office.

The City Secretary's Office has prepared this "Candidate Packet" to acquaint you with applicable City regulations, as well as the legal requirements pertaining to campaign contributions, expenditures, and responsibilities set forth in the Texas Election Code. This packet has been enhanced to provide you basic instructions to assist you in completing your candidacy filing for the upcoming election but is not all-inclusive of what you may be required to do. Therefore, reading of all the material is recommended as points of contact are referenced throughout the material.

Amarillo City Council meets generally twice a month, on the second and fourth Tuesday. Special called meetings can occur during the month as needed, and work sessions are scheduled during the months of July or August to review the proposed budget. All meetings are subject to the Texas Open Meetings Act and must be posted 72 hours in advance.

As City Secretary, I will be happy to answer general questions regarding filing your application and due dates for reporting and filings. The Office of the City Secretary is specifically limited by law to the acceptance and filing of various applications, affidavits, statements and reports, and noting the date and time of all such filings. These documents become public records upon filing and are available for public inspection.

You may direct specific legal questions to the office of the Secretary of State at 1-800-252-VOTE or www.sos.state.tx.us or the Texas Ethics Commission at 512-463-5800 or www.ethics.state.tx.us.





It is the duty of this office to administer this election process according to both state and local election laws. Our goal is that the election and campaign process should be a positive experience for everyone.

Good luck with your campaign!

Sincerely,
Stephanie Coggins
Stephanie Coggins, TRMC
City Secretary
806-378-3014
Stephanie.coggins@amarillo.gov

Forms and information provided in this packet:

1. Welcome letter from City Manager
2. First Steps for Candidates Running for a City Office
3. A Guide to Becoming a City Official
4. City of Amarillo Charter
5. Candidate Qualifications
6. Important Contact Information and References
7. Organizational Chart
8. City of Amarillo May 3, 2025 Regular Municipal Election Calendar
9. Appointment of a Campaign Treasurer by a Candidate (Form CTA)
10. Appointment of a Campaign Treasurer by a Candidate (Form CTA) Guide
11. Application for a Place on the General Election Ballot
12. Petition for a Place on the Ballot (Form 2-51)
13. Authorization to Release Personal Email Address
14. Code of Fair Campaign Practices (Form CFCP)
15. Texas Ethics Commission 2025 Filing Schedule
16. Campaign Finance Guide for Candidates and Officeholders Who File with Local Filing Authorities
17. Candidate/Officeholder Campaign Finance Report (Form C/OH)
18. Candidate/Officeholder Campaign Finance Report (Form C/OH) Guide
19. Political Advertising – What you need to know
20. Election Code, Title 15, Ch. 255 – Regulating Political Advertising and Campaign Communications
21. Political and Campaign Signs
22. City of Amarillo Campaign Advertising Regulations
23. TML Handbook
24. Texas Town and Country January 2023 article

First Steps for Candidates Running for a City Office

This quick-start guide for candidates seeking a city office is not intended to provide comprehensive information. For more details, including information on political advertising requirements, fundraising rules, and filing schedules, see the Texas Ethics Commission's (TEC) website at www.ethics.state.tx.us.

1. All candidates must file a Campaign Treasurer Appointment (Form CTA).

All candidates must file [Form CTA](#) even if you do not intend to raise or spend any money. [Form CTA](#) is required to be filed before you file an application for a place on the ballot, raise or spend any money for your campaign, or announce your candidacy. File [Form CTA](#) with the city clerk or city secretary, as applicable.

2. Opposed Candidates: Will you accept or spend more than **\$1,080*** for the election?

• YES:

- You do not qualify to file on the modified reporting schedule.
- You are **required** to file pre-election campaign finance reports using [Form C/OH](#) if you have an opponent on the ballot. Find [Form C/OH](#) and its instructions on our "[Local Filers Non-Judicial Candidate/Officeholder](#)" webpage.
- Pre-election reports are due 30 days and 8 days prior to each election. To be timely filed, pre-election reports must be received by the city clerk or city secretary no later than the due date.

• NO:

- You can elect to file on the modified reporting schedule by completing the *Modified Reporting Declaration* on page two of [Form CTA](#). File [Form CTA](#) with the city clerk or city secretary.
- If you elect to file on the modified reporting schedule, you do not have to file pre-election campaign finance reports due 30 days and 8 days prior to the election.
- Exceed \$1,080*: If you elect to file on the modified reporting schedule but later exceed \$1,080 in either contributions or expenditures, what reports you will be required to file depends upon when you exceed \$1,080*.
 - If you exceed \$1,080* on or before the 30th day before the election, you are **required** to file pre-election campaign finance reports due 30 days and 8 days prior to an election using [Form C/OH](#). To be timely filed, pre-election reports must be received by the city clerk or city secretary no later than the due date. Find [Form C/OH](#) and its instructions on our "[Local Filers Non-Judicial Candidate/Officeholder](#)" webpage.
 - If you exceed \$1,080* after the 30th day before the election, you are **required** to file an Exceeded Modified Reporting Limit report using [Form C/OH](#). To be timely filed, this report must be filed with the city clerk or city secretary within 48 hours of exceeding \$1,080.* You must also file the pre-election report due 8 days prior to an election. Find [Form C/OH](#) and its instructions on our "[Local Filers Non-Judicial Candidate/Officeholder](#)" webpage. If you exceed \$1,080* on or before the 8th day before the election, you are **required** to file a pre-election campaign finance report due 8 days prior to an election using [Form C/OH](#). To be timely filed, the pre-election

report must be *received* by the city clerk or city secretary no later than the due date. Find [Form C/OH](#) and its instructions on our “[Local Filers Non-Judicial Candidate/Officeholder](#)” webpage.

3. **Unopposed Candidates.**

If you do not have an opponent whose name will appear on the ballot in the election, you are an unopposed candidate and are not required to file pre-election campaign finance reports prior to that election.

4. **All candidates must file semiannual campaign finance reports ([Form C/OH](#)).**

All candidates are **required** to file semiannual reports using [Form C/OH](#) even if you have no campaign activity or were unsuccessful in the election. Semiannual reports are due on January 15th and July 15th and must be filed with the city clerk or city secretary. To end your filing obligations, you must cease campaign activity and file a Final report using [Form C/OH](#) and attaching Form C/OH-FR (Designation of Final Report). Form C/OH-FR is found on the last page of [Form C/OH](#). Find [Form C/OH](#) and its instructions on our “[Local Filers Non-Judicial Candidate/Officeholder](#)” webpage. For more information, see “[Ending Your Campaign](#)” for local filers.

5. **All candidates can use the TEC’s Filing Application to prepare campaign finance reports ([Form C/OH](#)).**

You can use the TEC’s [Filing Application](#) to prepare a PDF version of your campaign finance report ([Form C/OH](#)). Select “Local Authority” and follow the steps to set up an account and login to the application. Once you have completed your report, print out a copy, add your treasurer information, get it notarized, and file it with the city clerk or city secretary by the appropriate deadline.

6. **Need More Information?**

See the [Campaign Finance Guide for Candidates and Officeholders Who File With Local Filing Authorities](#), forms, instructions, examples on how to disclose contributions and expenditures, political advertising and fundraising guides, and other information you may find useful on our website at www.ethics.state.tx.us under the “Resources” and “Forms/Instructions” main menu items.

***NOTE:** *The \$1,080 threshold is specific to transactions made in 2024.*



A Guide to Becoming a City Official

Updated January 2024

The Texas Municipal League exists to provide support and services to city governments in Texas and is guided by its purpose statement – *Empowering Texas cities to serve their citizens.*

Texas Municipal League
1821 Rutherford Lane, Suite 400
Austin, Texas 78754
512-231-7400
www.tml.org

Table of Contents

Congratulations on Your Decision to File for City Office	3
Leadership Attributes for Councilmembers	3
An Elected Official Wears Many Hats	4
Policymaker	4
Legislator	4
Ambassador	4
Employer	4
Are You Eligible?	5
Filing for a Place on the Ballot.....	5
Texas Ethics Commission Campaign Finance Filings	5
An Introduction to City Government.....	6
Types of City Government.....	6
Forms of Government.....	7
Mayor-Council Structure	7
Council-Manager Structure	7
Basic City Services	7
City Finance.....	8
Ethics and Conflicts of Interest.....	8
Local Government Code Chapter 171 – Conflicts of Interest.....	8
Local Government Code Chapter 176 – Conflicts Disclosure.....	9
Government Code Chapter 553 – Conflicts Disclosure	9
Financial Disclosure for Cities with a Population of 100,000 or More.....	10
Nepotism	10
Dual Office-Holding/Incompatibility.....	10
Open Government.....	11
Texas Open Meetings Act (TOMA).....	11
Texas Public Information Act (TPIA)	12
Open Government Training.....	13
A Basic Glossary of City Government	13
Good Luck	15
Who Belongs to TML?	15
TML Service Statement	15

Congratulations on Your Decision to File for City Office

Serving as an effective city elected official requires dedication, knowledge, and a substantial time commitment, and there are countless reasons why people choose to run for public office. While you may have a very specific reason for seeking a place on the city council, you will be involved in a number of other issues that can have a lasting impact on your city's future. For this reason, becoming a city elected official can be one of the most rewarding experiences of your life. An understanding of your role on the city council—as a member of a team—is critical to your success.

This booklet is designed to familiarize you with the responsibilities of city elected office. Use it as a reference guide during your campaign. Don't hesitate to ask your city manager or city secretary questions about your specific city structure. If you are elected, you may want to seek out the many other resources that help to guide newly elected officials in their new roles.

Material contained in this brochure should not be viewed as a substitute for legal advice or specific information applicable to your city. In addition, if you're serious about your candidacy, you should consider other, more detailed information sources available to you, including:

- attending city council or board of aldermen meetings
- examining your charter, if your city is home rule
- reviewing city ordinances
- the *TML Handbook for Mayors and Councilmembers*

For information on elections, you may get additional information from the city clerk or secretary or the Texas Secretary of State's office. You should also consult your own attorney or familiarize yourself with the requirements of election laws.

Leadership Attributes for Councilmembers

Do you have the necessary leadership attributes to be an effective city leader? At a minimum, successful elected officials must devote a significant amount of time and energy to fulfill a position that answers directly to citizens. Some desirable leadership attributes include:

- a general understanding of city government
- willingness to learn about a wide range of topics
- integrity
- consistency
- confidence
- dedication to the interests of citizens and the community as a whole

- strong communication and team-building skills, including being a good listener
- openness to the thoughts and ideas of others
- being approachable and accessible
- willingness to work cooperatively

An Elected Official Wears Many Hats

Local elected officials have many responsibilities—policymaker, legislator, ambassador, and employer.

The office of mayor is the highest elected office in city government. City councilmembers are the city’s legislators, and their primary role is policymaking. The way administrative responsibilities are handled depends on your city type, with which you should be familiar.

Policymaker

As policymakers, it is the council’s responsibility to identify the needs of the citizens and to formulate a plan to meet those needs. Policymaking is a complicated process but can be simplified if the city council works together as a team and sets goals for the city. It is from the city council’s vision that the administrative staff of the city takes direction and goes about its daily work. The goals of the city should be clear. There are many legal, financial, and administrative considerations to implementing the goals of the city, and without clear direction the effectiveness of the city council can be diminished.

Legislator

Citizens look to the city council to exercise authority to preserve and promote their health, safety, and welfare. A city council may enact ordinances and resolutions and use its governmental powers for the public good. Citizens expect their city council to provide leadership in addressing issues. It is important to show respect for your fellow councilmembers and be willing to discuss issues thoroughly to reach a consensus on the best course of action for all citizens, whatever the issue.

Ambassador

As a member of your city council, you will be invited to participate in a variety of civic activities. These events will provide you with opportunities to learn more about what citizens of your city expect from city government. While not everyone likes this type of public spotlight, it is an important part of your role as a councilmember.

Employer

An understanding of your role as an elected official is vital to your relationship with the city staff. Just as in any productive employer-employee relationship, trust and respect are important. You can learn a great deal about the city from city employees. In many cities, councilmembers come and go, but the city staff continues to serve.

Mayors, Councils, and Boards of Aldermen

The mayor and city council or board of aldermen collectively serve as the governing body for a city and normally possess all legislative powers granted by state law. The positions of both councilmember and alderman have been compared to those of the members of the state legislature and the United States Congress. All these positions require elected officials to represent their constituents, to make policy decisions, to budget for the execution of the policies, and to see that their policies are carried out. Unlike their counterparts in state and federal offices, however, city officials are in direct contact with the citizens they serve on an ongoing basis.

Are You Eligible?

To run for office in a general law city in Texas, you must, among other requirements:

- be a citizen of the United States
- be at least 18 years old on the date of the election
- be a registered voter and have lived in the State of Texas for at least 12 consecutive months prior to the filing date for the election, and in your city or ward for at least six months prior to the filing date for the election
- not have been finally convicted of a felony for which you have not been pardoned or otherwise released from the resulting disabilities

Certain offices and certain city types have additional requirements in state law, so you should be sure to check with both the city and the Texas Secretary of State's Elections Division to ensure that you are eligible. A home rule city may set different requirements in its charter, so check with your city clerk or secretary on whether additional or different requirements apply. The Texas Secretary of State website is at www.sos.state.tx.us.

Filing for a Place on the Ballot

To run for city office, you must file an application with the city clerk or secretary. The application includes information required by the Texas Election Code and must be filed according to deadlines set by that code. A candidate may either file for a place on the ballot or as a write-in candidate, but an application must be filed in either case. A home rule city may also have additional requirements and procedures for filing for a place on the ballot. Your city clerk or secretary can inform you of the rules and deadlines.

Texas Ethics Commission Campaign Finance Filings

State law requires the filing of various forms by a candidate for city office. All candidates for city offices must file an "Appointment of a Campaign Treasurer by a Candidate" form with the city secretary before beginning their campaigns.

Candidates who do not intend to accept more than \$1,080 in political contributions or make more than \$1,080 in political expenditures may file a modified reporting declaration and operate under modified reporting. Under modified reporting, the candidate is not required to file any further forms beyond the final report, which is filed at the end of the campaign. Semiannual reports may still be required in some cases.

Candidates who intend to accept more than \$1,080 in political contributions or make more than \$1,080 in political expenditures, or who exceed that amount even after filing for modified reporting, must file under regular reporting requirements. Reports due under these requirements must be submitted by January 15 and July 15 of each year. The reports filed on these dates are known as semiannual reports.

An opposed candidate in an upcoming city election who is using regular reporting must also file reports of contributions and expenditures 30 days and 8 days before the election. A candidate in a runoff must file a report 8 days before the runoff election. Candidates filing under regular reporting are also required to file a final report at the end of the campaign.

Detailed information on filing is available on the Texas Ethics Commission's website at www.ethics.state.tx.us.

An Introduction to City Government

Elected city officials should have a basic understanding of city government and the duties, authority, and limitations of an elected body. What follows is a brief introduction to a few basic governance issues.

Of course, there is no better way to understand what elected officials do than to attend council meetings. In addition, most cities and towns have advisory boards that are formed to make or recommend policy or quasi-judicial decisions, such as a planning commission or parks and recreation board. Serving on these and other appointed boards is another excellent way to become informed.

Types of City Government

Texas has more than 1,200 incorporated cities; each of them is either a home rule city or a general law city. Home rule cities are larger cities. A city with a population of more than 5,000 in which the citizens have adopted a home rule charter through an election is a home rule city. A home rule charter is the document that establishes the city's governmental structure and provides for the distribution of powers and duties.

General law cities are usually smaller cities. General law cities don't have charters. Rather, they operate according to specific state statutes. A general law city looks to the state constitution and state statutes to determine what it **may do**. If state law

doesn't grant a general law city the express or implied power to initiate a particular action, none may be taken. There are three categories of general law cities: type A, B, or C. If you are seeking office in a general law city, you should ask your city manager or city secretary to clarify the type in order to understand which state laws apply.

As opposed to general law cities, a home rule city operates according to its charter and looks to the state constitution and state statutes to determine what it **may not do**.

Forms of Government

There are two prevalent forms of city government in Texas:

Mayor-Council Structure

- The mayor is the ceremonial head of government and presides over council or board of aldermen meetings.
- The council or board of aldermen sets meetings.
- The council or board of aldermen sets policy.
- Depending on local charter and/or ordinances, applicable statute, or local practice, broad or limited administrative authority is vested with the mayor, members of the council or board of aldermen, an administrator, or designated department heads appointed by the mayor, council, or board of aldermen.

Council-Manager Structure

- The mayor is the ceremonial head of government and presides over council or board of aldermen meetings.
- The council sets policy and hires and fires the manager.
- The city manager normally has broad administrative authority.

Basic City Services

Services provided by cities vary. However, some typical services may include:

- **Public Safety**—police, fire, and sometimes ambulance service
- **Utilities**—water and sewer, trash collection, electric power, and natural gas
- **Land Use**—planning, zoning, code enforcement, and other regulatory activities
- **Transportation**—street construction and maintenance, traffic safety, and sometimes public transit
- **Recreation/Culture**—parks, recreation, libraries, and sometimes cultural facilities
- **Legal**—ordinances protecting the public health, safety, and welfare of the community

City Finance

In budgeting, the governing body makes important decisions about the operation and priorities of the city. Is a swimming pool more important than storm sewers? Does the city need a new library more than it needs extra police personnel? Should the potholes be filled or the street completely rebuilt? Budgeting is a process by which the governing body determines the city's standard of living—what the citizens need and want, what they are willing to pay, and what services they can expect to receive for their tax dollars.

Cities levy specific taxes to finance city services. In addition, many city services are financed in whole or in part by user fees and charges. The following are the most common taxes and fees levied by Texas cities:

- **Property tax**—levied on the valuation of taxable property located within the city
- **Sales tax**—levied on retail sales of tangible personal property and some specific services
- **Right-of-way rental fees**—levied on non-municipally owned utilities (telecommunications, electric, gas, water, cable television)

Finally, cities receive some revenues from various federal and state grant and allocation programs. TML provides a comprehensive guide to all revenue sources available to cities. The guide is called the *TML Revenue Manual for Texas Cities* and is available at www.tml.org.

Ethics and Conflicts of Interest

Various laws govern the behavior of a city official. A brief overview of the most commonly applicable statutes follows.

Local Government Code Chapter 171 – Conflicts of Interest

Definition of “conflict of interest”: A local public official has a conflict of interest in a matter if any action on the matter would involve a business entity or real property in which the official has a substantial interest, and if an action on the matter will result in a special economic effect on the business that is distinguishable from the effect on the public, or in the case of a substantial interest in real property, it is reasonably foreseeable that the action will have a special economic effect on the value of the property, distinguishable from its effect on the public. A local public official is also considered to have a substantial interest if a close relative has such an interest.

General rule: If a local public official has a conflict of interest in regard to a business entity or real property, that official must file an affidavit with the city secretary stating the interest and must abstain from any participation or vote on the

matter.

Exception: If a local public official has a conflict of interest and files an affidavit, the official is not required to abstain from further participation or a vote on the matter if a majority of the members of the governing body also have a conflict of interest and file an affidavit.

Penalties: Penalties for violating the conflict of interest provisions range from having the action voided to the imposition of fines and incarceration.

Local Government Code Chapter 176 – Conflicts Disclosure

Local Government Code Chapter 176 requires that “local government officers”—including mayors, councilmembers, and certain other executive city officers and agents—file a “conflicts disclosure statement” with a city’s records administrator within seven days of becoming aware of any of the following situations:

- A city officer or the officer’s family member has an employment or business relationship that results in taxable income of more than \$2,500 in the preceding 12 months with a person who has contracted with or is considering contracting with the city (“vendor”).
- A city officer or the officer’s family member receives and accepts one or more gifts with an aggregate value of \$100 in the preceding 12 months from a vendor.
- A city officer has a family relationship with a vendor.

The law also requires a vendor to file a “conflict of interest questionnaire” if the vendor has a business relationship with the city and has an employment or other relationship with an officer or officer’s family members, has given a gift to either, or has a family relationship with a city officer. The conflicts disclosure statement and the conflict of interest questionnaire are created by the Texas Ethics Commission and are available online at www.ethics.state.tx.us. An officer who knowingly fails to file the statement commits either a class A, B, or C misdemeanor, depending on the amount of the contract.

Government Code Chapter 553 – Conflicts Disclosure

Government Code Chapter 553 requires that city officers and candidates for city office who have a legal or equitable interest in property that is to be acquired with public funds file an affidavit within 10 days before the date on which the property is to be acquired by purchase or condemnation. The affidavit must be filed with: (1) the county clerk of the county in which the officer or candidate resides; and (2) the county clerk of each county in which the property is located.

A person who fails to file the required affidavit is presumed to have committed a Class A misdemeanor offense if the person had actual notice of the acquisition or intended acquisition of the property.

Financial Disclosure for Cities with a Population of 100,000 or More

Chapter 145 of the Texas Local Government Code requires candidates and elected city officials in cities with a population of 100,000 or more to fill out detailed financial statements to be filed with the city secretary or city clerk.

Nepotism

Definition of “nepotism”: Nepotism is the appointment or employment of a close relative of a city’s “final hiring authority (the city council or city manager, depending on the form of government)” to a paid position with the city.

General rule: A public official, acting alone or as a member of a governing body, generally may not appoint a close relative to a paid position, regardless of the relative’s merit. In addition, a person may not continue to be employed by a city if a close relative is elected to the city council, unless he or she falls under an exception.

Exception: If the employee has been continuously employed by the city for a certain period of time, an employee may remain employed by the city if a close relative is elected to city council.

Exception: The nepotism statute does not apply to cities with fewer than 200 people.

Penalties: Penalties for violating the nepotism provisions include a fine and immediate removal from office.

Dual Office-Holding/Incompatibility

Definition of “dual office-holding” and general rule: The Texas Constitution generally prohibits one person from holding more than one paid public office.

Definition of “incompatibility” and general rule: Texas law prohibits one person from holding two public offices, regardless of whether one or both offices are paid, if one position might impose its policies on the other or subject it to control in some other way. There are three types of incompatibility: (1) “self-appointment” incompatibility prohibits a member of a governing body from being appointed to a position over which the governing body has appointment authority; (2) “self-employment” incompatibility prohibits a member of a governing body from being employed in a position over which the governing body has employment authority; and (3) “conflicting loyalties” incompatibility prohibits one person from holding two

public offices in which the duties of one office might negatively affect the duties of the other office.

Penalties: A person who accepts a prohibited second office automatically resigns from the first office.

Open Government

Before assuming public office, you should become familiar with Texas Open Meetings Act (TOMA) and Public Information Act (PIA). These laws apply to political subdivisions in Texas, including cities, and outline what meetings and information must be open and available to the public.

Texas Open Meetings Act (TOMA)

The Texas Open Meetings Act (TOMA) reflects the policy that public bodies are engaged in the public's business. Consequently, city council or board of aldermen meetings should be open to the public and held only after the public has been properly notified. The TOMA governs how city meetings are conducted. Some general principles follow.

Definition of "meeting": A meeting occurs any time a quorum of the city council discusses public business that is within the city council's jurisdiction, regardless of the location or means of communication (e.g., phone, in person, email).

General rule: Every regular, special, or called meeting of the city council and most boards and commissions (depending on membership and authority) must be open to the public.

Exception: TOMA does not apply to purely social gatherings, conventions and workshops, ceremonial events, press conferences, or candidate forums, so long as any discussion of city business is incidental to the purpose of the gathering, and no action is taken.

Exception: A city may use an online message board that is viewable by the public for city councilmembers to discuss city business. The message board must meet several criteria provided for in TOMA.

Exception: Statutorily authorized executive or "closed" sessions, including deliberations concerning: (1) the value or transfer of real property; (2) specific consultations with the council's attorney; (3) specific personnel matters; (4) economic development; (5) certain security matters; (6) certain information related to emergencies and disasters; (7) a prospective gift or donation; (8) certain competitive matters relating to a city-owned electric or gas utility; or (9) potential items on tests that the council conducts for purposes of licensing individuals to engage in an activity.

To hold an executive session, the governing body must first convene in open session, identify which issues will be discussed in executive session, and cite the applicable exception. All final actions, decisions, or votes must be made in an open meeting.

Agenda: A governmental body must post an agenda that includes the date, hour, place, and subject of each meeting. The agenda must be posted on a physical or electronic bulletin board at city hall in a place readily accessible to the public at all times for at least 72 hours before the meeting. In addition, for cities that have an Internet website, the city must post the city council's agenda 72 hours before the meeting on that website.

Records of meetings: Cities must keep written minutes or recordings of all open meetings, and a certified agenda or recording of all executive/closed meetings, except for closed consultations with an attorney. The minutes must state the subject and indicate each vote, decision, or other action taken, and a city that has a website must post the approved minutes on that website.

Minutes and recording of an open meeting are public records, while certified agendas and recording of a closed meeting are confidential and cannot be released to the public except by court order.

Penalties: Penalties for violating the TOMA range from having the action voided to the imposition of fines and incarceration. Any action taken in violation is voidable and may be reversed in a civil lawsuit. There are four criminal provisions under the TOMA, including:

1. Knowingly engaging in a series of communications of less than a quorum of members discussing city business that will ultimately be deliberated by a quorum of members;
2. Calling or participating in an impermissible closed meeting;
3. Participating in an executive session without a certified agenda or recording; and
4. Disclosing a certified agenda or recording to a member of the public.

Texas Public Information Act (TPIA)

The Texas Public Information Act governs the availability of city records to the public. Some general provisions follow.

Definition of "public information": Public information includes any information that is collected, assembled, or maintained by or for a governmental entity, regardless of the format. Public information can include city-related emails or texts on a city official's personal devices/accounts.

General rule: Most information held by a city is presumed to be public information and must be released pursuant to a written request.

Exceptions: Specific statutory exceptions to disclosure allow certain types of

information to be withheld from the public. Other statutes make certain kinds of information “confidential by law,” meaning that a city must withhold that information from the public. Because there are numerous exceptions, city officials should consult with local counsel immediately on receipt of a request.

Procedure: Any member of the public may request information in writing. A city official is prohibited from inquiring into the requestor’s motives and is generally limited to: (1) releasing the information as quickly as is practicable, but generally not later than ten business days following the request; or (2) requesting an opinion from the Texas attorney general’s office within ten business days of the receipt of the request as to whether the information may be withheld. Recent statutory changes and rulings by the attorney general have granted cities the authority to withhold specified types of confidential information without going through the process of seeking an opinion from the attorney general’s office.

Penalties: Penalties for violating the PIA range from a civil lawsuit against the city or a city official to the imposition of fines and incarceration. There are three general criminal provisions under the PIA, including: (1) refusing to provide public information; (2) providing confidential information; and (3) destroying government information improperly.

Open Government Training

Each elected or appointed member of a governmental body must take at least one hour of training in both the Open Meetings Act and the Public Information Act. For more information, please visit the attorney general’s website at www.texasattorneygeneral.gov.

A Basic Glossary of City Government

Budgeting: Crafting, passing, and following a city budget are among the most important tasks you will perform as a councilmember. Cities cannot make expenditures except in strict accordance with a budget, and they can levy taxes only in accordance with the budget.

Conflicts of Interest: As a councilmember, you are prohibited from voting or deliberating on agenda items that affect your own business, financial interests, or real property. You’ll be required to file an affidavit with the city secretary disclosing the details of your conflict, and that affidavit becomes a public record. Also, you are required to disclose in writing the receipt of any gifts or income from any vendor that does business with the city.

Dual Office-Holding/Incompatibility: Councilmembers cannot hold other paid public offices; in many cases, they cannot hold other unpaid public offices, either. Further, councilmembers can’t take paid jobs with their own city, nor can they

appoint themselves to other posts or positions. Finally, think twice about announcing to run for another public office while you're still a councilmember—you may automatically resign your council seat when you do. Check with your city attorney or the Texas Municipal League before considering any other position or job that might be a problem.

Employment Policies: In general law cities, the final authority on employment decisions typically rests with the council as a whole. In home rule cities, the charter usually determines who makes employment decisions. As a member of the council, you should familiarize yourself with the city's employment policies and periodically consult with your city attorney to ensure the policies are kept up to date.

Government Transparency: The Texas Public Information Act and the Open Meetings Act require access to records and meetings. After a city receives a written request for information under the Public Information Act, it must promptly provide copies or access to information, with limited exceptions. The Texas attorney general generally determines whether information is excepted from disclosure to the public. City councils are required to conduct their meetings in accordance with the Open Meetings Act. City officials are required by law to attend training in both Acts.

Gifts and Donations: Cities are prohibited by the Texas Constitution from giving money or anything of value to a private individual, association, or corporation. The exception to this doctrine is when the city council determines that a donation will serve a public purpose of the city. The decision as to what constitutes a public purpose is left to the discretion of the city council but may be overturned by a court. State law also places strict requirements on what gifts an elected official or candidate may receive. Officials and candidates should review these rules before giving or accepting any gift.

Holdover: The Texas Constitution includes a provision that allows an elected official who is no longer qualified for office to continue to serve until his or her vacancy is filled by a qualified individual. This provision allows a city to continue to conduct business even when it loses one or more councilmembers. However, some disqualifications may prevent the disqualified councilmember from continuing to serve as a holdover, and this issue should be reviewed upon the vacancy being created.

Liability: Councilmembers will generally be held personally liable only for actions taken outside the scope of their duties and responsibilities as members of the governing body. However, the city itself will be potentially liable for actions taken by its councilmembers within the scope of their official duties. (See Tort Claims Act below.)

Meeting: Almost everyone intuitively knows what a meeting is. For example, a regular meeting of a city council, where agenda items are discussed and formal action is taken, is clearly a meeting. However, according to the Texas Open Meetings Act, other gatherings of the members of a governmental body may constitute a

meeting. Generally, any time a quorum is present and city business is discussed, all of the Open Meetings Act requirements, including posting of a notice and preparation of minutes, must be followed.

Quorum: A city council must have a quorum to call a meeting to order and conduct business. The number of councilmembers required to establish a quorum varies by city. A quorum in a general law city is determined by state law, and a quorum in a home rule city is spelled out in the city's charter.

Tort Claims Act: The Texas Tort Claims Act limits governmental liability and provides for damage caps for governmental entities. The Act provides that liability for engaging in 36 specifically enumerated "governmental functions" (such as provision of police and fire protection, maintaining city parks, and other activities one expects of a local government) is limited by statute to \$250,000 for personal injury claims and \$100,000 for property damage claims. The Tort Claims Act does not generally provide for private causes of action against individual councilmembers for the actions of the city government.

Votes by Council: When a council votes on an ordinance or resolution, all that is typically needed to pass the item is a majority of those present and voting. While a quorum is the number needed to conduct a meeting, it is not necessary that a quorum actually vote on each agenda item. Local practices may vary from city to city, however.

Good Luck

We wish you luck in the election. No matter the outcome, you will find the process rewarding and should be proud that you made the decision to offer your time and commitment to the citizens of your city. If you are elected, the Texas Municipal League is here to assist you. Contact us at 512-231-7400 or www.tml.org.

Who Belongs to TML?

Membership in the League is voluntary and is open to any city in Texas. From the original 14 members, TML's membership has grown to more than 1,170 cities. Over 16,000 mayors, councilmembers, city managers, city attorneys, and department heads are member officials of the League by virtue of their cities' participation. Associate memberships are available to private sector organizations and companies that strive to provide quality services to municipal government.

TML Service Statement

In serving its member cities, the League will:

- Represent municipal interests before legislative and administrative bodies.
- Conduct original research in any area of concern to member cities and provide the results of that research to member cities and other interested parties.
- Serve as a repository of literature, analyses, research, and other data

related to all aspects of municipal operations and make that material available to members.

- Sponsor and conduct conferences, seminars, meetings, and workshops for the purpose of studying and exchanging information regarding municipal government.
- Make available an official magazine and other publications, reports, or newsletters of interest to members.
- Secure the assistance of educational institutions for the purpose of gathering, analyzing, and publishing municipal government information, and conducting training and professional development in the field of municipal administration.
- Strive to secure harmonious actions among Texas cities, other governments, and other groups in all matters which affect the rights and duties of the cities of Texas.
- Provide any additional services for which individual members, acting alone, may not have adequate resources.
- Promote the interests of the League's affiliates by providing organizational and technical assistance.
- Promote constructive and cooperative intergovernmental relations by maintaining mutually supportive relationships with groups representing local, state, and regional governments.

See Article V for information specific to elected officials,
including qualifications, terms and elections

CHARTER

Footnotes:

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Editor's note— The editor has retained the original article and section numbers of the Charter adopted on November 18, 1913 and supplied an article number for the group of sections entitled "General Provisions" which is placed at the end of the Charter. The origin of each section is given in a historical citation enclosed in parentheses following each section with the citation of the original charter section followed by the ordinance ordering a charter election and the date of the election for those sections amended.

ARTICLE I

SECTION 1. - CORPORATE NAME

That all the inhabitants of the City of Amarillo in Potter and Randall Counties, Texas, as the boundaries and limits of said City are herein established, and described by metes and bounds in Section 2, hereof, or as the boundaries of said City may hereafter be established, shall be a body politic, incorporated under the laws of the State of Texas, and to be known by the name and style of the 'City of Amarillo' with such powers, rights, and duties as are herein provided, and as may be provided by any amendments to the Charter of the City of Amarillo.

(Char. 11-18-13, Art. 1, § 1; Ord. No. 454, § 1, 11-20-1825, Election 12-21-1925)

SECTION 2. - BOUNDARIES

(a) *As amended December 21, 1925.*

That the boundaries and limits of said corporation shall be as follows:

All of Sections 154, 155, 156, 169, 170, 171, 187, 188, 225 and portions of Sections 137, 138, 157, 168, 172, 185, 186, 189, 226, all of said Sections of land being a part of Block 2, A. B. & M. grant, Potter and Randall Counties, Texas, and a portion of Section 9, Block 9, B. S. & F. grant Potter County, Texas. Said boundary being more particularly described as follows, to-wit:

References to Edgefield Addition, Roy Lindsay Addition, E. B. Sanders tract and McLaughlin tract refer to plats recorded in the Deed Records of Randall County, Texas, and references to Summers Addition, Country Club Addition, Roberts Place, San Jacinto Heights Addition, University Heights Addition, Miller Heights Addition, Amarillo Heights Addition, Tarter Addition, Denver Heights Addition, Famous Heights Park Addition and Glenwood Addition refer to plats recorded in Deed Records of Potter County, Texas.

Beginning at the intersection of the east line of Edgefield Addition to Amarillo, Texas, with the north line of Section 172, Block 2, A. B. & M. Randall County, Texas, which is the northeast corner of Edgefield Addition, which point is approximately 3246.14 feet east of the northwest corner of Section 172, Block 2, A. B. & M., Randall County, Texas;

Thence in a southerly direction along the east line of said Edgefield Addition to the southeast corner of Block 32, Edgefield Addition;

Thence west along the south line of said Edgefield Addition to the southwest corner of Edgefield Addition;

Thence north along the west line of Edgefield Addition to the southeast corner of the Roy Lindsay Addition to Amarillo, Texas, which point is 1320 feet south of the north line of Section 172, Block 2, A. B. & M.;

Thence west along the south line of said Roy Lindsay Addition to the west line of said Section 172;

Thence south 30 feet to a point in west line of said Section 172, which point is 1350 feet south of the northwest corner of Section 172, and is the southeast corner of the E. B. Sanders tract;

Thence west along a line parallel to the north line of Section 185, Block 2, A. B. & M., and 1350 feet from same, for a distance of 1350 feet to a stone corner, which corner is the south west corner of the said E. B. Sanders tract;

Thence north along a line parallel to the east line of said Section 185 and 1350 feet from same for a distance of 30 feet to a point, which point is the southeast corner of the McLaughlin tract of approximately 40 acres;

Thence west along a line parallel to the north line of said section 185 and 1320 feet from same for a distance of 1290 feet to a point, which point is the southwest corner of said McLaughlin tract;

Thence north along a line parallel to the east line of said Section 185 for a distance of 1320 feet to a point in the south line of Section 186, Block 2, A. B. & M., lying in Randall and Potter Counties, Texas;

Thence north along a line parallel to the east line of said Section 186 to a point in the north line of said Section 186 which point is 2640 feet west of the northeast corner of said Section 186;

Thence west along the north line of said Section 186 to the northwest corner of said Section 186, which is also the southwest corner of Section 187, Block 2, A. B. & M., Potter County, Texas;

Thence north along the west line of said Section 187 to the intersection of the west line of Section 187 with the north line of the Chicago, Rock Island & Gulf Railroad right-of-way;

Thence in a southwesterly direction along the north line of the Chicago, Rock Island and Gulf Railroad right-of-way (which is also the South line of the Summers Addition and Country Club Addition to Amarillo, Texas) to the west line of Section 226, Block 2, A. B. & M., Potter County, Texas;

Thence in a southwesterly direction along the north line of the said Chicago, Rock Island & Gulf Railroad right-of-way through a portion of Section 9, Block 9, B. S. & F., Potter County, Texas, to the southwest corner of Block 88, Roberts Place, according to map or plat thereof of record in deed Records of Potter County, Texas, (which point is approximately 2702.4 feet west of the east line of Section 9);

Thence north along the west line of said Roberts Place to the northwest corner of said Roberts Place, which is in the north line of said Section 9, B. S. & F.;

Thence east along the north line of said Section 9 to the northeast corner of said Section 9, which is on the west line of Section 226, Block 2, A. B. & M., Potter County, Texas;

Thence north along the west line of said Section 226 to the northwest corner of said Section 226, which is the southwest corner of Section 225, Block 2, A. B. & M., Potter County, Texas, and being also the southwest corner of San Jacinto Heights Addition to Amarillo, Texas;

Thence north along the west line of said San Jacinto Heights Addition to the northwest corner of said San Jacinto Heights Addition, which is the northwest corner of said Section 225;

Thence east along the north line of said Section 225 to the northeast corner of said San Jacinto Heights Addition which is the northeast corner of said Section 225 and also the southwest corner of Section 189, Block 2, A. B. & M., Potter County, Texas;

Thence north along the west line of said Section 189 to a point 140 feet north of the southwest corner of Block 97, University Heights Addition, to Amarillo, Texas, according to plat thereof of record in Deed Records of Potter County, Texas;

Thence east along a line parallel to North Twentieth Street and 140 feet north of the north line of North Twentieth Street, to the east line of said University Heights Addition to Amarillo, Texas, which is also the east line of said Section 189;

Thence south along the east line of said Section 189 to the northwest corner of Block 47, Miller Heights Addition to Amarillo, Texas, lying in Section 168, Block 2, A. B. & M., Potter County, Texas;

Thence east along the north line of said Miller Heights Addition to the northeast corner of said Miller Heights Addition;

Thence south along the east line of said Miller Heights Addition to the northwest corner of Block 8, Amarillo Heights Addition to Amarillo, Texas, lying in Section 168, Block 2, A. B. & M., Potter County, Texas;

Thence east along the north line of said Amarillo Heights Addition and Tarter Addition to the northeast corner of Block 1, Tartar Addition to Amarillo, Texas, lying in Section 157, Block 2, A. B. & M., Potter County, Texas;

Thence south along the east line of said Tarter Addition to the southeast corner of said Tarter Addition which point is on the north line of Section 156 Block 2, A. B. & M., Potter County, Texas;

Thence east along the north line of said Section 156, to the northeast corner of said Section 156;

Thence south along the east line of said Section 156, to a point 50 feet south of the center line of the Fort Worth & Denver County Railroad main line track (this 50 feet to be measured perpendicular to the center line of the railroad track);

Thence in an easterly direction parallel to the center line of the main line track of the said Fort Worth & Denver City Railroad and 50 feet from same to a point 2190 feet east of the west line of Section 137, Block 2, A. B. & M., Potter County, Texas;

Thence south along a line parallel to the west line of said Section 137 and 2190 feet from same to a point in the south line of said Section 137, which is also the north line of Section 138, Block 2, A. B. & M., Potter County, Texas;

Thence south along a line parallel to the west line of said Section 138 and 2190 feet east of same (which line is also the east line of Nelson Street, Denver Heights Addition to Amarillo, Texas), for a distance of 939.6 varas to a point in the north line of Tenth Street;

Thence east along the north line of Tenth Street to a point in the east line of said Section 138, which point is 939.6 varas south of the northeast corner of said Section 138;

Thence south along the east line of said Section 138 to the southeast corner of said Section 138, which is also the southeast corner of Famous Heights Park Addition to Amarillo, Texas;

Thence west along the south line of said Section 138 to the southwest corner of said Section 138, which is also the northeast corner of Section 154 (or Glenwood Addition to the City of Amarillo, Texas), Block 2, A. B. & M., Potter and Randall Counties, Texas;

Thence south along the east line of said Section 154 (or Glenwood Addition) to the southeast corner of said Section 154, lying in Potter and Randall Counties, Texas;

Thence west along the south line of said Section 154, to the southwest corner of said Section 154, which is also the northeast corner of Section 172, Block 2, A. B. & M., Randall County, Texas;

Thence west along the north line of said Section 172, to its intersection with the west line of the Pecos & Northern Texas Railroad right-of-way, which is also the northeast corner of Edgefield Addition, the place of beginning.

(b) *As amended December 30, 1930.*

The following described territory adjacent to said city shall be included within the territorial limits of said city, to wit:

- (1) Beginning at a point in the west line of Section 189 Block 2 AB&M Survey, Potter County, Texas, which point is 140 feet north of the southwest corner of Block 97, University Heights Addition to Amarillo, Texas;
- Thence north with the west line of said Section 189 to its northwest corner;
- Thence east with the north line of said Section 189 to the southwest corner of Section 167;
- Thence north with the west line of said Section 167 to its northwest corner;
- Thence east with the north line of said Section 167 to its northeast corner;
- Thence south with the east line of said Section 167 to the northeast corner of Section 168;
- Thence continuing south along the east line of said Section 168 to the northeast corner of Amarillo Heights Addition to Amarillo, Texas;
- Thence west with the north line of Amarillo Heights Addition and Miller Heights Addition to the northwest corner of Miller Heights Addition;
- Thence north with the east line of University Heights Addition to a point 140 feet north of the southeast corner of Block 104, University Heights Addition;
- Thence west and parallel with the north line of Section 189 to the point of beginning.
- (2) Beginning at the northeast corner of Section 138;
- Thence south along the east line of said Section 138 939.6 varas to the north line of East Tenth Avenue;
- Thence west along the north line of East Tenth Avenue to the east line of Nelson Street;
- Thence north with the east line of Nelson Street to a point 50 feet south of the center line of the Fort Worth & Denver City Railway, same to be measured perpendicular to said center line;
- Thence in a southeasterly direction and parallel with the center line of the Fort Worth & Denver City Railway and 50 feet south of same to an intersection with the east line of Section 137;
- Thence south with the east line of said Section 137 to place of beginning.
- (3) Beginning at the northwest corner of Section 137;
- Thence east along the north line of said Section 137, to an intersection with the east line (produced northward) of Block 22, Ridgemere Addition;
- Thence south along said east line produced and along the east lines of Ridgemere and Ridgemere Heights Addition and along the east line of Ridgemere Heights Addition produced southward to an intersection with the north line of the C R I & G Ry. R O W.;
- Thence west along the north line of C R I & G Ry. R O W to the north line of the N. E. Third Avenue;
- Thence in a westerly direction along said north line of N. E. Third Avenue, to its intersection with the east line of Section 156;
- Thence north with the east line of said Section 156 to the place of beginning.
- (4) Beginning at the S. W. corner of Section 224, Block 2, AB&M Survey, Potter County, Texas;
- Thence north with the west line of said Section 224, 1136.5 feet to a point;
- Thence east and parallel to the south line of said Section 224 to the east line of said Section 224;

Thence south with the east line of said Section 224 to the S. E. corner of said Section;

Thence west with the south line of Section 224 to the place of beginning.

(5) Beginning at the southeast corner of Section 10, Block 9, BS&F Survey, of Potter County, Texas;

Thence north with the east line of Section 10 to the south line of Bushland Boulevard;

Thence in a southwesterly direction with the south line of Bushland Boulevard to its intersection with the south line of said Section 10;

Thence east with the south line of said Section 10 to the place of beginning.

(6) Beginning at the southeast corner of Section 226, Block 2, AB&M Survey of Potter County, Texas;

Thence west along the south line of said Section 226, a distance of 1200 feet to a point;

Thence north and parallel with the east line of said Section 226 to a point in the north line of Chicago, Rock Island & Gulf Rwy R.O.W.

Thence in a northeasterly direction with the north line of Chicago, Rock Island & Gulf R.O.W. to its intersection with the east line of Section 226;

Thence south with the east line of said Section 226 to the point of beginning.

(7) Beginning at the southwest corner of Edgefield Addition, Amarillo, Texas;

Thence north along the west line of Edgefield Addition to the southeast corner of the Roy Lindsay Addition to Amarillo, Texas, which point is 1320 feet south of the north line of Section 172, Block 2 AB&M;

Thence west along the south line of said Roy Lindsay Addition to the west line of said Section 172;

Thence south 30 feet to a point in west line of said Section 172 which point is 1350 feet south of the northwest corner of Section 172 and is the southeast corner of the E. B. Sanders tract;

Thence west along a line parallel to the north line of Section 185, Block 2 AB&M and 1350 ft. from same for a distance of 1350 feet to a stone corner, which corner is the southwest corner of the same E. B. Sanders tract;

Thence north along a line parallel to the east line of said Section 185 and 1350 feet from same for a distance of 30 feet to a point, which point is the southeast corner of the McLaughlin tract of approximately 40 acres;

Thence west along a line parallel to the north line of said Section 185 and 1320 feet from same for a distance of 1290 feet to a point; which point is the southwest corner of said McLaughlin tract;

Thence south along a line parallel with the east line of said Section 185 a distance of 1320 feet to a point;

Thence east along a line parallel with the north line of said Section 185 to a point in the west line of Section 172;

Thence continuing east with the south line of Forty-First Avenue to a point directly south of the southwest corner of Edgefield Addition;

Thence north 20 feet to the southwest corner of Edgefield Addition, the same being the place of beginning.

(Ord. No. 454, 11-20-1925, Election 12-21-1925; Ord. No. 1340, Par. 1, 11-25-1930; Election 12-29-1930)

Editor's note— The boundary description set out in this section describes all of the lands within the city fixed by the original charter and by amendment to the charter by an election ordered by Ordinance No. 454, 11-20-25 and held December 21, 1925 and an election ordered by Ord. No. 1340, 11-25-30 and held December 29, 1930. In 1947 section 4 of

the charter was adopted, which permits annexation by ordinance. Extensions by ordinance under authority of Art. I, § 4 have been made by the following ordinances: Ord. No. 1726, 12-30-1947; Ord. No. 1756, 6-14-1949; Ord. No. 1776, 12-27-1949; Ord. No. 1780, 5-9-1950; Ord. No. 1785, 6-13-1950; Ord. No. 1807, 3-6-1951; Ord. No. 1831, 8-28-1951; Ord. No. 1836, 9-25-1951; Ord. No. 1853, 12-31-1951; Ord. No. 1875, 4-8-1952; Ord. No. 1883, 5-27-1952; Ord. No. 1905, 9-23-1952; Ord. No. 1907, 9-30-1952; Ord. No. 1960, 9-29-1953; Ord. No. 2013, 9-31-1954; Ord. No. 2038, 4-5-1955; Ord. No. 2062, 9-13-1955; Ord. No. 3002, 7-10-1956; Ord. No. 3008, 9-4-1956; Ord. No. 3039, 4-16-1957; Ord. No. 3064, 10-22-1957; Ord. No. 3104, 4-29-1958; Ord. No. 3105, 4-29-1958; Ord. No. 3126, 9-23-1958; Ord. No. 3127, 9-23-1958; Ord. No. 3137, 10-28-1958; Ord. No. 3138, 11-4-1958; Ord. No. 3165, 4-7-1959.

The boundaries are recorded on the official map in the office of the city engineer and on a map in the office of the city secretary and are described by metes and bounds by the ordinances on file in the office of the city secretary.

SECTION 3. - PLATTING OF PROPERTY

That should any property lying within or adjacent to the City limits, as established by this Charter, be here after platted into blocks and lots, the owners of said property shall plat and lay the same off to conform to the streets and alleys, abutting on same, and shall file with the Mayor a correct map thereof, provided, that in no case shall the City of Amarillo be required to pay for any of said streets or alleys, at whatever date opened, but when opened by reason of the platting of said property, at whatever date platted, they shall become, by such act, the property of the City of Amarillo, for use as public highways.

(Char. 11-18-13, Art. 1, § 3)

SECTION 4. - ANNEXATION

In accordance with procedures prescribed by state law as amended, the City Council shall have the power, by ordinance, to fix the boundary limits of the City of Amarillo; and to provide for the alteration and the extension of said boundary limits, and the annexation of additional territory lying adjacent to the City, with or without the consent of the territory and inhabitants annexed for full or limited purposes. Upon the final passage of any such ordinance, the boundary limits of the City shall thereafter be fixed in such ordinance; and when any additional territory has been so annexed, the same shall be a part of the City of Amarillo, and the property situated therein shall bear its pro rata part of the taxes levied by the City, and the inhabitants thereof shall be entitled to all the rights and privileges of all the citizens, and shall be bound by the acts, ordinances, resolutions and regulations of the City.

(Char. 11-18-13, Art. 1, § 4; Ord. No. 1717, § 3, 8-19-1947, Election 9-23-1947; Res. No. 11-13-13-1, § 1, 11-13-13, Election 11-5-2013)

ARTICLE II

SECTION 1. - CORPORATE POWERS

The City of Amarillo, made a body politic and corporate by the legal adoption of this Charter, shall have perpetual succession, may use a common seal, may sue and be sued, may contract and be contracted with, implead and be impleaded in all courts and places and in all matters whatever; may take, hold and purchase lands, within or without the City limits, as may be needed for the corporate purposes of said City and may sell any real estate or personal property owned by it; perform and render all public services and when deemed expedient, may condemn property for corporate use

and may hold, manage and control the same, and shall be subject to all the duties and obligations now pertaining to or incumbent upon said City as a corporation, not in conflict with the provisions of this Charter, and shall enjoy all the rights, immunities, powers, privileges and franchises now possessed by said City and herein conferred and granted.

(Char. 11-18-13, Art. 2, § 1)

SECTION 2. - POWERS OF ORDINANCE

The City of Amarillo shall have the power to enact and enforce all Ordinances necessary to protect health, life and property; and to prevent and summarily abate and remove all nuisances; and to preserve and enforce the good government, order and security of the City and its inhabitants; and to enact and enforce Ordinances on any and all subjects, provided that no Ordinance shall be enacted inconsistent with the provisions of this Charter, or the General Laws or Constitution of the State of Texas.

(Char. 11-18-13, Art. 2, § 2)

SECTION 3. - STYLE OF ORDINANCES

The style of all Ordinances of the City of Amarillo shall be: "Be it ordained by the City Council of the City of Amarillo," but the same may be omitted when published in book or pamphlet form purporting to be published by the City of Amarillo.

(Char. 11-18-13, Art. 2, § 3; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 4. - REAL ESTATE, ETC., OWNED BY THE CITY

All real estate owned in fee simple title, or held by lease, sufferance, easement or otherwise; all public buildings, fire station, park, streets and alleys; and all property whether real or personal, of whatever kind, character or description now owned or controlled by the City of Amarillo, shall vest in, inure to, remain and be the property of said City of Amarillo.

(Char. 11-18-13, Art. 2, § 4)

SECTION 5. - ACQUISITION OF PROPERTY

The City of Amarillo shall have the power and authority to acquire by purchase, gift, devise, deed, condemnation or otherwise any character of property including any charitable or trust fund.

(Char. 11-18-13, Art. 2, § 5)

SECTION 6. - PUBLIC PROPERTY EXEMPT FROM EXECUTIONS

Said City shall have the power to provide that no public property or any other character of property owned or held by said city shall be subject to any execution of any kind or nature.

(Char. 11-18-13, Art. 2, § 6)

SECTION 7. - CITY FUNDS NOT SUBJECT TO GARNISHMENT

Said City shall have the power to provide that no funds of the City shall be subject to garnishment and that the City shall never be required to answer in any garnishment proceedings.

(Char. 11-18-13, Art. 2, § 7)

SECTION 8. - EXEMPTION FROM LIABILITY FOR DAMAGES

Said City shall have the power to provide for the exemption of said City from liability on account of any claim for damages to any person or property, or to fix such rules and regulations, governing the City's liability, as may be deemed advisable and allowed by applicable law.

(Char. 11-18-13, Art. 2, § 8; Res. No. 11-13-13-1, § 1, 11-13-13, Election 11-5-2013)

SECTION 9. - RIGHT OF EMINENT DOMAIN

- (a) Said City shall have the right of eminent domain and the power to appropriate private property for public purposes whenever the governing authority shall deem it necessary; and to take any private property within or without the City limits for any of the following purposes, to-wit:

City Halls, Police Stations, Jails, Calabooses, Fire Stations and Fire Alarm Systems, Libraries, Hospitals, Sanitariums, Auditoriums, Market Houses, Reformatories, Abattoirs, Streets, Alleys, Parks, Highways, Playgrounds, Sewer Systems, Storm Sewers, Sewage Disposal Plants, Filter Beds, Emptying Grounds for Sewer Systems, Drainage, Water Supply Sources, Wells, Water and Electric Light and Power Systems, Street Car Systems, Telephone and Telegraph Systems, Gas Plant and Gas Systems, Cemeteries, Crematories, Prison Farms, Pest Houses, and to acquire lands, within or without the City for any other municipal purposes that may be deemed advisable. The power herein granted for the purpose of acquiring private property shall include the power of improvement and enlargement of Water Works, including Water Supply, Riparian Rights, Stand Pipes and Water-sheds and the construction of Supply Reservoirs.

- (b) That in all cases wherein the City exercises the power of eminent domain, it shall be controlled as nearly as practicable, by the laws governing the condemnation of property by railroad corporations in this State; the City taking the position of the railroad corporation in any such case, or as otherwise provided by applicable state law as amended.

(Char. 11-18-13, Art. 2, § 9; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 10. - OWNERSHIP OF PUBLIC UTILITIES

Said City shall have the power to buy, own or construct, and to maintain and operate within or without the City limits complete Water System or Systems, Gas or Electric Lighting or Power Plant or Plants, Telephone Systems, Street Railways, Sewer Systems, Sewage Plants, Fertilizing Plants, Abattoirs, Municipal Railway Terminals, or any other public service utility, and to demand and receive compensation for services furnished by the City for private purposes or otherwise, and to have the power to regulate by Ordinance, the collection of compensation for such services. That said City shall have the power to acquire by lease, purchase or condemnation, the property of any person, firm or corporation, now or hereafter conducting any such business, for the purpose of operating such public utility or utilities and for the purpose of distributing such service throughout the City, or any portion thereof.

(Char. 11-18-13, Art. 2, § 10)

SECTION 11. - FUNDS FOR THE ACQUISITION OF ANY PUBLIC UTILITY; SECURITY OF SAME, ETC.

That should the City determine to acquire any public utility by purchase, condemnation or otherwise, as herein provided, said City shall have the power to obtain funds for the purpose of acquiring said public utility and paying the compensation therefore by issuing bonds or notes, or other evidence of indebtedness, and shall secure the same by fixing a lien upon the property constituting the public utility so acquired and said security shall apply alone to said property so pledged.

(Char. 11-18-13, Art. 2, § 11)

SECTION 12. - MANUFACTURE OR PURCHASE OF PUBLIC UTILITY PRODUCTS

Said City shall have the authority to manufacture its own electricity, gas or anything else that may be needed or used by it or the public; to make contracts with any person, firm or corporation for the purchase of gas, water, electricity or any other commodity or articles used by it or the public, and to sell same to the public as may be determined by the governing authority.

(Char. 11-18-13, Art. 2, § 12)

SECTION 13. - RIGHT TO OPERATE AND MAINTAIN PUBLIC UTILITIES ACQUIRED, EXCLUSIVE

In the event said City shall acquire by purchase, gift, devise, deed, condemnation or otherwise, any Water-works Systems, Electric Light or Power System, Gas System, Street Railway System, Telephone System or any other public service utility to operate and maintain for the purpose of serving the inhabitants of said City, the right to operate and maintain such public service utility, so acquired, shall be exclusive.

(Char. 11-18-13, Art. 2, § 13)

SECTION 14. - RIGHT TO REGULATE CHARGES, ETC., OF HOLDER OF FRANCHISE OR PRIVILEGE

Said City shall have the power to determine, fix and regulate the charges, fares and rates of any person, firm or corporation exercising or that may hereafter exercise any right of franchise or public privilege in said City and to prescribe the kind of service to be furnished, the equipment to be used, the manner in which service shall be rendered and to change such regulation from time to time, that in order to ascertain all of the facts necessary for a proper understanding of what is or should be reasonable rate or regulation, the governing authority shall have full power to inspect the books and other records of such person, firm or corporation and compel the attendance of witnesses for such purpose; provided that in adopting such regulations and in fixing or changing such compensation no stock or bond authorized or issued by any person, firm or corporation exercising such franchise or privilege shall be considered unless proof be made that the same has been actually issued by such person, firm or corporation for money, or its equivalent, paid and used for the development of the property under investigation.

(Char. 11-18-13, Art. 2, § 14)

SECTION 15. - STREET POWERS

- (a) The City of Amarillo shall have power to cause to be improved any highway, within its limits by filling, grading, raising, paving, re-paving, and repairing in a permanent manner, and by constructing, reconstructing, repairing and realigning curbs, gutters and sidewalks, and by widening, narrowing and straightening, and by constructing

appurtenances and incidentals to any such improvements, including drains and culverts, which power shall include that of causing to be made any one or more of the kinds or classes of improvements herein named, or any combination thereof, or of parts thereof.

- (b) Whenever the term "highway" is used herein it shall include any street, avenue, alley, highway, boulevard, drive, public place, square, or any portion of portions thereof, including any portion that may have or may be left wholly or partly unimproved in connection with other street improvements heretofore or hereafter made.

The term "improve" or "improvements" when used herein shall include the kinds and classes or improvements, with incidentals and appurtenances thereto, and any portions or combinations thereof, or of parts thereof, hereinabove mentioned, liberally construed.

Whenever the term "cost" or "costs of improvements" or similar terms are used herein, the same shall include expenses of engineering and other expenses incident to construction of improvements, in addition to the other costs of improvements.

- (c) The governing body of the City of Amarillo shall have power to determine the necessity for, and to order, the improvement of any highway, highways, or parts thereof within said City of Amarillo, and to contract for the construction of such improvements in the name of said City and to provide for the payment of the cost of such improvements by said City, or partly by the City and partly by assessments as hereinafter provided.
- (d) The cost of such improvements may be wholly paid by the City of Amarillo, or partly by the City and partly by property abutting upon the highway or portion thereof ordered to be improved and the owners of such property; but if any part of the cost is to be paid by such abutting property and the owners, then before any such improvements are actually constructed, and before any hearing herein provided for is held, the governing body shall prepare, or cause to be prepared, an estimate of the cost of such improvements, and in no event shall more than all the cost of constructing, reconstructing, repairing and realigning curbs, gutters, and sidewalks, and nine-tenths of the remaining cost of such improvements as shown on such estimate be assessed against such abutting property and owners thereof.
- (e) If improvements be ordered constructed in any part of the area between and under rails, tracks, double tracks, turn-outs and switches, and two feet on each side thereof, of any railway, street railway, or interurban, using, occupying, or crossing any such highway, portion or portions thereof, ordered improved, then the governing body shall have power to assess the whole cost of the improvements in such area against such railway, street railway, or interurban, and shall have power, by Ordinance, to levy a special tax upon such railway, street railway, or interurban, and its roadbed, ties, rails, fixtures, rights and franchises, which tax shall constitute a lien thereon superior to any other lien or claim except State, County, and City ad valorem taxes, and which may be enforced either by sale of said property in the manner provided by law for the collection of ad valorem taxes by the City, or by suit in any court having jurisdiction.

The Ordinance levying such tax shall prescribe the time, terms and conditions of payment thereof, and the rate of interest, not to exceed eight percent (8 percent) per annum, and same, if not paid when due, shall be collectible, together with interest, expenses of collection and reasonable attorneys fees if incurred.

The governing body of the City of Amarillo shall have power to cause to be issued assignable certificates in evidence of any such assessments as hereinafter provided.

- (f) Subject to the terms hereof, the governing body of the City of Amarillo shall have power by Ordinance to assess all the cost of constructing, reconstructing, repairing and realigning curbs, gutters and sidewalks, and not exceeding nine-tenths of the estimated cost of such improvements, exclusive of curbs, gutters, and sidewalks,

against property abutting upon the highway or portion thereof ordered to be improved, and against the owners of such property, and to provide the time, terms and conditions of payments and defaults of such assessments, and to prescribe the rate of interest thereon, not to exceed eight percent (8 percent) per annum.

Any assessments against abutting property shall be a first and prior lien thereon from the date the improvements are ordered, and shall be a personal liability and charge against the true owners of such property at said date, whether named or not.

The governing body of the City of Amarillo shall have power to cause to be issued in the name of the City of Amarillo assignable certificates in evidence of assessments levied declaring the lien upon the property and the liability of the true owners thereof, whether correctly named or not, and to fix the terms and conditions of such certificates.

If any such certificate shall recite substantially that the proceedings with reference to making the improvements therein referred to have been regularly had in compliance with the law and that all prerequisites to the fixing of the assessment lien against the property described in said certificate and the personal liability of the owner of owners thereof have been performed, same shall be prima facie evidence of all the matters recited in said certificate, and no further proof thereof shall be required.

In any suit upon any assessment or reassessment in evidence of which a certificate may be issued under the terms hereof, it shall be sufficient to allege the substance of the recitals in such certificate, and that such recitals are in fact true, and further allegations with reference to the proceedings relating to such assessment or reassessment shall not be necessary.

Such assessments shall be collectible with interest, expense of collections, and reasonable attorneys' fee, if incurred, and shall be a first and prior lien on the property assessed, superior to all other liens and claims except State, County and City ad valorem taxes, and shall be personal liability and charge against the owners of the property assessed.

- (g) The part of the cost of improvements on each portion of highway ordered improved which may be assessed against abutting property and owners thereof shall be apportioned among the parcels of abutting property and owners thereof, in accordance with the Front Foot Plan or Rule, provided that if the application of this rule would, in the opinion of the governing body of the City of Amarillo, in particular cases, result in injustice or inequality it shall be the duty of said body to apportion and assess said costs in such proportion as it may deem just and equitable, having in view the special benefits in enhanced value to be received by such parcels of property and owners thereof, the equities of such owners, and the adjustment of such apportionment so as to produce a substantial equality of benefits received and burdens imposed.
- (h) Nothing herein shall empower the City of Amarillo, or its governing body, to fix a lien against any interest in property exempt, at the time the improvements are ordered, from the lien of special assessments for street improvements, but the owner or owners of such property shall nevertheless be personally liable for any assessment in connection with such property. The fact that any improvement, though ordered, is omitted in front of property, any interest in which is so exempt, shall not invalidate the lien or liability of assessments made against other property.

The lien created against any property and the personal liability of the owner or owners thereof may be enforced by suit in any court having jurisdiction, or by sale of the property assessed in the same manner as may be provided by law or Charter in force in the City of Amarillo for sale of property for ad valorem city taxes.

- (i) No assessment herein provided for shall be made against any abutting property or its owners, nor against any railway, street railway or interurban, or owner, until after notice, and opportunity for hearing as herein provided, and no assessment shall be made against any abutting property or owners thereof in excess of the special benefits of such property, and its owners in the enhanced value thereof by means of such improvements as determined at such hearing.

Such notice shall be as provided by applicable state law or in the absence of such law, by advertisement inserted at least three times in some newspaper published in and of general circulation in the City of Amarillo, the first publication to be made at least ten days before the date of the hearing.

If any such notice shall describe in general terms the nature of the improvements for which assessments are proposed to be levied, and to which such notice relates, shall state the highway, highways, portion or portions thereof, to be improved, shall state the estimated amount or amounts per front foot proposed to be assessed against the owner or owners of abutting property, and such property on each highway or portion, with reference to which hearing mentioned in the notice is to be held, and shall state the estimated total cost of the improvements on each such highway, portion or portions thereof, and if the improvements are to be constructed in any part of the area, between and under rails, tracks, double tracks, turn-outs, and switches, and two feet on each side thereof of any railway, street railway, or interurban, shall also state the amount proposed to be assessed therefore, and shall state the time and place at which such hearing shall be held, then such notice shall be sufficient, valid and binding upon all owning or claiming such abutting property, or any interest therein, and upon all owning or claiming such railway, street railway, or interurban, or any interest therein.

Such hearing shall be by and before the governing body of the City of Amarillo, and all owning any such abutting property, or any interest therein, and all owning any such railway, street railway, or interurban or any interest therein shall have the right, at such hearing, to be heard on any matter as to which hearing is a constitutional prerequisites to the validity of any assessments authorized hereby, and to contest the amounts of the proposed assessments, the lien and liability thereof, and special benefits to the abutting property and owners thereof by means of the improvements for which assessments are to be levied, the accuracy, the sufficiency, regularity, and validity of the proceedings and contract in connection with such improvements and proposed assessments, and the governing body of the City of Amarillo shall have power to correct any errors, inaccuracies, irregularities, and invalidities, and to supply any deficiencies and to determine the amounts of the assessments and all other matters necessary and by Ordinance to close such hearing and levy such assessments before, during or after the construction of such improvements, but no part of any assessment shall be made to mature prior to acceptance by the City of Amarillo of improvements for which assessment is levied.

Any one owning or claiming any property assessed, or any interest therein, or any railway, street railway, or interurban assessed, or any interest therein who shall desire to contest any such assessment on account of the amount thereof, or any inaccuracy, irregularity, invalidity, or insufficiency, of the proceeding, or contract with reference thereto, or with reference to such improvements, or on account of any matter or thing not in the discretion of the governing body of the City of Amarillo shall have the right to appeal therefrom and from such hearing by instituting suit for that purpose, in any court having jurisdiction within fifteen (15) days, from the time such assessment is levied; and any one who shall fail to institute said suit, within such time, shall be held to have waived every matter which might have been taken advantage of at such hearing and shall be barred and estopped from in any manner contesting or questing such assessment, the amount, accuracy, validity, regularity, and sufficiency thereof, and of the proceedings and contract with reference thereto and with reference to such improvement for or on account of any matter whatsoever, and the only defense to any such assessment in any

suit to enforce the same, shall be that the notice of hearing was not published or did not contain the substance of one or more of the requisites therefore herein prescribed, or that the assessments exceed the amount of the estimate, and no words or acts of any officer or employee of the City of Amarillo, or member of the governing body of the City of Amarillo other than the action of the governing body of Amarillo shown in its written proceedings and records shall in any way affect the force and effect of the provisions hereof.

- (j) The governing body of the City of Amarillo shall have power to provide for changes in plans, methods, or contracts for improvements, or other proceedings relating thereto, but any change substantially affecting the nature or quality of any improvements shall only be made when it is determined by two-thirds vote of the governing body of the City of Amarillo, that it is not practical to proceed with the improvements as theretofore provided for, and if any such substantial change be made after any hearing has been ordered or held, then unless the improvements be abandoned altogether, a new estimate of cost shall be made and a new hearing ordered, and held, and new notices given, all with like effect and in like manner as herein provided for original notices and hearing.

Changes in or abandonment of improvements must be with the consent of such person, firm, or corporation as may have contracted with the City of Amarillo for the construction thereof.

If any such contract has been entered into, and in case of abandonment of any particular improvement an Ordinance shall be passed which shall have the effect of canceling any assessments theretofore levied therefor, and all other proceedings relating thereto.

- (k) Assessments against several parcels of property may be made in one assessment when owned by the same person, firm or corporation, or estate, and property owned jointly by one or more persons, firms or corporations, may be assessed jointly.
- (l) Said governing body of the City of Amarillo shall have power to carry out all of the terms and provisions hereof, and to exercise all the powers hereof, either by resolution, motion, order, or Ordinance, except where Ordinance is specifically prescribed, and such governing body of the City of Amarillo shall have the power to adopt, either by resolution or Ordinance, and all rules or regulations appropriate to the exercise of such powers, the method and manner of ordering and holding such hearings, and the giving of notices thereof.
- (m) In case any assessment shall for any reason whatsoever be held or determined to be invalid, or unenforceable, then the governing body of said City is empowered to supply such deficiency in proceedings with reference thereto and correct any mistake or irregularity in connection therewith and at any time to make and levy reassessments, after notice and hearing as nearly as possible in the manner herein provided for original assessments, and subject to the provisions hereof with reference to special benefits. Recitals in certificates issued in evidence of reassessments shall have the same force as provided for recitals in certificates relating to original assessments.
- (n) Any one owning or claiming any property or interest in any property against which such reassessment is levied, shall have the same right of appeal as herein provided, in connection with original assessments, and in the event of failure to appeal within fifteen days from the date of such reassessment, the provisions hereinabove made with reference to waiver, bar, estoppel, and defense shall apply to such reassessment.
- (o) It is the intention and purpose hereof to write into and make a part of the Charter of the City of Amarillo, the powers, terms and provisions of applicable state law as amended, and the powers, terms and provisions hereof shall exist, be in force and may be exercised, as alternative to and independently of any other powers, terms and

provisions, of the Charter of the City of Amarillo, with amendments thereto, and which in any wise relate to the same subject matter.

- (p) Should any section, provision, word, phrase, or clause of this amendment be held to be invalid, unconstitutional, or inoperative, no other part or parts thereof, shall be held to be affected thereby.

(Char. 11-18-13, Art. 2, § 15; Ord. No. 1370, 3-5-31; Election 4-7-31; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 16. - CONSTRUCTION OF SIDEWALKS AND CURBS

Said City shall have the power to provide for the construction and building of sidewalks, and to charge the entire cost of the construction of said sidewalks, including curb, against the owner of the abutting property and to make a special charge against the owner for such cost, and to provide by special assessments a lien against such property for such cost.

(Char. 11-18-13, Art. 2, § 16)

SECTION 17. - SIDEWALKS, IMPROVEMENTS, DEFECTIVE, MAY BE DECLARED A NUISANCE

Said City shall have the power to provide for the construction, improvement or repair of any such sidewalks, or the construction of any such curb, by penal Ordinance, and to declare defective sidewalks to be a public nuisance.

(Char. 11-18-13, Art. 2, § 17)

SECTION 18. - FRANCHISE FOR USE OF STREETS

- (a) Said City shall have the power and authority to grant franchises for the use and occupancy of streets, avenues, alleys and any and all public grounds belonging to or under control of the City. No telegraph, telephone, electric light or power, street railway, interurban railway, steam railway, gas company, water-works, water systems, or any other character of public utility shall be granted any franchise or permitted the use of any street, avenue, alley, highway or grounds of the City without first making application to and obtaining the consent of the governing authorities thereto, expressed by Ordinance, and upon paying such compensation as may be prescribed, and upon such conditions as may be provided for by such Ordinance, and before such Ordinance proposing to make any grant or franchise or privilege to any applicant to use or occupy any street, alley, or any public ground belonging to or under control of the City, shall become effective. Publication of said Ordinances as finally proposed to be passed, shall be made in some newspaper published in the City of Amarillo, once a week for three (3) consecutive weeks which publication shall be made at the expense of the applicant desiring said grant and said proposed Ordinance shall not be thereafter changed unless again republished as in the first instance, nor shall any such Ordinance take effect or become a law or contract or vest any rights in the applicant therefore, until after the expiration of thirty (30) days from the last publication of said Ordinance, as aforesaid.
- (b) Pending the time such Ordinance may become effective, it is hereby made the duty of the governing authority of the City to order an election if requested so to do by written petition signed by at least ten (10) percent of the registered voters within the City as determined by the number of votes cast in the last regular municipal election; at which election such voters shall vote for or against the proposed grant, as set forth in detail by the Ordinance conferring the rights and privileges upon the applicant therefore.
- (c) Such election shall be ordered after filing said petition in accordance with applicable state law, and if at said election the majority of votes cast shall be for granting of such franchise or privilege, said Ordinance and the making of said proposed grant shall thereupon become effective, but if a majority of votes cast at said election

shall be against the granting of such franchise or privilege, such Ordinance shall be ineffective and the making of such proposed grant be null and void.

(Char. 11-18-13, Art. 2, § 18; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 19. - PUBLIC WORKS IMPROVEMENTS

Said City shall have the power to open, extend, straighten and widen any public street, avenue or alley and for such purpose to acquire the necessary land, by purchase or condemnation, and to provide that the cost of improving any such streets, avenues, or alleys by opening, extending, straightening or widening the same shall be paid by the owner of the property lying in the territory of such improvement and which is specially benefited thereby, and to provide that the cost shall be charged, by special assessment against such owner and his property for the amount due by him, and three (3) special commissioners shall be appointed by the County Judge of Potter County, Texas, for the purpose of condemning said land and apportioning said cost, and such apportionment shall be specially assessed by the governing authority of said City against the owners and their property lying in the territory so found by said special commissioners to be specially benefited in enhanced value, and said City may issue assignable certificates for the payment of any such cost against such property owner and his property, and may provide for the payment thereof in deferred payments, which deferred payments shall bear interest at the rate of not exceeding eight (8) percent annum. Said City shall pay such portion of such cost as may be determined by said special commissioners, to be due by it; provided the cost paid by the City shall never exceed one-third ($\frac{1}{3}$) of the cost of such improvement.

(Char. 11-18-13, Art. 2, § 19)

SECTION 20. - ALTERING STREETS, OBSTRUCTIONS, ENCROACHMENTS, ETC.

Said City shall have the power to control, regulate, and remove all obstructions, encroachments and encumbrances on any public street, avenue or alley and to narrow, alter, widen, straighten, vacate, abandon and close same; provide for sprinkling and cleaning same, and to regulate and control the moving of buildings and structures of every kind and character upon and along the same.

(Char. 11-18-13, Art. 2, § 20)

SECTION 21. - PARKS, PLAYGROUNDS, ETC.

Said City shall have exclusive control over all city parks, and playgrounds and to control, regulate and remove all obstructions and prevent all encroachments thereupon; and to provide for the raising, grading, filling, terracing, landscape gardening, erecting buildings, providing amusements therein, for establishing walks and paving drive ways around, in and through said parks, play-grounds and other public grounds.

(Char. 11-18-13, Art. 2, § 21)

SECTION 22. - PEACE AND GOOD ORDER

- (a) Said City shall have the power to define all nuisances, prohibit the same within the City and outside the City limits for a distance of five thousand (5,000) feet;
- (b) To police all parks, grounds, speed-ways, streets, avenues, and alleys owned by said City, within or without the City limits;
- (c)

To prohibit the pollution of all sources of water supply of said City, and to provide for the protection of water sheds;

- (d) To provide for the inspection of dairies, cows and dairy herds, slaughter pens and slaughter houses and abattoirs, within or without the City limits from which meat, milk, butter or eggs from same are furnished to the inhabitants of said City; and to provide for the inspection of meat markets, grocery stores, drug stores, confectioneries, fruit stands, ice cream factories, laundries, bottling plants, hotels, restaurants and bakeries; the source, storage and distribution of water, and all other places where food or drinks for human consumption are manufactured, handled, sold or exposed for sale; and to regulate and inspect the character and standard of such articles of food and drink so sold or offered for sale.
- (e) To provide for the inspection and regulation of the sanitary condition of all premises and vacant lots within the City limits; for the removal of garbage, night soil, refuse and unsanitary vegetation; to provide for establishing a lien against the property for any expenses incurred by the City in enforcing this provision and further to provide for the making and enforcing of all proper and reasonable regulations, for the health and sanitation of said City and its inhabitants;
- (f) To provide for a health department and the establishment of rules and regulations protecting the health of the City; the establishment of quarantine stations, pest houses and hospitals and to provide for the adoption of necessary quarantine laws to protect the inhabitants against contagious and infectious diseases;
- (g) To provide for a sanitary sewer system and for the maintenance thereof; to require property owners to make connection to such sewers with their premises and to provide for fixing a lien against any property owner's premises who fails or refuses to make sanitary sewer connections and to charge the cost against the said owner and make it a personal liability, and to fix penalties for failure to make sanitary sewer connections;
- (h) To require property owners, their agents and lessees to remove within a reasonable length of time ice, slush, snow and other debris from sidewalks fronting on property owned, occupied or controlled by such owner, agent or lessee and to require such owner, agent or lessee to remove all low hanging limbs from trees adjacent to sidewalks in said City;
- (i) To prohibit the driving of herds of horses, mules, cattle, hogs, sheep, goats and all herds of domestic animals along or upon the streets, avenues or alleys of said City;
- (j) To establish and to regulate public grounds and to regulate, restrain and prohibit the running at large of horses, mules, cattle, sheep, swine, goats, geese, chickens, pigeons, ducks and all other domesticated animals and fowls and to authorize the restraining, impounding and sale of the same for the cost of the proceedings and the penalty incurred, and to order their destruction when they cannot be sold and to impose penalties upon the owner thereof for the violation of any Ordinances regulating or prohibiting the same, and to tax, regulate, restrain and prohibit the running at large of dogs and to authorize their destruction and impose penalties on the owners or keepers thereof;
- (k) To prohibit the inhumane treatment of animals and provide punishment therefore;
- (l) To prohibit and restrain the flying of kites, fire-arms, firecrackers, rolling of hoops, and the use of velocipedes, bicycles and skates or the use and practice or any amusements on the streets or sidewalks to the annoyance of pedestrians or persons using such streets or sidewalks, and to restrain, regulate and prohibit the ringing of bells or blowing of horns, bugles and whistles, crying of goods and all other noises, practices and performances tending to the collection of persons in the streets or tending, unnecessarily to interfere with the peace and quietude of the inhabitants of said City; and to suppress and regulate all unnecessary noises;
- (m) To license any lawful business, occupation or calling that is susceptible to the control of the police power, and to license, regulate, control or prohibit the erection of signs or bill-boards;

- (n) To license, tax and regulate or suppress and prevent hawkers, peddlers and pawnbrokers;
- (o) To license, tax and regulate the charges of fares made by any person, firm or corporation, owning, operating or controlling any vehicle operated for the carriage for passengers or freight for hire, on the public streets of the City;
- (p) To regulate the operation of railway trains and street cars operated on, along or across the streets, avenues or alleys of said City; to license and control the operation of automobiles, motorcycles, taxicabs, busses, cabs and carriages and all character of vehicles using the public streets and to regulate the use and occupancy of the streets by any such vehicles;
- (q) To provide for the regulation and control of plumbers and plumbing works and secure efficiency in the same;
- (r) To provide for the inspection of weights, measures and meters and fix a standard of such weights, measures and meters and require conformity to such standards and provide penalties for failure to use or conform to the same, and to provide for inspection fees;
- (s) To provide for the issuance of permits for erecting all buildings, for the inspection of the construction of all buildings in respect to proper wiring for electric lights and other electric appliances, piping for gas flues, chimneys, plumbing and sewer connections, and to enforce proper regulations in regard thereto;
- (t) To provide for the establishment and maintaining a public library;
- (u) To provide for the establishment and designation of fire limits; to prescribe the kind and character of structures to be erected therein; to provide for the erection of fireproof buildings within said limits and for the condemnation of dangerous or dilapidated structures which are calculated to increase the fire hazard;
- (v) To enact and enforce all Ordinances and resolutions, necessary to regulate the safety of all office buildings, hotels, apartment houses, rooming houses, hospitals, theaters, store buildings and public buildings;
- (w) To require the construction of fire escapes in connection with public buildings, and to determine the efficiency and regulate the safety of all exits and fire escapes provided on public buildings of every kind and character;
- (x) To provide for the establishment of districts and limits, within said city, wherein saloons for the sale of spirituous, vinous and malt liquors may be located and maintained; and to prohibit the sale of such liquors or the location of such saloons without such defined districts or limits; and to regulate the location, permit, forbid, regulate and control theaters, moving picture shows, vaudeville shows, dance halls, ten-pin alleys, pool halls and all other public amusements, whenever the preservation of order, tranquility, public safety or good morals demands it;
- (y) To restrain and punish vagrants, mendicants, beggars and prostitutes, to regulate, control or prohibit the sale, gift, barter or exchange of cocaine, opium, morphine and the salts thereof;
- (z) To prohibit and punish keepers and inmates of bawdy, assignation and disorderly houses, and to punish such keepers, inmates and owners or agents of such owners of such houses, knowingly permitting such houses to be occupied as such bawdy, assignation and disorderly houses and to determine such inmates and keepers to be vagrants;
- (aa) To provide for establishing and maintaining the fire department of the City;
- (bb) To require waterworks, corporations, gas companies, street car companies, telephone companies, electric light and power companies or other companies or individuals, exercising franchises, now or hereafter, from the City; to make and furnish extensions of their services to such territory as may be required by Ordinance;
- (cc) To establish and maintain the City police department, prescribe the qualifications and duties of policemen and regulate their conduct;

- (dd) To provide for the enforcement of all Ordinances enacted by it, by a fine not to exceed the maximum set by applicable state law as amended, provided that no Ordinance shall provide a greater or less penalty than is prescribed for a like offense by the laws of the State;
- (ee) To provide for the commutation of fines imposed by labor in an work house, on the streets and public ways of the City; and for the collection of any fine imposed, execution may be enforced, as executions issued in civil cases;
- (ff) Municipal Court - Creation and Jurisdiction - Fines. There is hereby created and established a court to be held in the City of Amarillo, which shall be known as the Municipal Court of the City of Amarillo, which court shall have jurisdiction within the territorial limits of said City of all criminal cases rising under the ordinances of such city, and shall have concurrent jurisdiction with the Justices of the Peace of the precincts in which the city is or may be situated of, all criminal cases arising under the criminal laws of the State, where the offense is committed within the territorial limits of said city and the punishment is by fine only and the maximum of said fine, in the maximum amount set by such law as amended. Said court shall have civil jurisdiction for the forfeiture and collection of bonds given in proceedings pending therein and such other civil jurisdiction as may be given by the laws of the State of Texas. It shall also have jurisdiction of violations of ordinances of the city, as amended, including those enacted for the preservation and protection of the city's water supply and the purity of the water supply of the city, whether such offenses are committed inside or outside of the corporate limits of the City of Amarillo, and the violation of any ordinance prohibiting the maintenance of any nuisance within five thousand feet of the corporate lines of the city, outside of the city limits.
 - (ff-1) Said court shall have jurisdiction in cases where a person is required by the provisions of this charter, or by ordinance passed in pursuance thereof, to obtain a license for any calling, occupation, business or vocation, upon complaint before said court to adjudge said person guilty of violating any rule, regulation or ordinance of the city in relation thereto, and in addition to the punishment to be imposed therefore may suspend or revoke the license so granted.
 - (ff-2) State Law Controlling. All complaints, prosecutions, the serving of process, commitment of those convicted of offenses, the collection and payment of fines, the attendance and service of witnesses and juries, punishment for contempt, bail and the taking of bonds shall be governed by the provisions of the Code of Criminal Procedure of the State of Texas and all other laws, as amended, that are applicable to Municipal Courts.
 - (ff-3) Appeals. Appeals from convictions in the Municipal Court shall lie to the County Court at law, and such appeals shall be governed by the same rules of practice and procedure as are provided by laws in cases of appeal from the Justice Court to said County Court, as far as said rules are applicable.
 - (ff-4) City Judge. Said court shall be presided over by a Judge who shall be known as the Presiding Judge. Said officer shall be appointed by a majority vote of the City Council. The judge shall hold office for two years from the date of appointment, unless sooner removed by the City Council. The judge shall have full power and authority to enforce all processes of said Court and to punish witnesses for failing to obey subpoenas and to compel their attendance by process of attachment and to punish all contempt of court by fine or imprisonment or both. The Presiding Judge may require of all persons arrested for the offenses committed in the city a bond or bonds for such person's appearance before said court, and no such bond shall be taken except it be executed by the person in whose behalf it is made and with two or more good and sufficient sureties, to be approved by the Presiding Judge, and all bonds taken in proceedings in said Court shall be payable to the City of Amarillo. The Presiding Judge shall have power and authority to administer official

oaths and affirmations and to give certificates thereof, and either the Presiding Judge or the Clerk of said Court shall have full power and authority to issue subpoenas, writs of *capias*, search warrants, executions and all other process known to the law which Justice Courts are by law authorized to issue in similar cases.

- (ff-5) If for any cause, the Presiding Judge shall temporarily fail to act, then and in such case the Mayor, or in the Mayor's absence, inability or disqualification, the acting Mayor of the city, is hereby authorized to appoint some qualified person who shall act in the place and stead of the Presiding Judge, and who shall have all the powers and discharge all the duties of said office, and shall receive the compensation therefore accruing while so acting.
- (ff-6) The Presiding Judge shall receive such compensation as may be determined by the City Council by resolution spread upon the minutes at the time of appointment to fill such office.
- (ff-7) In addition to the Presiding Judge, the City Council may also appoint such number of Associate Judges as is necessary for the efficient operation of the court, each of whom shall possess and exercise all of the powers, rights, duties, and privileges of the Presiding Judge.
- (ff-8) Clerk of Court. There shall be a clerk or clerks of said court and such deputies as may be created or provided for by ordinance, which clerks and deputies shall be appointed by the City Council and shall be subject to removal at any time by the City Council and shall receive such salaries as may be fixed by the City Council. Said clerks shall have the power to do and perform all things and acts usual or necessary to be performed by clerks of court in issuing process of said courts and conducting the business thereof, and the City Council may require such clerks or deputies to perform such other duties, in addition to the duties of clerk or deputy clerk, as may be prescribed or may provide that some other employees of the city, in addition to their duties, may perform the duties of such clerk or deputy clerk with out extra compensation.
- (ff-9) Division of Court. The City Council may create additional division of the Municipal Court whenever the future needs of the city may require it, and may pass all ordinances necessary to organize and administer same.
- (ff-10) General Laws - Act Cumulative Of. The foregoing sections are hereby declared to be cumulative of any laws that may now or hereafter be passed by the Legislature regulating or increasing the jurisdiction of Municipal Courts in cities of the grade and size of the City of Amarillo.
- (ff-11) To appoint some suitable persons for the positions of Presiding and Associate judge of the Municipal Court, who shall discharge the duties of said office under the terms and provisions of the State law creating said court, and subject to the provisions of this Charter;
- (gg) To establish, maintain and regulate the City prisons, workhouses and other means of punishment for vagrants, City convicts and disorderly persons, and such hospitals, orphanages and charitable institutions as may be deemed expedient by the governing authority.

(Char. 11-18-13, Art. 2, § 22; Ord. No. 1717, 8-19-1947, § 7, Election 9-23-1947; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 23. - INITIATIVE AND REFERENDUM

- (a) Any proposed Ordinance may be submitted for adoption, and any Ordinance or resolution enacted may be submitted to the people for repeal. In either event the Ordinance or resolution proposed to be adopted or repealed shall be set out in a written or printed instrument which shall be filed with the City Secretary (or acting City Secretary as the case may be in every mention), and at the time of the filing of such written or printed instrument, there shall be filed a statement signed by not less than five (5) registered voters within the City of

Amarillo, stating that they have proposed such Ordinance or resolution for adoption or repeal and such electors shall be regarded as the initiating or referring committee, as the case may be, for the purpose hereinafter provided.

The City Secretary shall not accept the registration of citizens as either an initiating or referring committee or their petition if the subject matter of the proposed petition has been the subject of a public election within the preceding three (3) years.

- (b) Before any such Ordinance or resolution may be submitted to the City Council, it shall be necessary that a petition signed by not less than five (5) percent of the registered voters within the City of Amarillo.
- (c) All such petitions circulated for signatures shall be uniform in character and shall have attached to the same, exact written or printed copy of the proposed Ordinance or resolution, sought to be adopted or repealed.
- (d) Each signer of a petition shall sign his or her name in ink or indelible pencil, in his or her own handwriting, followed by place of residence by street and number, and any other information required by state law as amended. The signatures to any such petition need not all be attached to the same paper, but to each such paper there shall be attached an affidavit, by the circulator thereof, stating the number of signers to such part of the petition, and that each signature is genuine and that of the person whose name it purports to be and that it was made in the presence of the affiant.
- (e) In the event the committee does not file the completed and signed petition with the City Secretary by close of business on the 120th day (or the next business day if the City Secretary's office is closed on such day), after the day that the committee initially filed the proposed petition with the City Secretary, then such petition and the committee registration shall be deemed to be withdrawn and void.
- (f) When signatures have been obtained in the number above provided for, and the petition and statement have been filed with the City Secretary, such officer shall be allowed a period of twenty-one (21) calendar days in which to verify that the required number of valid signatures is contained on each petition before such officer must submit all papers pertaining to such Ordinance or resolution and its proposed initiation or reference to the Council at its next regular meeting, subject to requirements of the Texas Open Meetings Act, as amended. Such officer shall mail to each of the members of such initiating or referring committee a notice of the time of the meeting of the Council when such Ordinance or resolution and its adoption or repeal shall be considered, or a time then set by the Council for its consideration, which hearing and consideration shall be open to the public and the public shall be permitted to present arguments for or against such proposed Ordinance or resolution.
- (g) After such presentation of the petition and public hearing, the Council shall within thirty (30) days from the date of the submission of such petition, take final action upon the same, by either adopting or rejecting the Ordinance initiated by petition, or by either repealing or refusing to repeal the Ordinance or resolution sought to be referred, and in either event, the action of the Council shall be noted in its Minutes.
- (h) If the Council refuses to pass or to repeal the proposed Ordinance or resolution or passes the same in an amended form from that presented in the petition, or repeals only a part of such Ordinance or resolution, instead of repealing the same in the manner set out in such petition of reference, then in either event, such initiating committee, or such referring committee, may require that such Ordinance or resolution, either in its original or amended form, be submitted to a vote of the electors for adoption or repeal, as the case may be.
- (i) When an Ordinance or resolution proposed by petition is to be submitted to a vote of the electors for adoption or repeal, after the Council has acted upon the same, as provided for in the preceding paragraph, then such initiating or referring committee, as the case may be, upon a majority of vote of such committee, shall certify their desire to have the same submitted for adoption or repeal, within twenty (20) days after the Council shall have taken action on the same and shall file such certificate and statement with the City Secretary.

- (j) After receipt of such certificate and the certified copy of the proposed Ordinance or resolution, the City Secretary shall present such certificate and certified copy of the proposed Ordinance or resolution to the Council at its next regular meeting. Such Ordinance or resolution, proposed for adoption or repeal shall be submitted by the Council to a vote of the registered voters within the city at the next election date allowable by state law for a municipal election in accordance with applicable law.
- (k) The form of ballot for use in an election held for the adoption of any initiated Ordinance shall state the title of the Ordinance and contain a succinct statement of its nature and purpose and below such statement, on separate lines, there shall be printed the words:

FOR

AGAINST

If a majority of the voters voting in such election shall vote in favor thereof, it shall thereupon become an Ordinance of the City.

- (l) The form of ballot for use in an election held for the repeal of any referred Ordinance or resolution shall state the title of the Ordinance or resolution and contain a succinct statement of the nature and purpose of the Ordinance or resolution sought to be repealed, and below such statement in separate lines there shall be printed the words:

FOR

AGAINST

If a majority of the voters voting in such election shall vote in favor of the repeal of such Ordinance or resolution, then the same shall be considered repealed.

- (m) Providing, however, that nothing contained in this Section shall affect the manner of calling elections to determine whether or not franchises shall be granted.
- (n) At any election for an initiative or referendum, if the provisions of two or more initiative or referendum measures on the ballot are irreconcilably inconsistent, and each receives a majority vote, then the measure that receives the highest number of favorable votes shall prevail in that election.

(Char. 11-18-13, Art. 2, § 23; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 24. - RECALL

- (a) Any elective officer of the City shall be subject to recall and removal from office by the registered voters within the City, and the procedure to effect such removal shall be as follows:
- (b) A petition demanding that the question of removing such officer or officers be submitted to the electors, shall be filed with the City Secretary such petition for the recall of any such elective officer or officers shall be signed by at least thirty (30) percent of the registered voters within the city at least one-fifth ($\frac{1}{5}$) of whom shall certify that at the election at which the officer or officers was or were elected, they voted for the election of such officer or officers proposed to be recalled.
- (c) Petitions for signatures for such recall shall be procured only from the City Secretary, who shall keep a sufficient number of such blank petitions on file for distribution, and prior to the issuance of such petitions for signatures there shall be filed with such person an affidavit by one or more registered voters within the city, stating the name or names of the officer or officers sought to be removed. Such officer issuing such petition for removal to an elector shall enter in a record to be kept, the name of the elector to whom issued, the date of such issuance

and the number of such petitions issued and shall certify on such petitions for signatures, the name of the elector to whom issued and the date of its issuance. No petition for signatures shall be accepted and taken into consideration in determining the necessary percentage of voters for removal unless it bears such certificate and be filed as herein provided.

- (d) Each signer of a recall petition shall sign his or her name thereto in ink or indelible pencil and following the name, his or her place of residence by street and number. To each of said petitions there shall be attached an affidavit of the circulator thereof, stating the number of signers to such part of the petition and that each signature to same is genuine, was made in his presence and is that of the person whose name it purports to be.
- (e) All papers comprising a recall, shall be returned and filed with the City Secretary, within thirty (30) days after the filing of the required affidavit for the City Secretary, upon the return of such petition, shall at once submit the same to the governing authority of the City and shall notify the officer or officers sought to be recalled of such action. If the official whose removal is sought does not resign within five (5) days after such notice is given, the governing authority of the City shall thereupon order and fix a day for holding a recall election in accordance with applicable law as amended.

- (f) The ballot at such recall election shall conform to the following requirements: With respect to each person whose removal is sought the question shall be submitted:

SHALL (NAME OF PERSON) BE REMOVED FROM THE OFFICE OF (NAMING THE OFFICE) BY RECALL?

Immediately following each of such questions there shall be printed on the ballots, in separate lines, in the order here set out the words:

FOR THE RECALL OF (NAMING THE PERSON)

AGAINST THE RECALL OF (NAMING THE PERSON)

- (g) Should a majority of the votes cast at such recall election be for the recall of the officer named on the ballot, he shall, regardless of any technical defects in the recall petitions, be deemed removed from office, but should a majority of the votes cast at such recall election be against the recall of the officer named on the ballot, such officer shall continue in office for the remainder of his term, subject to recall as before.
- (h) No recall petition shall be filed against any officer of the City within six (6) months after his election, nor within six (6) months after an election for such officer's recall.
- (i) In case the governing authority of the City shall fail or refuse to receive the recall petition, order such recall election, or discharge any other duties with reference to such recall, then the County Judge of Potter County, Texas, shall discharge any of such duties herein provided to be discharged by the governing authority of said City.
- (j) If, in such recall election, there shall, as a result of such election, remain one or more of such elective officers, who is not recalled, then such officer or officers not recalled shall discharge all of the duties incumbent upon the governing authority of said City until the vacancy or vacancies created at such recall elections are filled by an election for that purpose, as hereinafter provided for, but if in any proposed recall election it is proposed and submitted to recall all elective officers, then there shall be placed on said ballot under the question of recall, the names of candidates to fill the vacancies proposed to be created by such election, but the names of such officers proposed to be recalled shall not appear on the ballot as candidates.
- (k)

If at any recall election it is not proposed and submitted to recall all of the elective officers, but only one or more, fewer than all, and such election shall result in favor of the recall of one or more of such officers, proposed to be recalled, then it shall be the duty of such officer or officers not recalled and constituting the governing authority of the City, in accordance with applicable state law and this Charter to meet, canvass the returns, declare the result of the election and order an election to fill such vacancy or vacancies; which election shall be held in accordance with applicable state law.

(Char. 11-18-13, Art. 2, § 24; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

ARTICLE III

SECTION 1. - TAXATION

- (a) The City shall have the power and is hereby authorized annually to levy and collect taxes not exceeding one dollar and eighty cents (\$1.80) on each one hundred dollars (\$100.00) of assessed valuation of all real and personal property within the City limits of the City of Amarillo, not exempt from taxation by the constitution and laws of the State of Texas; provided that all taxes levied and collected in excess of one dollar and thirty cents (\$1.30) on each one hundred dollars (\$100.00) of assessed valuation of such property shall only be levied and collected for the purpose of paying the interest on and creating a sinking fund to redeem water works bonds of the City of Amarillo, legally issued under Section One, of Article 4, of the Charter of Amarillo.
- (b) Shall authorize the granting and issuance of licenses and direct the manner of issuing and registering the same and fix the fees therefore; but no license shall issue for a longer period than one (1) year and shall not be assignable except by permission of the governing authority of the City;
- (c) Shall have the power annually to levy and collect a franchise tax against any public corporation using and occupying the public streets or grounds of the City separately from the tangible property of such corporation, and to levy and collect, annually, upon the property and shares of corporations, companies and corporate institutions, as the same are now or may be assessed by the State laws, and shall have full power to enforce the collection of such taxes;
- (d) Shall have the power to regulate the manner and mode of making out tax lists, inventories and appraisal of property therein, and to prescribe the oath that shall be administered to each person rendering property for taxation and to prescribe how, when and where property shall be rendered and to prescribe the number and form of assessment rolls and to adopt such measures as may be deemed advisable to secure the assessment of all property within the City limits and to collect taxes thereon and may provide a fine upon all persons, failing, neglecting or refusing to render their property for taxation, and to do any and all other things necessary or proper to render effectual the collection of moneys by taxation;
- (e) Shall have power to provide for the rendition of un-rendered property for taxation and levy and assess taxes thereon, annually, and to provide for the rendition, levy and assessment of taxes for previous years on property omitted from taxation, and to provide interest at the rate of six percent (6 percent) per annum upon each un-rendered or omitted property and to charge and provide for correction and re-assessment of property erroneously assessed.
- (f) All real, personal or mixed property held, owned or situated in the City of Amarillo shall be liable for all municipal taxes, due by the owner thereof, including taxes on real estate, franchises, personal and mixed property, poll taxes and all other municipal taxes of whatsoever character. Such municipal taxes are hereby declared to be a lien, charge and encumbrances upon the property so taxed and shall be a prior lien to all other claims, sales,

assignments, transfers, gifts, and judicial writs. Said lien shall exist from the first day of January of each year until all such taxes have been paid and against any real estate which, for any cause has failed to be assessed for one or more years, and such lien shall be good and effective for every year for which assessment has so failed.

- (g) Personal property of all persons, firms or corporations owing any taxes to the City of Amarillo, is hereby made liable for all of such taxes whether the same be upon personal or real property or upon both.
- (h) The governing authority of the City, at its first meeting in June of each year, or as soon thereafter as practicable, shall levy the annual tax for such year, but special taxes or assessments allowed by this Charter may be levied, assessed and collected at such times as the governing authority may provide; provided, that should the governing authority fail or neglect to levy the annual tax herein provided for any one year the annual tax levy for the preceding year last made by said governing authority shall and will be considered in force and effective as the tax levy for the year for which no annual tax levy was made.
- (i) Said City shall have full power to provide for the prompt collection, by suit or otherwise, of taxes assessed, levied and imposed, and is hereby authorized, and to that end shall have full power and authority to sell, or cause to be sold, all kinds of property, real and personal, and shall make such rules and regulations and enact all such Ordinances as are deemed necessary for the collection of any taxes provided in this Charter.
- (j) It shall not be necessary in any action, suit or proceeding in which the City shall be a party, for any bond, undertaking or security to be executed in behalf of the City.
- (k) The City shall have the power to control and manage the finances of the City; to provide its fiscal year and fiscal arrangements.
- [(l) Reserved.]
- (m) All moneys arising from the collection of taxes by the City shall be divided into two funds, and designated as a "General Fund" and an "Interest and Sinking Fund."
- (n) No irregularities in the time or manner of making or returning the City assessment rolls or the approval of such rolls, shall invalidate any assessment.
- (o) The governing authority of the City shall create a Board of Equalization, whose duties shall be to equalize the values of all property rendered for taxation in the City of Amarillo; prescribe the qualifications, compensation and number necessary to constitute said board, and enact all Ordinances necessary to constitute said board, and enact all Ordinances necessary to regulate and control the equalization of values by such board.

(Char. 11-18-13, Art. 3, § 1; Ord. No. 454, § 2, 11-20-1925, Election 12-21-1925; Ord. No. 5000, 7-1-1980, Election 8-9-1980; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

ARTICLE IV

SECTION 1. - BONDS

- (a) The governing body of the City shall have the power to appropriate so much of the general revenue of the City as may be necessary for the purpose of retiring and discharging the accrued indebtedness of the City, and for the purpose of improving the streets, constructing sewers, the construction and maintenance of public parks, and playgrounds, and purchasing sites therefore, erecting and maintaining public buildings, of every kind and for purchasing or constructing water works, plants and systems, and for the purpose of erecting, maintaining and operating an electric light and power plant, and such other public utilities, as the governing authority may from time to time deem expedient, and in furtherance of any and all of these subjects the City shall have the right and

power to borrow money upon the credit of the City and to issue coupon bonds of the City therefore, in such sum or sums as may be deemed expedient; to bear interest not to exceed six per centum per annum, payable annually or semi-annually, at such place or places as may be designated by the City Ordinance; provided that the aggregate amount of said bonds shall at no time exceed ten per centum of the whole taxable value of the City of Amarillo, as ascertained by the tax records.

- (b) All bonds shall specify for what purpose they are issued and shall be invalid, if sold for less than their par value, and when any bonds are issued by the City, a fund shall be provided to pay the interest and create a sinking fund to redeem said bonds, which fund shall not be diverted or drawn upon for any other purpose and the person acting as City Finance Director shall honor no drafts upon said fund, except to pay interest upon or redeem the bonds, for which it was provided.
- (c) Said bonds shall be issued for a period of time not to exceed forty (40) years, shall be signed by the Mayor, countersigned by the City Secretary, and shall be payable at such places and times as may be fixed by the Ordinance of the governing authority. All such bonds shall be submitted to the Attorney General, of the State, for his approval, and the Comptroller, for registration as provided by the State law; provided that any such bonds, after approval, may be issued by the City, either optional or serial, or otherwise, as may be deemed advisable by the governing authority.
- (d) Before the issuance of any bonds, the same shall be submitted to a vote of the registered voters of the City, and should a majority of the votes cast at such election be in favor of issuing the bonds, the same shall be issued as provided herein; but should said election fail to carry, bonds shall not be issued. The election provided for above shall be conducted as other elections, under State law.

(Char. 11-18-13, Art. 4, § 1; Ord. No. 1370, 3-5-1931, Election 4-7-1931; Ord. No. 1717, § 6, 8-19-1947, Election 9-23-1947; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

ARTICLE V

SECTION 1. - MUNICIPAL GOVERNMENT

The municipal government of the City of Amarillo shall consist of the City Council, which shall be composed of five (5) Councilmembers, one of whom shall be the Mayor of the City.

(Char. 11-18-13, Art. 5, § 1; Ord. No. 2019, § 1, 12-7-1954, Election 1-18-1955; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 2. - TERM OF OFFICE

The Mayor and each Councilmember shall serve for a term of two (2) years and until a successor is elected and qualified; unless sooner removed from office as herein provided.

(Char. 11-18-13, Art. 5, § 2; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 3. - VACANCIES

- (a) Any vacancy in the office of the Mayor shall be filled by an appointment by the remaining Councilmembers from among their number.
- (b)

Any vacancy in the office of a Councilmember shall be filled by an appointment by the Mayor and the remaining Councilmembers.

(c) Provided that the person appointed to fill such vacancy shall hold office only during the unexpired term of office. (Char. 11-18-13, Art. 5, § 3; Ord. No. 1717, § 1, 8-19-1947; Election 9-23-1947; Ord. No. 2019, § 1, 12-7-1954; Election 1-18-1955; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 4. - QUALIFICATIONS

- (a) The Mayor and each Councilmember shall be resident citizens of the City of Amarillo, have the qualifications of registered voters therein and shall have been a resident citizen of the City of Amarillo for a period of twelve (12) months immediately preceding such election.
- (b) The Mayor, Councilmembers and other officers and employees shall not be indebted to the City; shall not hold any other public office of emolument and shall not be interested in the profits or emolument of any contracts, job, work or service for the municipality, or interested in the sale to the City of any supplies, equipment, material or articles purchased.
- (c) Any officer or employee of the City who shall cease to possess any of the qualifications herein required shall forthwith forfeit office and any such contract in which any officer or employee is or may become interested may be declared void by the Council.
- (d) No officer or employee of the City (except policemen and firemen in uniform, or wearing an badge), shall accept any frank, free ticket, passes or service, or anything of value, directly or indirectly from any person, firm or corporation, upon terms more favorable than are granted to the public.
- (e) Any violation of this section shall be a misdemeanor, and on conviction of such violation, such office or employment shall be forfeited.

(Char. 11-18-13, Art. 5, § 4; Ord. No. 5000, 7-1-1980, Election 8-9-1980; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 5. - ELECTIONS

- (a) The elective officers of the City shall consist of a Mayor and four (4) Councilmembers (the Councilmembers shall be designated as Councilmember Place One, Councilmember Place Two, Councilmember Place Three and Councilmember Place Four), each of whom shall be elected by a majority of the registered voters within the city, for the City at large.
- (b) At the time of filing as a candidate for Mayor or City Councilmember, the person shall, in addition to meeting all other requirements and qualifications, either pay an application fee of one hundred dollars (\$100.00) to the City Secretary, or in lieu of such submit a petition signed by one hundred (100) registered voters of the City, verified by the City Secretary, in support of the person's candidacy.
- (c) Should any candidate fail to receive a majority of the votes at the regular election for the office for which he is a candidate, the Council shall immediately order a special election in accordance with applicable state law, at which special election the names only of the two candidates receiving the highest number of votes at the regular election, for the office for which they were candidates shall be printed on the ballot and submitted to the registered voters within the city for election, and the candidate receiving the majority of votes at such special election for the place of office for which he was a candidate, shall be declared duly elected.

(Char. 11-18-13, Art. 5, § 5; Ord. No. 2019, § 1, 12-7-1954, Election 1-18-1955; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 6. - JUDGE OF ELECTION

The Council shall be the judge of the election and qualifications of its members.

(Char. 11-18-13, Art. 5, § 6; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 7. - ELECTION RETURNS

The Council shall, after each regular and special election, canvass the returns and declare the result of such election as provided by state law.

(Char. 11-18-13, Art. 5, § 7; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 8. - ELECTION DAY

The regular municipal elections of the City of Amarillo shall be held on the date allowed by state law that occurs on or nearest to May 1 in each odd numbered year. If state law provides two election dates which are equally near May 1, the Council shall select one.

(Char. 11-18-13, Art. 5, § 8; Ord. No. 5000, 7-1-1980, Election 8-9-1980; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 9. - ELECTION, LAW CONTROLLING

Except as provided in Section 8 of this Article, the timing and ordering of, notices, conducting, canvassing, and all other procedures for each election shall be in accordance with state law and occur upon the next available date allowed by state law for such election, and in the absence of state law, then in accordance with Ordinance.

(Char. 11-18-13, Art. 5, § 9; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 10. - COUNCIL CONSTITUTED LEGISLATIVE AND GOVERNING BODY OF CITY

The Council shall enact all Ordinances and resolutions, and adopt all regulations, and constitute the legislative and governing body of the City, with all the powers and authority herein granted.

(Char. 11-18-13, Art. 5, § 10; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 11. - DUTIES OF MAYOR

The Mayor of the City shall be the presiding officer of the Council, except that in the Mayor's absence a Mayor Pro tempore may be chosen. The Mayor shall be entitled to vote as a member of the Council; sign all bonds; be the official head of the City, and exercise all powers and perform all duties imposed upon him by this Charter and by the Ordinances of the City.

(Char. 11-18-13, Art. 5, § 11; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 12. - MEETING OF COUNCIL

- (a) On the day that the election results of the Council have been declared, the Councilmembers shall meet to qualify and assume the duties of their offices. Thereafter, the Councilmembers shall meet at such times as prescribed by Ordinance or Resolution, but they shall meet not less than twenty-four times per calendar year.
- (b) The Mayor or the City Manager, hereinafter provided for, may call special meetings of the Council at any time deemed advisable.
- (c) All meetings of the Council shall be public, except such closed sessions as may be provided for by Texas Open Meetings Act as amended or successor statute. Any citizen shall have access to the minutes and records of meetings at all reasonable times. The Council shall determine its own rules and order of business, and shall keep a journal of its proceedings.

(Char. 11-18-13, Art. 5, § 12; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013; Ord. No. 7900, § 1, 12-15-2020)

SECTION 13. - COMPENSATION AND ATTENDANCE

The Compensation of the Mayor and each Councilmember shall be ten dollars (\$10.00) per diem, for attendance upon each regular meeting of the Council, but not more than one regular meeting shall be held each week; provided, however, that no compensation shall be allowed the Mayor or any Councilmember if absent from any regular meeting of the Council unless such absence be unavoidable, the reasons therefore be presented in writing, and the same being considered sufficient by the other members and such reasons and excuses spread upon the minutes of the proceedings.

(Char. 11-18-13, Art. 5, § 13; Ord. No. 2019, § 1, 12-7-1954, Election 1-18-1955; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 14. - LEGISLATIVE PROCEDURE

A majority of all members of the Council shall constitute a quorum to do business, and the affirmative vote of a majority shall be necessary to adopt any Ordinance or resolution. The vote upon the passage of all Ordinances or resolutions shall be taken by "yea" and "nay" and entered upon the journal. Every Ordinance or resolution passed by the Council shall be signed by the Mayor and the City Secretary, within two days and recorded.

(Char. 11-18-13, Art. 5, § 14; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 15. - ORDINANCE ENACTMENT

Each proposed Ordinance or resolution shall be introduced in written or printed form, shall not contain more than one subject, which shall be clearly stated in the title, but general appropriation Ordinances may contain the various subjects and accounts for which moneys are to be appropriated. No Ordinance, unless it be declared an emergency measure, and passed by unanimous vote of the Council, shall be passed on the day on which it shall be introduced.

(Char. 11-18-13, Art. 5, § 15; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 16. - EMERGENCY MEASURES, DEFINED AND PROVIDED FOR

An emergency measure is an Ordinance or resolution for the immediate preservation of the public peace, property, health or safety, or providing for the usual daily operation of the municipal department in which the emergency is set forth and defined in a preamble thereto. Ordinances appropriating money, and Ordinances for the payment of salaries and

wages, may be passed as emergency measures, but no measure making a grant, renewal or extension of a franchise, or other special privilege or regulating the rate to be charged for its services by any public utility, shall ever be passed as an emergency measure.

(Char. 11-18-13, Art. 5, § 16; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 17. - ORDINANCES; PUBLICATION OF

Penal Ordinances may be published by publishing the caption only as provided for by the laws of the State of Texas; or such penal Ordinances may be published by publishing the whole ordinance, as the City Council may prescribe and deem necessary. All penal Ordinances shall be published once a week for two (2) consecutive weeks in some newspaper published and generally circulated in the City of Amarillo, and no penal Ordinance shall become effective until ten (10) days after the date of its second publications.

(Char. 11-18-13, Art. 5, § 17; Ord. No. 1370, 3-5-1931, Election 4-7-1931; Ord. No. 1717, § 8, 8-19-1947, Election 9-23-1947; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 18. - ORDINANCES; RECORDING

Every Ordinance or resolution upon its becoming effective, shall be recorded in a book kept for that purpose and shall be authenticated by the signature of the Mayor and the City Secretary.

(Char. 11-18-13, Art. 5, § 18; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 19. - INVESTIGATION BY COUNCIL

- (a) The Council may investigate the financial transaction of any office or department of the City government, and the acts and conduct of any officer or employee. In conducting such investigation, the Council may compel the attendance or witnesses, the production of books and papers, and other evidence, and for that purpose may issue subpoenas or attachments which shall be signed by the Mayor; which may be served and executed by any officer authorized by law to serve subpoenas or other process, or any peace officer of the City.
- (b) If any witness shall refuse to appear or to testify to any facts within his knowledge, or to produce any papers or books in his or her possession or control, relating to the matter under investigation before the Council, the Council shall have the power to cause that witness to be punished as for contempt, not exceeding a fine of one hundred dollars (\$100.00) and three days in the City's jail. No witness shall be excused from testifying, touching his knowledge of the matter under investigation in any such inquiry, but testimony shall not be used against him or her in any criminal prosecution except for perjury committed upon such inquiry.

(Char. 11-18-13, Art. 5, § 19; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 20. - CITY MANAGER

The Council shall appoint a City Manager, who shall be the administrative head of the municipal government, and shall be responsible for the efficient administration of all departments. The Manager may or may not be a resident of the City of Amarillo when appointed, and shall hold his office at the will of the Council.

(Char. 11-18-13, Art. 5, § 20; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 21. - POWERS AND DUTIES OF THE CITY MANAGER

- (a) The City Manager shall see that the Laws and Ordinances of the City are enforced;
- (b) Appoint all appointive officers or employees of the City with the advice and consent of the Council (such appointments to be made upon merit and fitness alone), and remove all officers and employees appointed by the Manager;
- (c) Exercise control and supervision over all departments and offices that may be created by the Council, and all officers and employees appointed by the Manager;
- (d) Attend all meetings of the Council with a right to take part in the discussion, but having no vote;
- (e) Recommend, in writing, to the Council such measures as the Manager may deem necessary or expedient;
- (f) Keep the Council fully advised as to the financial condition and needs of the city; and,
- (g) Perform such other duties as may be prescribed by this Charter, or be required by Ordinance or resolution of the Council.

(Char. 11-18-13, Art. 5, § 21; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 22. - CONTRACTS FOR SERVICES

No contract shall ever be made which binds the City to pay for personal services to be rendered for any stated period of time, but all appointive officers and employees shall be subject to peremptory discharge as herein provided.

(Char. 11-18-13, Art. 5, § 22)

SECTION 23. - DEPARTMENTS

The Council shall create and consolidate such offices and may divide the administration of the City's affairs into such departments as it may deem advisable, and may discontinue any such office or department at their discretion, except office of City Manager.

(Char. 11-18-13, Art. 5, § 23; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 24. - BOARD OF CITY DEVELOPMENT

The Council shall have the authority to appoint what shall be known and designated as a "Board of City Development," which shall be composed of not exceeding fifteen (15) members who shall serve without compensation, and may prescribe the qualifications and duties of such board and their term of office, and may appropriate not exceeding two mills on the one dollar valuation of the taxable property in the City of Amarillo, from the general fund of said City, to support the work of such board.

(Char. 11-18-13, Art. 5, § 24; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 25. - SALARIES; GENERAL

The Council shall fix and determine the salaries and wages of all appointive officers and employees of the City, and provide for the payment thereof.

(Char. 11-18-13, Art. 5, § 25; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 26. - PAYMENT OF CLAIMS

No payment of any claims shall be issued by the City, unless such claim shall be evidenced by an itemized account approved by the City Manager and audited and allowed by the City Council; and all payments shall be signed by the City Comptroller and countersigned by the City Secretary or by other employees designated by the City Council by Ordinance; and each person who signs such a payment shall first execute a surety bond payable to the City of Amarillo in such an amount as the City Council, by ordinance, shall provide.

(Char. 11-18-13, Art. 5, § 26; Ord. No. 1717, § 2, 8-19-1947, Election 9-23-1947; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 27. - ACCOUNTING PROCEDURE

Accounting procedure shall be devised and maintained for the City, adequate to record in detail, all transactions affecting the acquisition, custodianship and disposition of values, including cash receipts, credit transactions and disbursements; and the recorded facts shall be presented periodically to officials and to the public in such summaries to analytical schedules in detail support thereof as shall be necessary to show the full effect of such transactions for each fiscal year, upon the finances of the City and in relation to each department of the City government, including distinct summaries and schedules for each public utility owned and operated.

(Char. 11-18-13, Art. 5, § 27)

SECTION 28. - AUDIT AND EXAMINATIONS

- (a) The Council shall cause a continuous audit of the books of account; all records and transactions of the administration of the affairs of the City; such audit shall be made annually during each fiscal year and shall be made by a certified public accountant.
- (b) The duty of the certified public accountant shall include the certification of all statements required in Section 27 of this Article; such statements shall include a general balance sheet showing summaries of income and expenditures and also comparisons, in proper classification, with the last previous audit; such summaries shall be published in some newspaper published in Amarillo, one time within ten (10) days after the completion of such audit.

(Char. 11-18-13, Art. 5, § 28; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 29. - CONTRACTS

All expenditures, purchases or contracts for supplies, materials, equipment, public printing, public improvements or public works shall be let on written, sealed, competitive bids in the manner prescribed by law.

(Char. 11-18-13, Art. 5, § 29; Ord. No. 1717, § 5, 8-19-1947, Election 9-23-1947; Ord. No. 5000, 7-1-1980, Election 8-9-1980)

SECTION 30. - NEPOTISM

No person related within the second degree by affinity, or within the third degree by consanguinity to the Mayor, to any Councilmember or to the City Manager, shall be appointed to any office, position, clerkship or service of the City.

(Char. 11-18-13, Art. 5, § 30; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 31. - HOURS OF LABOR UPON PUBLIC WORKS

Eight (8) hours shall constitute a day's work for all laborers, workmen, or mechanics who may be employed by or on behalf of the City, in any one calendar day, where such employment, contract or work is for the purpose of construction, repairing or improving buildings, bridges, streets, avenues, alleys, highways or other public improvements of a similar character, requiring the services of laborers, workmen or mechanics.

(Char. 11-18-13, Art. 5, § 31)

SECTION 32. - OFFICIAL BONDS

- (a) The City Manager and the person or persons exercising the duties of the City Finance Director and other employees designated by ordinance shall give official bonds in such sums as may be prescribed by the Council by said ordinance.
- (b) Such bonds shall be payable to the City of Amarillo and shall, in each instance, be conditioned for the faithful discharge of the duties of such respective officers, and for the faithful accounting for all moneys, credits and things of value coming into the hands of such respective officers.
- (c) Such bonds shall be procured from some regularly accredited surety company, authorized to do business under the laws of the State of Texas, and the premiums to such surety companies shall be paid by the City of Amarillo.
- (d) The City Manager shall have the right to require official bonds from other appointive officers of the City in such amounts and conditions as the Manager may deem best for the efficiency of the public service.
- (e) All official bonds shall be approved by the Council and filed and recorded with the City Secretary.

(Char. 11-18-13, Art. 5, § 32; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 33. - OATH OF OFFICE

Every officer of the City shall, before entering upon the duties of his office, take and subscribe to the oath prescribed by the Constitution of the State of Texas for County officials.

(Char. 11-18-13, Art. 5, § 33)

ARTICLE VI

SECTION 1. - CREATION OF DEPARTMENT OF HUMAN RESOURCES, DIRECTOR OF HUMAN RESOURCES, AND CIVIL SERVICE COMMISSION; APPOINTMENT, QUALIFICATIONS, AND REMOVAL

- (a) There shall be a Department of Human Resources, the head of which shall be the Director of Human Resources and serve as Executive Secretary to the Board Civil Service Commission, who shall be appointed by the City Manager subject to the approval of the City Council. The City Council may prescribe the Director's compensation. The Director shall be a person who has had experience in the field of personnel administration and who is in sympathy with the application of civil service, pensions, and retirements to public employment. There shall be a Civil Service Commission consisting of three members who shall be appointed by the City Manger with the consent of the City Council in accordance with applicable state law, which Commission shall designate one of its members as Chairman. Terms of the Civil Service Commission shall be for a term of two years. Vacancies in an unexpired term shall be filled by appointment for the remainder of the term.
- (b)

Appointments and promotions in the administrative service of the City shall be made according to merit and fitness to be ascertained, so far as practicable, by competitive examination.

- (c) Each member of the Civil Service Commission shall possess the same qualifications as a member of the Council and shall be known to be in sympathy with the application of merit principles to public employment.
- (d) A member of the Board may be removed by the Commission only for cause and after being given a written statement of the charges against him. A certified copy of the charges shall be filed with the City Secretary.
- (e) All members of the Board shall serve without pay.

(Ord. No. 1645, § 1, 5-9-1944, Election 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 2. - CIVIL SERVICE COMMISSION POWER AND DUTIES

The Civil Service Commission shall have power and be required to:

- (a) Approve and adopt such rules as the Commission shall consider necessary, appropriate, or desirable to carry out the provisions of this Article.
- (b) Advise the City Manager and Director on problems concerning human resources administration in the classified service.
- (c) Advise and assist the Director in fostering the interest of institutions of learning, civic, professional, and employee organizations in improvement of personnel standards in the classified service.
- (d) Make any investigations which it may consider desirable concerning the administration of personnel in the classified service, and report to the City Manager at least once each year its findings, conclusions, and recommendations.
- (e) Hear appeals of any officer or employee in the classified service and report in writing, its findings and recommendations.
- (f) May administer oaths for the purpose of administration of the provisions of this Article.
- (g) Perform such other activities or practices with reference to personnel administration, not inconsistent with this Article, as they may deem necessary, or the City Council may require by ordinance.

(Ord. No. 1645, § 1, 5-9-1944, Election 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 3. - DIRECTOR OF HUMAN RESOURCES, POWERS AND DUTIES

- (a) The Director shall keep all minutes of the Commission and such other records as shall be deemed desirable.
- (b) Prepare and recommend to the Commission such rules as the Director may consider necessary, appropriate, or desirable to carry out the provisions of this Article.
- (c) Prepare, install, and maintain a classification plan based on the duties, authority, and responsibility of positions in the city service.
- (d) Prepare and maintain a pay plan in the city service.
- (e) Establish and maintain a roster of all persons in the municipal service in which there shall be set forth, as to each officer and employee:
 1. The class title of the position held.
 2. Salary or pay.
 3. Any change in class title, pay, or status.
 - 4.

Such other data as may be deemed desirable or useful to produce significant facts pertaining to human resource administration.

- (f) Certify all pay rolls for persons in the classified service. No payment for personal service to any person in the classified service of the City shall be made unless the pay roll vouchers bear the certification of the Director or authorized agent that the persons mentioned therein have been appointed and employed in accordance with the provisions of this Article.
- (g) Develop and establish training and educational programs for persons in the municipal service.
- (h) Perform such other activities or practices with reference to human resource administration, not inconsistent with this article, as may be necessary or desirable to enforce the provisions of the Article as the Director may deem necessary, or the City Council may require by ordinance.

(Ord. No. 1645, § 1, 5-9-1944, Election 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 4. - UNCLASSIFIED AND CLASSIFIED SERVICE

The positions in the City's service shall be divided into the unclassified and classified service.

- (a) The unclassified service shall comprise the following offices and positions:
 1. Members of the City Council.
 2. The City Secretary
 3. The City Manager.
 4. The Heads of Departments.
 5. Each principal assistant or deputy and one private secretary to the City Manager and to each of the Heads of Departments.
 6. Members of Boards, Committees, and Commissions in the City's service.
 7. Persons employed to make or conduct a special inquiry, investigations, examination, or installation, if the City Council or the City Manager certifies that such employment is temporary, and that the work should not be performed by employees in the classified service.
 8. Persons employed as an attorney or other professional whose professional services are regulated by the state law on procurement of professional services by state agencies.
- (b) The classified service shall comprise all positions not specifically included by this section in the unclassified service.
- (c) All persons in the City service holding positions in the classified service as established by this Article at the time it takes effect except those holding the positions of those on military leave and those over 34 years of age employed since January 1, 1942, shall retain their positions until discharged, reduced, promoted, or transferred in accordance therewith.
- (d) In the event a person has been employed since January 1, 1942, and was over 34 years of age at the time of such employment, nevertheless, such person may be eligible to come under classified service, provided he is recommended to the Board for certification by the department head and City Manager. But no certification shall be made until the expiration of six months after the present emergency.
- (e) The provisions of this Article shall be made to apply to all classified positions in the department of Fire and Police on the effective date of this Article and to such other departments or groups of City employees as may later provided by ordinance.

(Ord. No. 1645, § 1, 5-9-1944, Election 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013; Ord. No. 7658, § 2, 3-14-17)

SECTION 5. - PUBLIC HEARING ON RULES

(a) After the Director has prepared rules and regulations to carry out the provisions of this act, a public hearing shall be held thereon. After a public hearing thereon, the Civil Service Commission shall approve or reject the rules, wholly or in part, or may modify them, and approve them as so modified. Rules and any amendments thereto which are approved by the Commission or on which the Commission takes no action within sixty days after they are recommended by the Director, shall be transmitted to the City Manager for filing with the Council, together with whatever recommendations he may desire to make. Rules and amendments thereto shall become effective when approved by the Council or on the fifteenth day after submission if prior thereto the Council shall not have rejected them by resolution. Thereafter, the Civil Service Commission shall have power to amend, repeal, or add to the rules on the recommendation of the Director or on its own initiative, subject to the requirements of a public hearing and all other subsequent steps of procedure required herein for adoption of the original set of rules.

(b) Rules adopted hereunder shall have the force and effect of law.

(Ord. No. 1645, § 1, 5-9-1944, Election 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 6. - MILITARY LEAVE

All employees of the departments of Fire and Police and other departments that may later be brought under the provisions of this Article by ordinance, who, after the effective date of applicable law as amended, have volunteered or who volunteer their services, or who have been or who are drafted by the Federal Government for the Army, Navy, Marine Corps, Air Force, or any other military agency of the National Government shall be granted a military leave of absence for the duration of such service, retroactive, where necessary, to the date of their entry into such service prior to the effective date hereof, and upon termination of said service, shall be reinstated to the position held at commencement of leave, or to like position, status, and pay, provided such persons are still qualified to perform the duties of such positions, and make application for re-employment to the Director within forty days after being relieved from such military agency, and such person has received an honorable discharge.

(Char. 11-18-13, Art. VI, § 6; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 7. - PAY PLAN

(a) A standard position-classification plan and a standard schedule of pay for each position in the classified service shall be adopted by the City Council after consideration of the recommendation of the Director of Human Resources. Amendments to the classification plan and pay schedule may be adopted by the Council from time to time, upon recommendation of the Director of Human Resources. The pay schedule adopted by the Council shall include a minimum and maximum and such intermediate rates as may be deemed desirable for each class or position. In establishing such rates of pay, the Council shall give consideration to maintenance or other benefits received by the officers and employees, the experience in recruiting for positions in the municipal service, the prevailing rates of pay for the services performed and for comparable services in public and private employment, living costs and the City's financial condition and policies.

(b) The minimum pay schedule for positions in the departments of Fire and Police shall be the specified salaries corresponding to each following named position:

Police Officer		Firefighter	
Recruit	\$2,530 per month	Recruit	\$2,270 per month
1 Year	\$2,657 per month	1 Year	\$2,477 per month
2 Years	\$2,893 per month	2 Years	\$2,704 per month
3 Years	\$3,149 per month	3 Years	\$2,950 per month
4 Years	\$3,429 per month	4 Years	\$3,219 per month
Police Corporal		Fire Driver	
Entry	\$3,595 per month	Entry	\$3,448 per month
2 Years	\$3,670 per month	2 Years	\$3,512 per month
4 Years	\$3,734 per month	4 Years	\$3,581 per month
Police Sergeant		Fire Lieutenant	
Entry	\$3,927 per month	Entry	\$3,722 per month
2 Years	\$4,004 per month	2 Years	\$3,847 per month
4 Years	\$4,079 per month	4 Years	\$3,918 per month
Police Lieutenant		Fire Captain	
Entry	\$4,538 per month	Entry	\$4,283 per month
2 Years	\$4,628 per month	2 Years	\$4,364 per month
4 Years	\$4,714 per month	4 Years	\$4,448 per month
Police Captain		Fire District Chief	
Entry	\$5,126 per month	Entry	\$4,870 per month
2 Years	\$5,224 per month	2 Years	\$4,965 per month
4 Years	\$5,323 per month	4 Years	\$5,059 per month

No reduction in any economic benefit or emolument shall be made solely to the departments of Fire and Police as a direct result of implementation of the minimum pay schedule.

(Ord. No. 1645, § 1, 5-9-1944, Election 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 8. - RIGHTS OF APPEAL BY EMPLOYEES FROM ACTION OF PERSONNEL BOARD

An employee who has appealed to the Civil Service Commission and is then dissatisfied with the final ruling of said Commission, is given the express right to appeal to the City Council by filing notice of intent, in writing, with the City Secretary within ten days after the final ruling of said Civil Service Commission, and thereupon, the City Council will hear such appeal at a definite time to be set by the City Council, not to exceed fifteen (15) days.

(Ord. No. 1645, § 1, 5-9-1944, Election, 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 9. - PROHIBITIONS

No person in the classified service of the City or seeking admission thereto shall be appointed, promoted, reduced, removed, or in any way favored or discriminated against because of political or religious opinions or affiliations. No person shall willfully or corruptly make any false statement, certificate, mark, rating, or report in regard to any test, certification, or appointment held or made under the Civil Service provisions of this Article or in any manner commit or attempt to commit any fraud preventing the impartial execution of such Civil Service provisions or of the rules and regulations made thereunder. No officer or employee in the classified service of the City shall continue in such position after becoming a candidate for nomination or election to any public office. No person seeking appointment to or promotion in the classified service of the City shall either directly or indirectly give, render, or pay any money, service, or other valuable thing to any person for or on account of or in connection with his test, appointment, proposed appointment, promotion, or proposed promotion.

(Ord. No. 1645, § 1, 5-9-1944, Election, 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 10. - PENSION AND RETIREMENT SYSTEM

The City Council shall have authority to establish a pension and retirement system for any or all groups of officers and employees in the service of the city. Any such pension and retirement system shall be established on a jointly contributory basis, with the officers and employees sharing the cost equally with the City, except as to prior service charges at the time of establishment, which may be borne entirely by the City. The cost of the system shall be determined actuarially on the basis of such mortality and service tables as the Council shall approve. The provisions of the ordinance establishing a pension and retirement system shall require periodic actuarial evaluations, which shall serve as the basis of any changes in the rates of contributions, and shall also provide for the maintenance at all times of adequate reserves to meet all accrued liabilities. Any officer or employee of the City at the time of the establishment of such system shall have a reasonable time thereafter, the privilege of becoming a member of the system so established and to share its benefits. Officers and employees thereafter appointed in the classified service shall be required to join the system as a condition of employment. The Council shall have authority, on behalf of the City of Amarillo and its officers and employees, to join or participate in any district or statewide pension and retirement system which may be established by the Legislature of the State of Texas. Any pension and retirement system established or administered under the provisions of this section shall be administered by the Department of Human Resources except that the collection, custody, investment, and payment of funds shall be administered by the Department of Finance.

(Ord. No. 1645, § 1, 5-9-1944, Election 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 11. - APPROPRIATION

The City Council shall annually appropriate funds adequate in amount to establish and carry forward the policies and procedures set forth in this Article and in the code of rules adopted hereunder.

(Ord. No. 1645, § 1, 5-9-1944, Election 7-15-1944; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

ARTICLE VII. - GENERAL PROVISIONS

SECTION 1.

The enumeration of powers made in this Charter shall never be construed to preclude, by implication or otherwise, the City from exercising the powers incident to the enjoyment of local self-government, nor to do any and all things not inhibited by the Constitution and Laws of the State of Texas.

(Char. 11-18-13, Art. 7, § 1)

SECTION 2. - RATIFICATION OF ORDINANCES

All Ordinances and resolutions in effect at the time of taking effect of this Charter, not inconsistent with its provisions, shall continue in force until amended or repealed.

(Char. 11-18-13, Art. 7, § 2)

SECTION 3. - AMENDMENTS TO CHARTER

This Charter after its adoption, may be amended in accordance with applicable state law as amended. At any election for the adoption of Charter amendments, if the provisions of two or more proposed amendments on the ballot are irreconcilably inconsistent, and each receives a majority favorable vote, then the amendment that receives the highest number of favorable votes shall prevail in that election.

(Char. 11-18-13, Art. 7, § 3; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

SECTION 4. - Reserved.

Editor's note— Res. No. 11-13-13-1, § 1, adopted November 13, 2013, adopted at an election of November 5, 2013, amended the Charter by repealing former Art. 7, §§ 4—6 in their entirety. Former §§ 4—6 pertained to the vote on the proposed Charter, initial election of mayor and commissioners, and qualifying and oath for mayor and commissioners, and derived from the original Charter.

SECTION 5. - Reserved.

Note— See editor's note, Art. VII, § 4.

SECTION 6. - Reserved.

Note— See editor's note, Art. VII, § 4.

SECTION 7.

Upon their qualifications, such Mayor and Councilmembers shall be and constitute the governing body and authority of the City of Amarillo, and shall thereafter administer its affairs agreeable to the provisions of this Charter; provided that the present City Secretary and Finance Director, City Attorney and City Marshall shall hold and retain their respective offices, if they so desire, and enjoy the emoluments thereof as now provided until the First Tuesday in April, A.D., 1914.

(Char. 11-18-13, Art. 7, § 7; Res. No. 11-13-13-1, § 1, 11-13-2013, Election 11-5-2013)

Council Candidate & Petition Qualifications

Qualifications Pursuant to Texas Election Code Section 141.001:

Eligibility Requirements for Public Office

- (a) To be eligible to be a candidate for, or elected or appointed to, a public elective office in this state, a person must:
- (1) be a United States citizen;
 - (2) be 18 years of age or older on the first day of the term to be filled at the election or on the date of appointment, as applicable;
 - (3) have not been determined by a final judgment of a court exercising probate jurisdiction to be:
 - (A) totally mentally incapacitated; or
 - (B) partially mentally incapacitated without the right to vote;
 - (4) have not been finally convicted of a felony from which the person has not been pardoned or otherwise released from the resulting disabilities;
 - (5) have resided continuously in the state for 12 months and in the territory from which the office is elected for six months immediately preceding the following date:
 - (A) for a candidate whose name is to appear on a general primary election ballot, the date of the regular filing deadline for a candidate's application for a place on the ballot;
 - (B) for an independent candidate, the date of the regular filing deadline for a candidate's application for a place on the ballot;
 - (C) for a write-in candidate, the date of the election at which the candidate's name is written in;
 - (D) for a party nominee who is nominated by any method other than by primary election, the date the nomination is made; and
 - (E) for an appointee to an office, the date the appointment is made;
 - (6) on the date described by Subdivision (5), be registered to vote in the territory from which the office is elected; and
 - (7) satisfy any other eligibility requirements prescribed by law for the office.
- (a-1) For purposes of satisfying the continuous residency requirement of Subsection (a)(5), a person who claims an intent to return to a residence after a temporary absence may establish that intent only if the person:
- (1) has made a reasonable and substantive attempt to effectuate that intent; and
 - (2) has a legal right and the practical ability to return to the residence.
- (a-2) Subsection (a-1) does not apply to a person displaced from the person's residence due to a declared local, state, or national disaster.
- (a-3) The authority with whom an application for a place on a general primary election ballot is filed under Section 172.022 shall, to the extent permitted by law, use Subsections (a) and (a-1) in determining whether a candidate meets the residency requirements for a public elective office.
- (b) A statute outside this code supersedes Subsection (a) to the extent of any conflict.

Qualifications Pursuant to Texas Election Code Section 141.001 (Cont'd):

- (c) Subsection (a) does not apply to an office for which the federal or state constitution or a statute outside this code prescribes exclusive eligibility requirements.
- (d) Subsection (a)(6) does not apply to a member of the governing body of a district created under Section 52(b)(1) or (2), Article III, or Section 59, Article XVI, Texas Constitution.

Qualifications Pursuant to the Amarillo City Charter Article V, Section 4:

- (a) The Mayor and each Councilmember shall be resident citizens of the City of Amarillo, have the qualifications of registered voters therein and shall have been a resident citizen of the City of Amarillo for a period of twelve (12) months immediately preceding such election.
- (b) The Mayor, Councilmembers and other officers and employees shall not be indebted to the City; shall not hold any other public office of emolument and shall not be interested in the profits or emolument of any contracts, job, work or service for the municipality, or interested in the sale to the City of any supplies, equipment, material or articles purchased.
- (c) Any officer or employee of the City who shall cease to possess any of the qualifications herein required shall forthwith forfeit office and any such contract in which any officer or employee is or may become interested may be declared void by the Council.
- (d) No officer or employee of the City (except policemen and firemen in uniform, or wearing an badge), shall accept any frank, free ticket, passes or service, or anything of value, directly or indirectly from any person, firm or corporation, upon terms more favorable than are granted to the public.
- (e) Any violation of this section shall be a misdemeanor, and on conviction of such violation, such office or employment shall be forfeited.

Important Contact and Reference Information

City of Amarillo

624 S. Grant
Amarillo, Texas 79105-1971
806-378-3014 office
806-378-9394 fax
www.amarillo.gov

CITY SECRETARY

Stephanie Coggins
Stephanie.Coggins@amarillo.gov

CITY MANAGER

Grayson Path
Grayson.Path@amarillo.gov

DEPUTY CITY MANAGER

Andrew Freeman
Andrew.Freeman@amarillo.gov

ASSISTANT CITY MANAGERS

Floyd Hartman
Floyd.Hartman@amarillo.gov

Donny Hooper
Donny.Hooper@amarillo.gov

Rich Gagnon

Rich.Gagnon@amarillo.gov

Laura Storrs

Laura.Storrs@amarillo.gov

City of Amarillo 2024-2025 Budget: <https://www.amarillo.gov/wp-content/uploads/2024/12/20242025-City-of-Amarillo-Approved-Budget.pdf>

Potter County Elections (voter registration)

Christy Bengé
806-379-2299
vote@mypottercounty.com

Randall County Elections (voter registration)

Shannon Lackey
806-468-5510
elections@randallcounty.org

Texas Ethics Commission (information about campaign finance forms)

www.ethics.state.tx.us

Texas Secretary of State (general election information)

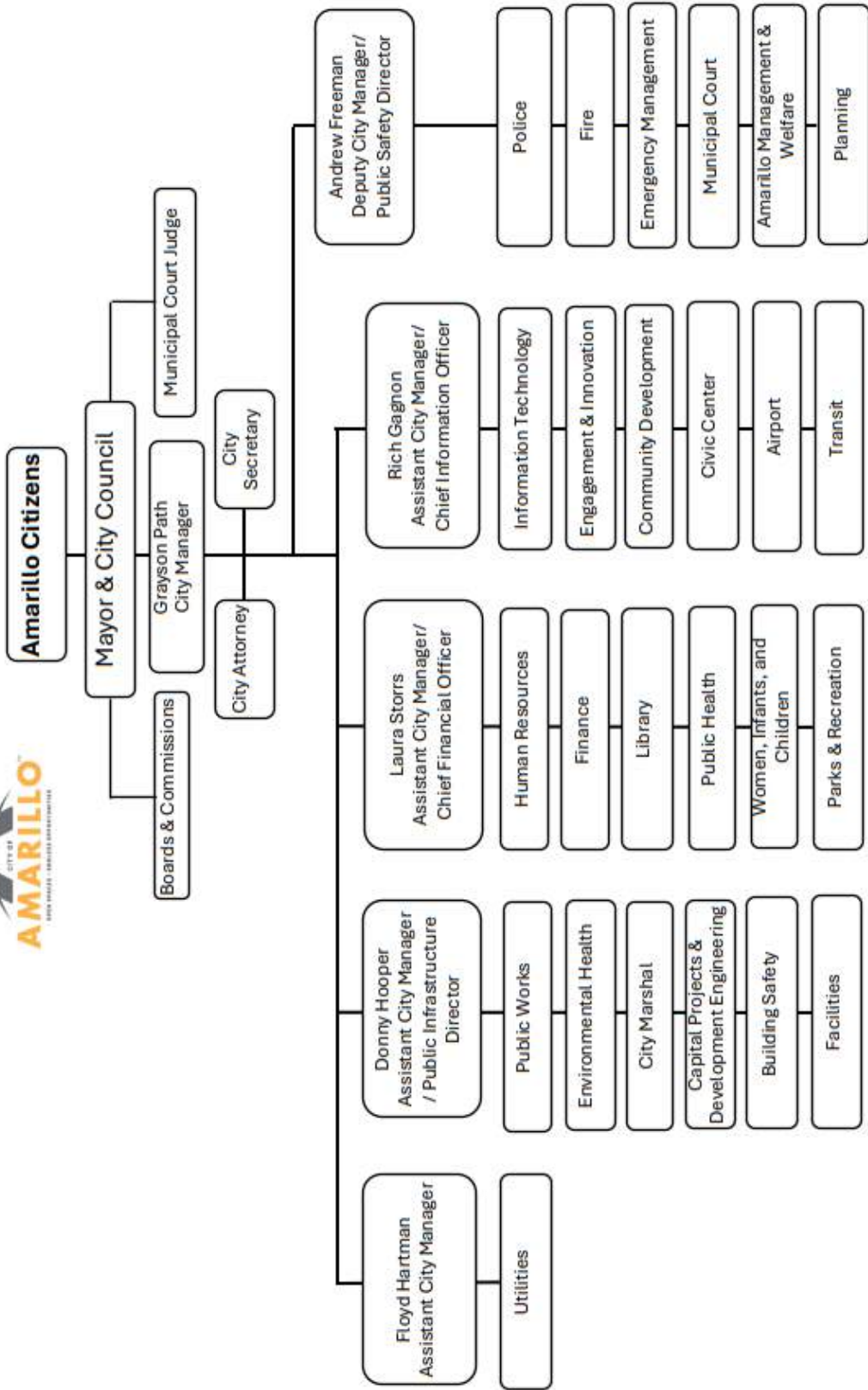
www.sos.state.tx.us

Texas Election Code (State Election Statutes)

<https://statutes.capitol.texas.gov/?link=EL>



CITY OF AMARILLO, TEXAS
Organization Chart



CITY OF AMARILLO
MAY 3, 2025 REGULAR MUNICIPAL ELECTION CALENDAR

<u>DATE</u>	<u>ACTION</u>
Monday, December 16	Deadline to post notice of candidate filing
Monday, January 1, 2025	First day to submit an application for voting by mail
Wednesday, January 15	Semi –Annual Campaign Finance Report due (period ending December 31, 2024)
Wednesday, January 15	First day candidates may file an Application for a Place on the Ballot
Tuesday, January 28	Calling Election and Posting of Notice of Election (Resolution)
Friday, February 14	Last day candidates may file an Application for a Place on the Ballot (must be marked received by 5:00 p.m.)
Tuesday, February 18	Last day Write-in Candidate may file
Thursday, February 20	Drawing for place on the ballot
Friday, February 21	Last day to withdraw name for Place on Ballot
Friday, March 14	Beginning of mandatory office hours
Thursday, April 3	Campaign Finance Report due (30-days prior to election – period ending March 24, 2025)
Thursday, April 3	Last day a person may register to vote in the May 6, 2023 election
April 3 - 23 (April 13)	Publishing Notice of Election in newspaper (once)
Monday, April 21	First day of Early voting by Personal Appearance (Sec. 85.001)
Tuesday, April 22	Last day a voter may apply to vote by mail. (Application must be received by this date, not postmarked)
Friday, April 25	Campaign Finance Report due (8-days prior to election – period ending April 23, 2025)

CITY OF AMARILLO
MAY 3, 2025 REGULAR MUNICIPAL ELECTION CALENDAR

Tuesday, April 29	Last day to vote early by personal appearance (Sec. 85.001(a))
<u>DATE</u>	<u>ACTION</u>
Wednesday, April 30	Personal Financial Statements reports due
Saturday, May 3	Election Day Poll hours 7:00 a.m. – 7:00 p.m.
Monday, May 5	Last day to receive mail ballots
Tuesday, May 13 (May 6 - 14)	Canvass of Election Results
Tuesday, May 13	Swearing-In of newly elected officials
Tuesday, May 13 (May 6-14)	Possible Order Run-Off Election Day
Saturday, June 7	Run-Off Election Day
Thursday, June 12	Last day of mandatory office hours
Tuesday, July 15	Semi-Annual Report Due (period ending June 30, 2025)
Tuesday, November 4	Next Uniform Election must be called by August 18, 2025

APPOINTMENT OF A CAMPAIGN TREASURER BY A CANDIDATE

FORM CTA
PG 1

See CTA Instruction Guide for detailed instructions.		1 Total pages filed:		
2 CANDIDATE NAME	MS / MRS / MR	FIRST	MI	OFFICE USE ONLY
	NICKNAME	LAST	SUFFIX	
3 CANDIDATE MAILING ADDRESS	ADDRESS / PO BOX; APT / SUITE #; CITY; STATE; ZIP CODE			Filer ID #
				Date Received
4 CANDIDATE PHONE	AREA CODE	PHONE NUMBER	EXTENSION	Date Hand-delivered or Postmarked
	()			Receipt # Amount \$
5 OFFICE HELD (if any)				Date Processed
6 OFFICE SOUGHT (if known)				Date Imaged
7 CAMPAIGN TREASURER NAME	MS/MRS/MR	FIRST	MI	NICKNAME
				LAST
				SUFFIX
8 CAMPAIGN TREASURER STREET ADDRESS (residence or business)	STREET ADDRESS; APT / SUITE #; CITY; STATE; ZIP CODE			
9 CAMPAIGN TREASURER PHONE	AREA CODE	PHONE NUMBER	EXTENSION	
	()			
10 CANDIDATE SIGNATURE	<p>I am aware of the Nepotism Law, Chapter 573 of the Texas Government Code.</p> <p>I am aware of my responsibility to file timely reports as required by title 15 of the Election Code.</p> <p>I am aware of the restrictions in title 15 of the Election Code on contributions from corporations and labor organizations.</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Signature of Candidate Date Signed</p>			

GO TO PAGE 2

CANDIDATE MODIFIED REPORTING DECLARATION

FORM CTA
PG 2

11 CANDIDATE
NAME

12 MODIFIED
REPORTING
DECLARATION

COMPLETE THIS SECTION ONLY IF YOU ARE CHOOSING MODIFIED REPORTING

•• This declaration must be filed no later than the 30th day before the first election to which the declaration applies. ••

•• The modified reporting option is valid for one election cycle only. ••
(An election cycle includes a primary election, a general election, and any related runoffs.)

• Candidates for the office of state chair of a political party may NOT choose modified reporting. ••

I do not intend to accept more than \$1,080 in political contributions or make more than \$1,080 in political expenditures (excluding filing fees) in connection with any future election within the election cycle. I understand that if either one of those limits is exceeded, I will be required to file pre-election reports and, if necessary, a runoff report.

Year of election(s) or election cycle to
which declaration applies

Signature of Candidate

This appointment is effective on the date it is filed with the appropriate filing authority.

TEC Filers may send this form to the TEC electronically at treasappoint@ethics.state.tx.us
or mail to
Texas Ethics Commission
P.O. Box 12070
Austin, TX 78711-2070

**Non-TEC Filers must file this form with the local filing authority
DO NOT SEND TO TEC**

For more information about where to file go to:
<https://www.ethics.state.tx.us/filinginfo/QuickFileAReport.php>

TEXAS ETHICS COMMISSION

APPOINTMENT OF A CAMPAIGN TREASURER BY A CANDIDATE

FORM CTA--INSTRUCTION GUIDE



Revised January 1, 2024

Texas Ethics Commission, P.O. Box 12070, Austin, Texas 78711

www.ethics.state.tx.us

(512) 463-5800 • TDD (800) 735-2989

Promoting Public Confidence in Government

FORM CTA—INSTRUCTION GUIDE

TABLE OF CONTENTS

GENERAL INSTRUCTIONS	1
DUTIES OF A CANDIDATE OR OFFICEHOLDER	1
QUALIFICATIONS OF CAMPAIGN TREASURER	1
DUTIES OF A CAMPAIGN TREASURER.....	1
REQUIREMENT TO FILE BEFORE BEGINNING A CAMPAIGN	1
WHERE TO FILE A CAMPAIGN TREASURER APPOINTMENT	2
FILING WITH A DIFFERENT AUTHORITY	3
FORMING A POLITICAL COMMITTEE.....	4
CHANGING A CAMPAIGN TREASURER.....	4
AMENDING A CAMPAIGN TREASURER APPOINTMENT	4
REPORTING REQUIREMENT FOR CERTAIN OFFICEHOLDERS	4
TERMINATING A CAMPAIGN TREASURER APPOINTMENT	4
FILING A FINAL REPORT	5
ELECTRONIC FILING.....	5
GUIDES	5
SPECIFIC INSTRUCTIONS	5
PAGE 1	5
PAGE 2	7

APPOINTMENT OF A CAMPAIGN TREASURER BY A CANDIDATE

GENERAL INSTRUCTIONS

These instructions are for the APPOINTMENT OF A CAMPAIGN TREASURER BY A CANDIDATE (Form CTA). Use Form CTA only for appointing your campaign treasurer. Use the AMENDMENT (Form ACTA) for changing information previously reported on Form CTA and for renewing your choice to report under the modified schedule. Note: Candidates for most judicial offices use Form JCTA to file a campaign treasurer appointment.

DUTIES OF A CANDIDATE OR OFFICEHOLDER

As a candidate or officeholder, you alone, not the campaign treasurer, are responsible for filing this form and all candidate/officeholder reports of contributions, expenditures, and loans. Failing to file a report on time or filing an incomplete report may subject you to criminal or civil penalties.

QUALIFICATIONS OF CAMPAIGN TREASURER

A person is ineligible for appointment as a campaign treasurer if the person is the campaign treasurer of a political committee that has outstanding filing obligations (including outstanding penalties). This prohibition does not apply if the committee in connection with which the ineligibility arose has not accepted more than \$5,000 in political contributions or made more than \$5,000 in political expenditures in any semiannual reporting period. A person who violates this prohibition is liable for a civil penalty not to exceed three times the amount of political contributions accepted or political expenditures made in violation of this provision. Note: A candidate may appoint himself or herself as his or her own campaign treasurer.

DUTIES OF A CAMPAIGN TREASURER

State law does not impose any obligations on a candidate's campaign treasurer.

REQUIREMENT TO FILE BEFORE BEGINNING A CAMPAIGN

If you plan to run for a public office in Texas (except for a federal office), you must file this form when you become a candidate even if you do not intend to accept campaign contributions or make campaign expenditures. A "candidate" is a person who knowingly and willingly takes affirmative action for the purpose of gaining nomination or election to public office or for the purpose of satisfying financial obligations incurred by the person in connection with the campaign for nomination or election. Examples of affirmative action include:

- (A) the filing of a campaign treasurer appointment, except that the filing does not constitute candidacy or an announcement of candidacy for purposes of the automatic resignation provisions of Article XVI, Section 65, or Article XI, Section 11, of the Texas Constitution;
- (B) the filing of an application for a place on the ballot;

- (C) the filing of an application for nomination by convention;
- (D) the filing of a declaration of intent to become an independent candidate or a declaration of write-in candidacy;
- (E) the making of a public announcement of a definite intent to run for public office in a particular election, regardless of whether the specific office is mentioned in the announcement;
- (F) before a public announcement of intent, the making of a statement of definite intent to run for public office and the soliciting of support by letter or other mode of communication;
- (G) the soliciting or accepting of a campaign contribution or the making of a campaign expenditure; and
- (H) the seeking of the nomination of an executive committee of a political party to fill a vacancy.

Additionally, the law provides that you must file this form before you may accept a campaign contribution or make or authorize a campaign expenditure, including an expenditure from your personal funds. A filing fee paid to a filing authority to qualify for a place on a ballot is a campaign expenditure that may not be made before filing a campaign treasurer appointment form with the proper filing authority.

If you are an officeholder, you may make officeholder expenditures and accept officeholder contributions without having a campaign treasurer appointment on file. If you do not have a campaign treasurer appointment on file and you wish to accept *campaign* contributions or make *campaign* expenditures in connection with your office or for a different office, you must file this form before doing so. In such a case, a sworn report of contributions, expenditures, and loans will be due no later than the 15th day after filing this form.

WHERE TO FILE A CAMPAIGN TREASURER APPOINTMENT

The appropriate filing authority depends on the office sought or held.

a. Texas Ethics Commission. The Texas Ethics Commission (Commission) is the appropriate filing authority for the Secretary of State and for candidates for or holders of the following offices:

- Governor, Lieutenant Governor, Attorney General, Comptroller, Treasurer, Land Commissioner, Agriculture Commissioner, Railroad Commissioner.
- State Senator or State Representative.
- Supreme Court Justice, Court of Criminal Appeals Judge, and Court of Appeals Judge.*

- State Board of Education.
- A multi-county district judge* or multi-county district attorney.
- A single-county district judge.*
- An office of a political subdivision other than a county if the political subdivision includes areas in more than one county and if the governing body of the political subdivision has not been formed.
- A chair of the state executive committee of a political party with a nominee on the ballot in the most recent gubernatorial election.
- A county chair of a political party with a nominee on the ballot in the most recent gubernatorial election if the county has a population of 350,000 or more.

* Judicial candidates use FORM JCTA to appoint a campaign treasurer.

b. County Clerk. The county clerk (or the county elections administrator or tax assessor, as applicable) is the appropriate local filing authority for a candidate for:

- A county office.
- A precinct office.
- A district office (except for multi-county district offices).
- An office of a political subdivision other than a county if the political subdivision is within the boundaries of a single county and if the governing body of the political subdivision has not been formed.

c. Local Filing Authority. If a candidate is seeking an office of a political subdivision other than a county, the appropriate filing authority is the *clerk or secretary of the governing body* of the political subdivision. If the political subdivision has no clerk or secretary, the appropriate filing authority is the governing body's presiding officer. Basically, any political subdivision that is authorized by the laws of this state to hold an election is considered a local filing authority. Examples are cities, school districts, and municipal utility districts.

FILING WITH A DIFFERENT AUTHORITY

If you have a campaign treasurer appointment on file with one authority, and you wish to accept campaign contributions or make or authorize campaign expenditures in connection with another office that would require filing with a different authority, you must file a new campaign treasurer appointment and a copy of your old campaign treasurer appointment (certified by the old authority) with the new filing authority before beginning your campaign. You should also provide written notice to the original filing authority that your future reports will be filed with another authority; use Form CTA-T for this purpose.

FORMING A POLITICAL COMMITTEE

As a candidate, you must file an APPOINTMENT OF A CAMPAIGN TREASURER BY A CANDIDATE (FORM CTA). You may also form a specific-purpose committee to support your candidacy. Remember that filing a campaign treasurer appointment for a political committee does not eliminate the requirement that a candidate file his or her own campaign treasurer appointment (FORM CTA) and the related reports.

NOTE: *See the Campaign Finance Guide for Political Committees for further information about specific-purpose committees.*

CHANGING A CAMPAIGN TREASURER

If you wish to change your campaign treasurer, simply file an amended campaign treasurer appointment (FORM ACTA). This will automatically terminate the outgoing campaign treasurer appointment.

AMENDING A CAMPAIGN TREASURER APPOINTMENT

If *any* of the information reported on the campaign treasurer appointment (FORM CTA) changes, file an AMENDMENT: APPOINTMENT OF A CAMPAIGN TREASURER BY A CANDIDATE (FORM ACTA) to report the change.

REPORTING REQUIREMENT FOR CERTAIN OFFICEHOLDERS

If you are an officeholder who appoints a campaign treasurer after a period of not having one, you must file a report of contributions, expenditures, and loans no later than the 15th day after your appointment is effective. This requirement is not applicable if you are a candidate or an officeholder who is merely changing campaign treasurers.

TERMINATING A CAMPAIGN TREASURER APPOINTMENT

You may terminate your campaign treasurer appointment at any time by:

- 1) filing a campaign treasurer appointment for a successor campaign treasurer, or
- 2) filing a final report.

Remember that you may not accept any campaign contributions or make or authorize any campaign expenditures without a campaign treasurer appointment on file. You may, however, accept officeholder contributions and make or authorize officeholder expenditures.

If your campaign treasurer quits, he or she must give written notice to both you and your filing authority. The termination will be effective on the date you receive the notice or on the date your filing authority receives the notice, whichever is later.

FILING A FINAL REPORT

For filing purposes, you are a “candidate” as long as you have an appointment of campaign treasurer on file. If you do not expect to accept any further campaign contributions or to make any further campaign expenditures, you may file a final report of contributions and expenditures. A final report terminates your appointment of campaign treasurer and relieves you of the obligation of filing further reports as a candidate. If you have surplus funds, or if you retain assets purchased with political funds, you will be required to file annual reports. (*See instructions for FORM C/OH - UC.*) If you are an officeholder at the time of filing a final report, you may be required to file semiannual reports of contributions, expenditures, and loans as an officeholder.

If you do not have an appointment of campaign treasurer on file, you may not accept *campaign* contributions or make *campaign* expenditures. A payment on a campaign debt is a campaign expenditure. An officeholder who does not have an appointment of campaign treasurer on file may accept *officeholder* contributions and make *officeholder* expenditures.

To file a final report, you must complete the CANDIDATE/OFFICEHOLDER CAMPAIGN FINANCE REPORT (FORM C/OH), check the “final” box on Page 1, Section 9, and complete and attach the DESIGNATION OF FINAL REPORT (FORM C/OH-FR).

ELECTRONIC FILING

All persons filing campaign finance reports with the Commission are required to file those reports electronically unless the person is entitled to claim an exemption. Please check the Commission’s website at <http://www.ethics.state.tx.us> for information about exemptions from the electronic filing requirements.

GUIDES

All candidates should review the applicable Commission’s campaign finance guide. Guides are available on the Commission’s website at <http://www.ethics.state.tx.us>.

SPECIFIC INSTRUCTIONS

Each numbered item in these instructions corresponds to the same numbered item on the form.

PAGE 1

- 1. TOTAL PAGES FILED:** After you have completed the form, enter the total number of pages of this form and any additional pages. A “page” is one side of a two-sided form. If you are not using a two-sided form, a “page” is a single sheet.
- 2. CANDIDATE NAME:** Enter your full name, including nicknames and suffixes (e.g., Sr., Jr., III), if applicable. Enter your name in the same way on Page 2, Section 11, of this form.
- 3. CANDIDATE MAILING ADDRESS:** Enter your complete mailing address, including zip code. This information will allow your filing authority to correspond with you. If this information changes, please notify your filing authority immediately.

4. **CANDIDATE PHONE:** Enter your phone number, including the area code and extension, if applicable.
5. **OFFICE HELD:** If you are an officeholder, please enter the office you currently hold. Include the district, precinct, or other designation for the office, if applicable.
6. **OFFICE SOUGHT:** If you are a candidate, please enter the office you seek, if known. Include the district, precinct, or other designation for the office, if applicable.
7. **CAMPAIGN TREASURER NAME:** Enter the full name of your campaign treasurer, including nicknames and suffixes (e.g., Sr., Jr., III), if applicable.
8. **CAMPAIGN TREASURER STREET ADDRESS:** Enter the complete street address of your campaign treasurer, including the zip code. You may enter either the treasurer's business or residential street address. If you are your own treasurer, you may enter either your business or residential street address.
9. **CAMPAIGN TREASURER PHONE:** Enter the phone number of your campaign treasurer, including the area code and extension, if applicable.
10. **CANDIDATE SIGNATURE:** Enter your signature after reading the summary. Your signature here indicates that you have read the following summary of the nepotism law; that you are aware of your responsibility to file timely reports; and that you are aware of the restrictions on contributions from corporations and labor organizations.
 - The Texas nepotism law (Government Code, chapter 573) imposes certain restrictions on both officeholders and candidates. You should consult the statute in regard to the restrictions applicable to officeholders.
 - A candidate may not take an affirmative action to influence an employee of the office to which the candidate seeks election in regard to the appointment, confirmation, employment or employment conditions of an individual who is related to the candidate within a prohibited degree.
 - A candidate for a multi-member governmental body may not take an affirmative action to influence an officer or employee of the governmental body to which the candidate seeks election in regard to the appointment, confirmation, or employment of an individual related to the candidate in a prohibited degree.
 - Two people are related within a prohibited degree if they are related within the third degree by consanguinity (blood) or the second degree by affinity (marriage). The degree of consanguinity is determined by the number of generations that separate them. If neither is descended from the other, the degree of consanguinity is determined by adding the number of generations that each is separated from a common ancestor. Examples: (1) first degree - parent to child; (2) second degree - grandparent to grandchild; or brother to sister; (3) third degree - great-grandparent to great-grandchild; or aunt to niece who is child of individual's brother or sister. A husband and wife are related in the first degree by affinity. A wife has the same degree of relationship by affinity to her husband's relatives as her husband has by

consanguinity. For example, a wife is related to her husband's grandmother in the second degree by affinity.

PAGE 2

11. CANDIDATE NAME: Enter your name as you did on Page 1.

12. MODIFIED REPORTING DECLARATION: Sign this option if you wish to report under the modified reporting schedule.

The modified reporting option is not available for candidates for the office of state chair of a political party and candidates for county chair of a political party.

To the left of your signature, enter the year of the election or election cycle to which your selection of modified reporting applies.

Your selection of modified reporting is valid for an entire election cycle. For example, if you choose modified reporting before a primary election, your selection remains in effect for any runoff and for the general election and any related runoff. You must make this selection at least 30 days before the first election to which your selection applies.

An opposed candidate in an election is eligible to report under the modified reporting schedule if he or she does not intend to accept more than \$1,080 in political contributions or make more than \$1,080 in political expenditures in connection with an election. The amount of a filing fee paid to qualify for a place on the ballot does not count against the \$1,080 expenditure limit. An opposed candidate who reports under the modified schedule is not required to file pre-election reports (due 30 days and 8 days before an election) or runoff reports (due 8 days before a runoff). (Note: An *unopposed* candidate is not required to file pre-election reports in the first place.) The obligations to file semiannual reports, special pre-election reports (formerly known as telegram reports), or special session reports, if applicable, are not affected by selecting the modified schedule.

The \$1,080 maximums apply to each election within the cycle. In other words, you are limited to \$1,080 in contributions and expenditures in connection with the primary, an additional \$1,080 in contributions and expenditures in connection with the general election, and an additional \$1,080 in contributions and expenditures in connection with a runoff.

EXCEEDING \$1,080 IN CONTRIBUTIONS OR EXPENDITURES. If you exceed \$1,080 in contributions or expenditures in connection with an election, you must file according to the regular filing schedule. In other words, you must file pre-election reports and a runoff report, if you are in a runoff.

If you exceed either of the \$1,080 limits *after the 30th day before the election*, you must file a sworn report of contributions and expenditures within 48 hours after exceeding the limit. After that, you must file any pre-election reports or runoff reports that are due under the regular filing schedule.

Your selection is not valid for other elections or election cycles. Use the AMENDMENT (FORM ACTA) to renew your option to file under the modified schedule for a different election year or election cycle.

For more information, see the Commission's campaign finance guide that applies to you.

APPLICATION FOR A PLACE ON THE BALLOT FOR A GENERAL ELECTION FOR A CITY, SCHOOL DISTRICT OR OTHER POLITICAL SUBDIVISION

ALL INFORMATION IS REQUIRED TO BE PROVIDED UNLESS INDICATED AS OPTIONAL¹ Failure to provide required information may result in rejection of application.

APPLICATION FOR A PLACE ON THE _____ GENERAL ELECTION BALLOT					
TO: City Secretary/Secretary of Board _____ (name of election)					
I request that my name be placed on the above-named official ballot as a candidate for the office indicated below.					
OFFICE SOUGHT (Include any place number or other distinguishing number, if any.)				INDICATE TERM <input type="checkbox"/> FULL <input type="checkbox"/> UNEXPIRED	
FULL NAME (First, Middle, Last)			PRINT NAME AS YOU WANT IT TO APPEAR ON THE BALLOT*		
PERMANENT RESIDENCE ADDRESS (Do not include a P.O. Box or Rural Route. If you do not have a residence address, describe location of residence.)			PUBLIC MAILING ADDRESS (Optional) (Address for which you receive campaign related correspondence, if available.)		
CITY	STATE	ZIP	CITY	STATE	ZIP
PUBLIC EMAIL ADDRESS (Optional) (Address for which you receive campaign related emails, if available.)		OCCUPATION (Do not leave blank)	DATE OF BIRTH / /	VOTER REGISTRATION VOID NUMBER² (Optional)	
TELEPHONE CONTACT INFORMATION (Optional) Home: _____ Office: _____ Cell: _____					
FELONY CONVICTION STATUS (You MUST check one)			LENGTH OF CONTINUOUS RESIDENCE AS OF DATE THIS APPLICATION WAS SWORN		
<input type="checkbox"/> I have not been finally convicted of a felony. <input type="checkbox"/> I have been finally convicted of a felony, but I have been pardoned or otherwise released from the resulting disabilities of that felony conviction and I have provided proof of this fact with the submission of this application. ³			IN THE STATE OF TEXAS		IN TERRITORY/DISTRICT/PRECINCT FROM WHICH THE OFFICE SOUGHT IS ELECTED
			_____ year(s) _____ month(s)		_____ year(s) _____ month(s)
*If using a nickname as part of your name to appear on the ballot, you are also signing and swearing to the following statements: I further swear that my nickname does not constitute a slogan or contain a title, nor does it indicate a political, economic, social, or religious view or affiliation. I have been commonly known by this nickname for at least three years prior to this election. Please review sections 52.031, 52.032 and 52.033 of the Texas Election Code regarding the rules for how names may be listed on the official ballot.					
Before me, the undersigned authority, on this day personally appeared (name of candidate) _____, who being by me here and now duly sworn, upon oath says: "I, (name of candidate) _____, of _____ County, Texas, being a candidate for the office of _____, swear that I will support and defend the Constitution and laws of the United States and of the State of Texas. I am a citizen of the United States eligible to hold such office under the constitution and laws of this state. I have not been determined by a final judgment of a court exercising probate jurisdiction to be totally mentally incapacitated or partially mentally incapacitated without the right to vote. I am aware of the nepotism law, Chapter 573, Government Code. I am aware that I must disclose any prior felony conviction, and if so convicted, must provide proof that I have been pardoned or otherwise released from the resulting disabilities of any such final felony conviction. I am aware that knowingly providing false information on the application regarding my possible felony conviction status constitutes a Class B misdemeanor. I further swear that the foregoing statements included in my application are in all things true and correct."					
X _____					
SIGNATURE OF CANDIDATE					
Sworn to and subscribed before me this the _____ day of _____, _____, by _____ (name of candidate).					
Signature of Officer Authorized to Administer Oath ⁴			Printed Name of Officer Authorized to Administer Oath		
_____			Notarial or Official Seal		
Title of Officer Authorized to Administer Oath					
TO BE COMPLETED BY FILING OFFICER: THIS APPLICATION IS ACCOMPANIED BY THE REQUIRED FILING FEE (If Applicable) PAID BY:					
<input type="checkbox"/> CASH <input type="checkbox"/> CHECK <input type="checkbox"/> MONEY ORDER <input type="checkbox"/> CASHIERS CHECK OR <input type="checkbox"/> PETITION IN LIEU OF A FILING FEE.					
This document and \$_____ filing fee or a nominating petition of _____ pages received. <input type="checkbox"/> Voter Registration Status Verified					
_____/_____/_____		_____/_____/_____		(See Section 1.007)	
Date Received		Date Accepted		Signature of Filing Officer or Designee	

INSTRUCTIONS

An application for a place on the general election for a city, school district or other political subdivision, may not be filed earlier than 30 days before the deadline prescribed by this code for filing the application. An application filed before that day is void. All fields of the application **must** be completed unless specifically marked optional.

For an election to be held on a uniform election date, the day of the filing deadline is the 78th day before Election Day.

If you have questions about the application, please contact the Secretary of State's Elections Division at 800-252-8683.

NEPOTISM LAW

The candidate must sign this statement indicating his awareness of the nepotism law. When a candidate signs the application, it is an acknowledgment that the candidate is aware of the nepotism law. The nepotism prohibitions of chapter 573, Government Code, are summarized below:

No officer may appoint, or vote for or confirm the appointment or employment of any person related within the second degree by affinity (marriage) or the third degree by consanguinity (blood) to the officer, or to any other member of the governing body or court on which the officer serves when the compensation of that person is to be paid out of public funds or fees of office. However, nothing in the law prevents the appointment, voting for, or confirmation of anyone who has been continuously employed in the office or employment for the following period prior to the election or appointment of the officer or member related to the employee in the prohibited degree: six months, if the officer or member is elected at an election other than the general election for state and county officers.

No candidate may take action to influence an employee of the office to which the candidate is seeking election or an employee or officer of the governmental body to which the candidate is seeking election regarding the appointment or employment of a person related to the candidate in a prohibited degree as noted above. This prohibition does not apply to a candidate's actions with respect to a bona fide class or category of employees or prospective employees.

FOOTNOTES

¹An application for a place on the ballot, including any accompanying petition, is public information immediately on its filing. (Section 141.035, Texas Election Code)

²Inclusion of a candidate's VUID is optional. However, many candidates are required to be registered voters in the territory from which the office is elected at the time of the filing deadline. Please visit the Elections Division of the Secretary of State's website for additional information. <https://www.sos.state.tx.us/elections/laws/voter-reg-req-candidate-faq.shtml>

³Proof of release from the resulting disabilities of a felony conviction would include proof of judicial clemency under Texas Code of Criminal Procedure 42A.701, proof of executive pardon under Texas Code of Criminal Procedure 48.01, or proof of a restoration of rights under Texas Code of Criminal Procedure 48.05. (Texas Attorney General Opinion KP-0251)

One of the following documents must be submitted with this application.

Judicial Clemency under Texas Code of Criminal Procedure 42A.701

Executive Pardon under Texas Code of Criminal Procedure 48.01

Restoration of Rights under Texas Code of Criminal Procedure 48.05

⁴All oaths, affidavits, or affirmations made within this State may be administered and a certificate of the fact given by a judge, clerk, or commissioner of any court of record, a notary public, a justice of the peace, city secretary (for a city office), and the Secretary of State of Texas. See Chapter 602 of the Texas Government Code for the complete list of persons authorized to administer oaths.

**SOLICITUD DE INSCRIPCIÓN PARA UN LUGAR EN LA BOLETA DE UNA ELECCIÓN GENERAL
 PARA UNA CIUDAD, DISTRITO ESCOLAR U OTRA SUBDIVISIÓN POLÍTICA**

TODA LA INFORMACIÓN ES REQUERIDA A MENOS QUE SE INDIQUE COMO OPCIONAL¹ El hecho de no proporcionar la información requerida puede resultar en el rechazo de la solicitud.

SOLICITUD DE INSCRIPCIÓN PARA UN LUGAR EN LA BOLETA DE UNA ELECCIÓN GENERAL DE _____					
Para: Secretario(a) de la Ciudad/ Secretario(a) del Consejo			(nombre de la elección)		
Solicito que mi nombre se incluya en la boleta oficial mencionada anteriormente como candidato(a) al cargo indicado a continuación.					
CARGO SOLICITADO (Incluya cualquier número de cargo u otro número distintivo, si lo hay.)			INDIQUE TÉRMINO <input type="checkbox"/> TÉRMINO COMPLETO <input type="checkbox"/> TÉRMINO INCOMPLETO		
NOMBRE COMPLETO (Primer Nombre, Segundo Nombre, Apellido)			ESCRIBA SU NOMBRE COMO DESEA QUE APAREZCA EN LA BOLETA*		
DIRECCIÓN DE RESIDENCIA PERMANENTE (No incluya un apartado postal o una ruta rural. Si usted no tiene una dirección de residencia, describa la ubicación de la residencia.)			DIRECCIÓN DE CORREO PÚBLICO (Opcional) (Dirección en la que recibe la correspondencia relacionada con la campaña, si está disponible.)		
CIUDAD	ESTADO	CÓDIGO POSTAL	CIUDAD	ESTADO	CÓDIGO POSTAL
DIRECCIÓN DE CORREO ELECTRÓNICO PÚBLICO (Opcional) (Dirección donde recibe correo electrónico relacionado con la campaña, si está disponible.)		OCUPACIÓN (No deje este espacio en blanco)	FECHA DE NACIMIENTO ____/____/____	VOID – NÚMERO ÚNICO DE IDENTIFICACIÓN DE VOTANTE² (Opcional)	
INFORMACIÓN DE CONTACTO TELEFÓNICO (Opcional) Hogar: _____ Trabajo: _____ Celular: _____					
ESTADO DE CONDENA POR DELITO GRAVE (DEBE marcar una)			DURACIÓN DE RESIDENCIA CONTINUA A PARTIR DE LA FECHA EN QUE ESTA SOLICITUD FUE JURADA		
<input type="checkbox"/> No he sido finalmente condenado por un delito grave. <input type="checkbox"/> He sido finalmente condenado por un delito grave, pero he sido indultado o liberado de otro modo de las discapacidades resultantes de esa condena por delito grave y he proporcionado prueba de este hecho con la presentación de esta solicitud. ³			EN EL ESTADO DE TEXAS ____ año(s) ____ mes(es)		EN EL TERRITORIO/DISTRITO/PRECINTO DEL CUAL SE ELIGE EL CARGO BUSCADO ____ año(s) ____ mes(es)
*Si usa un apodo como parte de su nombre para aparecer en la boleta, también está firmando y jurando las siguientes declaraciones: Juro además que mi apodo no constituye un lema ni contiene un título, ni indica un punto de vista o afiliación política, económica, social o religiosa. He sido comúnmente conocido por este apodo durante al menos tres años antes de esta elección. Por favor, revise las secciones 52.031, 52.032 y 52.033 del Código Electoral de Texas con respecto a las reglas sobre cómo se pueden incluir los nombres en la boleta oficial.					
Ante mí, la autoridad abajo firmante, en este día apareció personalmente (nombre del candidato) _____, quien estando a mi lado aquí y ahora debidamente juramentado, bajo juramento dice: “Yo, (nombre del candidato) _____, del condado de _____, Texas, siendo candidato para el cargo de _____, juro que apoyaré y defenderé la Constitución y las leyes de los Estados Unidos y del Estado de Texas. Soy un ciudadano de los Estados Unidos elegible para ocupar dicho cargo según la Constitución y las leyes de este estado. No se me ha determinado por un fallo final de una corte que ejerce la jurisdicción testamentaria que esté totalmente incapacitado mentalmente o parcialmente incapacitado sin derecho a voto. Soy consciente de la ley de nepotismo según el Capítulo 573 del Código de Gobierno. Soy consciente de que debo divulgar cualquier condena previa de un delito grave y, si he sido condenado, debo proporcionar prueba de que he sido indultado o liberado de otro modo de las discapacidades resultantes de dicha condena final por delito grave. Soy consciente de que proporcionar a sabiendas información falsa en la solicitud con respecto a mi posible estado de condena por delito grave constituye un delito menor de Clase B. Juro además que las declaraciones anteriores incluidas en mi solicitud son, en todos los aspectos, verdaderas y correctas.”					
X _____ FIRMA DEL CANDIDATO					
Jurado y suscrito ante mí este día ____ de ____ del ____ por ____. (día) (mes) (año) (nombre de candidato)					
Firma del oficial autorizado para administrar el juramento ⁴			Nombre del oficial autorizado para administrar juramentos en letra de molde Notarial o sello oficial		
Título del oficial autorizado para administrar el juramento					
TO BE COMPLETED BY FILING OFFICER: THIS APPLICATION IS ACCOMPANIED BY THE REQUIRED FILING FEE (If Applicable) PAID BY: <input type="checkbox"/> CASH <input type="checkbox"/> CHECK <input type="checkbox"/> MONEY ORDER <input type="checkbox"/> CASHIERS CHECK OR <input type="checkbox"/> PETITION IN LIEU OF A FILING FEE. This document and \$_____ filing fee or a nominating petition of _____ pages received. <input type="checkbox"/> Voter Registration Status Verified					
____/____/____		____/____/____		_____ (See Section 1.007)	
Date Received		Date Accepted		Signature of Filing Officer or Designee	

INSTRUCCIONES

Una solicitud para un lugar en la elección general para una ciudad, distrito escolar u otra subdivisión política, no puede ser presentada antes de los 30 días antes de la fecha límite prescrita por este código para presentar la solicitud. Una solicitud presentada antes de ese día es nula. Todos los campos de la solicitud **deben** completarse a menos que estén específicamente marcados como opcional.

Para una elección que se lleve a cabo en una fecha de elección uniforme, el día de la fecha límite de presentación es el 7^o día antes del día de la elección.

Si tiene preguntas sobre la solicitud, por favor póngase en contacto con la División de Elecciones del Secretario de Estado llamando al 800-252-8683.

LEY DE NEPOTISMO

El candidato debe firmar esta declaración indicando su conocimiento de la ley del nepotismo. Cuando un candidato firma la solicitud, es un reconocimiento de que el candidato conoce la ley del nepotismo. Las prohibiciones de nepotismo del capítulo 573, Código de Gobierno, se resumen a continuación:

Ningún funcionario puede nombrar, votar o confirmar el nombramiento o empleo de cualquier persona emparentada dentro del segundo grado por afinidad (matrimonio) o del tercer grado por consanguinidad (sangre) con sí mismo, o con cualquier otro miembro del órgano de gobierno o corte en el que se desempeña cuando la compensación de esa persona debe pagarse con fondos públicos o honorarios del cargo. Sin embargo, nada en la ley impide el nombramiento, la votación o la confirmación de cualquier persona que haya estado empleada continuamente en la oficina o el empleo durante el período siguiente antes de la elección o el nombramiento del funcionario o miembro emparentado con el empleado en el grado prohibido: seis meses, si el funcionario o miembro es elegido en una elección que no sea la elección general para funcionarios estatales y del condado.

Ningún candidato puede tomar medidas para influir en un empleado del cargo al que aspira a ser elegido o en un empleado o funcionario del organismo gubernamental al que aspira a ser elegido en relación con el nombramiento o el empleo de una persona emparentada con el candidato en un grado prohibido, tal como se ha indicado anteriormente. Esta prohibición no se aplica a las acciones de un candidato con respecto a una clase o categoría de buena fe de empleados o empleados prospectos.

NOTAS

¹Una solicitud para un lugar en la boleta electoral, incluida cualquier petición que la acompañe, es información pública inmediatamente después de su presentación. (Sección 141.035, Código Electoral de Texas)

²La inclusión del número único de identificación de votante (VUID, por sus siglas en Inglés) es opcional. Sin embargo, a muchos candidatos se les exige que estén registrados como votantes en el territorio desde el cual se elige el cargo en el momento de la fecha límite de presentación. Por favor, visite el sitio web de la División de Elecciones de la Secretaría de Estado para obtener información adicional. <https://www.sos.state.tx.us/elections/laws/voter-reg-req-candidate-faq.shtml>

³La prueba de liberación de las discapacidades resultantes de una condena por un delito grave incluiría prueba de clemencia judicial según el Código de Procedimiento Penal de Texas 42A.701, prueba de indulto ejecutivo según el Código de Procedimiento Penal de Texas 48.01, o prueba de una restauración de derechos según el Código de Procedimiento Penal de Texas 48.05. (Opinión de Fiscal General de Texas KP-0251)

Se debe enviar uno de los siguientes documentos con esta solicitud:

Clemencia judicial según el Código de Procedimiento Penal de Texas 42A.701

Prueba de indulto ejecutivo según el Código de Procedimiento Penal de Texas 48.01

Prueba de una restauración de derechos según el Código de Procedimiento Penal de Texas 48.05

⁴Todos los juramentos, declaraciones juradas o afirmaciones hechas dentro de este estado pueden ser administrados y un certificado del hecho dado por un juez, secretario(a) o comisionado de cualquier corte de registro, un notario público, un juez de paz, secretario municipal (para una oficina de la ciudad) y el Secretario de Estado de Texas. Consulte el Capítulo 602 del Código del Gobierno de Texas para obtener la lista completa de personas autorizadas a administrar juramentos.

**PETITION FOR A PLACE ON THE BALLOT FOR A LOCAL POLITICAL SUBDIVISION and/or
 PETITION IN LIEU OF A FILING FEE FOR A LOCAL POLITICAL SUBDIVISION**
(PETICIÓN PARA UN CARGO OFICIAL PARA UN LUGAR EN LA BOLETA y/o PETICIÓN PRESENTADA EN SUSTITUCIÓN DEL PAGO DE INSCRIPCIÓN)

Name of Circulator _____
 Page ____ of ____

Signing the petition of more than one candidate for the same office in the same election is prohibited.
(Se prohíbe firmar la petición de más de un candidato para el mismo puesto oficial en la misma elección.)

COMPLETE ALL BLANKS (LLENE TODOS LOS ESPACIOS EN BLANCO) Instructions and Footnotes on Back. (Al Dorsó: Instrucciones y Anotaciones)

You are hereby requested to place the name indicated below on the ballot for the next election for the (Name of the Local Political Subdivision of) _____ for the office indicated below.
Por la presente se le solicita que incluya el nombre indicado a continuación en la boleta de la próxima elección de (Nombre de la subdivisión política local de) _____ para el cargo indicado a continuación.

Name (Nombre) ¹		Address (Dirección)			Office Sought (Puesto oficial solicitado) ²		
Date Signed <i>(Fecha de Firma)</i>	Signature <i>(Firma)</i>	Printed Name <i>(Nombre en letra de molde)</i>	Residence Address (Including City, Texas, Zip) <i>(Dirección de Residencia (Incluye Ciudad, Estado, Código Postal))</i>		County <i>(Condado)</i>	Voter VUID Number ³ <i>(Núm. de VUID de Votante)</i>	Date of Birth ³ <i>(Fecha de Nacimiento)</i>

AFFIDAVIT OF CIRCULATOR (DECLARACIÓN JURADA DEL CIRCULADOR)⁴

STATE OF TEXAS (ESTADO DE TEJAS) COUNTY OF (CONDADO DE) _____ BEFORE ME, the undersigned, on this ___/___/___ (date) personally appeared (ANTE MI, el/la suscrito(a), en esta (fecha) compareció) _____, (name of person who circulated petition) – (nombre de la persona que hizo circular la petición) who being duly sworn, deposes and says: “I called each signer’s attention to the above statements and read them to the signer before the signer affixed their signature to the petition. I witnessed the affixing of each signature. The correct date of signing is shown on the petition. I verified each signer’s registration status and believe that each signature is the genuine signature of the person whose name is signed and that the corresponding information for each signer is correct.” (quien, habiendo prestado el juramento correspondiente, declaró y dijo: “Llamé la atención de cada firmante sobre la declaración citada y se la lei antes de que la suscribiera. Atestigué cada firma, y la fecha correcta de las firmas consta en la petición. Verifiqué la situación de cada firmante en lo concerniente a su inscripción y creo que cada firma es la auténtica de la persona cuyo nombre aparece firmado y que son exactos los datos correspondientes a cada firmante.”) SWORN TO AND SUBSCRIBED BEFORE ME THIS DATE (JURADO Y SUSCRITO ANTE MI, CON ESTA FECHA)

Notarial or Official SEAL (SELLO Notarial u Oficial)

X _____ X _____ X _____
 Signature of Circulator (Firma de la persona que hizo circular la petición) Signature of Officer Administering Oath (Firma del/de la funcionario(a) que le tomó juramento) Title of Officer Administering Oath (Título oficial del/de la funcionario(a) que le tomó juramento)

INSTRUCTIONS

The petition shall be filed with the same officer with whom an application for a place on the ballot for the office being sought is to be filed and must be filed at the same time as the application is presented to the filing authority.

The petition may consist of several parts, and each part may consist of several pages. The statement in the box at the head of the page must appear at the head of each page of signatures. The Affidavit of Circulator appears at the bottom of each page, but only needs to be completed once for each circulator even if there are multiple pages of voters' signatures.

The Affidavit of Circulator must be administered and signed by a person authorized to administer oaths under Chapter 602 of the Government Code.

INSTRUCCIONES

Esta petición deberá presentarse ante el mismo oficial a quien se solicite inscripción en la boleta para el cargo que se busca y al mismo tiempo que la solicitud correspondiente.

La petición puede estar dividida en diversas secciones y cada sección a su vez puede constar de varias páginas. La declaración que está en el cuadro que encabeza el formulario deberá aparecer al principio de cada hoja que contenga firmas. La Declaración Jurada del Circulador aparece al pie de cada página, pero solo necesita ser completada una vez por cada circulator, incluso si hay múltiples páginas de firmas de votantes.

La Declaración Jurada del Circulador debe ser administrado y firmado por una persona autorizada a administrar los juramentos de acuerdo al Capítulo 602 del Código del Gobierno.

FOOTNOTES

¹ Insert candidate's name.

² Insert office title, including any place number or other distinguishing number.

³ Either the voter unique identification number (VUID) or the date of birth is required.

⁴ All oaths, affidavits, or affirmations made within this State may be administered and a certificate of the fact given by a judge, clerk, or commissioner of any court of record, a notary public, a justice of the peace, city secretary, and the Secretary of State of Texas. See Chapter 602 of the Texas Government Code for the complete list of persons authorized to administer oaths.

ANOTACIONES

¹ Indicar el nombre del candidato(a).

² Indicar el cargo oficial e incluir el número de cargo o cualquier otro número distintivo.

³ Se requiere o el número de identificación único de votante o la fecha de nacimiento.

⁴ Todos los juramentos, declaraciones juradas o afirmaciones hechas dentro de este estado pueden ser administrados y un certificado del hecho dado por un juez, secretario(a) o comisionado de cualquier corte de registro, un notario público, un juez de paz y el Secretario de Estado de Texas. Consulte el Capítulo 602 del Código del Gobierno de Texas para obtener la lista completa de personas autorizadas a administrar juramentos.

Authorization to Release Personal Email Address

As a candidate for _____ in the May 3, 2025 City Council
(Enter Place being applied for)
Election for the City of Amarillo, I understand that pursuant to the Texas Public
Information Act, personal emails are protected information; but I am authorizing the
release of my personal email address as part of my Application for a Place on the
Ballot.

Signature

Date

Printed Name

OFFICE USE ONLY:

Date filed with City Secretary:

CODE OF FAIR CAMPAIGN PRACTICES

FORM CFCP COVER SHEET

Pursuant to chapter 258 of the Election Code, every candidate and political committee is encouraged to subscribe to the Code of Fair Campaign Practices. The Code may be filed with the proper filing authority upon submission of a campaign treasurer appointment form. Candidates or political committees that already have a current campaign treasurer appointment on file as of September 1, 1997, may subscribe to the code at any time.

Subscription to the Code of Fair Campaign Practices is voluntary.

OFFICE USE ONLY

Date Received

Date Hand-delivered or Postmarked

Date Processed

Date Imaged

1 ACCOUNT NUMBER
(Ethics Commission Filers)

2 TYPE OF FILER

CANDIDATE

POLITICAL COMMITTEE

If filing as a candidate, complete boxes 3 - 6, then read and sign page 2.

If filing for a political committee, complete boxes 7 and 8, then read and sign page 2.

3 NAME OF CANDIDATE
(PLEASE TYPE OR PRINT)

TITLE (Dr., Mr., Ms., etc.)

FIRST

MI

NICKNAME

LAST

SUFFIX (SR., JR., III, etc.)

4 TELEPHONE NUMBER OF CANDIDATE
(PLEASE TYPE OR PRINT)

AREA CODE

PHONE NUMBER

EXTENSION

()

5 ADDRESS OF CANDIDATE
(PLEASE TYPE OR PRINT)

STREET / PO BOX;

APT / SUITE #;

CITY;

STATE;

ZIP CODE

6 OFFICE SOUGHT BY CANDIDATE
(PLEASE TYPE OR PRINT)

7 NAME OF COMMITTEE
(PLEASE TYPE OR PRINT)

8 NAME OF CAMPAIGN TREASURER
(PLEASE TYPE OR PRINT)

TITLE (Dr., Mr., Ms., etc.)

FIRST

MI

NICKNAME

LAST

SUFFIX (SR., JR., III, etc.)

GO TO PAGE 2

CODE OF FAIR CAMPAIGN PRACTICES

There are basic principles of decency, honesty, and fair play that every candidate and political committee in this state has a moral obligation to observe and uphold, in order that, after vigorously contested but fairly conducted campaigns, our citizens may exercise their constitutional rights to a free and untrammelled choice and the will of the people may be fully and clearly expressed on the issues.

THEREFORE:

- (1) I will conduct the campaign openly and publicly and limit attacks on my opponent to legitimate challenges to my opponent's record and stated positions on issues.
- (2) I will not use or permit the use of character defamation, whispering campaigns, libel, slander, or scurrilous attacks on any candidate or the candidate's personal or family life.
- (3) I will not use or permit any appeal to negative prejudice based on race, sex, religion, or national origin.
- (4) I will not use campaign material of any sort that misrepresents, distorts, or otherwise falsifies the facts, nor will I use malicious or unfounded accusations that aim at creating or exploiting doubts, without justification, as to the personal integrity or patriotism of my opponent.
- (5) I will not undertake or condone any dishonest or unethical practice that tends to corrupt or undermine our system of free elections or that hampers or prevents the full and free expression of the will of the voters, including any activity aimed at intimidating voters or discouraging them from voting.
- (6) I will defend and uphold the right of every qualified voter to full and equal participation in the electoral process, and will not engage in any activity aimed at intimidating voters or discouraging them from voting.
- (7) I will immediately and publicly repudiate methods and tactics that may come from others that I have pledged not to use or condone. I shall take firm action against any subordinate who violates any provision of this code or the laws governing elections.

I, the undersigned, candidate for election to public office in the State of Texas or campaign treasurer of a political committee, hereby voluntarily endorse, subscribe to, and solemnly pledge myself to conduct the campaign in accordance with the above principles and practices.

Signature

Date



TEXAS ETHICS COMMISSION
2025 FILING SCHEDULE FOR REPORTS DUE IN CONNECTION WITH
ELECTIONS HELD ON UNIFORM ELECTION DATES

This is a filing schedule for reports to be filed in connection with elections held on uniform election dates in May and November. Examples of elections held on uniform election dates are elections for school board positions and city offices. The uniform election dates in 2025 are May 3 and November 4.

Candidates and officeholders must file semiannual reports (due on January 15, 2025, and July 15, 2025). In addition, a candidate who has an opponent on the ballot in an election held on a uniform election date must file two pre-election reports (unless the candidate has elected modified reporting).

The campaign treasurer of a political committee that is involved in an election held on a uniform election date must also file pre-election reports (unless the committee is a general-purpose political committee that files monthly or a specific-purpose political committee that files on the modified reporting schedule). This schedule sets out the due dates for pre-election reports in connection with elections on uniform election dates. Please consult the 2025 REGULAR FILING SCHEDULE FOR GENERAL-PURPOSE POLITICAL COMMITTEES (GPAC), COUNTY EXECUTIVE COMMITTEES (CEC), AND SPECIFIC-PURPOSE POLITICAL COMMITTEES (SPAC) for a complete listing of political committee deadlines.

Candidates for and officeholders in local offices regularly filled at the general election for state and county officers (the November election in even-numbered years) should use the 2025 FILING SCHEDULE FOR CANDIDATES AND OFFICEHOLDERS FILING WITH THE COUNTY CLERK OR ELECTIONS ADMINISTRATOR.

EXPLANATION OF THE FILING SCHEDULE CHART

COLUMN I: REPORT DUE DATE - This is the date by which the report must be filed. If the due date for a report falls on a Saturday, Sunday, or legal holiday, the report is due on the next regular business day. This schedule shows the extended deadline where applicable. A report transmitted to the Texas Ethics Commission over the Internet is considered timely filed if it is transmitted *by midnight, Central Time Zone, on the night of the filing deadline*. For most filing deadlines, a report filed on paper is considered timely filed if it is deposited with the U.S. Post Office or a common or contract carrier properly addressed with postage and handling charges prepaid, or hand-delivered to the filing authority by the filing deadline. **Pre-Election Reports:** A report due 30 days before an election and a report due 8 days before an election must be *received* by the appropriate filing authority no later than the report due date to be considered timely filed.

COLUMN II: TYPE OF REPORT (WHO FILES) - This column gives the report type and explains which reporting form to use and which filers are required to file the report.

COLUMN III: BEGINNING DATE OF PERIOD COVERED - This column sets out the beginning date of the time period covered by the report. Use the latest one of the applicable dates. The "date of campaign treasurer appointment" is the beginning date only for the *first* report filed after filing a campaign treasurer appointment. For officeholders recently appointed to an elective office, the beginning date for the first report will be the date the officeholder took office, provided that he or she was not already filing as an officeholder or candidate at the time of the appointment. (*NOTE: If you are ever confused about the beginning date for a required report, remember this rule: **There should never be gaps between reporting periods and, generally, there should not be overlaps.***)

COLUMN IV: ENDING DATE OF PERIOD COVERED - This column sets out the ending date of the time period covered by the report. The report must include reportable activity occurring on the ending date.

Please consult the CAMPAIGN FINANCE GUIDE FOR CANDIDATES AND OFFICEHOLDERS WHO FILE WITH LOCAL FILING AUTHORITIES or the CAMPAIGN FINANCE GUIDE FOR POLITICAL COMMITTEES for further information.

<u>COLUMN I</u> DUE DATE	<u>COLUMN II</u> TYPE OF REPORT (WHO FILES)	<u>COLUMN III</u> BEGINNING DATE OF PERIOD COVERED	<u>COLUMN IV</u> ENDING DATE OF PERIOD COVERED
Wednesday, January 15, 2025	January semiannual [FORM C/OH] (all local candidates and officeholders, except for officeholders who do not have a campaign treasurer appointment on file and who do not exceed \$1,080 in contributions or expenditures for the reporting period) [FORM GPAC] (all GPACs) [FORM SPAC] (all SPACs)	July 1, 2024, <i>or</i> the date of campaign treasurer appointment, <i>or</i> the day after the date the last report ended.	December 31, 2024
Wednesday, January 15, 2025	Annual report of unexpended contributions [FORM C/OH-UC] (former candidates and former officeholders who have filed a final report and who retained unexpended contributions or assets purchased with contributions)	January 1, 2024, <i>or</i> the day after the date the final report was filed.	December 31, 2024

REPORTS DUE BEFORE THE MAY 3, 2025, UNIFORM ELECTION

Thursday, April 3, 2025 NOTE: This report must be received by the appropriate filing authority no later than April 3, 2025.	30th day before the May 3, 2025, uniform election [FORM C/OH] (all local candidates who have an opponent on the ballot in the May 3 election and who do not file on the modified reporting schedule) [FORM GPAC] (all GPACs that are involved with the May 3 election) [FORM SPAC] (all SPACs that do not file on the modified reporting schedule and that supported or opposed an opposed candidate or a measure in the May 3 election)	January 1, 2025, <i>or</i> the date of campaign treasurer appointment, <i>or</i> the day after the date the last report ended.	March 24, 2025
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NOTE: A political committee must file pre-election reports if the committee is involved with the election during each pre-election reporting period. **A political committee must file an 8-day pre-election report if the committee filed a 30-day pre-election report, even if there is no activity to report during the 8-day reporting period.** The campaign treasurer of a political committee may be required to file 30-day and 8-day pre-election reports in connection with elections not listed on this schedule.

<u>COLUMN I</u> DUE DATE	<u>COLUMN II</u> TYPE OF REPORT (WHO FILES)	<u>COLUMN III</u> BEGINNING DATE OF PERIOD COVERED	<u>COLUMN IV</u> ENDING DATE OF PERIOD COVERED
<p>Friday, April 25, 2025</p> <p>NOTE: This report must be <u>received</u> by the appropriate filing authority no later than April 25, 2025.</p>	<p>8th day before May 3, 2025, uniform election</p> <p>[FORM C/OH] (all local candidates who have an opponent on the ballot in the May 3 election and who do not file on the modified reporting schedule)</p> <p>[FORM GPAC] (all GPACs that filed a “30th Day Before Election Report” or that are involved with the May 3 election)</p> <p>[FORM SPAC] (all SPACs that do not file on the modified reporting schedule and that filed a “30th Day Before Election Report” or that supported or opposed an opposed candidate or a measure in the May 3 election)</p>	<p>March 25, 2025, <i>or</i></p> <p>the date of campaign treasurer appointment, <i>or</i></p> <p>the day after the date the last report ended.</p>	<p>April 23, 2025</p> <p>NOTE: Daily pre-election reports of contributions accepted and direct campaign expenditures made after April 23, 2025, may be required. Please consult the Campaign Finance Guide for further information.</p>

<p>Tuesday, July 15, 2025</p>	<p>July semiannual</p> <p>[FORM C/OH] (all local candidates and officeholders, except for officeholders who do not have a campaign treasurer appointment on file and who do not exceed \$1,110 in contributions or expenditures for the reporting period)</p> <p>[FORM GPAC] (all GPACs)</p> <p>[FORM SPAC] (all SPACs)</p>	<p>January 1, 2025, <i>or</i></p> <p>the date of campaign treasurer appointment, <i>or</i></p> <p>the day after the date the last report ended.</p>	<p>June 30, 2025</p>
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NOTE: A political committee must file pre-election reports if the committee is involved with the election during each pre-election reporting period. **A political committee must file an 8-day pre-election report if the committee filed a 30-day pre-election report, even if there is no activity to report during the 8-day reporting period.** The campaign treasurer of a political committee may be required to file 30-day and 8-day pre-election reports in connection with elections not listed on this schedule.

<u>COLUMN I</u> DUE DATE	<u>COLUMN II</u> TYPE OF REPORT (WHO FILES)	<u>COLUMN III</u> BEGINNING DATE OF PERIOD COVERED	<u>COLUMN IV</u> ENDING DATE OF PERIOD COVERED
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REPORTS DUE BEFORE THE NOVEMBER 4, 2025, UNIFORM ELECTION

<p>Monday, October 6, 2025</p> <p><i>Deadline is extended because of weekend.</i></p> <p>NOTE: This report must be <u>received</u> by the appropriate filing authority no later than October 6, 2025.</p>	<p>30th day before the November 4, 2025, uniform election</p> <p>[FORM C/OH] (all local candidates who have an opponent on the ballot in the November 4 election and who do not file on the modified reporting schedule)</p> <p>[FORM GPAC] (all GPACs that are involved with the November 4 election)</p> <p>[FORM SPAC] (all SPACs that do not file on the modified reporting schedule and that supported or opposed an opposed candidate or a measure in the November 4 election)</p>	<p>July 1, 2025, <u>or</u></p> <p>the date of campaign treasurer appointment, <u>or</u></p> <p>the day after the date the last report ended.</p>	<p>September 25, 2025</p>
<p>Monday, October 27, 2025</p> <p>NOTE: This report must be <u>received</u> by the appropriate filing authority no later than October 27, 2025.</p>	<p>8th day before the November 4, 2025, uniform election</p> <p>[FORM C/OH] (all local candidates who have an opponent on the ballot in the November 4 election and who do not file on the modified reporting schedule)</p> <p>[FORM GPAC] (all GPACs that filed a “30th Day Before Election Report” or that are involved with the November 4 election)</p> <p>[FORM SPAC] (all SPACs that do not file on the modified reporting schedule and that filed a “30th Day Before Election Report” or that supported or opposed an opposed candidate or a measure in the November 4 election)</p>	<p>September 26, 2025, <u>or</u></p> <p>the date of campaign treasurer appointment, <u>or</u></p> <p>the day after the date the last report ended.</p>	<p>October 25, 2025</p> <p>NOTE: Daily pre-election reports of contributions accepted and direct campaign expenditures made after October 25, 2025, may be required. Please consult the Campaign Finance Guide for further information.</p>

NOTE: A political committee must file pre-election reports if the committee is involved with the election during each pre-election reporting period. **A political committee must file an 8-day pre-election report if the committee filed a 30-day pre-election report, even if there is no activity to report during the 8-day reporting period.** The campaign treasurer of a political committee may be required to file 30-day and 8-day pre-election reports in connection with elections not listed on this schedule.

<u>COLUMN I</u> DUE DATE	<u>COLUMN II</u> TYPE OF REPORT (WHO FILES)	<u>COLUMN III</u> BEGINNING DATE OF PERIOD COVERED	<u>COLUMN IV</u> ENDING DATE OF PERIOD COVERED
Thursday, January 15, 2026	<p>January semiannual</p> <p>[FORM C/OH] (all local candidates and officeholders, except for officeholders who do not have a campaign treasurer appointment on file and who do not exceed \$1,110 in contributions or expenditures for the reporting period)</p> <p>[FORM GPAC] (all GPACs)</p> <p>[FORM SPAC] (all SPACs)</p>	<p>July 1, 2025, <i>or</i></p> <p>the date of campaign treasurer appointment, <i>or</i></p> <p>the day after the date the last report ended.</p>	December 31, 2025
Thursday, January 15, 2026	<p>Annual report of unexpended contributions</p> <p>[FORM C/OH-UC] (former candidates and former officeholders who have filed a final report and who retained unexpended contributions or assets purchased with contributions)</p>	<p>January 1, 2025, <i>or</i></p> <p>the day after the date the final report was filed.</p>	December 31, 2025

TEXAS ETHICS COMMISSION

CAMPAIGN FINANCE GUIDE FOR CANDIDATES AND OFFICEHOLDERS WHO FILE WITH LOCAL FILING AUTHORITIES



This guide is for candidates for and officeholders in the following positions:

- **county offices;**
- **precinct offices;**
- **single-county district offices;**
- **city offices; and**
- **offices of other political subdivisions such as school districts**

This guide applies to candidates for and officeholders of justice of the peace. This guide does not apply to candidates for and judges of statutory county courts, statutory probate courts, or district courts. For those candidates and officeholders, the Ethics Commission makes available a CAMPAIGN FINANCE GUIDE FOR JUDICIAL CANDIDATES AND OFFICEHOLDERS.

The Ethics Commission also makes available a CAMPAIGN FINANCE GUIDE FOR CANDIDATES AND OFFICEHOLDERS WHO FILE WITH THE ETHICS COMMISSION, a CAMPAIGN FINANCE GUIDE FOR POLITICAL COMMITTEES, and a CAMPAIGN FINANCE GUIDE FOR POLITICAL PARTIES.

Revised January 1, 2024

Texas Ethics Commission, P.O. Box 12070, Austin, Texas 78711

www.ethics.state.tx.us

(512) 463-5800 • TDD (800) 735-2989

Promoting Public Confidence in Government

**CAMPAIGN FINANCE GUIDE FOR CANDIDATES
AND OFFICEHOLDERS WHO FILE WITH
LOCAL FILING AUTHORITIES**

TABLE OF CONTENTS

INTRODUCTION.....	1
IMPORTANT UPDATES	1
OFFICEHOLDERS	1
JUDICIAL CANDIDATES AND OFFICEHOLDERS	1
FEDERAL OFFICES.....	2
FILING AUTHORITIES	2
POLITICAL COMMITTEES (PACS)	3
FINANCIAL DISCLOSURE STATEMENTS	3
FEDERAL INCOME TAX.....	3
TEXAS ETHICS COMMISSION	3
APPOINTING A CAMPAIGN TREASURER.....	3
NO CAMPAIGN CONTRIBUTIONS OR EXPENDITURES WITHOUT TREASURER	
APPOINTMENT ON FILE	4
APPOINTING TREASURER TRIGGERS REPORTING DUTIES	4
QUALIFICATIONS OF CAMPAIGN TREASURER	4
DUTIES OF CAMPAIGN TREASURER.....	5
EFFECTIVE DATE OF APPOINTMENT	5
CODE OF FAIR CAMPAIGN PRACTICES.....	5
APPOINTMENT BY OFFICEHOLDER.....	5
FILING FOR A PLACE ON THE BALLOT.....	5
CHANGING TREASURERS.....	5
TRANSFERRING TO A DIFFERENT FILING AUTHORITY	5
TERMINATING A CAMPAIGN TREASURER APPOINTMENT	6
DECIDING NOT TO RUN	6
THINGS TO REMEMBER	6
POLITICAL CONTRIBUTIONS AND EXPENDITURES	7
CAMPAIGN CONTRIBUTIONS	7
CAMPAIGN EXPENDITURES	7
OFFICEHOLDER CONTRIBUTIONS	8
OFFICEHOLDER EXPENDITURES.....	8
CAMPAIGN EXPENDITURES BY OFFICEHOLDER.....	8
PERMISSIBLE USE OF POLITICAL CONTRIBUTIONS	8
USE OF POLITICAL FUNDS TO RENT OR PURCHASE REAL PROPERTY	8
ACCEPTING CONTRIBUTIONS.....	9
REIMBURSEMENT FOR POLITICAL EXPENDITURES FROM PERSONAL FUNDS	9
SEPARATE ACCOUNT REQUIRED.....	9
RESTRICTIONS INVOLVING LOBBYING	10
INFORMATION REQUIRED ON REPORTS	11
CONTRIBUTIONS	11
PLEDGES.....	11
LOANS	11
CONTRIBUTIONS OF PERSONAL SERVICES.....	12

**Campaign Finance Guide for Candidates and Officeholders
Who File with Local Filing Authorities**

CONTRIBUTIONS OF PERSONAL TRAVEL.....	12
CONTRIBUTIONS FROM OUT-OF-STATE POLITICAL COMMITTEES.....	12
EXPENDITURES.....	13
UNPAID INCURRED OBLIGATIONS.....	13
EXPENDITURES MADE BY CREDIT CARD.....	13
CAMPAIGN EXPENDITURES FROM PERSONAL FUNDS.....	13
OFFICEHOLDER EXPENDITURES FROM PERSONAL FUNDS.....	14
DIRECT EXPENDITURES.....	14
SUPPORTING POLITICAL COMMITTEES.....	14
PAYMENTS TO A BUSINESS OF THE CANDIDATE OR OFFICEHOLDER.....	15
INTEREST EARNED AND OTHER CREDITS/GAINS/REFUNDS.....	15
PURCHASE OF INVESTMENTS.....	15
TOTAL POLITICAL CONTRIBUTIONS MAINTAINED.....	15
TIME OF ACCEPTING CONTRIBUTION.....	16
TIME OF MAKING EXPENDITURE.....	16
PREPARING REPORTS.....	16
FORMS.....	16
SIGNATURE REQUIRED.....	17
FILING DEADLINES.....	17
PERIODS COVERED BY REPORTS.....	17
DEADLINE ON WEEKEND OR HOLIDAY.....	17
5 P.M. DEADLINE.....	17
DELIVERY BY MAIL OR OTHER CARRIER.....	17
RETENTION OF RECORDS USED FOR REPORTS.....	17
REPORTS.....	18
SEMIANNUAL REPORTS.....	18
REPORT DUE 8 DAYS BEFORE A RUNOFF ELECTION.....	18
MODIFIED REPORTING.....	19
“15 TH DAY AFTER APPOINTMENT OF CAMPAIGN TREASURER BY AN OFFICEHOLDER” REPORT.....	19
FINAL REPORT.....	19
ANNUAL REPORT OF UNEXPENDED CONTRIBUTIONS.....	19
FINAL DISPOSITION OF UNEXPENDED CONTRIBUTIONS REPORT.....	19
THINGS TO REMEMBER.....	20
ENDING FILING OBLIGATIONS.....	20
FINAL REPORT.....	20
ANNUAL REPORT OF UNEXPENDED CONTRIBUTIONS.....	21
REPORT OF FINAL DISPOSITION OF UNEXPENDED CONTRIBUTIONS.....	21
THINGS TO REMEMBER.....	22
PENALTIES FOR REPORTING VIOLATIONS.....	22
CAMPAIGN FINANCE RESTRICTIONS.....	22

INTRODUCTION

This guide is a summary of reporting requirements and other regulations set out in Title 15 of the Texas Election Code (Chs. 251-259) and in the rules adopted by the Texas Ethics Commission. This guide applies to candidates for and officeholders in most local offices in Texas.

This guide does not apply to candidates for or officeholders of statewide elective offices, the State Legislature, seats on the State Board of Education, or multi-county district offices. Nor does it apply to candidates for or judges of statutory county courts, statutory probate courts, or district courts.

IMPORTANT UPDATES

As directed by section 571.064 of the Texas Government Code, the Commission is required to annually adjust certain reporting thresholds upward to the nearest multiple of \$10 in accordance with the percentage increase for the previous year in the Consumer Price Index for Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor.

These changes will be made effective January 1st of each calendar year; the affected numbers and corresponding new thresholds are located in 1 T.A.C. §18.31, which can be found here: <https://www.ethics.state.tx.us/rules/>. The higher itemization thresholds will be reflected on the paper forms and in these instructions, as applicable.

Verify that you are using the correct thresholds and forms that apply to your filing. For example, if you are filing a campaign finance report or lobby activities report that is due in January of 2021, you must use the forms and instructions that are applicable to the period ending December 31, 2020.

OFFICEHOLDERS

Officeholders as well as candidates are subject to regulation under Title 15. An officeholder who has a campaign treasurer appointment on file with a filing authority is a “candidate” for purposes of Title 15 and is subject to all the regulations applicable to candidates. An officeholder who does not have a campaign treasurer appointment on file is subject only to the regulations applicable to officeholders.

Most of the requirements discussed in this guide apply to both candidates (individuals who have a campaign treasurer appointment on file) and to officeholders who do not have a campaign treasurer appointment on file. The guide will indicate whether a particular requirement applies to individuals who have campaign treasurer appointments on file, to officeholders who do not have campaign treasurer appointments on file, or to both.

JUDICIAL CANDIDATES AND OFFICEHOLDERS

Candidates for and officeholders in most judicial offices are subject to various restrictions that do not apply to other candidates and officeholders. Those candidates and officeholders should review the CAMPAIGN FINANCE GUIDE FOR JUDICIAL CANDIDATES AND OFFICEHOLDERS and the POLITICAL ADVERTISING GUIDE which are available on the commission’s website.

Nonjudicial Officeholder Seeking Judicial Office. Pursuant to Op. Tex. Ethics Comm'n No. 465 (2005), a nonjudicial officeholder who becomes a judicial candidate is required to file two campaign finance reports, one reporting nonjudicial activity and the other reporting judicial activity. Alternatively, a nonjudicial officeholder who becomes a judicial candidate may select to file a single report that includes both candidate and officeholder activity if the activity is clearly and properly reported. *See* the CAMPAIGN FINANCE GUIDE FOR JUDICIAL CANDIDATES AND OFFICEHOLDERS for more information.

FEDERAL OFFICES

This guide does not apply to candidates for federal offices. Candidates for federal offices should contact the Federal Election Commission. The FEC's toll-free number is (800) 424-9530.

FILING AUTHORITIES

Title 15 requires candidates and officeholders to file various documents and reports with the appropriate filing authority.

The filing authority for a local candidate or officeholder depends on the nature of the office sought or held.

County Clerk. The county clerk (or the county elections administrator if the county has an elections administrator, or tax assessor-collector if the county's commissioners court has transferred the filing authority function to the tax assessor-collector and the county clerk and tax assessor-collector have agreed to the transfer) is the appropriate filing authority for a candidate for:

- a county office;
- a precinct office;
- a district office (except for multi-county district offices); and
- an office of a political subdivision other than a county if the political subdivision is within the boundaries of a single county and if the governing body of the political subdivision has not been formed.

Other local filing authority. If a candidate is seeking an office of a political subdivision other than a county, the appropriate filing authority is the *clerk or secretary of the governing body* of the political subdivision. If the political subdivision has no clerk or secretary, the appropriate filing authority is the governing body's presiding officer.

Texas Ethics Commission. The Texas Ethics Commission is the appropriate filing authority for candidates for:

- Multi-county district offices. (Reminder: This guide does not apply to multi-county district offices.)

- An office of a political subdivision other than a county if the political subdivision includes areas in more than one county and if the governing body of the political subdivision has not been formed.

POLITICAL COMMITTEES (PACS)

Often a candidate or officeholder chooses to establish a specific-purpose political committee. A political committee is subject to *separate* filing requirements. Establishing a specific-purpose political committee does not relieve a candidate or officeholder of the obligation to file as an individual. For more information about political committees, see the Ethics Commission’s CAMPAIGN FINANCE GUIDE FOR POLITICAL COMMITTEES.

FINANCIAL DISCLOSURE STATEMENTS

Some local candidates and officeholders are required to file an annual personal financial statement in accordance with Government Code Chapter 572 or Local Government Code Chapter 159. This statement is not a campaign finance document, and is not addressed in this guide.

FEDERAL INCOME TAX

This pamphlet does not address the federal tax implications of campaign finance. Questions regarding federal tax law should be directed to the Internal Revenue Service.

TEXAS ETHICS COMMISSION

If you have a question about how Title 15 applies to you, you may call the Ethics Commission for assistance or you may request a written advisory opinion.

The Ethics Commission has authority to impose fines for violations of Title 15. If you have evidence that a person has violated Title 15, you may file a sworn complaint with the Ethics Commission.

The Ethics Commission’s mailing address is P.O. Box 12070, Austin, Texas 78711. The phone number is (512) 463-5800. The Ethics Commission maintains a website at www.ethics.state.tx.us.

APPOINTING A CAMPAIGN TREASURER

If you plan to run for a public office in Texas (except for a federal office), you must file an APPOINTMENT OF A CAMPAIGN TREASURER BY A CANDIDATE (FORM CTA) with the proper filing authority before you become a candidate, even if you do not intend to accept campaign contributions or make campaign expenditures. A “candidate” is a person who knowingly and willingly takes affirmative action for the purpose of gaining nomination or election to public office or for the purpose of satisfying financial obligations incurred by the person in connection with the campaign for nomination or election. Examples of affirmative action include:

- (A) the filing of a campaign treasurer appointment, except that the filing does not constitute candidacy or an announcement of candidacy for purposes of the

automatic resignation provisions of Article XVI, Section 65, or Article XI, Section 11, of the Texas Constitution;

- (B) the filing of an application for a place on the ballot;
- (C) the filing of an application for nomination by convention;
- (D) the filing of a declaration of intent to become an independent candidate or a declaration of write-in candidacy;
- (E) the making of a public announcement of a definite intent to run for public office in a particular election, regardless of whether the specific office is mentioned in the announcement;
- (F) before a public announcement of intent, the making of a statement of definite intent to run for public office and the soliciting of support by letter or other mode of communication;
- (G) the soliciting or accepting of a campaign contribution or the making of a campaign expenditure; and
- (H) the seeking of the nomination of an executive committee of a political party to fill a vacancy.

NO CAMPAIGN CONTRIBUTIONS OR EXPENDITURES WITHOUT TREASURER APPOINTMENT ON FILE

Additionally, the law provides that you must file a campaign treasurer appointment form with the proper filing authority before you may accept a campaign contribution or make or authorize a campaign expenditure, including an expenditure from your personal funds. A filing fee paid to a filing authority to qualify for a place on a ballot is a campaign expenditure that may not be made before filing a campaign treasurer appointment form with the proper filing authority.

APPOINTING TREASURER TRIGGERS REPORTING DUTIES

After a candidate has filed a form appointing a campaign treasurer, the candidate is responsible for filing periodic reports of contributions and expenditures. Filing reports is the responsibility of the candidate, not the campaign treasurer. Even if a candidate loses an election, he or she must continue filing reports until he or she files a final report. *See* “Ending Filing Obligations” in this guide. (An officeholder who files a final report, and thereby terminates his or her campaign treasurer appointment, may still be required to file semiannual reports of contributions and expenditures as an officeholder.)

QUALIFICATIONS OF CAMPAIGN TREASURER

A person is ineligible for appointment as a campaign treasurer if the person is the campaign treasurer of a political committee that has outstanding filing obligations (including outstanding penalties). This prohibition does not apply if the committee in connection with which the ineligibility arose has not accepted more than \$5,000 in political contributions or made more than \$5,000 in political expenditures in any semiannual reporting period. A person who violates

this prohibition is liable for a civil penalty not to exceed three times the amount of political contributions accepted or political expenditures made in violation of this provision.

DUTIES OF CAMPAIGN TREASURER

A candidate's campaign treasurer has no legal duties. (**Note:** The campaign treasurer of a *political committee* is legally responsible for filing reports.)

EFFECTIVE DATE OF APPOINTMENT

A campaign treasurer appointment is effective when filed. A hand-delivered appointment takes effect on the date of delivery. A mailed appointment takes effect on the date of the postmark.

CODE OF FAIR CAMPAIGN PRACTICES

A filing authority should provide to each individual who files a campaign treasurer appointment a form containing a Code of Fair Campaign Practices. A candidate may pledge to conduct his or her campaign in accordance with the principles and practices set out in the Code by signing the form and filing it with the appropriate filing authority.

APPOINTMENT BY OFFICEHOLDER

If an officeholder files an appointment of campaign treasurer after a period in which he or she did not have a campaign treasurer appointment on file, the officeholder may have to file a report of contributions and expenditures no later than 15 days after filing the appointment of campaign treasurer. See "15th Day After Appointment of Campaign Treasurer by Officeholder" in this guide. An officeholder who *changes* a campaign treasurer is not required to file this report.

Note: An officeholder who has a campaign treasurer appointment on file is a candidate for purposes of Title 15.

FILING FOR A PLACE ON THE BALLOT

Filing a campaign treasurer appointment and filing for a place on the ballot are two completely separate actions. The Secretary of State can provide information about filing for a place on the ballot. Call the Secretary of State at (512) 463-5650 or toll-free at (800) 252-8683.

CHANGING TREASURERS

A candidate may change campaign treasurers at any time by filing an amended appointment of campaign treasurer (FORM ACTA). Filing an appointment of a new treasurer automatically terminates the appointment of the old treasurer.

TRANSFERRING TO A DIFFERENT FILING AUTHORITY

If a candidate has a campaign treasurer appointment on file with one filing authority and wishes to accept campaign contributions or make campaign expenditures in connection with a candidacy for an office that would require reporting to a different filing authority, the candidate must file a new campaign treasurer appointment and a copy of the old campaign treasurer appointment (certified by original authority) with the second filing authority. The candidate should also

provide written notice to the original filing authority that future reports will be filed with another authority. In general, funds accepted in connection with one office may be used in connection with a campaign for a different office, as long as neither of the offices is a judicial office.

TERMINATING A CAMPAIGN TREASURER APPOINTMENT

A candidate may terminate a campaign treasurer appointment by filing an amended appointment of campaign treasurer or by filing a final report.

A campaign treasurer may terminate his or her own appointment by notifying both the candidate and the filing authority in writing. The termination is effective on the date the candidate receives the notice or on the date the filing authority receives the notice, whichever is later.

DECIDING NOT TO RUN

A campaign treasurer appointment does not simply expire. An individual who has a campaign treasurer appointment on file must file reports of contributions and expenditures until he or she files a final report with the filing authority. *See* “Ending Filing Obligations” in this guide.

THINGS TO REMEMBER

- If you plan to run for a public office in Texas (except for a federal office), you must file an APPOINTMENT OF A CAMPAIGN TREASURER BY A CANDIDATE (FORM CTA) with the proper filing authority before you become a candidate, even if you do not intend to accept campaign contributions or make campaign expenditures.
- A person may not accept a campaign contribution or make a campaign expenditure unless the person has a campaign treasurer appointment on file with the proper filing authority.
- Once a person files a form appointing a campaign treasurer, the person is a candidate for disclosure filing purposes and is responsible for filing periodic reports of contributions and expenditures with the proper filing authority until the person files a “final report.”
- The candidate, not the campaign treasurer, is responsible for filing periodic reports of contributions and expenditures.
- Filing a campaign treasurer appointment does not automatically “sign you up” for a place on the ballot. The Secretary of State can provide information about getting on the ballot. Call (512) 463-5650 or (800) 252-8683.

POLITICAL CONTRIBUTIONS AND EXPENDITURES

Title 15 regulates political contributions and political expenditures. There are two types of political contributions: campaign contributions and officeholder contributions. Similarly, there are two kinds of political expenditures: campaign expenditures and officeholder expenditures.

CAMPAIGN CONTRIBUTIONS

A person makes a campaign contribution to a candidate if the person provides or promises something of value with the intent that it be used in connection with a campaign. A contribution of goods or services is an “in-kind” campaign contribution. A loan is considered to be a contribution unless it is from an incorporated financial institution that has been in business for more than a year. Candidates must report all loans made for campaign purposes, including loans that are not “contributions.”

- Donations to a candidate at a fund-raiser are campaign contributions.
- The provision of office space to a candidate is an “in-kind” campaign contribution.
- A promise to give a candidate money is a campaign contribution.
- An item donated to be auctioned at a fund-raiser is an “in-kind” campaign contribution. The purchase of the item at the auction is also a contribution.
- A campaign volunteer is making a contribution in the form of personal services. (Contributions of personal services are sometimes not required to be reported. See “Contributions of Personal Services” in this guide.)

Note: An individual may not accept a campaign contribution without an appointment of campaign treasurer on file with the proper filing authority.

CAMPAIGN EXPENDITURES

A campaign expenditure is a payment or an agreement to make a payment in connection with a campaign for an elective office.

- Paying a filing fee in connection with an application for a place on a ballot is a campaign expenditure.
- Purchasing stationery for fund-raising letters is a campaign expenditure.
- Renting a field to hold a campaign rally is a campaign expenditure.
- Paying people to put up yard signs in connection with an election is a campaign expenditure.

Note: An individual may not make a campaign expenditure unless he or she has a campaign treasurer appointment on file with the proper filing authority.

OFFICEHOLDER CONTRIBUTIONS

The provision of or a promise to provide goods or services to an officeholder that is intended to defray expenses in connection with an officeholder's duties or activities is an officeholder contribution if the expenses are not reimbursable with public money. A contribution of goods or services is an "in-kind" officeholder contribution.

A loan from an incorporated financial institution that has been in business for more than a year is not considered a contribution, but an officeholder must report any such loans made for officeholder purposes.

An officeholder is not required to have a campaign treasurer appointment on file to accept officeholder contributions. An officeholder who does not have a campaign treasurer on file may not accept *campaign* contributions.

OFFICEHOLDER EXPENDITURES

A payment or agreement to pay certain expenses in connection with an officeholder's duties or activities is an officeholder expenditure if the expenses are not reimbursable with public money.

An officeholder is not required to have a campaign treasurer appointment on file to make officeholder expenditures. An officeholder who does not have a campaign treasurer on file may not make *campaign* expenditures.

CAMPAIGN EXPENDITURES BY OFFICEHOLDER

An officeholder who has a campaign treasurer appointment on file may accept both campaign contributions and officeholder contributions and make both campaign expenditures and officeholder expenditures. On a report, there is no need for an officeholder who is a candidate to distinguish between campaign contributions and officeholder contributions or between campaign expenditures and officeholder expenditures. Both campaign contributions and officeholder contributions are reported as "political contributions" and both campaign expenditures and officeholder expenditures are reported as "political expenditures."

An officeholder who does not have a campaign treasurer on file may accept officeholder contributions and make officeholder expenditures but may not accept campaign contributions or make campaign expenditures.

PERMISSIBLE USE OF POLITICAL CONTRIBUTIONS

An officeholder may use officeholder contributions for campaign purposes if the officeholder has an appointment of campaign treasurer on file. Candidates and officeholders may not convert political contributions to personal use. *See* "Campaign Finance Restrictions" in this guide.

USE OF POLITICAL FUNDS TO RENT OR PURCHASE REAL PROPERTY

A candidate or officeholder is prohibited from using political funds to purchase real property or

to pay the interest on or principal of a note for the purchase of real property.

A candidate or officeholder may not knowingly make or authorize a payment from political funds for the rental or purchase of real property from: (1) a person related to the candidate or officeholder within the second degree of consanguinity or affinity as determined under Chapter 573, Government Code; or (2) a business in which the candidate or officeholder (or a person related to the candidate or officeholder within the second degree of consanguinity or affinity) has a participating interest of more than 10 percent, holds a position on the governing body, or serves as an officer. Tex. Elec. Code § 253.038 (a-1). This restriction applies to a payment made from political funds on or after September 1, 2007, without regard to whether the payment was made under a lease or other agreement entered into before that date.

ACCEPTING CONTRIBUTIONS

A candidate or officeholder must report contributions that he or she has *accepted*. Receipt is different from acceptance. A decision to *accept* a contribution must be made by the end of the reporting period during which the contribution is received.

Failure to make a determination about acceptance or refusal. If a candidate or officeholder fails to make a timely determination to accept or refuse a contribution by the deadline, the contribution is considered to have been accepted.

Returning refused contributions. If a candidate or officeholder receives a political contribution but does not accept it, he or she must return the contribution not later than the 30th day after the end of the reporting period in which the contribution was received. Otherwise, the contribution is considered to have been accepted.

REIMBURSEMENT FOR POLITICAL EXPENDITURES FROM PERSONAL FUNDS

If a candidate or officeholder makes political expenditures from personal funds, he or she may use political contributions to reimburse himself or herself if the expenditures are properly reported either on the reporting schedule for loans or on the reporting schedule for political expenditures from personal funds. In order for a candidate or officeholder to use political contributions to reimburse his or her personal funds, the political expenditure from personal funds must be properly reported on the report covering the period in which the expenditures are made. *A filed report may not be later corrected to indicate an intention to reimburse personal funds from political contributions.*

If a candidate or officeholder deposits personal funds in an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code, the deposited amount must be reported as a loan and reimbursements to the candidate or officeholder may not exceed the amount reported as a loan. *See* “Campaign Expenditures from Personal Funds” in this guide for additional information.

SEPARATE ACCOUNT REQUIRED

A candidate or officeholder must keep political contributions in one or more accounts that are separate from any other account maintained by the candidate or officeholder. (There is no

requirement to keep campaign contributions in a separate account from officeholder contributions.)

RESTRICTIONS INVOLVING LOBBYING

The 2019 legislature passed House Bill 2677 to amend Chapter 305 of the Government Code and Chapter 253 of the Election Code to enact the following restrictions. Each prohibition begins on September 27, 2019. For the language of the bill, go to <https://capitol.texas.gov/tlodocs/86R/billtext/html/HB02677F.htm>.

Making Political Contributions and Direct Campaign Expenditures. Unless expressly prohibited, a lobbyist may make political contributions and direct campaign expenditures. The campaign finance law, however, generally prohibits corporations and labor organizations from making political contributions. Tex. Elec. Code § 253.094.

Section 253.006 of the Election Code prohibits a person required to register as a lobbyist under Chapter 305 of the Government Code from making political contributions or direct campaign expenditures from certain sources of funds. A person required to register as a lobbyist is prohibited from making or authorizing a political contribution to another candidate, officeholder, or political committee, or making or authorizing a direct campaign expenditure, from political contributions accepted by:

- (1) the lobbyist as a candidate or officeholder;
- (2) a specific-purpose committee that supports the lobbyist as a candidate or assists the lobbyist as an officeholder; or
- (3) a political committee that accepted a political contribution from (1) or (2), described above, during the two years immediately before the contribution or expenditure was made.

Two-Year Lobbying Prohibition After Making a Political Contribution or Direct Campaign Expenditure. Section 253.007 of the Election Code prohibits lobbying by persons who make political contributions or direct campaign expenditures from certain sources of funds. A person who makes a political contribution to another candidate, officeholder, or political committee, or makes a direct campaign expenditure, from political contributions accepted by the person as a candidate or officeholder is prohibited from engaging in activities that require registration as a lobbyist under Chapter 305 of the Government Code for two years thereafter.

However, an exception to this prohibition allows a person who does not receive compensation other than reimbursement for actual expenses to lobby on behalf of a nonprofit organization, a group of low-income individuals, or a group of individuals with disabilities.

Lobby Expenditures from Political Contributions. Section 305.029 of the Government Code prohibits certain lobby expenditures made from political contributions. A lobbyist registered under Chapter 305 of the Government Code, or a person on behalf of the lobbyist and with the lobbyist's consent or ratification, is prohibited from making a reportable lobby expenditure from a political contribution accepted by:

- (1) the lobbyist as a candidate or officeholder;

- (2) a specific-purpose committee that supports the lobbyist as a candidate or assists the lobbyist as an officeholder; or
- (3) a political committee that accepted a political contribution from (1) or (2), described above, during the two years immediately before the lobbyist made or authorized the expenditure.

INFORMATION REQUIRED ON REPORTS

CONTRIBUTIONS

A report must disclose the amount of each contribution or the value and nature of any in-kind contribution, as well as the name and address of the individual or political committee making the contribution, and the date of the contribution. (Detailed information about a contributor is not required to be reported if the contributor contributed \$110 or less during the reporting period. However, all contributions made electronically must be itemized with this information.)

PLEDGES

Promises to transfer money, goods, services, or other things of value are contributions. If a filer accepts such a promise, he or she must report it (along with the information required for other contributions) on the reporting schedule for “pledges.” Once a pledge has been received, it is reported on the appropriate receipts schedule for the reporting period in which the pledge is received. A pledge that is actually received in the same reporting period in which the pledge was accepted shall be reported only on the appropriate receipts schedule.

Note: A pledge is not a contribution unless it has been accepted.

Example 1: In June a supporter promises that he will give Juan Garcia \$1,000 in the last week before the November election. Juan accepts his promise. Juan must report the pledge on his July 15 report. Juan must also report a political contribution when the pledge is actually received. (**Note:** If Juan receives the pledge during the July semiannual reporting period then he does not report the pledge and only reports a political contribution. Also, if he never receives the \$1,000, he does not amend his report to delete the entry for the pledge.)

Example 2: At a party, an acquaintance says to Juan, “I’d like to give you some money; call me at my office.” Juan agrees to call. At this point, Juan has accepted nothing and has nothing to report. Juan has not agreed to accept money; he has merely agreed to call.

LOANS

Loans made for campaign or officeholder purposes are reportable. A filer must report the amount of a loan, the date the loan is made, the interest rate, the maturity date, the type of collateral, and the name and address of the lender. The filer must also report the name, address, principal occupation, and employer of any guarantor and the amount guaranteed by the guarantor. (Detailed information is not required if a particular lender lent \$110 or less during a reporting period.) If a candidate or officeholder deposits personal funds in an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code, the deposited amount must be reported as a loan. *See* “Campaign Expenditures from Personal

Funds” in this guide for additional information.

Note: A loan from an incorporated financial institution that has been in business for more than one year is not a contribution. Other loans are considered to be contributions. This distinction is important because of the prohibition on contributions from banks and certain other financial institutions. See “Campaign Finance Restrictions” in this guide. All loans are reported on the same schedule, regardless of whether they are contributions. Additionally, the forgiveness of a loan is a reportable in-kind contribution. See 1 Tex. Admin. Code § 20.64.

CONTRIBUTIONS OF PERSONAL SERVICES

A political contribution consisting of an individual's personal services is not required to be reported if the individual receives no compensation *from any source* for the services.

CONTRIBUTIONS OF PERSONAL TRAVEL

A political contribution consisting of personal travel expense incurred by an individual is not required to be reported if the individual receives no reimbursement for the expense.

CONTRIBUTIONS FROM OUT-OF-STATE POLITICAL COMMITTEES

There are restrictions on contributions from out-of-state political committees. The fact that a political committee has a mailing address outside of Texas does not mean that the committee is an out-of-state political committee for purposes of these restrictions. A political committee that has a campaign treasurer appointment on file in Texas is not an out-of-state political committee for purposes of these restrictions.

Contributions over \$1,080 in a reporting period. Before *accepting* more than \$1,080 in a reporting period from an out-of-state committee, a candidate or officeholder must obtain either (1) a written statement, certified by an officer of the out-of-state political committee, listing the full name and address of each person who contributed more than \$220 to the out-of-state political committee during the 12 months immediately preceding the contribution, *or* (2) a copy of the out-of-state political committee's statement of organization filed as required by law with the Federal Election Commission and certified by an officer of the out-of-state committee.

This documentation must be included with the report of contributions and expenditures for the period in which the contribution was received.

Contributions of \$1,080 or less in a reporting period. For a contribution of \$1,080 or less from an out-of-state committee in a reporting period, there is no requirement to obtain documentation *before accepting* the contribution. But there is a requirement to include certain documentation with the report of the contribution. The report must include *either* (1) a copy of the out-of-state political committee's statement of organization filed as required by law with the Federal Election Commission and certified by an officer of the out-of-state committee, *or* (2) the committee's name, address, and phone number; the name of the person appointing the committee's campaign treasurer; and the name, address, and phone number of the committee's campaign treasurer.

EXPENDITURES

A filer must report any campaign expenditure (regardless of whether it is made from political contributions or from personal funds) and any political expenditure (campaign or officeholder) from political contributions (regardless of whether the expenditure is a political expenditure). A filer must also report unpaid incurred obligations. *See* “Unpaid Incurred Obligations” in this guide. If the total expenditures to a particular payee do not exceed \$220 during the reporting period, a filer may report those expenditures as part of a lump sum. Otherwise, a filer must report the date of an expenditure, the name and address of the person to whom the expenditure is made, and the purpose of the expenditure.

UNPAID INCURRED OBLIGATIONS

An expenditure that is not paid during the reporting period in which the obligation to pay the expenditure is incurred shall be reported on the Unpaid Incurred Obligations Schedule for the reporting period in which the obligation to pay is incurred.

The use of political contributions to pay an expenditure previously disclosed on an Unpaid Incurred Obligations Schedule shall be reported on the appropriate disbursements schedule for the reporting period in which the payment is made.

The use of personal funds to pay an expenditure previously disclosed on an Unpaid Incurred Obligations Schedule shall be reported on the Political Expenditure Made from Personal Funds Schedule for the reporting period in which the payment is made.

EXPENDITURES MADE BY CREDIT CARD

An expenditure made by a credit card must be reported on the Expenditures Made to Credit Card Schedule for the reporting period in which the expenditure is made. The report must identify the vendor who receives the payment from the credit card company.

The use of political contributions to make a payment to a credit card company must be reported on the appropriate disbursements schedule for the reporting period in which the payment is made and identify the credit card company receiving the payment.

The use of personal funds to make a payment to a credit card company must be reported on the Political Expenditure Made from Personal Funds Schedule for the reporting period in which the payment is made and identify the credit card company receiving the payment.

CAMPAIGN EXPENDITURES FROM PERSONAL FUNDS

A candidate must report all campaign expenditures, whether made from political contributions or from personal funds. In order to use political contributions to reimburse himself or herself for campaign expenditures from personal funds, the candidate must properly report the expenditures either on the reporting schedule for loans or on the reporting schedule for political expenditures from personal funds. If the candidate does not indicate the intention to seek reimbursement on that report, he or she may not later correct the report to permit reimbursement.

If a candidate or officeholder deposits personal funds in an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code, the deposited

amount must be reported as a loan on Schedule E. Political expenditures made from that loan, and any subsequent expenditures to reimburse the candidate or officeholder, must be reported on Schedule F1. The reimbursement may not exceed the amount reported as a loan. Any unexpended funds from such a loan are required to be included in the total amount of political contributions maintained as of the last day of the reporting period. Note: Personal funds deposited in an account in which political contributions are held are subject to the personal use restrictions.

OFFICEHOLDER EXPENDITURES FROM PERSONAL FUNDS

An officeholder is not required to report *officeholder expenditures* made from personal funds unless he or she intends to be reimbursed from political contributions. This rule applies regardless of whether an officeholder has an appointment of campaign treasurer on file.

In order for an officeholder to use political contributions to reimburse an officeholder expenditure from personal funds, the officeholder must properly report the expenditures either on the reporting schedule for loans or on the reporting schedule for political expenditures from personal funds. If the officeholder does not indicate the intention to seek reimbursement, he or she may not later correct the report to permit reimbursement.

If a candidate or officeholder deposits personal funds in an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code, the deposited amount must be reported as a loan on Schedule E. Political expenditures made from that loan, and any subsequent expenditures to reimburse the candidate or officeholder, must be reported on Schedule F1. The reimbursement may not exceed the amount reported as a loan. Any unexpended funds from such a loan are required to be included in the total amount of political contributions maintained as of the last day of the reporting period. Note: Personal funds deposited in an account in which political contributions are held are subject to the personal use restrictions.

DIRECT EXPENDITURES

A direct campaign expenditure is “a campaign expenditure that does not constitute a campaign contribution by the person making the expenditure.” As a practical matter, a direct campaign expenditure is an expenditure to support a candidate incurred without the candidate’s prior consent or approval.

If a candidate or officeholder makes a direct campaign expenditure to support *another* candidate or officeholder, the expenditure must be included on the reporting schedule for political expenditures, and the report must indicate that the expenditure was a direct campaign expenditure.

SUPPORTING POLITICAL COMMITTEES

A political committee that accepts political contributions or makes political contributions on behalf of a candidate or officeholder is required to give the candidate or officeholder notice of that fact. The candidate or officeholder must report the receipt of such a notice on the report covering the period in which he or she receives the notice.

PAYMENTS TO A BUSINESS OF THE CANDIDATE OR OFFICEHOLDER

A candidate or officeholder is required to report payments from political funds to a business in which the candidate or officeholder has a participating interest of more than 10 percent; a position on the governing body of the business; *or* a position as an officer of a business.

A candidate or officeholder may not make a payment to such a business if the payment is for personal services rendered by the candidate or officeholder or by the spouse or dependent child of the candidate or officeholder. (Nor may a candidate or officeholder use political contributions to pay directly for such personal services.) Other payments to such a business are permissible only if the payment does not exceed the amount necessary to reimburse the business for actual expenditures made by the business. *See generally* Op. Tex. Ethics Comm'n No. 35 (1992).

A candidate or officeholder may not make or authorize a payment from political funds for the rental or purchase of real property from such a business. *See* "Use of Political Funds to Rent or Purchase Real Property" in this guide.

INTEREST EARNED AND OTHER CREDITS/GAINS/REFUNDS

A candidate or officeholder is required to disclose information regarding the following types of activity from political contributions:

- any credit, interest, rebate, refund, reimbursement, or return of a deposit fee resulting from the use of a political contribution or an asset purchased with a political contribution, the amount of which exceeds \$140;
- any proceeds of the sale of an asset purchased with a political contribution, the amount of which exceeds \$140; and
- any other gain from a political contribution, the amount of which exceeds \$140.

A candidate or officeholder must use Schedule K to report such information. Although you are not required to do so, you may also report any credit/gain/refund or interest that does not exceed \$140 in the period on this schedule. (Previously, this was an optional schedule because a candidate or officeholder was not required to report this information.) A candidate or officeholder may not use interest and other income from political contributions for personal purposes. Political expenditures made from such income must be reported on the expenditures schedule.

PURCHASE OF INVESTMENTS

A candidate or officeholder must report any investment purchased with a political contribution, the amount of which exceeds \$140. This information must be disclosed on Schedule F3 of the campaign finance report.

TOTAL POLITICAL CONTRIBUTIONS MAINTAINED

The law requires you to disclose the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which

political contributions are deposited as of the last day of the reporting period. The “total amount of political contributions maintained” includes: the total amount of political contributions maintained in one or more accounts, including the balance on deposit in banks, savings and loan institutions and other depository institutions; the present value of any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks, bonds, treasury bills, etc.; and the balance of political contributions accepted and held in any online fundraising account over which the filer can exercise control by making a withdrawal, expenditure, or transfer. 1 Tex. Admin. Code § 20.50.

The total amount of political contributions maintained does NOT include personal funds that the filer intends to use for political expenditures, *unless* the personal funds have been disclosed as a loan to your campaign and deposited into an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code. Any unexpended funds from such a loan are required to be included in the total amount of political contributions maintained as of the last day of the reporting period. Note: Personal funds deposited in an account in which political contributions are held are subject to the personal use restrictions.

TIME OF ACCEPTING CONTRIBUTION

A filer must report the date he or she *accepts* a political contribution. The date of receipt may be different from the date of acceptance. *See* “Accepting Contributions” in this guide.

TIME OF MAKING EXPENDITURE

For reporting purposes, an expenditure is made when the amount of the expenditure is readily determinable. An expenditure that is not paid during the reporting period in which the obligation to pay is incurred must be reported on the reporting schedule for “Unpaid Incurred Obligations,” and then reported again on the appropriate expenditure schedule when payment is actually made. If a filer cannot determine the amount of an expenditure until a periodic bill, the date of the expenditure is the date the bill is received.

Credit Card Expenditures. For purposes of 30 day and 8 day pre-election reports, the date of an expenditure made by a credit card is the date of the purchase, not the date of the credit card bill. For purposes of other reports, the date of an expenditure made by a credit card is the date of receipt of the credit card statement that includes the expenditure. For additional information regarding how to report expenditures made by credit card, *see* “Expenditures Made by Credit Card” in this guide.

PREPARING REPORTS

FORMS

Reporting forms are available at <http://www.ethics.state.tx.us>. An individual who is both a candidate and an officeholder files one report for each reporting period and is not required to distinguish between campaign activity and officeholder activity.

SIGNATURE REQUIRED

The candidate or officeholder, not the campaign treasurer, must sign reports.

FILING DEADLINES

The next section of this guide explains the types of reports candidates and officeholders are required to file. Annual filing schedules are available at <http://www.ethics.state.tx.us>.

Note: Deadlines for filing reports for special elections or runoff elections will not be listed on the filing schedule. Call the Ethics Commission for specific information in these cases.

PERIODS COVERED BY REPORTS

Each report covers activity during a specific time period. Generally, a report begins where the last report ended. For a candidate's first report, the beginning date will be the date the campaign treasurer appointment was filed. For an officeholder who is appointed to an elective office and who did not have a campaign treasurer appointment on file at the time of the appointment, the beginning date for the first report will be the date the officeholder took office. Generally, there should not be gaps between the periods covered or overlapping time periods. See "Reports" below for information about filing deadlines and periods covered by reports.

DEADLINE ON WEEKEND OR HOLIDAY

If the due date for a report falls on a Saturday, Sunday, or legal holiday, the report is due on the next regular business day.

5 P.M. DEADLINE

The deadline for filing a report is 5 p.m. on the due date.

DELIVERY BY MAIL OR OTHER CARRIER

For most reporting deadlines, a document is considered timely filed if it is properly addressed with postage or handling charges prepaid and bears a postmark or receipt mark of a common or contract carrier indicating a time on or before the deadline.

Pre-Election Reports. A report due 30 days before an election and a report due 8 days before an election must be *received* by the appropriate filing authority no later than the report due date to be considered filed on time.

RETENTION OF RECORDS USED FOR REPORTS

A filer must keep records of all information used to prepare a report of contributions and expenditures, including, for example, receipts or ledgers of contributions and expenditures. A filer must maintain the records for two years after the deadline for the report.

REPORTS

SEMIANNUAL REPORTS

Generally, candidates and officeholders are required to file reports of contributions and expenditures by January 15 and July 15 of each year. The reports filed on these dates are known as semiannual reports. These reports must be filed even if there is no activity to report for the period covered.

However, there is an exception to this requirement for officeholders who file with a local filing authority, do not have a campaign treasurer appointment on file, and do not accept more than \$1,080 in officeholder contributions or make more than \$1,080 in officeholder expenditures during the period covered by the report.

REPORTS DUE 30 DAYS AND 8 DAYS BEFORE AN ELECTION

An *opposed* candidate in an upcoming election must file reports of contributions and expenditures 30 days and 8 days before the election. Each of these pre-election reports must be *received* by the appropriate filing authority no later than the report due date. (A person who has elected modified reporting and who remains eligible for modified reporting is not required to file these reports. See “Modified Reporting” in this guide.)

An opposed candidate is a candidate who has an opponent whose name is printed on the ballot. If a candidate’s only opposition is a write-in candidate, that candidate is considered unopposed for filing purposes. (**Note:** A write-in candidate who accepts political contributions or makes political expenditures is subject to the reporting requirements discussed in this guide.)

The report that is due 30 days before the election covers the period that begins on the first day after the period covered by the last required report and ends the 40th day before the election. If this is a filer’s first required report, the period covered by the report begins on the day the filer filed a campaign treasurer appointment.

The report that is due 8 days before the election covers the period that begins on the first day after the period covered by the last required report and ends on the 10th day before the election.

REPORT DUE 8 DAYS BEFORE A RUNOFF ELECTION

A candidate in a runoff must file a report 8 days before the runoff election. A runoff report must be *received* by the appropriate filing authority no later than the report due date. (A candidate who has elected modified reporting and who remains eligible for modified reporting is not required to file this report. See “Modified Reporting” below.)

This report covers a period that begins either the first day after the period covered by the last required report or the day the filer filed a campaign treasurer appointment (if this is the filer’s first report of contributions and expenditures). The period covered by the runoff report ends the 10th day before the runoff election.

MODIFIED REPORTING

On the campaign treasurer appointment form, there is an option to choose modified reporting for the next election cycle. Modified reporting excuses an opposed candidate from filing reports 30 days and 8 days before an election and 8 days before a runoff. An opposed candidate is eligible for modified reporting only if the candidate does not intend to exceed either \$1,080 in contributions or \$1,080 in expenditures (excluding filing fees) in connection with an election.

If an opposed candidate selects modified reporting but exceeds a threshold before the 30th day before the election, the candidate must file reports 30 days and 8 days before the election.

If an opposed candidate selects modified reporting but exceeds the \$1,080 threshold for contributions or expenditures after the 30th day before the election, the filer must file a report within 48 hours of exceeding the threshold. (The filer must meet this deadline even if it falls on a weekend or a holiday.) At that point, the filer is no longer eligible for modified reporting and must file according to the regular filing schedule.

A selection to file on the modified reporting schedule lasts for an entire election cycle. In other words, the selection is valid for a primary, a primary runoff, and a general election (as long as the candidate does not exceed one of the \$1,080 thresholds). A candidate must submit an amended campaign treasurer appointment (FORM ACTA) to select modified reporting for a different election cycle.

“15TH DAY AFTER APPOINTMENT OF CAMPAIGN TREASURER BY AN OFFICEHOLDER” REPORT

An officeholder must file a report after filing a campaign treasurer appointment. (A report is not required after a *change* in campaign treasurers.) This report of contributions and expenditures is due no later than 15 days after the campaign treasurer appointment was filed. The report must cover the period that begins the day after the period covered by the last required report. The period ends on the day before the campaign treasurer appointment was filed. (**Note:** A person who is *appointed* to elective office may not have filed any previous reports. In that case, the beginning date for the report due 15 days after the campaign treasurer appointment is the date the officeholder took office.) The report is not required if the officeholder did not accept more than \$1,080 in contributions or make more than \$1,080 in expenditures by the end of the reporting period.

FINAL REPORT

See “Ending Filing Obligations” below.

ANNUAL REPORT OF UNEXPENDED CONTRIBUTIONS

See “Ending Filing Obligations” below.

FINAL DISPOSITION OF UNEXPENDED CONTRIBUTIONS REPORT

See “Ending Filing Obligations” below.

THINGS TO REMEMBER

- An officeholder must file semiannual reports for any period during which he or she is an officeholder. (There is an exception to this rule for officeholders who do not have a campaign treasurer appointment on file and who do not accept more than \$1,080 in political contributions or make more than \$1,080 in political expenditures during the period covered by the report.)
- An opposed candidate in an election must file reports of contributions and expenditures 30 days and 8 days before the election, unless the candidate has selected (and remains eligible for) modified reporting. An opposed candidate who has not selected modified reporting must also file a report 8 days before a runoff election. A report due 30 days before an election and a report due 8 days before an election must be received by the appropriate filing authority no later than the report due date.
- An unopposed candidate is not required to file reports 30 days before an election or 8 days before an election but is required to file semiannual reports.
- A candidate who selects modified reporting must file semiannual reports.

A filer who selects modified reporting for one election cycle will be required to file on the regular reporting schedule for the next election cycle unless the filer submits an amended campaign treasurer appointment selecting modified reporting for the next election cycle.

ENDING FILING OBLIGATIONS

FINAL REPORT

If a filer expects to accept no further political contributions and to make no further political expenditures and if the filer expects to take no further action to get elected to a public office, the filer may file a final report. Filing a final report terminates a filer's campaign treasurer appointment and relieves the filer from any additional filing obligations *as a candidate*. (Note: A candidate who does not have a campaign treasurer appointment on file may still be required to file a personal financial statement in accordance with Chapter 572 of the Government Code or Chapter 159 of the Local Government Code.) If the filer is an officeholder, the filer will still be subject to the filing requirements applicable to officeholders. A filer who is not an officeholder at the time of filing a final report *and* who has surplus political funds or assets will be required to file annual reports of unexpended contributions and a report of final disposition of unexpended contributions. *See* "Annual Report of Unexpended Contributions" and "Report of Final Disposition of Unexpended Contributions" below.

A filer who intends to continue accepting contributions to pay campaign debts should *not* terminate his or her campaign treasurer appointment. An individual must have a campaign treasurer appointment on file to accept contributions to offset campaign debts or to pay campaign debts.

Terminating a campaign treasurer appointment does not relieve a filer of responsibility for any delinquent reports or outstanding civil penalties.

ANNUAL REPORT OF UNEXPENDED CONTRIBUTIONS

The following individuals must file annual reports of unexpended contributions:

- a former officeholder who did not have a campaign treasurer appointment on file at the time of leaving office and who retained any of the following after filing his or her last report: political contributions, interest or other income from political contributions, or assets purchased with political contributions or interest or other income from political contributions.
- a former candidate (a person who previously had a campaign treasurer appointment on file) who was not an officeholder at the time of filing a final report and who retained any of the following at the time of filing a final report: political contributions, interest or other income from political contributions, or assets purchased with political contributions.

Annual reports are due not earlier than January 1 and not later than January 15 of each year. An annual report (FORM C/OH-UC) must contain the following information: (1) information about expenditures from or disposition of surplus funds or assets; (2) the amount of interest or other income earned on surplus funds during the previous year; and (3) the total amount of surplus funds and assets at the end of the previous year.

The obligation to file annual reports ends when the former candidate or officeholder files a report of final disposition of unexpended contributions.

REPORT OF FINAL DISPOSITION OF UNEXPENDED CONTRIBUTIONS

A former candidate or former officeholder who has disposed of all surplus funds and assets must file a report of final disposition of unexpended contributions. This report may be filed as soon as all funds have been disposed of.

A former candidate or former officeholder has six years from the date of filing a final report or leaving office (whichever is later) to dispose of surplus funds and assets. The latest possible date for filing a report of unexpended contributions is 30 days after the end of that six-year period.

At the end of the six-year period, a former candidate or officeholder *must* dispose of surplus assets or funds in one of the following ways:

- The former candidate or officeholder may give them to the political party with which he or she was affiliated when last on the ballot;
- The former candidate or officeholder may contribute them to a candidate or a political committee. (This triggers a requirement to file a report of the contribution.);
- The former candidate or officeholder may give them to the comptroller for deposit in the state treasury to be used to finance primary elections;

- The former candidate or officeholder may give them to one or more contributors, but the total returned to any person may not exceed the aggregate amount accepted from that person during the last two years during which the former candidate or officeholder accepted political contributions;
 - The former candidate or officeholder may give them to certain charitable organizations; or
 - The former candidate or officeholder may give them to a public or private post-secondary educational institution or an institution of higher education as defined by section 61.003(8), Education Code, for the purpose of assisting or creating a scholarship program.
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THINGS TO REMEMBER

- Anyone who has an appointment of campaign treasurer on file must file periodic reports of campaign contributions and expenditures.
 - An individual who expects no further reportable activity in connection with his or her candidacy, files a final report and thereby terminates his or her campaign treasurer appointment. (Note: A candidate who does not have a campaign treasurer appointment on file may still be required to file a personal financial statement in accordance with Chapter 572 of the Government Code or Chapter 159 of the Local Government Code.)
 - An officeholder may be required to file semiannual reports even if he or she does not have a campaign treasurer appointment on file. A local officeholder who has not accepted more than \$1,080 in contributions or made more than \$1,080 in expenditures in a semiannual period since terminating his or her campaign treasurer appointment is not required to file a semiannual report for that period.
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PENALTIES FOR REPORTING VIOLATIONS

Any citizen may file a criminal complaint with the district attorney, a civil complaint with the Ethics Commission, or a civil action against a candidate or officeholder for violations of Title 15. Any penalty stemming from such complaints would be assessed against *the candidate or officeholder*, not the campaign treasurer.

CAMPAIGN FINANCE RESTRICTIONS

Chapter 253 of the Election Code contains a number of restrictions regarding the acceptance and use of political contributions, including the following:

1. An individual may not accept a campaign contribution or make a campaign expenditure (including a campaign expenditure from personal funds) without a campaign treasurer appointment on file. Tex. Elec. Code § 253.031. An officeholder may accept officeholder contributions and make officeholder

expenditures regardless of whether he or she has a campaign treasurer appointment on file.

2. Political contributions from labor organizations and from most corporations are prohibited. Tex. Elec. Code § 253.091, *et seq.* Partnerships that include one or more corporate partners are subject to the prohibition.
3. Certain documentation must be obtained in order to accept contributions from an out-of-state political committee. Tex. Elec. Code § 253.032. See “Contributions from Out-of-State Political Committees” in this guide.
4. Cash contributions of more than \$100 in the aggregate from one contributor in a reporting period are prohibited. (Here “cash” means coins and currency, not checks.) Tex. Elec. Code § 253.033.
5. The use of political contributions to purchase real property is prohibited. There is also a restriction on the use of political funds to rent or purchase real property from a person related to the candidate or officeholder within the second degree of consanguinity or affinity or from a business in which the candidate or officeholder or such a relative has a participating interest of more than 10 percent, holds a position on the governing body, or serves as an officer. Tex. Elec. Code § 253.038.
6. Texas law does not allow anonymous contributions. Also, reports must disclose the actual source of a contribution, not an intermediary. Tex. Elec. Code § 253.001.
7. Personal use of political contributions is prohibited. Tex. Elec. Code § 253.035.
8. A candidate or officeholder may not use political contributions to pay for personal services rendered by the candidate or officeholder or by the spouse, or dependent children of the candidate or officeholder. There are also restrictions of a candidate’s or officeholder’s use of political contributions to make payments to a business in which the candidate or officeholder holds a participating interest of more than 10 percent, a position on the governing body of the business, or a position as an officer of the business. See to Op. Tex. Ethics Comm’n No. 35 (1992) (regarding the combined effect of this prohibition and the prohibition on corporate contributions). Tex. Elec. Code § 253.041.
There are restrictions on the use of political contributions to reimburse political expenditures from personal funds. See “Reimbursement for Political Expenditures from Personal Funds,” in this guide.
9. A candidate, officeholder, or political committee may not accept political contributions in the Capitol, the Capitol Extension, or a courthouse. “Courthouse” means any building owned by the state, a county, or a municipality, or an office or part of a building leased to the state, a county, or a municipality, in which a justice or judge sits to conduct court proceedings. Tex. Elec. Code § 253.039.
10. A person required to register as a lobbyist is prohibited from making or authorizing a political contribution to another candidate, officeholder, or political committee, or

making or authorizing a direct campaign expenditure, from political contributions accepted by: (1) the lobbyist as a candidate or officeholder; (2) a specific-purpose committee that supports or assists the lobbyist as a candidate or officeholder; or (3) a political committee that accepted a political contribution from (1) or (2), described above, during the two years immediately before the contribution or expenditure was made. Tex. Elec. Code § 253.006.

11. A person who makes a political contribution to another candidate, officeholder, or political committee, or makes a direct campaign expenditure, from political contributions accepted by the person as a candidate or officeholder is prohibited from engaging in activities that require registration as a lobbyist for two years thereafter. This does not apply to a person who does not receive compensation other than reimbursement for actual expenses to lobby on behalf of a nonprofit organization, a group of low-income individuals, or a group of individuals with disabilities. Tex. Elec. Code § 253.007.
12. A registered lobbyist, or a person on behalf of the lobbyist and with the lobbyist's consent or ratification, is prohibited from making a reportable lobby expenditure from a political contribution accepted by: (1) the lobbyist as a candidate or officeholder; (2) a specific-purpose committee that supports or assists the lobbyist as a candidate or officeholder; or (3) a political committee that accepted a political contribution from (1) or (2), described above, during the two years immediately before the lobbyist made or authorized the expenditure. Tex. Gov't Code § 305.029.
13. Federal law generally prohibits the acceptance of contributions from foreign sources. Contact the Federal Election Commission for more detailed information.

CANDIDATE / OFFICEHOLDER CAMPAIGN FINANCE REPORT

FORM C/OH COVER SHEET PG 1

The C/OH Instruction Guide explains how to complete this form.		1 Filer ID (Ethics Commission Filers)	2 Total pages filed:	
3 CANDIDATE / OFFICEHOLDER NAME	MS / MRS / MR FIRST MI	OFFICE USE ONLY		
			
NICKNAME LAST SUFFIX				
Date Received				
4 CANDIDATE / OFFICEHOLDER MAILING ADDRESS <input type="checkbox"/> Change of Address	ADDRESS / PO BOX; APT / SUITE #; CITY; STATE; ZIP CODE			
	Date Hand-delivered or Date Postmarked			
5 CANDIDATE / OFFICEHOLDER PHONE	AREA CODE PHONE NUMBER EXTENSION ()			
6 CAMPAIGN TREASURER NAME	MS / MRS / MR FIRST MI			Receipt # Amount \$
	NICKNAME LAST SUFFIX			Date Processed
Date Imaged	STREET ADDRESS (NO PO BOX PLEASE); APT / SUITE #; CITY; STATE; ZIP CODE			
7 CAMPAIGN TREASURER ADDRESS (Residence or Business)				
8 CAMPAIGN TREASURER PHONE	AREA CODE PHONE NUMBER EXTENSION ()			
9 REPORT TYPE	<input type="checkbox"/> January 15 <input type="checkbox"/> 30th day before election <input type="checkbox"/> Runoff <input type="checkbox"/> 15th day after campaign treasurer appointment (Officeholder Only)			
	<input type="checkbox"/> July 15 <input type="checkbox"/> 8th day before election <input type="checkbox"/> Exceeded Modified Reporting Limit <input type="checkbox"/> Final Report (Attach C/OH - FR)			
10 PERIOD COVERED	Month Day Year THROUGH Month Day Year / / / / /			
11 ELECTION	ELECTION DATE		ELECTION TYPE	
	Month Day Year / /	<input type="checkbox"/> Primary <input type="checkbox"/> Runoff <input type="checkbox"/> Other Description <input type="checkbox"/> General <input type="checkbox"/> Special _____		
12 OFFICE	OFFICE HELD (if any)	13 OFFICE SOUGHT (if known)		
14 NOTICE FROM POLITICAL COMMITTEE(S) <input type="checkbox"/> Additional Pages	<small>THIS BOX IS FOR NOTICE OF POLITICAL CONTRIBUTIONS ACCEPTED OR POLITICAL EXPENDITURES MADE BY POLITICAL COMMITTEES TO SUPPORT THE CANDIDATE / OFFICEHOLDER. THESE EXPENDITURES MAY HAVE BEEN MADE WITHOUT THE CANDIDATE'S OR OFFICEHOLDER'S KNOWLEDGE OR CONSENT. CANDIDATES AND OFFICEHOLDERS ARE REQUIRED TO REPORT THIS INFORMATION ONLY IF THEY RECEIVE NOTICE OF SUCH EXPENDITURES.</small>			
	COMMITTEE TYPE	COMMITTEE NAME		
	<input type="checkbox"/> GENERAL	COMMITTEE ADDRESS		
	<input type="checkbox"/> SPECIFIC	COMMITTEE CAMPAIGN TREASURER NAME		
		COMMITTEE CAMPAIGN TREASURER ADDRESS		

GO TO PAGE 2

CANDIDATE / OFFICEHOLDER CAMPAIGN FINANCE REPORT

**FORM C/OH
COVER SHEET PG 2**

15 C/OH NAME		16 Filer ID (Ethics Commission Filers)
17 CONTRIBUTION TOTALS	1. TOTAL UNITEMIZED POLITICAL CONTRIBUTIONS (OTHER THAN PLEDGES, LOANS, OR GUARANTEES OF LOANS, OR CONTRIBUTIONS MADE ELECTRONICALLY)	\$
	2. TOTAL POLITICAL CONTRIBUTIONS (OTHER THAN PLEDGES, LOANS, OR GUARANTEES OF LOANS)	\$
EXPENDITURE TOTALS	3. TOTAL UNITEMIZED POLITICAL EXPENDITURE.	\$
	4. TOTAL POLITICAL EXPENDITURES	\$
CONTRIBUTION BALANCE	5. TOTAL POLITICAL CONTRIBUTIONS MAINTAINED AS OF THE LAST DAY OF REPORTING PERIOD	\$
OUTSTANDING LOAN TOTALS	6. TOTAL PRINCIPAL AMOUNT OF ALL OUTSTANDING LOANS AS OF THE LAST DAY OF THE REPORTING PERIOD	\$

18 SIGNATURE I swear, or affirm, under penalty of perjury, that the accompanying report is true and correct and includes all information required to be reported by me under Title 15, Election Code.

Signature of Candidate or Officeholder

Please complete either option below:

(1) Affidavit

NOTARY STAMP / SEAL

Sworn to and subscribed before me by _____ this the _____ day of _____, 20 _____, to certify which, witness my hand and seal of office.

Signature of officer administering oath

Printed name of officer administering oath

Title of officer administering oath

OR

(2) Unsworn Declaration

My name is _____, and my date of birth is _____.

My address is _____, _____, _____, _____, _____.
(street) (city) (state) (zip code) (country)

Executed in _____ County, State of _____, on the _____ day of _____, 20_____.
(month) (year)

Signature of Candidate/Officeholder (Declarant)

SUBTOTALS - C/OH

FORM C/OH COVER SHEET PG 3

19 FILER NAME

20 Filer ID (Ethics Commission Filers)

21 SCHEDULE SUBTOTALS NAME OF SCHEDULE	SUBTOTAL AMOUNT
1. <input type="checkbox"/> SCHEDULE A1: MONETARY POLITICAL CONTRIBUTIONS	\$
2. <input type="checkbox"/> SCHEDULE A2: NON-MONETARY (IN-KIND) POLITICAL CONTRIBUTIONS	\$
3. <input type="checkbox"/> SCHEDULE B: PLEDGED CONTRIBUTIONS	\$
4. <input type="checkbox"/> SCHEDULE E: LOANS	\$
5. <input type="checkbox"/> SCHEDULE F1: POLITICAL EXPENDITURES MADE FROM POLITICAL CONTRIBUTIONS	\$
6. <input type="checkbox"/> SCHEDULE F2: UNPAID INCURRED OBLIGATIONS	\$
7. <input type="checkbox"/> SCHEDULE F3: PURCHASE OF INVESTMENTS MADE FROM POLITICAL CONTRIBUTIONS	\$
8. <input type="checkbox"/> SCHEDULE F4: EXPENDITURES MADE BY CREDIT CARD	\$
9. <input type="checkbox"/> SCHEDULE G: POLITICAL EXPENDITURES MADE FROM PERSONAL FUNDS	\$
10. <input type="checkbox"/> SCHEDULE H: PAYMENT MADE FROM POLITICAL CONTRIBUTIONS TO A BUSINESS OF C/OH	\$
11. <input type="checkbox"/> SCHEDULE I: NON-POLITICAL EXPENDITURES MADE FROM POLITICAL CONTRIBUTIONS	\$
12. <input type="checkbox"/> SCHEDULE K: INTEREST, CREDITS, GAINS, REFUNDS, AND CONTRIBUTIONS RETURNED TO FILER	\$

MONETARY POLITICAL CONTRIBUTIONS

SCHEDULE A1

If the requested information is not applicable, **DO NOT** include this page in the report.

The Instruction Guide explains how to complete this form.		1 Total pages Schedule A1:
2 FILER NAME		3 Filer ID (Ethics Commission Filers)
4 Date	5 Full name of contributor <input type="checkbox"/> out-of-state PAC (ID#: _____) 6 Contributor address; City; State; Zip Code	7 Amount of contribution (\$)
8 Principal occupation / Job title (See Instructions)		9 Employer (See Instructions)
Date	Full name of contributor <input type="checkbox"/> out-of-state PAC (ID#: _____) Contributor address; City; State; Zip Code	Amount of contribution (\$)
Principal occupation / Job title (See Instructions)		Employer (See Instructions)
Date	Full name of contributor <input type="checkbox"/> out-of-state PAC (ID#: _____) Contributor address; City; State; Zip Code	Amount of contribution (\$)
Principal occupation / Job title (See Instructions)		Employer (See Instructions)
Date	Full name of contributor <input type="checkbox"/> out-of-state PAC (ID#: _____) Contributor address; City; State; Zip Code	Amount of contribution (\$)
Principal occupation / Job title (See Instructions)		Employer (See Instructions)

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED
If contributor is out-of-state PAC, please see Instruction guide for additional reporting requirements.

NON-MONETARY (IN-KIND) POLITICAL CONTRIBUTIONS

SCHEDULE A2

If the requested information is not applicable, **DO NOT** include this page in the report.

The Instruction Guide explains how to complete this form.		1 Total pages Schedule A2:	
2 FILER NAME		3 Filer ID (Ethics Commission Filers)	
4 TOTAL OF UNITEMIZED IN-KIND POLITICAL CONTRIBUTIONS		\$	
5 Date	6 Full name of contributor <input type="checkbox"/> out-of-state PAC (ID#: _____)	8 Amount of Contribution \$	9 In-kind contribution description
	7 Contributor address; City; State; Zip Code		
		<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	
10 Principal occupation / Job title (FOR NON-JUDICIAL)(See Instructions)		11 Employer (FOR NON-JUDICIAL)(See Instructions)	
12 Contributor's principal occupation (FOR JUDICIAL)		13 Contributor's job title (FOR JUDICIAL)(See Instructions)	
14 Contributor's employer/law firm (FOR JUDICIAL)		15 Law firm of contributor's spouse (if any) (FOR JUDICIAL)	
16 If contributor is a child, law firm of parent(s) (if any) (FOR JUDICIAL)			
Date	Full name of contributor <input type="checkbox"/> out-of-state PAC (ID#: _____)	Amount of Contribution \$	In-kind contribution description
	Contributor address; City; State; Zip Code		
		<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	
Principal occupation / Job title (FOR NON-JUDICIAL) (See Instructions)		Employer (FOR NON-JUDICIAL)(See Instructions)	
Contributor's principal occupation (FOR JUDICIAL)		Contributor's job title (FOR JUDICIAL)(See Instructions)	
Contributor's employer/law firm (FOR JUDICIAL)		Law firm of contributor's spouse (if any) (FOR JUDICIAL)	
If contributor is a child, law firm of parent(s) (if any) (FOR JUDICIAL)			

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

If contributor is out-of-state PAC, please see instruction guide for additional reporting requirements.

PLEGGED CONTRIBUTIONS

SCHEDULE B

If the requested information is not applicable, **DO NOT** include this page in the report.

The Instruction Guide explains how to complete this form.		1 Total pages Schedule B:	
2 FILER NAME		3 Filer ID (Ethics Commission Filers)	
4 TOTAL OF UNITEMIZED PLEDGES		\$	
5 Date	6 Full name of pledgor <input type="checkbox"/> out-of-state PAC (ID#: _____) <hr/> 7 Pledgor address; City; State; Zip Code	8 Amount of Pledge \$	9 In-kind contribution description
		<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	
10 Principal occupation / Job title (See Instructions)		11 Employer (See Instructions)	
Date	Full name of pledgor <input type="checkbox"/> out-of-state PAC (ID#: _____) <hr/> Pledgor address; City; State; Zip Code	Amount of Pledge \$	In-kind contribution description
		<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	
Principal occupation / Job title (See Instructions)		Employer (See Instructions)	
Date	Full name of pledgor <input type="checkbox"/> out-of-state PAC (ID#: _____) <hr/> Pledgor address; City; State; Zip Code	Amount of Pledge \$	In-kind contribution description
		<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	
Principal occupation / Job title (See Instructions)		Employer (See Instructions)	
Date	Full name of pledgor <input type="checkbox"/> out-of-state PAC (ID#: _____) <hr/> Pledgor address; City; State; Zip Code	Amount of Pledge \$	In-kind contribution description
		<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	
Principal occupation / Job title (See Instructions)		Employer (See Instructions)	

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

If contributor is out-of-state PAC, please see Instruction guide for additional reporting requirements.

LOANS

SCHEDULE E

If the requested information is not applicable, **DO NOT** include this page in the report.

The Instruction Guide explains how to complete this form.		1 Total pages Schedule E:
2 FILER NAME		3 Filer ID (Ethics Commission Filers)
4 TOTAL OF UNITEMIZED LOANS		\$
5 Date of loan	7 Name of lender <input type="checkbox"/> out-of-state PAC (ID#: _____)	9 Loan Amount (\$)
6 Is lender a financial Institution? Y N	8 Lender address; City; State; Zip Code	10 Interest rate
		11 Maturity date
12 Principal occupation / Job title (See Instructions)		13 Employer (See Instructions)
14 Description of Collateral <input type="checkbox"/> none		15 <input type="checkbox"/> Check if personal funds were deposited into political account (See Instructions)
16 GUARANTOR INFORMATION <input type="checkbox"/> not applicable	17 Name of guarantor	19 Amount Guaranteed (\$)
	18 Guarantor address; City; State; Zip Code	
20 Principal Occupation (See Instructions)		21 Employer (See Instructions)
Date of loan	Name of lender <input type="checkbox"/> out-of-state PAC (ID#: _____)	Loan Amount (\$)
Is lender a financial Institution? Y N	Lender address; City; State; Zip Code	Interest rate
		Maturity date
Principal occupation / Job title (See Instructions)		Employer (See Instructions)
Description of Collateral <input type="checkbox"/> none		<input type="checkbox"/> Check if personal funds were deposited into political account (See Instructions)
GUARANTOR INFORMATION <input type="checkbox"/> not applicable	Name of guarantor	Amount Guaranteed (\$)
	Guarantor address; City; State; Zip Code	
Principal Occupation (See Instructions)		Employer (See Instructions)

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

If lender is out-of-state PAC, please see Instruction guide for additional reporting requirements.

POLITICAL EXPENDITURES MADE FROM POLITICAL CONTRIBUTIONS

SCHEDULE F1

If the requested information is not applicable, **DO NOT** include this page in the report.

EXPENDITURE CATEGORIES FOR BOX 8(a)

- | | | | |
|--|-------------------------------|--------------------------------|--|
| Advertising Expense | Event Expense | Loan Repayment/Reimbursement | Solicitation/Fundraising Expense |
| Accounting/Banking | Fees | Office Overhead/Rental Expense | Transportation Equipment & Related Expense |
| Consulting Expense | Food/Beverage Expense | Polling Expense | Travel In District |
| Contributions/Donations Made By | Gift/Awards/Memorials Expense | Printing Expense | Travel Out Of District |
| Candidate/Officeholder/Political Committee | Legal Services | Salaries/Wages/Contract Labor | Other (enter a category not listed above) |
| Credit Card Payment | | | |

The Instruction Guide explains how to complete this form.

1 Total pages Schedule F1:	2 FILER NAME	3 Filer ID (Ethics Commission Filers)
4 Date	5 Payee name	
6 Amount (\$)	7 Payee address;	City; State; Zip Code
PURPOSE OF EXPENDITURE	(a) Category (See Categories listed at the top of this schedule)	(b) Description
	(c) <input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T. <input type="checkbox"/> Check if Austin, TX, officeholder living expense	
9 Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held
Date	Payee name	
Amount (\$)	Payee address;	City; State; Zip Code
PURPOSE OF EXPENDITURE	Category (See Categories listed at the top of this schedule)	Description
	<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T. <input type="checkbox"/> Check if Austin, TX, officeholder living expense	
Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held
Date	Payee name	
Amount (\$)	Payee address;	City; State; Zip Code
PURPOSE OF EXPENDITURE	Category (See Categories listed at the top of this schedule)	Description
	<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T. <input type="checkbox"/> Check if Austin, TX, officeholder living expense	
Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

UNPAID INCURRED OBLIGATIONS

SCHEDULE F2

If the requested information is not applicable, **DO NOT** include this page in the report.

EXPENDITURE CATEGORIES FOR BOX 10(a)

Advertising Expense	Event Expense	Loan Repayment/Reimbursement	Solicitation/Fundraising Expense
Accounting/Banking	Fees	Office Overhead/Rental Expense	Transportation Equipment & Related Expense
Consulting Expense	Food/Beverage Expense	Polling Expense	Travel In District
Contributions/Donations Made By	Gift/Awards/Memorials Expense	Printing Expense	Travel Out Of District
Candidate/Officeholder/Political Committee	Legal Services	Salaries/Wages/Contract Labor	Other (enter a category not listed above)

The Instruction Guide explains how to complete this form.

1 Total pages Schedule F2:	2 FILER NAME	3 Filer ID (Ethics Commission Filers)
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4 TOTAL OF UNITEMIZED UNPAID INCURRED OBLIGATIONS	\$
--	----

5 Date	6 Payee name
---------------	---------------------

7 Amount (\$)	8 Payee address; City; State; Zip Code
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9 TYPE OF EXPENDITURE	<input type="checkbox"/> Political	<input type="checkbox"/> Non-Political
------------------------------	------------------------------------	--

10 PURPOSE OF EXPENDITURE	(a) Category (See Categories listed at the top of this schedule)	(b) Description
	(c) <input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense

11 Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought	Office held
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Date	Payee name
------	------------

Amount (\$)	Payee address; City; State; Zip Code
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TYPE OF EXPENDITURE	<input type="checkbox"/> Political	<input type="checkbox"/> Non-Political
---------------------	------------------------------------	--

PURPOSE OF EXPENDITURE	Category (See Categories listed at the top of this schedule)	Description
	<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense

Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought	Office held
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ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

PURCHASE OF INVESTMENTS MADE FROM POLITICAL CONTRIBUTIONS

SCHEDULE F3

If the requested information is not applicable, **DO NOT** include this page in the report.

The Instruction Guide explains how to complete this form.		1 Total pages Schedule F3:
2 FILER NAME		3 Filer ID (Ethics Commission Filers)
4 Date	5 Name of person from whom investment is purchased	
 6 Address of person from whom investment is purchased; City; State; Zip Code	
	7 Description of investment	
	8 Amount of investment (\$)	
Date	Name of person from whom investment is purchased	
 Address of person from whom investment is purchased; City; State; Zip Code	
	Description of investment	
	Amount of investment (\$)	

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

EXPENDITURES MADE BY CREDIT CARD

SCHEDULE F4

If the requested information is not applicable, **DO NOT** include this page in the report.

EXPENDITURE CATEGORIES FOR BOX 10(a)

- | | | | |
|--|-------------------------------|--------------------------------|--|
| Advertising Expense | Event Expense | Loan Repayment/Reimbursement | Solicitation/Fundraising Expense |
| Accounting/Banking | Fees | Office Overhead/Rental Expense | Transportation Equipment & Related Expense |
| Consulting Expense | Food/Beverage Expense | Polling Expense | Travel In District |
| Contributions/Donations Made By | Gift/Awards/Memorials Expense | Printing Expense | Travel Out Of District |
| Candidate/Officeholder/Political Committee | Legal Services | Salaries/Wages/Contract Labor | Other (enter a category not listed above) |

The Instruction Guide explains how to complete this form.

USE A NEW PAGE FOR EACH CREDIT CARD ISSUER

1 TOTAL PAGES SCHEDULE F4:	2 FILER NAME	3 FILER ID (Ethics Commission Filers)
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4 TOTAL OF UNITEMIZED EXPENDITURES CHARGED TO A CREDIT CARD	\$
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5 CREDIT CARD ISSUER	Name of financial institution
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6 PAYMENT	(a) Amount Charged \$	(b) Date Expenditure Charged	(c) Date(s) Credit Card Issuer Paid
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7 PAYEE	(a) Payee name	(b) Payee address; City, State, Zip Code
----------------	----------------	--

8 PURPOSE OF EXPENDITURE <input type="checkbox"/> Political <input type="checkbox"/> Non-Political	(a) Category (See Categories listed at the top of this schedule)	(b) Description
	(c) <input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T. <input type="checkbox"/> Check if Austin, TX, officeholder living expense	

9 Complete ONLY if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office Sought	Office Held
--	-------------------------------	---------------	-------------

PAYMENT	(a) Amount Charged \$	(b) Date Expenditure Charged	(c) Date(s) Credit Card Issuer Paid
----------------	--------------------------	------------------------------	-------------------------------------

PAYEE	(a) Payee name	(b) Payee address; City, State, Zip Code
--------------	----------------	--

PURPOSE OF EXPENDITURE <input type="checkbox"/> Political <input type="checkbox"/> Non-Political	(a) Category (See Categories listed at the top of this schedule)	(b) Description
	(c) <input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T. <input type="checkbox"/> Check if Austin, TX, officeholder living expense	

Complete ONLY if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office Sought	Office Held
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PAYMENT	(a) Amount Charged \$	(b) Date Expenditure Charged	(c) Date(s) Credit Card Issuer Paid
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PAYEE	(a) Payee name	(b) Payee address; City, State, Zip Code
--------------	----------------	--

PURPOSE OF EXPENDITURE <input type="checkbox"/> Political <input type="checkbox"/> Non-Political	(a) Category (See Categories listed at the top of this schedule)	(b) Description
	(c) <input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T. <input type="checkbox"/> Check if Austin, TX, officeholder living expense	

Complete ONLY if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office Sought	Office Held
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ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

POLITICAL EXPENDITURES MADE FROM PERSONAL FUNDS

SCHEDULE G

If the requested information is not applicable, **DO NOT** include this page in the report.

EXPENDITURE CATEGORIES FOR BOX 8(a)

Advertising Expense	Event Expense	Loan Repayment/Reimbursement	Solicitation/Fundraising Expense
Accounting/Banking	Fees	Office Overhead/Rental Expense	Transportation Equipment & Related Expense
Consulting Expense	Food/Beverage Expense	Polling Expense	Travel In District
Contributions/Donations Made By	Gift/Awards/Memorials Expense	Printing Expense	Travel Out Of District
Candidate/Officeholder/Political Committee	Legal Services	Salaries/Wages/Contract Labor	Other (enter a category not listed above)
Credit Card Payment			

The Instruction Guide explains how to complete this form.

1 Total pages Schedule G:	2 FILER NAME	3 Filer ID (Ethics Commission Filers)
4 Date	5 Payee name	
6 Amount (\$) <input type="checkbox"/> Reimbursement from political contributions intended	7 Payee address; City; State; Zip Code	
8 PURPOSE OF EXPENDITURE	(a) Category (See Categories listed at the top of this schedule)	(b) Description
	(c) <input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense
9 Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held
Date	Payee name	
Amount (\$) <input type="checkbox"/> Reimbursement from political contributions intended	Payee address; City; State; Zip Code	
PURPOSE OF EXPENDITURE	Category (See Categories listed at the top of this schedule)	Description
	<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense
Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held
Date	Payee name	
Amount (\$) <input type="checkbox"/> Reimbursement from political contributions intended	Payee address; City; State; Zip Code	
PURPOSE OF EXPENDITURE	Category (See Categories listed at the top of this schedule)	Description
	<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense
Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held
Date	Payee name	
Amount (\$) <input type="checkbox"/> Reimbursement from political contributions intended	Payee address; City; State; Zip Code	
PURPOSE OF EXPENDITURE	Category (See Categories listed at the top of this schedule)	Description
	<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense
Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

PAYMENT MADE FROM POLITICAL CONTRIBUTIONS TO A BUSINESS OF C/OH

SCHEDULE H

If the requested information is not applicable, **DO NOT** include this page in the report.

EXPENDITURE CATEGORIES FOR BOX 8(a)

Advertising Expense	Event Expense	Loan Repayment/Reimbursement	Solicitation/Fundraising Expense
Accounting/Banking	Fees	Office Overhead/Rental Expense	Transportation Equipment & Related Expense
Consulting Expense	Food/Beverage Expense	Polling Expense	Travel In District
Contributions/Donations Made By	Gift/Awards/Memorials Expense	Printing Expense	Travel Out Of District
Candidate/Officeholder/Political Committee	Legal Services	Salaries/Wages/Contract Labor	Other (enter a category not listed above)
Credit Card Payment			

The Instruction Guide explains how to complete this form.

1 Total pages Schedule H:	2 FILER NAME	3 Filer ID (Ethics Commission Filers)
4 Date	5 Business name	
6 Amount (\$)	7 Business address;	City; State; Zip Code
8 PURPOSE OF EXPENDITURE	(a) Category (See Categories listed at the top of this schedule)	(b) Description
	(c) <input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense
9 Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held
Date	Business name	
Amount (\$)	Business address;	City; State; Zip Code
PURPOSE OF EXPENDITURE	Category (See Categories listed at the top of this schedule)	Description
	<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense
Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held
Date	Business name	
Amount (\$)	Business address;	City; State; Zip Code
PURPOSE OF EXPENDITURE	Category (See Categories listed at the top of this schedule)	Description
	<input type="checkbox"/> Check if travel outside of Texas. Complete Schedule T.	<input type="checkbox"/> Check if Austin, TX, officeholder living expense
Complete <u>ONLY</u> if direct expenditure to benefit C/OH	Candidate / Officeholder name	Office sought Office held

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

NON-POLITICAL EXPENDITURES MADE FROM POLITICAL CONTRIBUTIONS

SCHEDULE I

If the requested information is not applicable, **DO NOT** include this page in the report.

The Instruction Guide explains how to complete this form.

1 Total pages Schedule I:	2 FILER NAME	3 Filer ID (Ethics Commission Filers)
4 Date	5 Payee name	
6 Amount (\$)	7 Payee address;	City State Zip Code
8 PURPOSE OF EXPENDITURE	(a) Category (See instructions for examples of acceptable categories.)	(b) Description (See instructions regarding type of information required.)
Date	Payee name	
Amount (\$)	Payee address;	City State Zip Code
PURPOSE OF EXPENDITURE	Category (See instructions for examples of acceptable categories.)	Description (See instructions regarding type of information required.)
Date	Payee name	
Amount (\$)	Payee address;	City State Zip Code
PURPOSE OF EXPENDITURE	Category (See instructions for examples of acceptable categories.)	Description (See instructions regarding type of information required.)
Date	Payee name	
Amount (\$)	Payee address;	City State Zip Code
PURPOSE OF EXPENDITURE	Category (See instructions for examples of acceptable categories.)	Description (See instructions regarding type of information required.)

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

INTEREST, CREDITS, GAINS, REFUNDS, AND CONTRIBUTIONS RETURNED TO FILER

SCHEDULE K

If the requested information is not applicable, **DO NOT** include this page in the report.

The Instruction Guide explains how to complete this form.		1 Total pages Schedule K:
2 FILER NAME		3 Filer ID (Ethics Commission Filers)
4 Date	5 Name of person from whom amount is received	8 Amount (\$)
	6 Address of person from whom amount is received; City; State; Zip Code	
	7 Purpose for which amount is received <input type="checkbox"/> Check if political contribution returned to filer	
Date	Name of person from whom amount is received	Amount (\$)
	Address of person from whom amount is received; City; State; Zip Code	
	Purpose for which amount is received <input type="checkbox"/> Check if political contribution returned to filer	
Date	Name of person from whom amount is received	Amount (\$)
	Address of person from whom amount is received; City; State; Zip Code	
	Purpose for which amount is received <input type="checkbox"/> Check if political contribution returned to filer	
Date	Name of person from whom amount is received	Amount (\$)
	Address of person from whom amount is received; City; State; Zip Code	
	Purpose for which amount is received <input type="checkbox"/> Check if political contribution returned to filer	

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

IN-KIND CONTRIBUTIONS OR POLITICAL EXPENDITURES FOR TRAVEL OUTSIDE OF TEXAS

SCHEDULE T

If the requested information is not applicable, **DO NOT** include this page in the report.

The Instruction Guide explains how to complete this form.		1 Total pages Schedule T:
2 FILER NAME		3 Filer ID (Ethics Commission Filers)
4 Name of Contributor / Corporation or Labor Organization / Pledgor / Payee		
5 Contribution / Expenditure reported on: <input type="checkbox"/> Schedule A2 <input type="checkbox"/> Schedule B <input type="checkbox"/> Schedule B(J) <input type="checkbox"/> Schedule C2 <input type="checkbox"/> Schedule D <input type="checkbox"/> Schedule F1 <input type="checkbox"/> Schedule F2 <input type="checkbox"/> Schedule F4 <input type="checkbox"/> Schedule G <input type="checkbox"/> Schedule H <input type="checkbox"/> Schedule COH-UC <input type="checkbox"/> Schedule B-SS		
6 Dates of travel	7 Name of person(s) traveling	
	8 Departure city or name of departure location	
	9 Destination city or name of destination location	
10 Means of transportation	11 Purpose of travel (including name of conference, seminar, or other event)	
Name of Contributor / Corporation or Labor Organization / Pledgor / Payee		
Contribution / Expenditure reported on: <input type="checkbox"/> Schedule A2 <input type="checkbox"/> Schedule B <input type="checkbox"/> Schedule B(J) <input type="checkbox"/> Schedule C2 <input type="checkbox"/> Schedule D <input type="checkbox"/> Schedule F1 <input type="checkbox"/> Schedule F2 <input type="checkbox"/> Schedule F4 <input type="checkbox"/> Schedule G <input type="checkbox"/> Schedule H <input type="checkbox"/> Schedule COH-UC <input type="checkbox"/> Schedule B-SS		
Dates of travel	Name of person(s) traveling	
	Departure city or name of departure location	
	Destination city or name of destination location	
Means of transportation	Purpose of travel (including name of conference, seminar, or other event)	
Name of Contributor / Corporation or Labor Organization / Pledgor / Payee		
Contribution / Expenditure reported on: <input type="checkbox"/> Schedule A2 <input type="checkbox"/> Schedule B <input type="checkbox"/> Schedule B(J) <input type="checkbox"/> Schedule C2 <input type="checkbox"/> Schedule D <input type="checkbox"/> Schedule F1 <input type="checkbox"/> Schedule F2 <input type="checkbox"/> Schedule F4 <input type="checkbox"/> Schedule G <input type="checkbox"/> Schedule H <input type="checkbox"/> Schedule COH-UC <input type="checkbox"/> Schedule B-SS		
Dates of travel	Name of person(s) traveling	
	Departure city or name of departure location	
	Destination city or name of destination location	
Means of transportation	Purpose of travel (including name of conference, seminar, or other event)	

ATTACH ADDITIONAL COPIES OF THIS SCHEDULE AS NEEDED

CANDIDATE / OFFICEHOLDER REPORT: DESIGNATION OF FINAL REPORT

FORM C/OH - FR

The Instruction Guide explains how to complete this form.

•• Complete only if "Report Type" on page 1 is marked "Final Report" ••

1 C/OH NAME

2 Filer ID (Ethics Commission Filers)

3 SIGNATURE

I do not expect any further political contributions or political expenditures in connection with my candidacy. I understand that designating a report as a final report terminates my campaign treasurer appointment. I also understand that I may not accept any campaign contributions or make any campaign expenditures without a campaign treasurer appointment on file.

Signature of Candidate / Officeholder

4 FILER WHO IS NOT AN OFFICEHOLDER

•• Complete A & B below *only* if you are not an officeholder. ••

A. CAMPAIGN FUNDS

Check only one:

- I do not have unexpended contributions or unexpended interest or income earned from political contributions.
- I have unexpended contributions or unexpended interest or income earned from political contributions. I understand that I may not convert unexpended political contributions or unexpended interest or income earned on political contributions to personal use. I also understand that I must file an annual report of unexpended contributions and that I may not retain unexpended contributions or unexpended interest or income earned on political contributions longer than six years after filing this final report. Further, I understand that I must dispose of unexpended political contributions and unexpended interest or income earned on political contributions in accordance with the requirements of Election Code, § 254.204.

B. ASSETS

Check only one:

- I do not retain assets purchased with political contributions or interest or other income from political contributions.
- I do retain assets purchased with political contributions or interest or other income from political contributions. I understand that I may not convert assets purchased with political contributions or interest or other income from political contributions to personal use. I also understand that I must dispose of assets purchased with political contributions in accordance with the requirements of Election Code, § 254.204.

Signature of Candidate

5 OFFICEHOLDER

•• Complete this section *only* if you are an officeholder ••

- I am aware that I remain subject to filing requirements applicable to an officeholder who does not have a campaign treasurer on file. I am also aware that I will be required to file reports of unexpended contributions if, after filing the last required report as an officeholder, I retain political contributions, interest or other income from political contributions, or assets purchased with political contributions or interest or other income from political contributions.

Signature of Officeholder

TEXAS ETHICS COMMISSION

CANDIDATE/OFFICEHOLDER CAMPAIGN FINANCE REPORT

FORM C/OH – INSTRUCTION GUIDE

(PAPER FILERS ONLY)

To Report Activity Occurring on or after January 1, 2024



Revised January 1, 2024

Texas Ethics Commission, P.O. Box 12070, Austin, Texas 78711

www.ethics.state.tx.us

(512) 463-5800 • TDD (800) 735-2989

Promoting Public Confidence in Government

FORM C/OH – INSTRUCTION GUIDE

TABLE OF CONTENTS

These instructions are for the CANDIDATE/OFFICEHOLDER CAMPAIGN FINANCE REPORT (Form C/OH) and all schedules that are filed with it. FORM C/OH includes a three-page cover sheet and Schedules A1, A2, B, E, F1, F2, F3, F4, G, H, I, K, and T. Candidates or officeholders filing a Final Report should also attach Form C/OH-FR. All filers must submit the three-page cover sheet, but only the schedules on which there is information to report need to be included.

GENERAL INSTRUCTIONS	3
IMPORTANT UPDATES	3
ELECTRONIC FILING.....	3
FILLING OUT THE FORMS	3
TEXAS ETHICS COMMISSION GUIDES	4
PHOTOCOPIES OF FORMS.....	4
FILING DATE.....	4
FORM C/OH: CANDIDATE/OFFICEHOLDER CAMPAIGN FINANCE REPORT.....	5
GENERAL INFORMATION.....	5
COMPLETING THE COVER SHEET	7
PAGE 1	7
PAGE 2	13
PAGE 3	15
SCHEDULE A1: MONETARY POLITICAL CONTRIBUTIONS	18
SCHEDULE A2: NON-MONETARY (IN-KIND) POLITICAL CONTRIBUTIONS	21
SCHEDULE B: PLEDGED CONTRIBUTIONS	23
SCHEDULE E: LOANS.....	26
SCHEDULE F1: POLITICAL EXPENDITURES FROM POLITICAL CONTRIBUTIONS.....	29
SCHEDULE F2: UNPAID INCURRED OBLIGATIONS.....	32
SCHEDULE F3: PURCHASE OF INVESTMENTS FROM POLITICAL CONTRIBUTIONS	34
SCHEDULE F4: EXPENDITURES MADE BY CREDIT CARD.....	35
SCHEDULE G: POLITICAL EXPENDITURES MADE FROM PERSONAL FUNDS	38
SCHEDULE H: PAYMENT FROM POLITICAL CONTRIBUTIONS TO A BUSINESS OF C/OH.....	40
SCHEDULE I: NON-POLITICAL EXPENDITURES MADE FROM POLITICAL CONTRIBUTIONS	41
SCHEDULE K: INTEREST, CREDITS, GAINS, REFUNDS, AND CONTRIBUTIONS RETURNED TO FILER.....	42
SCHEDULE T: IN-KIND CONTRIBUTIONS OR POLITICAL EXPENDITURES FOR TRAVEL OUTSIDE OF TEXAS.....	43
FORM C/OH-FR: DESIGNATION OF FINAL REPORT	44
GENERAL INFORMATION.....	44
COMPLETING THE FORM.....	45
ADDITIONAL INFORMATION REGARDING EXPENDITURES.....	46
EXAMPLES: REPORTING EXPENDITURES MADE BY CREDIT CARD	46
EXAMPLES: PURPOSE OF EXPENDITURES	51
EXAMPLES: REPORTING EXPENDITURES FROM PERSONAL FUNDS	53
EXAMPLES: REPORTING STAFF REIMBURSEMENT.....	55

GENERAL INSTRUCTIONS

These general instructions apply to all C/OH forms required to be filed under title 15, Texas Election Code, for activity that occurs on or after January 1, 2024. For a report that includes activity occurring before January 1, 2024, you must use the instructions applicable before that time, which are available on the Texas Ethics Commission's website at <https://www.ethics.state.tx.us/forms/coh/cohfrm.php>.

IMPORTANT UPDATES

Increased Disclosure Thresholds

On January 1, 2020, the Texas Ethics Commission began adjusting certain reporting thresholds to account for inflation. As directed by section 571.064 of the Texas Government Code, the Commission is required to annually adjust these thresholds upward to the nearest multiple of \$10 in accordance with the percentage increase for the previous year in the Consumer Price Index for Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor. Accordingly, one or more thresholds will generally be adjusted each year, depending upon the figures in the index.

These changes will be made effective January 1st of each calendar year; the affected numbers and corresponding new thresholds are located in 1 T.A.C. §18.31, which can be found here: <https://www.ethics.state.tx.us/rules/>. The higher itemization thresholds will be reflected on the paper forms and in these instructions, as applicable.

Verify that you are using the correct thresholds and forms that apply to your filing. For example, if you are filing a campaign finance report or lobby activities report that is due in January of 2021, you must use the forms and instructions that are applicable to the period ending December 31, 2020.

Contributions Made Electronically Must Be Itemized

Beginning on September 1, 2019, all political contributions that are made electronically and accepted by a filer during the reporting period must be itemized in the filer's campaign finance report. This change is made by House Bill 2586, adopted by the 86th Texas Legislature.

ELECTRONIC FILING

All persons filing campaign finance reports with the Texas Ethics Commission (Commission) are required to file those reports electronically unless the person is eligible to claim an exemption. Check the Commission's website at <https://www.ethics.state.tx.us> for information about exemptions from the electronic filing requirement.

FILLING OUT THE FORMS

All reports filed on paper must be either handwritten in ink or typewritten. If you complete the report by hand, print everything other than your signature.

If you are filing with the Commission, and you are eligible to claim an exemption to electronic filing, ***you may use your own computer-generated form*** if it provides for disclosure of all the information required on the Commission's form and it is *substantially identical* in paper size, color, layout, and format. A substitute form that is substantially identical to the Commission's prescribed form must be submitted for pre-approval by the Commission's executive director.

Always file the cover sheet of the campaign finance report form. You need to file only those schedules on which you have information to report.

You must keep an exact copy of each report filed and all records necessary to complete the report for at least two (2) years after the deadline for filing the report.

If you have questions, call our office at (512) 463-5800.

TEXAS ETHICS COMMISSION GUIDES

The Commission publishes a Campaign Finance Guide for each type of filer. These guides are designed to explain your responsibilities as a filer. The Commission encourages you to read the appropriate guide before you begin accepting political contributions or making or authorizing political expenditures.

PHOTOCOPIES OF FORMS

You may use photocopies of Commission forms. For example, if the space provided on Schedule A1 is insufficient, you may make copies of a blank Schedule A1 form and attach more pages as needed.

FILING DATE

For most reporting deadlines, a document is considered timely filed if it is properly addressed with postage or handling charges prepaid and bears a postmark or receipt mark of a common or contract carrier indicating a time on or before the deadline.

Pre-Election Reports: A report due 30 days before an election and a report due 8 days before an election must be *received* by the appropriate filing authority no later than the report due date.

If you are filing with the Commission, address your reports and correspondence to the Texas Ethics Commission, P.O. Box 12070, Austin, Texas 78711-2070. For hand-deliveries, the Commission's street address is 201 East 14th Street, Sam Houston Building, 10th Floor, Austin, Texas 78701.

If the due date for a report falls on a Saturday, Sunday, or legal holiday, the report is due on the next regular business day.

FORM C/OH: CANDIDATE/OFFICEHOLDER CAMPAIGN FINANCE REPORT

These instructions are for the CANDIDATE/OFFICEHOLDER CAMPAIGN FINANCE REPORT (Form C/OH). A complete report includes the Form C/OH cover sheet, and any of the following schedules on which there is information to report: A1, A2, B, E, F1, F2, F3, F4, G, H, I, K, and T. A complete Final Report must also include Form C/OH-FR.

Note: Judicial candidates and officeholders must use a different form, Form JC/OH.

GENERAL INFORMATION

Use Form C/OH for filing the following reports:

- Semiannual reports (January 15 and July 15)
- Pre-election reports (30th day before election, 8th day before election)
- Runoff report (8th day before runoff election)
- Exceeded Modified Reporting Limit report
- 15th day after officeholder campaign treasurer appointment
- Final Report

See the instructions for sections 9 and 10 of the Cover Sheet for help in deciding which reports you are required to file.

OFFICEHOLDER ACTIVITY

An officeholder may make officeholder expenditures and accept officeholder contributions without having a campaign treasurer appointment on file. However, an officeholder must have a campaign treasurer appointment on file before the officeholder may make campaign expenditures or accept campaign contributions.

DUTIES OF CANDIDATE OR OFFICEHOLDER

As a candidate or officeholder, you alone, not the campaign treasurer, are responsible for filing this form. Failing to file a report on time or filing an incomplete report may subject you to criminal or civil penalties.

DUTIES OF CAMPAIGN TREASURER

State law does not impose any reporting or record-keeping obligations on a candidate's campaign treasurer.

WHERE TO FILE

This form is filed with the same filing authority with which you were required to file your Campaign Treasurer Appointment (Form CTA). If you are an officeholder who does not have a campaign treasurer appointment on file, file your reports with the same authority with which a candidate for your office must file the campaign treasurer appointment.

FILING A FINAL REPORT

For filing purposes, you are a “candidate” as long as you have an appointment of campaign treasurer on file. If you do not expect to accept any further campaign contributions or to make any further campaign expenditures, you may file a Final Report of contributions and expenditures. A Final Report terminates your appointment of campaign treasurer and relieves you of the obligation of filing further reports *as a candidate*. If you are an officeholder at the time of filing a Final Report, you may be required to file semiannual reports of contributions and expenditures as an officeholder. The only officeholders who are not required to file semiannual reports are officeholders who file locally, who do not have a campaign treasurer appointment on file, *and* who do not exceed \$1,080 in contributions or expenditures during the reporting period.

You are required to file a report of unexpended contributions (using Form C/OH-UC) if *all* of the following apply to you: you are not a current officeholder, you have filed a final report, and you retain political contributions. Officeholders who leave office, no longer have a treasurer appointment on file, file a final report, and still retain political contributions will also owe this report. See Instructions for Form C/OH-UC for further information. To file a Final Report, you must complete the “C/OH CAMPAIGN FINANCE REPORT” (Form C/OH), check the “final” box in section 9 on the Cover Sheet, and complete and attach the “C/OH REPORT: DESIGNATION OF FINAL REPORT” (Form C/OH- FR).

COMPLETING THE COVER SHEET

Each numbered item in these instructions corresponds to the same numbered item on the form.

PAGE 1

- 1. FILER ID:** If you are filing with the Commission, you were assigned a filer identification number when you filed your initial campaign treasurer appointment. You should have received a letter acknowledging receipt of the form and informing you of your Filer ID. Enter this number wherever you see “FILER ID.” If you do not file with the Commission, you are not required to enter a Filer ID.
- 2. TOTAL PAGES FILED:** After you have completed the form, count the total number of pages of this form and any attached schedules. Enter that number where indicated on the top line of page 1 only. Each side of a two-sided form counts as one page.
- 3. CANDIDATE/OFFICEHOLDER NAME:** Enter your full name, including nicknames and suffixes (e.g., Sr., Jr., III), if applicable.
- 4. CANDIDATE/OFFICEHOLDER MAILING ADDRESS:** Enter your complete mailing address. If your mailing address has changed since you last gave notice of your address, check the “Change of Address” box.
- 5. CANDIDATE/OFFICEHOLDER PHONE:** Enter your phone number including the area code, and your extension, if applicable.

Sections 6 - 8 pertain to a candidate’s campaign treasurer. If you are an officeholder who does not have a campaign treasurer appointment on file, skip these sections.

- 6. CAMPAIGN TREASURER NAME:** Enter the full name of your campaign treasurer, including nicknames and suffixes (e.g., Sr., Jr., III), if applicable.
- 7. CAMPAIGN TREASURER ADDRESS:** Enter the complete address of your campaign treasurer.
- 8. CAMPAIGN TREASURER PHONE:** Enter the phone number of your campaign treasurer including the area code, and the extension, if applicable.
- 9. REPORT TYPE:** Check the box that describes the type of report you are filing, according to the descriptions below. See the instructions for section 10 for the periods covered by each type of report.

January 15 (Semiannual) Report: All candidates and most officeholders must file a semiannual report by January 15. The only officeholders who are not required to file this report are officeholders who file locally, who do not have a campaign treasurer appointment on file, *and* who do not exceed \$1,080 in contributions or expenditures during the reporting period.

All candidates and officeholders who file with the Commission must file this report by midnight Central Time on the January 15 report due date. All candidates and officeholders who file locally must file this report by 5 p.m. on the January 15 report due date.

Note: Anyone who has a campaign treasurer appointment (Form CTA) on file must file semiannual reports, even after an election has ended and even if the filer lost the election. To end this semiannual filing requirement, the filer must cease campaign activity and file a Final Report. (See “Final Report” below for more information.)

July 15 (Semiannual) Report: All candidates and most officeholders must file a semiannual report by July 15. The only officeholders who are not required to file this report are officeholders who file locally, who do not have a campaign treasurer appointment on file, *and* who do not exceed \$1,080 in contributions or expenditures during the reporting period.

See “January 15 Report” above for more information on filing requirements and deadlines for semiannual reports.

30th Day Before Election Report: Opposed candidates in an election who did not choose the modified reporting schedule must file this pre-election report. If an opposed candidate chose modified reporting, but then exceeded a threshold before the 30th day before the election, the candidate must file this report.

The report is due no later than 30 days before the election. For all candidates and officeholders who file with the Commission, this report must be received by the Commission no later than midnight Central Time on the report due date. For all candidates and officeholders who file locally, this report must be received by the filing authority no later than 5 p.m. on the report due date.

You are an "opposed" candidate if you have an opponent, including a minor party candidate, whose name is printed on the ballot. If your only opposition is a write-in candidate, you are not considered opposed for filing purposes. If you are a write-in candidate, you are an "opposed" candidate subject to the reporting requirements if you accept political contributions or make political expenditures. Candidates who are unopposed in an election are not required to file pre-election reports for that election.

8th Day Before Election Report: Opposed candidates in an election who did not choose the modified reporting schedule must file this pre-election report. If an opposed candidate chose modified reporting but then exceeded a threshold before the 8th day before the election, the candidate must file this report.

The report is due no later than 8 days before the election. For all candidates and officeholders who file with the Commission, this report must be received by the Commission no later than midnight Central Time on the report due date. For all candidates and officeholders who file locally, this report must be received by the filing authority no later than 5 p.m. on the report due date.

See “30th Day Before Election Report” above for the definition of an opposed candidate.

Runoff Report: Opposed candidates who are participating in a runoff election and who did not choose the modified reporting schedule must file this runoff report. The report is due no later than 8 days before the runoff election. For all candidates and officeholders who file with Commission, this report must be received by the Commission no later than midnight Central Time on the report due date. For all candidates and officeholders who file locally, this report must be received by the filing authority no later than 5 p.m. on the report due date.

See “30th Day Before Election Report” above for the definition of an opposed candidate.

Exceeded Modified Reporting Limit Report: Candidates who chose to file under the modified reporting schedule but then, after the 30th day before the election, exceeded \$1,080 in contributions or \$1,080 in expenditures in connection with the election must file this Exceeded Modified Reporting Limit report within 48 hours after exceeding the \$1,080 limit. The candidate must meet this deadline even if it falls on a weekend or a holiday.

15th Day After Campaign Treasurer Appointment Report (Officeholders Only): An officeholder must file this report if he or she appoints a campaign treasurer after a period of not having a campaign treasurer appointment (Form CTA) on file. For all officeholders who file with Commission, this report is due no later than midnight Central Time on the 15th day after an officeholder files Form CTA with the Commission. For all officeholders who file locally, this report is due no later than 5 p.m. on the 15th day after an officeholder files Form CTA with the filing authority. It is not required of officeholders who are merely changing their campaign treasurer. It is not required of an officeholder who files locally if the officeholder did not exceed \$1,080 in either contributions or expenditures during the period covered by the report. Candidates who are not officeholders do not file this report.

Final Report: A person who has a campaign treasurer appointment on file may file this report when he or she does not expect to accept any further campaign contributions or make or authorize any further campaign expenditures. There is not a fixed deadline for this report. This report must have a completed “C/OH REPORT: DESIGNATION OF FINAL REPORT” (Form C/OH-FR) attached.

A candidate must have a CTA on file to accept campaign contributions or make campaign expenditures, including contributions intended to offset campaign debts or expenditures made to pay campaign debts. A candidate who intends to continue campaign activity should not file a Final Report.

A Final Report terminates a candidate’s CTA and relieves the candidate from any additional filing obligations as a candidate. Officeholders who file a Final Report will still be subject to the filing requirements applicable to officeholders. A person who is not an officeholder but who has surplus political funds or assets after filing a Final Report will be required to file annual Unexpended Contribution reports. (See “Form C/OH-FR: Designation of Final Report” for more information.) A candidate or officeholder who does not have a CTA on file may still be required to file a personal financial statement (PFS).

Filing a Final Report does not relieve a candidate of responsibility for any delinquent reports or outstanding civil penalties.

Daily Pre-Election Report of Contributions: A candidate or officeholder who files with the Commission may be required to file daily pre-election reports disclosing contributions during the period beginning the 9th day before an election and ending at 12 noon on the day before the election. This information is disclosed on Form Daily-C C/OH. For more information, see the instructions for Form Daily-C C/OH.

Legislative Special Session Report: All statewide candidates and officeholders and members of and candidates for the legislature who accept a political contribution during the period beginning on the date the governor signs the proclamation calling a special legislative session and continuing through the date of final adjournment are required to file a report after a special session of the legislature. This information can be disclosed on Form C/OH-SS. For more information, see the instructions for Form C/OH-SS.

10. PERIOD COVERED: A reporting period includes the start date and the end date. The *due date* for filing will generally be *after* the end of the reporting period. Generally, a report picks up where the last report left off, and there should be no gaps or overlapping periods. The exceptions are Daily Pre-election reports, which do create overlaps because you are required to report the activity twice.

First Reports: If this is the first report of contributions and expenditures that you have filed, the beginning date will depend on the date your campaign treasurer appointment (Form CTA) was filed or the date you took office.

- If you are a candidate (a person who has filed a Form CTA) and you are filing your first report, the start date will be the date your Form CTA was filed.
- If you are an officeholder who was appointed to an elective office and who did not have a Form CTA on file at the time of the appointment, the start date for your first report will be the date you took office.

January 15th (Semiannual) Report: The start date is July 1 of the previous year or the day after the last day covered by your last required report, whichever is later. If this is the first report you have filed, see the “First Reports” section above. The end date is December 31 of the previous year.

July 15th (Semiannual) Report: The start date is January 1 or the day after the last day covered by your last required report, whichever is later. If this is the first report you have filed, see the “First Reports” section above. The end date is June 30.

30th Day Before Election Report: The start date is the day after the last day covered by your last required report. If this is the first report you have filed, see the “First Reports” section above. The end date is the 40th day before the election. This report is not required for unopposed candidates or candidates who are filing under the modified reporting schedule.

8th Day Before Election Report: The start date is the 39th day before the election if you filed a 30th Day Before Election Report. If you did not file the 30th Day Before Election Report, the day after the last day covered by your last required report is the start date. If this is the first report you have filed, see the “First Reports” section above. The end date is

the 10th day before the election. This report is not required for unopposed candidates or candidates who are filing under the modified reporting schedule.

Runoff Report: The start date is the 9th day before the main election if you filed an 8th Day Before Election Report. Otherwise, the start date is the day after the last day covered by your last required report or the day you appointed a campaign treasurer, whichever is later. The end date is the 10th day before the runoff election. This report is not required for candidates who are filing under the modified reporting schedule.

Exceeded Modified Reporting Limit Report: The start date for the report is either the day you appointed your campaign treasurer or the day after the last day covered by your last required report, whichever is later. The end date is the day you exceeded the \$1,080 limit for contributions or expenditures.

15th Day After Campaign Treasurer Appointment Report (Officeholders Only): The start date is either the day after the last day covered by your last required report or the day you began serving an appointment to elective office. The end date is the day before the campaign treasurer appointment was filed. This report is due no later than 15 days after the campaign treasurer appointment was filed.

Final Report: The start date is the day after the last day covered by your last required report. The end date is the day the final report is filed.

If you are an officeholder without a campaign treasurer appointment on file, or if you have a campaign treasurer appointment on file but you are not a candidate in an upcoming election and were not a candidate in a recent election, you may skip Section 11.

11. ELECTION: If you are a candidate in an upcoming election or were a candidate in a recently held election, provide the following information concerning the upcoming or recent election.

Election Date: Enter the month, day, and year of the election for which this report is filed, if known.

Candidate in an Upcoming Election: If the political activity in the report primarily pertains to an upcoming election, provide the date of the upcoming election in which you intend to participate as a candidate that most immediately follows the deadline for this report.

Candidate in a Recently Held Election: If the political activity in this report primarily pertains to a recently held election, provide the date of the recently held election in which you participated as a candidate that most immediately precedes the deadline for this report.

Election Type: Check the box next to the type of election that most accurately describes the election for which this report is filed.

Primary: An election held by a political party to select its nominees for office.

Runoff: An election held if no candidate for a particular office receives the vote necessary to be elected in an election requiring a majority vote.

General: An election, other than a primary election, that regularly occurs at fixed dates.

Special: An election that is neither a general election nor a primary election nor a runoff election.

Other: If none of the listed election types apply, check “Other” and provide your own description of the election for which the report is filed.

12. OFFICE HELD: If you are an officeholder, enter the office you currently hold. Include the district, precinct, or other designation for the office, if applicable.

13. OFFICE SOUGHT: If you are a candidate in an upcoming election, enter the office you seek. If you were a candidate in a recently held election, but were unsuccessful or are not currently an officeholder, enter the office you sought during the election that most immediately precedes the deadline for this report. Include the district, precinct, or other designation for the office, if applicable.

14. NOTICE FROM POLITICAL COMMITTEE(S): Complete this section if you received notice from a political committee that it accepted political contributions or made political expenditures on your behalf. You are required to disclose the receipt of such a notice in the report covering the period in which you receive the notice. If you have not received such notice, you may skip this section.

The political committee is required to include in the notice the full name and address of the committee, the full name and address of the committee’s campaign treasurer, and a statement indicating whether the committee is a general-purpose committee or a specific-purpose committee. If the notice also describes the expenditure, do not include the description in this section.

“Additional Pages” box: If you received notice from more than one committee, check this box and attach an additional page listing the names and addresses of the other committees and of their campaign treasurers.

Committee Type:

“General” box: Check this box if the notice is from a general-purpose committee.

“Specific” box: Check this box if the notice is from a specific-purpose committee.

Committee Name: Enter the full name of the committee as reported in the notice.

Committee Address: Enter the address of the committee as reported in the notice.

Committee Campaign Treasurer Name: Enter the name of the committee’s campaign treasurer as reported in the notice.

Committee Campaign Treasurer Address: Enter the address of the committee’s campaign treasurer as reported in the notice.

PAGE 2

15. C/OH (CANDIDATE/OFFICEHOLDER) NAME: Enter your full name.

16. FILER ID: See instructions for Cover Sheet, page 1, section 1.

17. TOTALS: Complete this section only after you have completed all applicable schedules.

Line 1- Total Unitemized Political Contributions: Enter the total of all unitemized contributions (other than pledges, loans, guarantees of loans, or contributions made electronically) of \$110 or less. Do not include any contributions itemized on Schedules A1 or A2 or any contributions made electronically. Enter a “0” if you did not receive any unitemized contributions during the period covered.

On Schedules A1 and A2, you are required to itemize political contributions that totaled more than \$110 from one person during the reporting period and any political contribution that is made electronically. (Remember: If the committee received contributions *totaling* more than \$110 from one person during the reporting period, you are required to itemize all of those contributions, even if individual contributions were \$110 or less.) You may also itemize contributions of \$110 or less from one person. Do not include any itemized contributions in the total entered on line 1, regardless of amount.

Line 2- Total Political Contributions: Add the total contributions listed on Schedules A1 and A2 to the amount you entered on line 1. Enter that total on line 2. Enter a “0” if you did not receive any contributions during the period covered.

Line 3- Total Unitemized Political Expenditures: Enter the total of all unitemized political expenditures of \$220 or less. Do not include any expenditures itemized on Schedules F1, F2, F3, F4, G, or H. Enter a “0” if you did not make any unitemized expenditures during the period covered.

On Schedule F1, you are required to itemize political expenditures that totaled more than \$220 to one payee. (Remember: If the committee made expenditures *totaling* more than \$220 to one person during the reporting period, you are required to itemize all of those expenditures, even if individual expenditures were \$220 or less.) You may also itemize expenditures totaling \$220 or less to one payee. Do not include any expenditures itemized on Schedule F1 in the total entered on line 3, regardless of amount.

On Schedule F2, you are required to itemize incurred but not yet paid political expenditures that totaled more than \$220 to one payee. You may also itemize incurred but not yet paid political expenditures totaling \$220 or less to one payee. Do not

include any political or non-political expenditures itemized on Schedule F2 in the total entered on line 3, regardless of amount.

On Schedule F4, you are required to itemize political expenditures made by a credit card that totaled more than \$220 to one payee. You may also itemize political expenditures made by a credit card totaling \$220 or less to one payee. Do not include any political or non-political expenditures itemized on Schedule F4 in the total entered on line 3, regardless of amount.

On Schedule G, you are required to itemize political expenditures from personal funds if you intend to seek reimbursement from political contributions. Do not include any expenditures itemized on Schedule G in the total entered on line 3, regardless of amount.

On Schedule H, you are required to itemize payments from political contributions made to certain businesses. Do not include any expenditures itemized on Schedule H in the total entered on line 3, regardless of amount.

Line 4- Total Political Expenditures: Add the following:

- (a) the total expenditures itemized on Schedule F1;
- (b) the total political expenditures itemized on Schedule F2;
- (c) the total political expenditures itemized on Schedule F4;
- (d) the total political expenditures itemized on Schedule G;
- (e) the total political expenditures itemized on Schedule H; and
- (f) the amount you entered on line 3.

Enter that total on line 4.

Enter a “0” if you did not make any expenditures during the period covered.

Line 5- Total Political Contributions Maintained: Enter the total amount of political contributions, including interest or other income on those contributions, maintained as of the last day of the reporting period. Enter “0” if you do not maintain political contributions, including interest or other income on those contributions, as of the last day of the reporting period. This is different from the total contributions reported on line 2. Only contributions accepted during the period covered by the report are entered on line 2.

The law requires you to disclose the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period.

The “total amount of political contributions maintained” includes: the total amount of political contributions maintained in one or more accounts, including the balance on

deposit in banks, savings and loan institutions and other depository institutions; the present value of any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks, bonds, treasury bills, etc.; and the balance of political contributions accepted and held in any online fundraising account over which the filer can exercise control by making a withdrawal, expenditure, or transfer.

The total amount of political contributions maintained does *not* include personal funds that the filer intends to use for political expenditures, *unless* the personal funds have been disclosed as a loan to your campaign and deposited into an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code. Any unexpended funds from such a loan are required to be included in the total amount of political contributions maintained as of the last day of the reporting period. Note: Personal funds deposited in an account in which political contributions are held are subject to the personal use restrictions.

Line 6- Total Principal Amount of All Outstanding Loans: Enter the aggregate outstanding principal amount of all loans accepted for campaign or officeholder purposes as of the last day of the reporting period. Enter a “0” if you did not accept any loans during the period covered and have no outstanding loans as of the last day of the reporting period. This is different from the information reported on Schedule E. This line must include outstanding principal of loans made in this reporting period as well as outstanding principal of loans made previously.

18. SIGNATURE: Complete this section only after you have completed all applicable sections and schedules. You must always sign a report that you file. You must complete this section even if you have no schedules to attach. *Only the candidate or officeholder filing the report may sign the report.*

If you are using the paper form, fill this section out by hand after you finish the rest of this report. You have the option to either: (1) take the completed form to a notary public where you will sign above the first line that says “Signature of Candidate/Officeholder (Declarant)” (an electronic signature is not acceptable) and your signature will be notarized, or (2) sign above both lines that say “Signature of Candidate/Officeholder (Declarant)” (an electronic signature is not acceptable), and fill out the unsworn declaration section.

PAGE 3

19. C/OH (CANDIDATE/OFFICEHOLDER) NAME: Enter your full name.

20. FILER ID: See instructions for Cover Sheet, page 1, section 1.

21. SCHEDULE SUBTOTALS: Complete this section only after you have completed all applicable schedules.

Check the appropriate boxes to indicate which schedules are attached to your report. If a schedule is not included in the report, leave the check box blank.

Line 1- Schedule A1: Add the total amount of contributions itemized on Schedule A1. Enter that total on line 1. Enter a “0” if you did not accept any contributions during the period covered.

Line 2- Schedule A2: Add the total amount of non-monetary in-kind contributions itemized on Schedule A2 to the amount of unitemized non-monetary in-kind contributions accepted during the period covered. Enter that total on line 2. Enter a “0” if you did not accept any non-monetary in-kind contributions during the period covered.

Line 3- Schedule B: Add the total amount of pledged contributions itemized on Schedule B to the amount of unitemized pledged contributions accepted during the period covered. Enter that total on line 3. Enter a “0” if you did not accept any pledged contributions during the period covered.

Line 4- Schedule E: Add the total amount of loans itemized on Schedule E to the amount of unitemized loans accepted during the period covered. Enter that total on line 4. Enter a “0” if you did not accept any loans during the period covered.

Line 5- Schedule F1: Add the total amount of political expenditures from political contributions itemized on Schedule F1. Enter that total on line 5. Enter a “0” if you did not make any political expenditures from political contributions during the period covered.

Line 6- Schedule F2: Add the total amount of unpaid incurred obligations itemized on Schedule F2 to the amount of unitemized unpaid obligations incurred during the period covered. Enter that total on line 6. Enter a “0” if you did not incur any unpaid obligations during the period covered.

Line 7- Schedule F3: Add the total amount of investments purchased from political contributions itemized on Schedule F3. Enter that total on line 7. Enter a “0” if you did not purchase any investments from political contributions during the period covered.

Line 8- Schedule F4: Add the total amount of expenditures made by a credit card itemized on Schedule F4 to the amount of unitemized expenditures made by a credit card during the period covered. Enter that total on line 8. Enter a “0” if you did not make any expenditures by credit card during the period covered.

Line 9- Schedule G: Add the total amount of political expenditures from personal funds itemized on Schedule G. Enter that total on line 9. Enter a “0” if you did not make any political expenditures from personal funds during the period covered.

Line 10- Schedule H: Add the total amount of payments from political contributions to a business of the candidate or officeholder itemized on Schedule H. Enter that total on line 10. Enter a “0” if you did not make any payments from political contributions to a business of the candidate or officeholder during the period covered.

Line 11- Schedule I: Add the total amount of non-political expenditures from political contributions itemized on Schedule I. Enter that total on line 11. Enter a “0” if you did

not make any non-political expenditures from political contributions during the period covered.

Line 12- Schedule K: Add the total amount of interests, credits, gains, refunds, and contributions returned to the filer itemized on Schedule K. Enter that total on line 12. Enter a “0” if you did not have any such activity during the period covered.

SCHEDULE A1: MONETARY POLITICAL CONTRIBUTIONS

These instructions are for candidates and officeholders using SCHEDULE A1: MONETARY POLITICAL CONTRIBUTIONS.

Use this schedule to disclose information about monetary campaign and officeholder contributions accepted during the reporting period. Do not enter on this schedule information on non-monetary, in-kind contributions, pledges, loans, or guarantees of loans. Once you actually receive pledged money, it must be reported on Schedule A1. (Report non-monetary, in-kind contributions on Schedule A2; report pledges on Schedule B; report loans and guarantees of loans on Schedule E.)

Itemization: You must enter incoming monetary contributions that exceed \$110 from one person, and any monetary contribution made electronically, during the reporting period on this schedule. If you accepted two or more contributions from the same person, the total of which exceeds \$110, enter each contribution separately. Although you are not required to do so, you may also report contributions from one person that do not exceed \$110 in the period on this schedule. If you do not itemize contributions of \$110 and less on this schedule, you must total all such contributions and report them on the Cover Sheet, page 2, section 17, line 1.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE A1:** After you have completed Schedule A1, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. DATE:** Enter the date you *accepted* the contribution.

Accepting a contribution is different from *receiving* a contribution. You accept a contribution when you decide to accept it rather than reject it. This may or may not be the same day that you receive the contribution.

Failure to make a determination about acceptance or refusal: If you fail to make a determination to accept or refuse a contribution by the end of the reporting period, the contribution is considered to have been accepted.

Returning refused contributions: If you receive a political contribution but do not accept it, you must return the contribution not later than the 30th day after the end of the reporting period in which the contribution was received. If you fail to do so, the contribution is considered to have been accepted.

- 5. FULL NAME OF CONTRIBUTOR:** Enter the full name of the contributor. If the contributor is an individual, enter the full first and last name, and suffix (Jr., III, etc.) if applicable. If the contributor is an entity, enter the full name of the entity.

“Out-of-State PAC” box: If the contributor is an out-of-state political committee, check the box. Certain restrictions apply to contributions from out-of-

state PACs. The fact that a political committee has a mailing address outside of Texas does not mean that the committee is an out-of-state PAC for purposes of these restrictions. A political committee that has a campaign treasurer appointment on file in Texas is not an out-of-state PAC. A political committee that makes most of its political expenditures outside of Texas may be an out-of-state PAC. A political committee must determine if it is an out-of-state PAC.

If the contributor is an out-of-state political committee from which you accepted more than \$1,080 in the reporting period (including pledges or loans from sources other than financial institutions that have been in business for more than a year), you must include one of the following with your report:

- a written statement, certified by an officer of the out-of-state political committee, listing the full name and address of each person who contributed more than \$220 to the out-of-state political committee during the 12 months immediately preceding the contribution; *or*
- a copy of the out-of-state political committee’s statement of organization filed as required by law with the FEC and certified by an officer of the out-of-state committee.

If the contributor is an out-of-state political committee from which you accepted \$1,080 or less (including pledges) during the reporting period, you must include one of the following with your report:

- a copy of the out-of-state political committee’s statement of organization filed as required by law with the FEC and certified by an officer of the out-of-state committee; *or*
- a document listing the committee’s name, address and phone number; the name of the person appointing the committee’s campaign treasurer; and the name, address and phone number of the committee’s campaign treasurer.

“ID #” Line (Electronic Filing Only): If you are filing your report electronically, you may enter in this field the out-of-state committee's Federal Election Commission (FEC) identification number. If you do not have an FEC # for the out-of-state PAC or are not filing electronically with the Commission, you must provide other documentation as explained above.

6. CONTRIBUTOR ADDRESS: Enter the complete address of the contributor.

7. AMOUNT OF CONTRIBUTION: Enter the exact amount of the contribution.

8. PRINCIPAL OCCUPATION OR JOB TITLE: Candidates for and holders of statewide offices in the executive branch and candidates for and holders of legislative offices must disclose the principal occupation or job title of an individual from whom the candidate or officeholder has accepted contributions (including pledges) of \$1,080 or more during the reporting period. In other circumstances, filers are not required to report this information but may do so.

9. **EMPLOYER:** Candidates for and holders of statewide offices in the executive branch and candidates for and holders of legislative offices must disclose the employer of an individual from whom the candidate or officeholder has accepted contributions (including pledges) of \$1,080 or more during the reporting period. In other circumstances, filers are not required to report this information but may do so.

SCHEDULE A2: NON-MONETARY (IN-KIND) POLITICAL CONTRIBUTIONS

These instructions are for candidates and officeholders using SCHEDULE A2: NON-MONETARY (IN-KIND) POLITICAL CONTRIBUTIONS.

Use this schedule to disclose information about non-monetary, in-kind campaign and officeholder contributions received during the reporting period. An in-kind contribution is a contribution of goods, services, or any other thing of value ***other than money*** that is given to your campaign. You are not required to include contributions of an individual’s personal services or travel if the individual receives no compensation from any source for the services. Do not enter on this schedule information on monetary political contributions, pledges, loans, or guarantees of loans. Once you actually receive a pledged in-kind contribution, it must be reported on Schedule A2. (Report monetary contributions on Schedule A1; report pledges on Schedule B; report loans and guarantees of loans on Schedule E.)

Itemization: You must enter non-monetary (in-kind) contributions of goods, services, or other things of value that exceed \$110 from one person, and any non-monetary contribution made electronically, during the reporting period on this schedule. If you accepted two or more non-monetary contributions from the same person, the total of which exceeds \$110, enter each contribution separately. Although you are not required to do so, you may also report contributions from one person that do not exceed \$110 in the period on this schedule. If you do not itemize contributions of \$110 and less on this schedule, you must total all such contributions and report them on the Cover Sheet, page 2, section 17, line 1.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE A2:** After you have completed Schedule A2, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. TOTAL OF UNITEMIZED IN-KIND POLITICAL CONTRIBUTIONS:** Enter the total amount of in-kind political contributions of \$110 or less that you accepted during the period covered that are not itemized on this schedule. If you choose to itemize an in-kind contribution of \$110 or less on this schedule, do not include it in this total. All contributions made electronically must be itemized.
- 5. DATE:** See instructions for Schedule A1, section 4.
- 6. FULL NAME OF CONTRIBUTOR:** See instructions for Schedule A1, section 5.
“Out-of-State PAC” box: See instructions for Schedule A1, section 5.
- 7. CONTRIBUTOR ADDRESS:** Enter the complete address of the contributor.
- 8. AMOUNT OF CONTRIBUTION:** Enter the fair market value of the in-kind contribution.

9. IN-KIND CONTRIBUTION DESCRIPTION: Enter a description of the contribution. The description should be sufficiently detailed to allow a person reviewing your report to understand what was contributed.

“Check if Travel Outside of Texas” box: Check this box if the expenditure was for travel outside of Texas. The description of a political expenditure for travel outside of Texas must include detailed information. Report this information on Schedule T.

10. PRINCIPAL OCCUPATION OR JOB TITLE: See instructions for Schedule A1, section 8.

11. EMPLOYER: See instructions for Schedule A1, section 9.

Sections 12-16 pertain to judicial candidates and officeholders only. Do not complete these sections. If you are a judicial candidate or officeholder, use form JC/OH and the corresponding instructions.

SCHEDULE B: PLEDGED CONTRIBUTIONS

These instructions are for candidates and officeholders using SCHEDULE B: PLEDGED CONTRIBUTIONS.

Use this schedule to disclose information about pledges accepted during the reporting period for campaign or officeholder purposes. You are not required to include pledges of an individual's personal services or travel if the individual receives no compensation from any source for the services. Do not enter on this schedule information on contributions actually received, loans, or guarantees of loans. (Report contributions actually received on Schedule A1 or Schedule A2, as applicable; report loans and guarantees of loans on Schedule E.)

If you accept a pledge from a person to give you money, goods, services, or anything of value, that pledge is a reportable contribution and you must include the pledge on this schedule for the report covering the period in which you accept the pledge.

Itemization: You must itemize pledges that exceed \$110 in the aggregate from one person during the reporting period. If you accepted two or more pledges from the same person during the reporting period, the total of which exceeds \$110, enter each pledge separately. Although you are not required to do so, you may also itemize pledges for \$110 or less from one person. You must also disclose the receipt of the pledged contribution on Schedule A1 (used for monetary contributions) or A2 (used for non-monetary contributions), as applicable, in the reporting period in which you actually receive the pledged money or thing of value. If the pledge is accepted and received in the same reporting period, it is no longer a pledge disclosed here; it becomes a contribution disclosed on the applicable contributions schedule

Note: See the Campaign Finance Guide for more information on pledges.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE B:** After you have completed Schedule B, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. TOTAL OF UNITEMIZED PLEDGES:** Enter the total amount of pledges that you accepted during the period that did not exceed \$110 in the aggregate per person. Although you are not required to do so, you may also itemize pledges of \$110 or less on this schedule. If you itemize some pledges of \$110 or less, do not include those pledges in the total entered here. If you choose to itemize all pledges of \$110 or less, enter a "0" here.
- 5. DATE:** Enter the date you *accepted* the pledge. Accepting a pledge is different from receiving a contribution. You accept a pledge when you decide to accept it rather than reject it.

Pledge accepted and received in different reporting periods: If you accept a pledge in one reporting period and then receive the pledged money or other thing of value in a later reporting period, you will disclose the pledge on this schedule in

the reporting period in which you accepted the pledge. You will also disclose the receipt of the pledged money or other thing of value on the appropriate incoming funds schedule (report monetary contributions on Schedule A1; report in-kind contributions on Schedule A2; report loans on Schedule E) in the reporting period in which you received the pledge.

Pledge received in same reporting period as accepted: If you receive payment of a pledged contribution in the same reporting period in which the pledge was accepted, then you will not report the pledge on this schedule. You will only disclose the contribution on the appropriate incoming funds schedule (such as monetary or non-monetary contributions, or loans). For a pledged contribution paid in the same reporting period, the date of the contribution will be the date your committee *accepted* the pledge, regardless of what date within the reporting period that the pledged contribution was actually *received*.

Pledge accepted but never received: You will disclose the pledge on this schedule in the reporting period in which you accepted the pledge. If you never actually receive the pledge, it is not necessary to correct your report to delete the pledge.

Example: In June a supporter promises that he will give Juan Garcia \$1,000 in the last week before the November election. Juan accepts his promise. Juan must disclose the pledge on his July 15 report covering the period in which he accepted the pledge. (Note: When he receives the \$1,000, he will disclose it as a monetary contribution on Schedule A1 of the report covering the period in which he received the money. Also, if he never receives the \$1,000, he does not correct/amend his report to delete the entry for the pledge.)

6. FULL NAME OF PLEDGOR: Enter the full name of the person who made the pledge.

“Out-of-State PAC” box: See instructions for Schedule A1, section 5.

7. PLEDGOR ADDRESS: Enter the complete address of the person who made the pledge.

8. AMOUNT OF PLEDGE: Enter the exact amount of the pledge or the fair market value of any pledged goods or services or other thing of value, as applicable.

9. IN-KIND DESCRIPTION: If the pledge was for goods or services or any other thing of value, enter a description of the pledged goods or services or other thing of value. The description should be sufficiently detailed to allow a person reviewing your report to understand what was pledged.

“Check if Travel Outside of Texas” box: Check this box if the expenditure was for travel outside of Texas. The description of a political expenditure for travel outside of Texas must include detailed information. Report this information on Schedule T.

10. PRINCIPAL OCCUPATION OR JOB TITLE: See instructions for Schedule A1, section 8.

11. EMPLOYER: See instructions for Schedule A1, section 9.

You do not need Schedules C1-4 and D. These schedules are for political committees to report contributions from corporations and labor organizations. Candidates and officeholders are generally prohibited from accepting such contributions.

SCHEDULE E: LOANS

These instructions are for candidates and officeholders using SCHEDULE E: LOANS.

Use this schedule to disclose information about loans and guarantees of loans accepted during the reporting period for campaign or officeholder purposes. This schedule must also be used to disclose deposits of personal funds into an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code. This schedule may also be used to disclose political expenditures from personal funds.

Loans to Your Campaign from Your Personal Funds: You may disclose political expenditures from personal funds as a loan to your campaign on Schedule E. Outgoing political expenditures made from that loan must then be disclosed as if they were made from political contributions. The amount you disclose as a loan from yourself in a reporting period may NOT exceed the amount you actually spent from personal funds in that reporting period. In other words, do not report a \$100,000 loan to your campaign if the amount actually spent from your personal funds in the reporting period was \$5,000. When you reimburse yourself, disclose the reimbursement as an outgoing political expenditure on Schedule F1. The reimbursement may not exceed the amount disclosed as a loan. (You may also disclose political expenditures from personal funds on Schedule G. See the Schedule G instructions below for more information.)

Personal Funds Deposited into a Political Account: If you deposit personal funds in an account in which political contributions are held, you must disclose the deposited amount as a loan on Schedule E and check the box indicating "Personal Funds Deposited into Political Account." Personal funds deposited in an account in which political contributions are held are subject to the personal use restriction. Disclose the outgoing political expenditures made from that loan as if they were made from political contributions. When you reimburse yourself, disclose the reimbursement as an outgoing political expenditure on Schedule F1. The reimbursement may not exceed the amount disclosed as a loan.

Itemization: You must itemize loans (including loans from personal funds) that exceed \$110 that you accepted during the period from one person. If you accepted two or more loans from the same person, the total of which exceeds \$110, itemize each loan separately. You must also itemize loans that are made electronically by a person other than a financial institution, regardless of amount. Although you are not required to do so, you may also itemize any other loans that do not exceed \$110.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE E:** After you have completed Schedule E, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.

- 4. TOTAL OF UNITEMIZED LOANS:** Enter the total amount of loans accepted during the reporting period that did not exceed \$110 in the aggregate per person and were not from financial institutions, unless the loans were made electronically.

Although you are not required to do so, you may itemize loans of \$110 or less from persons other than financial institutions on this schedule. If you itemize some loans of \$110 or less, do not include those loans in the total you enter here. If you choose to itemize all loans of \$110 or less, enter a “0” here.

- 5. DATE OF LOAN:** Enter the date you *accepted* the loan.
- 6. IS LENDER A FINANCIAL INSTITUTION?:** If you accepted the loan from a corporation that has been legally engaged in the business of making loans for more than one year, choose “Y” for yes. If you accepted the loan from any other source, choose “N” for no. A loan from a corporation that has not been legally engaged in the business of making loans for more than one year is a corporate contribution. Candidates and officeholders may not accept corporate contributions.
- 7. NAME OF LENDER:** Enter the full name of the person or financial institution that made the loan. If the lender is an individual, enter the full first and last name and suffix (Jr., III, etc.) if applicable. If the lender is an entity, enter the full name of the entity.

“Out-of-State PAC” box: See instructions for Schedule A1, section 5.

Note: See the Campaign Finance Guide for detailed information on accepting and reporting contributions from out-of-state political committees.

- 8. LENDER ADDRESS:** Enter the complete address of the person or financial institution that made the loan.
- 9. LOAN AMOUNT:** Enter the principal amount of the loan.
- 10. INTEREST RATE:** Enter the interest rate.
- 11. MATURITY DATE:** Enter the maturity date.
- 12. PRINCIPAL OCCUPATION OR JOB TITLE:** Candidates for and holders of statewide offices in the executive branch, and candidates for and holders of legislative offices, must disclose the principal occupation or job title of each individual from whom the candidate or officeholder has accepted a loan (including a pledge of a loan) of \$1,080 or more during the reporting period. Other types of filers are not required to report this information but may do so.
- 13. EMPLOYER:** Candidates for and holders of statewide offices in the executive branch, and candidates for and holders of legislative offices, must disclose the full name of the employer of an individual from whom the candidate or officeholder has accepted a loan (including a pledge of a loan) of \$1,080 or more during the reporting period. Other types of filers are not required to report this information but may do so.

- 14. DESCRIPTION OF COLLATERAL:** If there is no collateral for the loan, check the “none” box and go to section 15. If there is collateral for the loan, enter a description of the collateral for the loan.
- 15. “Check if personal funds were deposited into political account” box:** Check this box *only if* the loan is a deposit of your personal funds into an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code. Political expenditures made from that loan, and any subsequent expenditures to reimburse the candidate or officeholder, must be reported as if they were made from political contributions. The reimbursement may not exceed the amount reported as a loan. Personal funds deposited in an account in which political contributions are held are subject to the personal use restrictions.
- 16. GUARANTOR INFORMATION:** If there are no guarantors for the loan, check the “Not Applicable” box and skip sections 17 through 21. If you have no further loans to report, go to the next applicable schedule.

Note: A person who guarantees all or part of a loan makes a reportable contribution in the amount of the guarantee. You must report such a contribution on this schedule, and not on the applicable contributions schedule.

- 17. NAME OF GUARANTOR:** Enter the full name of the person guaranteeing the loan. If the guarantor is an individual, enter the full first and last name and suffix (Jr., III, etc.) if applicable. If the guarantor is an entity, enter the full name of the entity.
- 18. GUARANTOR ADDRESS:** Enter the complete address of the guarantor.
- 19. AMOUNT GUARANTEED:** Enter the exact amount of the loan that the guarantor has agreed to guarantee.
- 20. PRINCIPAL OCCUPATION:** Enter the principal occupation of the guarantor.
- 21. EMPLOYER:** Enter the employer of the guarantor.

SCHEDULE F1: POLITICAL EXPENDITURES FROM POLITICAL CONTRIBUTIONS

These instructions are for candidates and officeholders using SCHEDULE F1: POLITICAL EXPENDITURES FROM POLITICAL CONTRIBUTIONS.

Use this schedule to disclose information about political expenditures from political contributions that were made during the reporting period. Do not enter on this schedule unpaid incurred obligations, political expenditures made from personal funds, the purchase of investments from political contributions, expenditures made by credit card, or payments from political contributions made to a business that you own or control. (Report unpaid incurred obligations on Schedule F2; report expenditures from personal funds on Schedule G; report the purchase of investments from political contributions on Schedule F3; report expenditures made by credit card on Schedule F4; and report payments from political contributions made to a business that you own or control on Schedule H.)

Expenditures Made by Credit Card: You must disclose expenditures charged to a credit card on Schedule F4 and *not* on this schedule. When you pay the credit card bill, you must disclose the payment to the credit card issuer on Schedule F1 (used for political payments from political contributions), Schedule G (used for political payments from personal funds), Schedule H (used for payments from political contributions made to a business that you own or control), or Schedule I (used for non-political payments from political contributions), as applicable. See instructions for Schedule F4: Expenditures Made by Credit Card for more information.

See the *Campaign Finance Guide for Candidates and Officeholders* for important restrictions regarding the use of political funds to rent or purchase real property.

Itemization: You must enter expenditures paid to one individual or entity during the reporting period that in the aggregate exceed \$220 on this schedule. If you made more than one expenditure to the same payee, the total of which exceeded \$220, enter each expenditure separately. Although you are not required to do so, you may also report expenditures to one person that do not exceed \$220 in the period on this schedule. If you choose not to itemize expenditures of \$220 and less on this schedule, you must total all unitemized expenditures and report them on the Cover Sheet, page 2, section 17, line 3.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE F1:** After you have completed Schedule F1, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. DATE:** Enter the date the expenditure was made. Remember: expenditure obligations you incurred in this reporting period ***but have not yet paid*** are entered on Schedule F2. Expenditures made by credit card are entered on Schedule F4.
- 5. PAYEE NAME:** Enter the full name of the person to whom the expenditure was made.

Note: If you make an expenditure for goods or services to benefit another candidate, officeholder, or committee, enter the name of the vendor who sold you the goods or services. Do not enter the name of the person for whose benefit you made the expenditure. Include that information under section 8, “Purpose of Expenditure.”

6. **AMOUNT:** Enter the exact amount of the expenditure.
7. **PAYEE ADDRESS:** Enter the complete address of the person to whom the expenditure was made.
8. **PURPOSE OF EXPENDITURE:** You must disclose the purpose of the expenditure in two parts: Category and Description. Merely disclosing the category of goods, services, or other thing of value for which the expenditure was made does not adequately describe the purpose of an expenditure.

(a) **Category:** Select a category of goods, services, or other thing of value for which an expenditure is made. If none of the listed categories apply, select “Other” and enter your own category. Examples of acceptable categories include:

Advertising Expense

Accounting/Banking

Consulting Expense

Contributions/Donations Made By Candidate/Officeholder/Political Committee

Credit Card Payment

Event Expense

Fees

Food/Beverage Expense

Gifts/Awards/Memorials Expense

Legal Services

Loan Repayment/Reimbursement

Office Overhead/Rental Expense

Polling Expense

Printing Expense

Salaries/Wages/Contract Labor

Solicitation/Fundraising Expense

Transportation Equipment and Related Expense

Travel In District

Travel Out Of District

Other (Enter your own category, if none of the listed categories apply)

(b) Description: Enter a brief statement or description of the candidate or officeholder activity that was conducted by making the expenditure. The brief statement or description must include the item or service purchased and must be sufficiently specific, when considered within the context of the description of the category, to make the reason for the expenditure clear. Merely disclosing the category of goods, services, or other thing of value for which the expenditure is made does not adequately describe the purpose of an expenditure.

“Check if travel outside of Texas” box: Check this box if the expenditure was for travel outside of Texas. The description of a political expenditure for travel outside of Texas must include detailed information. Report this information on Schedule T.

“Check if Austin, TX, officeholder living expense” box: Check this box if the expenditure is an officeholder expense for living in Austin, Texas.

For examples of acceptable ways to disclose the purpose of an expenditure, see "Examples: Purpose of Expenditures."

9. DIRECT CAMPAIGN EXPENDITURE TO BENEFIT CANDIDATE/OFFICEHOLDER:

If you made a direct campaign expenditure to benefit another candidate or officeholder, enter the full name of the candidate or officeholder and the name of the office sought or held, including the district, precinct, or other designation of the office, as applicable. (Attach additional sheets to list multiple candidates.) Do not complete this section if the expenditure was not a direct campaign expenditure.

A “direct campaign expenditure” to benefit another candidate is not a “political contribution” to that other candidate. A direct campaign expenditure is a campaign expenditure that you make on someone else’s behalf and without the prior consent or approval of that person. This is in contrast to a political contribution, which the person has the opportunity to accept or reject.

Example: If you made expenditures to prepare and distribute an endorsement letter in support of a candidate after first asking for and getting the candidate’s approval, you made an *in-kind contribution*. However, if you did not get the candidate’s approval *before* you made the expenditure, you made a *direct campaign expenditure*.

SCHEDULE F2: UNPAID INCURRED OBLIGATIONS

These instructions are for candidates and officeholders using SCHEDULE F2: UNPAID INCURRED OBLIGATIONS.

Use this schedule to disclose information about obligations to make an expenditure that you incurred during the reporting period but have not yet paid. If under normal business practices, the amount of an expenditure is not known or readily ascertainable until receipt of a periodic bill, do not report it on this schedule. Do not enter on this schedule obligations that were incurred and paid during the reporting period, or other outgoing funds. (Report obligations incurred and paid during the reporting period on Schedule F1, F3, G, H, or I as appropriate, and report expenditures made by credit card on Schedule F4.)

See the *Campaign Finance Guide for Candidates and Officeholders* for important restrictions regarding the use of political funds to rent or purchase real property.

Itemization: Itemization requirements differ depending on whether the unpaid incurred obligation is for a political or non-political expenditure.

Unpaid Incurred Political Obligations: You must enter political obligations incurred but not yet paid to one individual or entity during the reporting period that in the aggregate exceed \$220 on this schedule. If you incurred more than one obligation to the same payee during the reporting period, the total of which exceeded \$220, enter each expenditure separately. Although you are not required to do so, you may also report political obligations incurred to one person that do not exceed \$220 in the period on this schedule. If you choose not to itemize incurred political obligations of \$220 and less on this schedule, you must total all unitemized obligations and report them in section 4 of this Schedule. You must also include that amount in the total unitemized political expenditures of \$220 or less on the Cover Sheet, page 2, section 17, line 3.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE F2:** After you have completed Schedule F2, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. TOTAL OF UNITEMIZED UNPAID INCURRED OBLIGATIONS:** Enter the total amount of political obligations incurred during the reporting period that do not exceed \$220 in the aggregate per person, unless itemized on this schedule. You are not required to itemize unpaid incurred political obligations of \$220 or less, but if you choose to do so, do not include those unpaid incurred obligations in the total you enter here.
- 5. DATE:** Enter the date the obligation was incurred. Remember: expenditure obligations you incurred *and* paid during the reporting period are entered on Schedule F1, G, H or I, as applicable. Expenditures made by credit card are disclosed on Schedule F4.

6. PAYEE NAME: See instructions for Schedule F1, section 5.

Note: If you incurred an obligation for goods or services to benefit another candidate, officeholder, or committee, enter the name of the vendor of the goods or services. Do not enter the name of the person for whose benefit you incurred the obligation. Include that information under section 10, “Purpose of Expenditure.”

7. AMOUNT: Enter the exact amount of the incurred expenditure obligation.

8. PAYEE ADDRESS: Enter the complete address of the person to whom the obligation is owed.

9. TYPE OF EXPENDITURE: Check only one box to indicate whether the incurred obligation was political or non-political.

A non-political expenditure is an expenditure that is neither a campaign expenditure nor an officeholder expenditure. As a practical matter, *very few* expenditures made from political contributions are non-political expenditures. For instance, expenditures for administrative expenses, banking fees, and professional dues are typically political expenditures.

10. PURPOSE OF EXPENDITURE: See instructions for Schedule F1, section 8.

11. DIRECT CAMPAIGN EXPENDITURE TO BENEFIT

CANDIDATE/OFFICEHOLDER: See instructions for Schedule F1, section 9.

SCHEDULE F3: PURCHASE OF INVESTMENTS FROM POLITICAL CONTRIBUTIONS

These instructions are for candidates and officeholders using SCHEDULE F3: PURCHASE OF INVESTMENTS FROM POLITICAL CONTRIBUTIONS.

Use this schedule to disclose information about investments purchased from political contributions during the reporting period. Do not enter on this schedule political expenditures from political contributions, unpaid incurred obligations, expenditures made by credit card, political expenditures made from personal funds, or payments from political contributions made to a business that you own or control. (Report political expenditures from political contributions on Schedule F1; report unpaid incurred obligations on Schedule F2; report expenditures made by credit card on Schedule F4; report expenditures from personal funds on Schedule G; and report payments from political contributions made to a business that you own or control on Schedule H.)

See the *Campaign Finance Guide for Candidates and Officeholders* for important restrictions regarding the use of political funds to rent or purchase real property.

Itemization: You must enter investments purchased with political contributions during the reporting period that in the aggregate exceed \$140 on this schedule. If you made two or more payments to the same payee to purchase an investment, the total of which exceeded \$140, enter each payment separately. Although you are not required to do so, you may also report investments purchased with political contributions that do not exceed \$140 in the period on this schedule.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE F3:** After you have completed Schedule F3, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. DATE:** Enter the date you purchased the investment.
- 5. NAME OF PERSON FROM WHOM INVESTMENT IS PURCHASED:** Enter the full name of the person or entity from whom you purchased the investment. If you purchased the investment from an individual, enter the full first and last name, and suffix (Jr., III, etc.) if applicable (title is optional). If you purchased the investment from an entity, enter the full name of the entity.
- 6. ADDRESS OF PERSON FROM WHOM INVESTMENT IS PURCHASED:** Enter the complete address of the person or entity from whom you purchased the investment.
- 7. DESCRIPTION OF INVESTMENT:** Enter a brief statement or description of the investment. For example, “Ten shares of stock in ABC Company.”
- 8. AMOUNT OF INVESTMENT:** Enter the exact amount of the investment purchased.

SCHEDULE F4: EXPENDITURES MADE BY CREDIT CARD

*These instructions are for candidates and officeholders using SCHEDULE F4: EXPENDITURES MADE BY CREDIT CARD. **Note: significant changes were made to Schedule F4 in 2024.***

Use this schedule to disclose information about expenditures made by a credit card. You must disclose expenditures charged to a credit card on this schedule and identify the individual, entity, or vendor who receives payment from the credit card issuer. When you pay the credit card bill, you must disclose the payment to the credit card issuer on Schedule F1 (used for political payments from political contributions), Schedule G (used for political payments from personal funds), Schedule H (used for payments from political contributions made to a business that you own or control), or Schedule I (used for non-political payments from political contributions), as applicable.

Do not enter on this schedule: political expenditures from political contributions that were paid for with cash, check, or debit card; unpaid incurred obligations; political expenditures made from personal funds; or payments from political contributions made to a business that a candidate or officeholder owns or controls on this schedule. (Report political expenditures from political contributions that were paid for with cash, check or debit card on Schedule F1; report unpaid incurred obligations on Schedule F2; report the purchase of investments from political contributions on Schedule F3; report expenditures from personal funds on Schedule G; and report payments from political contributions made to a business that a candidate or officeholder owns or controls on Schedule H.)

For examples regarding the disclosure of expenditures made by credit card, see “Examples: Reporting Expenditures Made by Credit Card.”

Itemization: Itemization requirements differ depending on whether the expenditure made by a credit card is for a political or non-political expenditure.

Political Expenditures Made by Credit Card: You must itemize political expenditures made by credit card that exceed \$220 (in the aggregate) to a single payee. If you made two or more expenditures to the same payee during the reporting period, the total of which exceeded \$220, enter each expenditure made by credit card separately. Although you are not required to do so, you may also report political expenditures made by credit card that do not exceed \$220 in the reporting period on this schedule. If you choose not to itemize political expenditures made by credit card of \$220 and less on this schedule, you must total all unitemized political expenditures and report them in section 4 of this Schedule. You must also include that amount in the total unitemized political expenditures of \$220 or less on the Cover Sheet, page 2, section 17, line 3.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE F4:** After you have completed Schedule F4, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.

- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. TOTAL OF UNITEMIZED EXPENDITURES CHARGED TO ALL CREDIT CARDS:** Enter the total amount of political expenditures charged to all credit cards you used during the reporting period that do not exceed \$220 in the aggregate per person, unless itemized on this schedule. You are not required to itemize political expenditures made by credit card of \$220 or less, but if you choose to do so, do not include those political expenditures made by credit card in the total you enter here.
- 5. CREDIT CARD ISSUER:** Enter the full name of the financial institution that issued the credit card. Use a separate page of Schedule F4 for each credit card used.

Sections 6 through 9 are used to report information about each itemized expenditure made using the credit card listed in item #5 above. Each expenditure must have its own entry. If you made more than three expenditures using that same credit card during the period covered by the report, include additional pages of Schedule F4 and include the name of the credit card issuer in Item 5 on every page. Leave Item 4 blank except for the first page for that credit card issuer.

6. PAYMENT

- (a) Amount Charged:** Report the exact amount of the credit card expenditure.
- (b) Date Expenditure Charged:** Enter the date you charged the credit card.

Note: There is a special reporting rule for expenditures made by credit card. For reports due 30 days and 8 days before an election (pre-election reports) and for runoff reports, the date of the credit card expenditure is the date the credit card is used. For other reports, the date of the credit card expenditure is either the date of the charge or the date the credit card statement is received. *A filer can never go wrong by disclosing the date of the expenditure as the date of the charge.*

- (c) Date(s) Credit Card Issuer Paid:** List the date(s) that you made payments to the credit card issuer during the period covered by the report for this expenditure. If you made multiple payments to the credit card issuer during the period covered by the report, list the first and last dates that you made payments.

7. PAYEE

- (a) Payee Name:** See instructions for Schedule F1, section 5. Disclose the name of the vendor who sold you the goods or services as the payee, NOT the credit card issuer.

Note: If you made an expenditure for goods or services to benefit another candidate, officeholder, or committee, enter the name of the vendor of the goods or services. Do not enter the name of the person for whose benefit you made the expenditure. Include that information under section 8, “Purpose of Expenditure.”

- (b) Payee Address:** Enter the complete address of the payee of the credit card expenditure.

- 8. PURPOSE OF EXPENDITURE:** Check only one box to indicate whether the credit card expenditure was political or non-political.

A non-political expenditure is an expenditure that is neither a campaign expenditure nor an officeholder expenditure. As a practical matter, *very few* expenditures made from political contributions are non-political expenditures. For instance, expenditures for administrative expenses, banking fees, and professional dues are typically political expenditures.

(a) Purpose of Expenditure: See instructions for Schedule F1, section 8.

Note: Do not choose “Credit Card Payment” as the category for an expenditure made by credit card when an individual, entity, or vendor receives payment from the credit card issuer. Instead, choose the category that corresponds to the goods, services, or other thing of value purchased from the individual, entity, or vendor.

(b) Description: See instructions for Schedule F1, section 8.

9. DIRECT CAMPAIGN EXPENDITURE TO BENEFIT

CANDIDATE/OFFICEHOLDER: See instructions for Schedule F1, section 9.

SCHEDULE G: POLITICAL EXPENDITURES MADE FROM PERSONAL FUNDS

These instructions are for candidates and officeholders using SCHEDULE G: POLITICAL EXPENDITURES MADE FROM PERSONAL FUNDS.

Use this schedule to disclose information about political expenditures from personal funds that were made during the reporting period. Alternatively, you may choose to disclose political expenditures from personal funds as a loan on Schedule E (see the Schedule E instructions above for more information). Do not enter on this schedule information about personal funds deposited in an account in which political contributions are held as permitted by section 253.0351(c) of the Election Code. (Report the deposit of personal funds into a political account as a loan on Schedule E.)

Expenditures Made by Credit Card: You must disclose expenditures charged to a credit card on Schedule F4 and *not* on this schedule. When you pay the credit card bill, you must disclose the payment to the credit card issuer on Schedule F1 (used for political payments from political contributions), Schedule G (used for political payments from personal funds), Schedule H (used for payments from political contributions made to a business that you own or control), or Schedule I (used for non-political payments from political contributions), as applicable. See instructions for Schedule F4: Expenditures Made by Credit Card for more information.

If you intend to seek reimbursement *in any amount* from political contributions for a political expenditure made from personal funds, you must either report the expenditure on Schedule E or itemize the expenditure on this schedule and check the box in Section 6 to indicate that you intend to seek reimbursement from political contributions. ***You may not correct a report to allow reimbursement.*** When you reimburse yourself, disclose the reimbursement as an outgoing political expenditure on Schedule F1.

See the Campaign Finance Guide for important restrictions regarding the use of political funds to rent or purchase real property.

Itemization: If you choose to report political expenditures from personal funds on this schedule, you must itemize political expenditures paid to one individual or entity during the reporting period that in the aggregate exceed \$220 on this schedule. If you made more than one expenditure to the same payee during the reporting period, the total of which exceeded \$220, enter each expenditure separately. Although you are not required to do so, you may also report expenditures to one person that do not exceed \$220 in the period on this schedule. You must total all political expenditures from personal funds that you do not itemize on this schedule and include them in the total of unitemized political expenditures on the Cover Sheet, page 2, section 17, line 3.

Officeholder expenditures from personal funds for which you do not intend to seek reimbursement are not required to be reported on this schedule or included in the total of unitemized political expenditures.

Each numbered item in these instructions corresponds to the same numbered item on the form.

1 TOTAL PAGES SCHEDULE G: After you have completed Schedule G, count the total number of pages. Each side of a two-sided form counts as one page.

2. FILER NAME: Enter your full name.

3. FILER ID: See instructions for Cover Sheet, page 1, section 1.

4. DATE: Enter the date the expenditure was made.

5. PAYEE NAME: See instructions for Schedule F1, section 7.

6. AMOUNT: Enter the exact amount of the expenditure.

“Reimbursement from Political Contributions Intended” box: Check this box if you intend to reimburse yourself for the expenditure. (In order to be reimbursed from political contributions in any amount for an expenditure made out of personal funds, you must itemize the expenditure on this schedule and check this box, or you must report the expenditure as a loan to yourself on Schedule E.) If you do not check this box at the time you file your report, you cannot correct/amend your report later to check this box without subjecting yourself to a possible penalty.

7. PAYEE ADDRESS: Enter the complete address of the person to whom the expenditure was made.

8. PURPOSE OF EXPENDITURE: See instructions for Schedule F1, section 8.

9. DIRECT CAMPAIGN EXPENDITURE TO BENEFIT CANDIDATE/OFFICEHOLDER: See instructions for Schedule F1, section 9.

SCHEDULE H: PAYMENT FROM POLITICAL CONTRIBUTIONS TO A BUSINESS OF C/OH

These instructions are for candidates and officeholders using SCHEDULE H: PAYMENT FROM POLITICAL CONTRIBUTIONS TO A BUSINESS OF C/OH.

Use this schedule to disclose information about payments from political contributions that were made to a business in which you have an interest of more than 10%, a position on the governing body, or a position as an officer. Do not enter on this schedule other payments from political contributions made during the reporting period.

See the *Campaign Finance Guide for Candidates and Officeholders* for a discussion on the important restrictions on making and reporting payments from political contributions to a business in which you have an interest.

This schedule is for payments to a business in which you have one or more of the following interests or positions:

- 1) a participating interest of more than 10%;
- 2) a position on the governing body of the business; *or*
- 3) a position as an officer of the business.

Itemization: You must enter all payments from political contributions made to certain businesses (as defined above) of a candidate or officeholder made during the reporting period on this schedule, regardless of the amount.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE H:** After you have completed Schedule H, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. DATE:** Enter the date you made the payment.
- 5. BUSINESS NAME:** Enter the full name of the business to which you made the payment.
- 6. AMOUNT:** Enter the exact amount of the payment.
- 7. BUSINESS ADDRESS:** Enter the complete address of the business to which you made the payment.
- 8. PURPOSE OF EXPENDITURE:** See instructions for Schedule F1, section 8.
- 9. DIRECT CAMPAIGN EXPENDITURE TO BENEFIT CANDIDATE/OFFICEHOLDER:** See instructions for Schedule F1, section 9.

SCHEDULE I: NON-POLITICAL EXPENDITURES MADE FROM POLITICAL CONTRIBUTIONS

These instructions are for candidates and officeholders using SCHEDULE I: NON-POLITICAL EXPENDITURES MADE FROM POLITICAL CONTRIBUTIONS.

Use this schedule to disclose information about non-political expenditures from political contributions made during the reporting period. Do not enter political expenditures on this schedule. Also, do not enter non-political expenditure obligations you incurred in this reporting period but have not yet paid or non-political expenditures made by credit card. (Report unpaid incurred obligations on Schedule F2; report expenditures made by a credit card on Schedule F4.)

Expenditures Made by Credit Card: You must disclose non-political expenditures charged to a credit card on Schedule F4 and *not* on this schedule. When you pay the credit card bill, you must disclose the payment to the credit card issuer on Schedule F1 (used for political payments from political contributions), Schedule G (used for political payments from personal funds), Schedule H (used for payments from political contributions made to a business that you own or control), or Schedule I (used for non-political payments from political contributions), as applicable. See instructions for Schedule F4: Expenditures Made by Credit Card for more information.

Itemization: You must enter all non-political expenditures from political contributions on this schedule, regardless of the amount. A non-political expenditure is an expenditure that is neither a campaign expenditure nor an officeholder expenditure, as defined in section 251.001 of the Election Code. As a practical matter, *very few* expenditures made from political contributions are non-political expenditures. For instance, expenditures for administrative expenses, banking fees, and professional dues are typically political expenditures. You may not convert political contributions to personal use.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE I:** After you have completed Schedule I, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. DATE:** Enter the date the expenditure was made.
- 5. PAYEE NAME:** See instructions for Schedule F1, section 5.
- 6. AMOUNT:** Enter the exact amount of the expenditure.
- 7. PAYEE ADDRESS:** Enter the complete address of the person to whom the expenditure was made.
- 8. PURPOSE OF EXPENDITURE:** See instructions for Schedule F1, section 8.

SCHEDULE K: INTEREST, CREDITS, GAINS, REFUNDS, AND CONTRIBUTIONS RETURNED TO FILER

These instructions are for candidates and officeholders using SCHEDULE K: INTEREST, CREDITS, GAINS, REFUNDS, AND CONTRIBUTIONS RETURNED TO FILER.

Use this schedule to report information regarding any credit, interest, rebate, refund, reimbursement, or return of a deposit fee resulting from the use of a political contribution or an asset purchased with a political contribution, any proceeds from the sale of an asset purchased with a political contribution, the amount of which exceeds \$140, and any other gain from a political contribution received during the reporting period.

Itemization: You must enter interest, credits, gains, refunds and returned contributions received during the reporting period that in the aggregate exceed \$140 on this schedule. Although you are not required to do so, you may also report any interest/credit/gain/refund that does not exceed \$140 in the period on this schedule.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE K:** After you have completed Schedule K, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter your full name.
- 3. FILER ID:** See instructions for Cover Sheet, page 1, section 1.
- 4. DATE:** Enter the date the credit/gain/refund/returned contribution was received or the interest was earned, as applicable.
- 5. NAME OF PERSON FROM WHOM AMOUNT IS RECEIVED:** Enter the full name of the person or business from whom the interest/credit/gain/refund or returned contribution was received. If the person is an individual, enter the full name, first, last, and suffix (Jr., III, etc.) if applicable (title is optional). If the person or business is an entity, enter the full name of the entity.
- 6. ADDRESS OF PERSON FROM WHOM AMOUNT IS RECEIVED:** Enter the complete address of the person or business from whom the interest/credit/gain/refund or returned contribution was received.
- 7. PURPOSE FOR WHICH AMOUNT IS RECEIVED:** Enter a brief statement or description of the purpose for which the amount was received (for example, “phone service deposit return,” “returned contribution” or “interest on savings account”).

“Check if political contribution returned to filer” box: If the incoming credit/gain was originally made by you in the form of a political contribution to another candidate or political committee and was returned to you in this reporting period, check this box.
- 8. AMOUNT:** Enter the exact amount of the interest/credit/gain/refund or returned contribution.

SCHEDULE T: IN-KIND CONTRIBUTIONS OR POLITICAL EXPENDITURES FOR TRAVEL OUTSIDE OF TEXAS

These instructions are for candidates and officeholders using SCHEDULE T: IN-KIND CONTRIBUTIONS OR POLITICAL EXPENDITURES FOR TRAVEL OUTSIDE OF TEXAS.

Use this schedule to disclose information about contributions accepted or expenditures made during the reporting period that were used for travel outside of Texas. In addition to completing this schedule, you must also report the actual contribution or expenditure on the appropriate schedule or form. The law requires detailed information regarding in-kind contributions or political expenditures for travel outside of Texas.

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. TOTAL PAGES SCHEDULE T:** After you have completed Schedule T, count the total number of pages. Each side of a two-sided form counts as one page.
- 2. FILER NAME:** Enter the full name of the candidate, committee, or party on whose report you are including this schedule.
- 3. FILER ID:** If you are filing with the Commission, enter your filer identification number. If you do not file with the Commission, you are not required to enter a filer identification number.
- 4. NAME OF CONTRIBUTOR / CORPORATION OR LABOR ORGANIZATION / PLEDGOR / PAYEE:** Enter the full name of the contributor / corporation or labor organization / pledgor / payee as it appears on the schedule or form on which you reported the actual contribution or expenditure.
- 5. CONTRIBUTION / EXPENDITURE REPORTED ON:** Check the appropriate box for the schedule or form on which you reported the actual contribution or expenditure.
- 6. DATES OF TRAVEL:** Enter the date(s) on which the travel occurred.
- 7. NAME OF PERSON(S) TRAVELING:** Enter the full name of the person or persons traveling on whose behalf the travel was accepted or on whose behalf the expenditure was made.
- 8. DEPARTURE CITY OR NAME OF DEPARTURE LOCATION:** Enter the name of the departure city or the name of each departure location.
- 9. DESTINATION CITY OR NAME OF DESTINATION LOCATION:** Enter the name of the destination city or the name of each destination location.
- 10. MEANS OF TRANSPORTATION:** Enter the method of travel (e.g., airplane, bus, boat, car, etc.)
- 11. PURPOSE OF TRAVEL:** Enter the campaign or officeholder purpose of the travel, including the name of a conference, seminar, or other event.

FORM C/OH-FR: DESIGNATION OF FINAL REPORT

These instructions are for candidates and officeholders using Form C/OH-FR: C/OH REPORT: DESIGNATION OF FINAL REPORT. A final report must include this form (Form C/OH-FR) and the CAMPAIGN FINANCE REPORT (Form C/OH) with the “Final Report” box checked on page 1, section 9. It must also include Schedules A1, A2, B, E, F1, F2, F3, F4, G, H, I, K, and T, as applicable.

GENERAL INFORMATION

For filing purposes, you are a “candidate” as long as you have an active appointment of campaign treasurer on file. If you do not expect to accept any further campaign contributions or to make any further campaign expenditures, you may file a final report of contributions and expenditures. A final report terminates your appointment of campaign treasurer and relieves you of the obligation of filing further reports as a candidate.

If you do not have an active appointment of campaign treasurer on file, you may not accept *campaign* contributions or make *campaign* expenditures. A payment on a campaign debt is a campaign expenditure. An officeholder who does not have an active appointment of campaign treasurer on file may accept *officeholder* contributions and make *officeholder* expenditures.

The effect of filing a final report differs depending on whether you are an officeholder at the time you file a final report.

Officeholders Filing a Final Report: You will not have to worry about surplus political funds and assets until you cease to be an officeholder. You may still be required to file semiannual reports of contributions and expenditures as an officeholder. The only officeholders who are not required to file semiannual reports are local officeholders who do not exceed \$1,080 in contributions or \$1,080 in expenditures during the reporting period.

If you cease to be an officeholder at a time when you do not have an active campaign treasurer appointment on file, and you retain political contributions, interest or other income from political contributions, or assets purchased with political contributions or interest or other income from political contributions after filing the last required report as an officeholder, you *must* file an annual report of unexpended contributions (Form C/OH-UC) not earlier than January 1 and not later than January 15 of each year following the year in which you filed the last required report as an officeholder. If your unexpended contribution report shows that your contributions maintained is now “\$0.00,” then you may file that unexpended contribution report at any time. You may not retain these unexpended funds longer than six years after the date you ceased to be an officeholder. For information about important restrictions regarding the use and reporting of unexpended contributions, see the Campaign Finance Guide for Candidates and Officeholders.

Non-Officeholders Filing a Final Report: You will no longer be required to file reports *unless* you retain political contributions, interest or other income from political contributions, or assets purchased with political contributions or interest or other income from political contributions. If you retain any of those items, you must file an annual report of unexpended contributions (Form C/OH-UC) not earlier than January 1 and not later than January 15 of each year after the year in which you filed your final report. If your unexpended contribution report shows that your contributions maintained is now “\$0.00,” then you may file that unexpended contribution report

at any time. You may not retain these unexpended funds longer than six years after the date of filing a final report. For information about important restrictions regarding the use and reporting of unexpended contributions, see the Campaign Finance Guide for Candidates and Officeholders.

COMPLETING THE FORM

Each numbered item in these instructions corresponds to the same numbered item on the form.

- 1. C/OH NAME:** Enter your full name.
- 2. FILER ID:** If you are filing with the Commission, enter your Filer ID. If you do not file with the Commission, you are not required to enter a Filer ID.
- 3. SIGNATURE:** You must sign this section to indicate that you understand the consequences of filing a final report.
- 4. FILER WHO IS NOT AN OFFICEHOLDER:** Complete this section if you are not an officeholder at the time of filing your final report. Be sure to check the appropriate box in both sections A and B and sign on the “Signature” line.
- 5. OFFICEHOLDER:** Complete this section if you are an officeholder at the time of filing your final report. You must check the box to indicate awareness of further filing requirements.

ADDITIONAL INFORMATION REGARDING EXPENDITURES

EXAMPLES: REPORTING EXPENDITURES MADE BY CREDIT CARD

This list is for illustrative purposes only. It is intended to provide helpful information and to assist filers in reporting expenditures made by credit card and payments made to credit card issuers.

Keep in mind that this reporting system is not an accounting system and duplication of expenditures is not uncommon when reporting transactions related to expenditures made by credit card.

Example #1: Candidate Using Credit Card to Make Political Expenditures and Using Political Contributions to Pay the Entire Credit Card Bill in the Same Reporting Period

A candidate for elected office uses her credit card to buy \$1,000 in campaign office supplies from an office store. During the same reporting period, the candidate uses her credit card to buy \$500 in political advertising signs from a sign company. During the same reporting period, the candidate makes a single payment from her political contributions account to pay the \$1,500 credit card bill.

To report that activity, the candidate would report all of the following on a campaign finance report (Form C/OH) covering the period in which she made the credit card charges and sent the payment to the credit card issuer:

1. The candidate fills out one page of the “Expenditures Made by Credit Card” Schedule (F4). The credit card issuer’s name is included in section 5. The candidate fills out sections 6 through 9 twice, once for the \$1,000 expenditure and again for the \$500 expenditure.
2. For the \$1,000 expenditure, the candidate reports an amount charged of \$1,000 in section 6(a), the date the expenditure was made in section 6(b), and the date the credit card issuer was paid \$1,500 in section 6(c). She identifies the office store in section 7 as the payee of the expenditure and includes their address. Section 8’s category for the expenditure is “Office Overhead/Rental Expense,” and the description is “Campaign Office Supplies.” In Section 8 of the schedule, the box for “Political” is also checked.
3. For the \$500 expenditure, the candidate reports an amount charged of \$500 in section 6(a), the date the expenditure was made in section 6(b), and the date the credit card issuer was paid \$1,500 in section 6(c). She identifies the sign company in section 7 as the payee of the expenditure and includes their address. Section 8’s category for the expenditure is “Advertising Expense,” and the description is “Political Advertising Signs.” In Section 8 of the schedule, the box for “Political” is also checked.
4. For the payment to the credit card issuer: a \$1,500 expenditure is reported on the “Political Expenditures from Political Contributions” Schedule (F1). The schedule identifies the credit card issuer as the payee of the expenditure and includes the address, date, amount, a category of the expenditure as “Credit Card Payment,” and a description as “Payment of credit card bill for credit card expenditures.”

5. Both \$1,500 amounts reported on Schedules F4 and F1 are also included in the appropriate totals sections of Cover Sheet Pages 2 and 3.

Example #2: Candidate Using Credit Card to Make a Political Expenditure and Using Personal Funds to Pay the Entire Credit Card Bill in the Same Reporting Period

A candidate for *non-judicial* office uses his credit card to purchase \$3,000 in political advertising materials from a print shop. During the same reporting period, the candidate makes one payment from his personal funds account to pay the entire \$3,000 credit card bill.

To report that activity, the candidate would report all of the following on a campaign finance report (Form C/OH) covering the period in which he made the credit card charge and sent the payment to the credit card issuer:

1. The candidate fills out one page of the “Expenditures Made by Credit Card” Schedule (F4). The credit card issuer’s name is included in section 5. The candidate fills out sections 6 through 9 once, for the \$3,000 expenditure.
2. The candidate reports an amount charged of \$3,000 in section 6(a), the date the expenditure was made in section 6(b), and the date the credit card issuer was paid \$3,000 in section 6(c). He identifies the print shop in section 7 as the payee of the expenditure and includes their address. Section 8’s category for the expenditure is “Advertising Expense,” and the description is “Political Advertising Materials.” In Section 8 of the schedule, the box for “Political” is also checked.
3. For the payment to the credit card issuer: a \$3,000 expenditure is reported on the “Political Expenditures Made from Personal Funds” Schedule (G). The schedule identifies the credit card issuer as the payee of the expenditure and includes the address, date, amount, a category of the expenditure as “Credit Card Payment,” and a description as “Payment of credit card bill for political advertising materials.” If the candidate intends to seek reimbursement from political contributions, the candidate may also check the appropriate box in Section 6.
4. Both \$3,000 amounts reported on Schedules F4 and G are also included in the appropriate sections of Cover Sheet Pages 2 and 3.

Example #3: Political Committee Using Credit Card to Make a Political Expenditure and Using Political Contributions to Pay the Credit Card Bill in Different Reporting Periods

A general-purpose committee (GPAC) uses its credit card to buy \$500 in political advertising in a newspaper. The committee receives the statement from the credit card issuer but does not send a payment until after the reporting period ends. When the committee sends a payment to the credit card issuer, it makes a \$500 payment from its political contributions account.

To report the credit card charge, the committee’s campaign treasurer would report all of the following on a campaign finance report (Form GPAC) covering the period in which it made the credit card charge:

1. The GPAC fills out one page of the “Expenditures Made by Credit Card” Schedule (F4). The credit card issuer’s name is included in section 5. The GPAC fills out sections 6 through 9 once, for the \$500 expenditure.
2. The GPAC reports an amount charged of \$500 in section 6(a), the date the expenditure was made in section 6(b), and leaves section 6(c) blank. They identify the newspaper in section 7 as the payee of the expenditure and include their address. Section 8’s category for the expenditure is “Advertising Expense,” and the description is “Political Advertising.” In Section 8 of the schedule, the box for “Political” is also checked.
3. The \$500 amount reported on the “Expenditures Made by Credit Card” Schedule (F4) will also be included in the appropriate sections of Cover Sheet Pages 2 and 3.

To report the payment to the credit card issuer, the committee’s campaign treasurer would also report all of the following on a campaign finance report (Form GPAC) covering the period in which it made the payment to the credit card issuer:

1. The GPAC reports a \$500 expenditure on the “Political Expenditures from Political Contributions” Schedule (F1). The schedule identifies the credit card issuer as the payee of the expenditure and includes the address, date, amount, a category of the expenditure as “Credit Card Payment,” and a description as “Payment of credit card bill for political advertising.”
2. The \$500 amount reported on the “Political Expenditures from Political Contributions” Schedule (F1) will also be included in the appropriate sections of Cover Sheet Pages 2 and 3.

Example #4: Candidate Using Credit Card to Make a Political Expenditure and Using Political Contributions to Pay the Credit Card Bill in Different Reporting Periods

A candidate for *judicial* office uses her credit card to buy \$500 in political advertising in a newspaper. The candidate receives the statement from the credit card issuer but does not send a payment until after the reporting period ends. When the candidate sends a payment to the credit card issuer, she makes a \$500 payment from her political contributions account.

To report the credit card charge, the candidate would report all of the following on a campaign finance report (Form JC/OH) covering the period in which she made the credit card charge:

1. The judicial candidate fills out one page of the “Expenditures Made by Credit Card” Schedule (F4). The credit card issuer’s name is included in section 5. The candidate fills out sections 6 through 9 once, for the \$500 expenditure.
2. The judicial candidate reports an amount charged of \$500 in section 6(a), the date the expenditure was made in section 6(b), and leaves section 6(c) blank. She identifies the newspaper in section 7 as the payee of the expenditure and includes their address. Section 8’s category for the expenditure is “Advertising Expense,” and the description is “Political Advertising.” In Section 8 of the schedule, the box for “Political” is also checked.

3. The \$500 amount reported on the “Expenditures Made by Credit Card” Schedule (F4) will also be included in the appropriate sections of Cover Sheet Pages 2 and 3.

To report the payment to the credit card issuer, the judicial candidate would also report all of the following on a campaign finance report (Form JC/OH) covering the period in which the payment to the credit card issuer was made:

1. The judicial candidate reports a \$500 expenditure on the “Political Expenditures from Political Contributions” Schedule (F1). The schedule identifies the credit card issuer as the payee of the expenditure and includes the address, date, amount, a category of the expenditure as “Credit Card Payment,” and a description as “Payment of credit card bill for political advertising.”
2. The \$500 amount reported on the “Political Expenditures from Political Contributions” Schedule (F1) will also be included in the appropriate sections of Cover Sheet Pages 2 and 3.

Example #5: Political Committee Using Credit Card to Make a Political Expenditure and Using Political Contributions to Make Partial Payments of the Credit Card Bill in Different Reporting Periods

A general-purpose committee (GPAC) uses its credit card to buy \$5,000 in political advertising for a mailer from a printing company. The committee receives the statement from the credit card issuer and makes one or more partial payments from political contributions of \$2,000 in that same reporting period. The committee pays the remaining \$3,000 from political contributions to the credit card issuer in a different reporting period.

To report the credit card charge, the committee’s campaign treasurer would report all of the following on a campaign finance report (Form GPAC) covering the period in which it made the credit card charge:

1. The GPAC fills out one page of the “Expenditures Made by Credit Card” Schedule (F4). The credit card issuer’s name is included in section 5. The GPAC fills out sections 6 through 9 once, for the \$5,000 expenditure.
2. The GPAC reports an amount charged of \$5,000 in section 6(a), the date the expenditure was made in section 6(b), and reports the date (or dates) during that reporting period on which the \$2,000 was paid in section 6(c). They identify the printing company in section 7 as the payee of the expenditure and include their address. Section 8’s category for the expenditure is “Advertising Expense,” and the description is “Political Advertising.” In Section 8 of the schedule, the box for “Political” is also checked.
3. The \$5,000 amount reported on “Expenditures Made by Credit Card” Schedule (F4) will also be included in the appropriate sections of Cover Sheet Pages 2 and 3.

To report the payments to the credit card issuer, the committee’s campaign treasurer would also report all of the following on a campaign finance report (Form GPAC):

1. For the \$2,000 payment(s) made during the same period that the expenditure was made, the GPAC reports a \$2,000 expenditure on the “Political Expenditures from Political

Contributions” Schedule (F1). The schedule identifies the credit card issuer as the payee of the expenditure and includes the address, date, amount, a category of the expenditure as “Credit Card Payment,” and a description as “Payment of credit card bill for political advertising.”

2. For the \$3,000 payment made during a different reporting period, the GPAC reports a \$3,000 expenditure on the “Political Expenditures from Political Contributions” Schedule (F1). The schedule identifies the credit card issuer as the payee of the expenditure and includes the address, date, amount, a category of the expenditure as “Credit Card Payment,” and a description as “Payment of credit card bill for political advertising.”
3. The \$2,000 and \$3,000 amounts reported on the “Political Expenditures from Political Contributions” Schedule (F1) will also be included in the appropriate sections of Cover Sheet Pages 2 and 3 for each reporting period.

EXAMPLES: PURPOSE OF EXPENDITURES

This list is for illustrative purposes only. It is intended to provide helpful information and to assist filers in reporting the purpose of an expenditure. However, it is not, and is not intended to be, an exhaustive or an exclusive list of how a filer may permissibly report the purpose of an expenditure.

- (1) Example: Candidate X is seeking the office of State Representative, District 2000. She purchases an airline ticket from ABC Airlines to attend a campaign rally within District 2000. The acceptable category for this expenditure is “travel in district.” An acceptable brief description is “airline ticket to attend campaign event.”
- (2) Example: Candidate X purchases an airline ticket to attend a campaign event outside of District 2000 but within Texas, the acceptable category is “travel out of district.” An acceptable brief description is “airline ticket to attend campaign or officeholder event.”
- (3) Example: Candidate X purchases an airline ticket to attend an officeholder related seminar outside of Texas. The acceptable category is “travel out of district” and an acceptable brief description is “airline ticket to attend [name of seminar] in [city,] [state]. You must also complete “Schedule T” (used to report travel outside of Texas).
- (4) Example: Candidate X contracts with an individual to do various campaign related tasks such as work on a campaign phone bank, sign distribution, and staffing the office. The acceptable category is “salaries/wages/contract labor.” An acceptable brief description is “contract labor for campaign services.”
- (5) Example: Officeholder X is seeking re-election and makes an expenditure to purchase a vehicle to use for campaign purposes and permissible officeholder purposes. The acceptable category is “transportation equipment and related expenses” and an acceptable brief description is “purchase of campaign/officeholder vehicle.”
- (6) Example: Candidate X makes an expenditure to repair a flat tire on a campaign vehicle purchased with political funds. The acceptable category is “transportation equipment and related expenses” and an acceptable brief description is “campaign vehicle repairs.”
- (7) Example: Officeholder X purchases flowers for a constituent. The acceptable category is “gifts/awards/memorials expense” and an acceptable brief description is “flowers for constituent.”
- (8) Example: Political Committee XYZ makes a political contribution to Candidate X. The acceptable category is “contributions/donations made by candidate/officeholder/political committee” and an acceptable brief description is “campaign contribution.”
- (9) Example: Candidate X makes an expenditure for a filing fee to get his name on the ballot. The acceptable category is “fees” and an acceptable brief description is “candidate filing fee.”
- (10) Example: Officeholder X makes an expenditure to attend a seminar related to performing a duty or engaging in an activity in connection with the office. The acceptable category is “fees” and an acceptable brief description is “attend officeholder seminar.”

(11) Example: Candidate X makes an expenditure for political advertising to be broadcast by radio. The acceptable category is “advertising expense” and an acceptable brief description is “political advertising.” Similarly, Candidate X makes an expenditure for political advertising to appear in a newspaper. The acceptable category is “advertising expense” and an acceptable brief description is “political advertising.”

(12) Example: Officeholder X makes expenditures for printing and postage to mail a letter to all of her constituents, thanking them for their participation during the legislative session. Acceptable categories are “advertising expense” OR “printing expense” and an acceptable brief description is “letter to constituents.”

(13) Example: Officeholder X makes an expenditure to pay the campaign office electric bill. The acceptable category is “office overhead/rental expense” and an acceptable brief description is “campaign office electric bill.”

(14) Example: Officeholder X makes an expenditure to purchase paper, postage, and other supplies for the campaign office. The acceptable category is “office overhead/rental expense” and an acceptable brief description is “campaign office supplies.”

(15) Example: Officeholder X makes an expenditure to pay the campaign office monthly rent. The acceptable category is “office overhead/rental expense” and an acceptable brief description is “campaign office rent.”

(16) Example: Candidate X hires a consultant for fundraising services. The acceptable category is “consulting expense” and an acceptable brief description is “campaign services.”

(17) Example: Candidate/Officeholder X pays his attorney for legal fees related to either campaign matters or officeholder matters. The acceptable category is “legal services” and an acceptable brief description is “legal fees for campaign” or “for officeholder matters.”

(18) Example: Candidate/Officeholder X makes food and beverage expenditures for a meeting with her constituents. The acceptable category is “food/beverage expense” and an acceptable brief description is “meeting with constituents.”

(19) Example: Candidate X makes food and beverage expenditures for a meeting to discuss candidate issues. The acceptable category is “food/beverage expense” and an acceptable brief description is “meeting to discuss campaign issues.”

(20) Example: Officeholder X makes food and beverage expenditures for a meeting to discuss officeholder issues. The acceptable category is “food/beverage expense” and an acceptable brief description is “meeting to discuss officeholder issues.”

(21) Example: Candidate/Officeholder X makes food and beverage expenditures for a meeting to discuss campaign and officeholder issues. The acceptable category is “food/beverage expense” and an acceptable brief description is “meeting to discuss campaign/officeholder issues.”

EXAMPLES: REPORTING EXPENDITURES FROM PERSONAL FUNDS

This list is for illustrative purposes only. It is intended to provide helpful information and to assist filers in reporting expenditures from personal funds.

If you intend to seek reimbursement of any amount from political contributions for a political expenditure made from your personal funds, you must report the expenditure in one of three ways. Keep in mind that this reporting system is not an accounting system and duplication of expenditures is not uncommon when reporting transactions related to expenditures made from personal funds.

Method #1: Itemize the expenditure on the “Political Expenditures Made from Personal Funds” schedule (Schedule G) and check the box to indicate that you intend to seek reimbursement from political contributions. You may not correct a report to allow reimbursement without subjecting yourself to a possible penalty. When you reimburse yourself, which could be months or years later, report the reimbursement on the “Political Expenditures Made From Political Contributions” schedule (Schedule F1).

Example: On December 1, 2020, Candidate A spends \$500 of her own personal funds to purchase political advertising signs. She does not use a credit card for this purchase; the purchase is made using cash, check or a debit card. She reports the expenditure to the vendor on Schedule G and checks the box to indicate that reimbursement is intended. One year later, Candidate A reimburses herself from political contributions. She reports the reimbursement on Schedule F1. Candidate A is the payee and the purpose of the expenditure is to reimburse herself for a political expenditure made from personal funds on December 1, 2020.

If you intend to seek reimbursement from political contributions for a political expenditure of any amount made from personal funds, you must itemize the expenditure on Schedule G.

Method #2: Report the political expenditures made from your personal funds as a loan to your campaign on the “Loans” schedule (Schedule E). Next, report the political expenditures made from that loan as if they were made from political funds (report on Schedules F1, F2, F3, F4, or H as appropriate). Do NOT report political expenditures made from the loan on Schedule G.

The amount you report as a loan in a reporting period may NOT exceed the amount you actually spent from personal funds in that reporting period. In other words, do not report a \$100,000 loan to your campaign if the amount actually spent from personal funds in the reporting period was \$5,000. When you reimburse yourself, which could be months or years later, report the reimbursement on the Schedule F1.

Example: In one reporting period, Candidate B spends \$5,000 of his own personal funds to purchase political advertising materials. He spends \$3,000 at Business One and \$2,000 at Business Two. He reports the expenditures as a \$5,000 loan on Schedule E and then itemizes each of the two expenditures as a political expenditure on Schedule F1. A year later, Candidate B reimburses himself from political contributions by disclosing the reimbursement on Schedule F1. He reports the reimbursement on Schedule F1. Candidate B is the payee, the category of the expenditure is “Loan Repayment/Reimbursement,” and “political

expenditure made from personal funds reported as a loan” is an acceptable brief description.

Method #3: Deposit personal funds in an account in which your political contributions are maintained and report that amount as a loan on the "Loans" schedule (Schedule E). Next, report the political expenditures made from that loan as if they were made from political funds (report on Schedules F1, F2, F3, or H as appropriate). When you reimburse yourself, which could be months or years later, report the reimbursement on the Schedule F1. The reimbursement may not exceed the amount reported as a loan. Personal funds deposited in an account in which political contributions are held are subject to the personal use restriction.)

Example: In one reporting period, Candidate C opens a campaign bank account and deposits \$5,000 of her own personal funds into the account. She makes one \$3,000 expenditure for political advertising. Candidate C has no other activity in the reporting period. She reports the \$5,000 as a loan on Schedule E, itemizes the \$3,000 expenditure for the political advertising on Schedule F1, and includes the remaining \$2,000 on her contributions maintained at the end of the reporting period total. A year later, Candidate C reimburses herself from political contributions by disclosing the reimbursement on Schedule F1. Candidate C is the payee, the category of expenditure is "Loan Repayment/Reimbursement," and "political expenditure made from personal funds reported as a loan" is an acceptable brief description.

EXAMPLES: REPORTING STAFF REIMBURSEMENT

This list is for illustrative purposes only. It is intended to provide helpful information and to assist filers in reporting staff reimbursements.

When a staff member makes political payment(s) out of his or her personal funds, how you disclose the payment(s) depends on two things: 1) the aggregate total of those payments in the reporting period; and 2) whether or not you reimburse the staff worker in the same reporting period.

Example #1: The payment out of the staff worker's personal funds does not exceed \$5,000 in the reporting period **and** you reimburse the staff worker from political funds in the same reporting period – Itemize the payment (if over the \$220 itemization threshold) on Schedule F1 as if you made the expenditure directly to the vendor out of your political funds, with the name of the vendor who sold the goods or services as the payee for the expenditure. **Do not** disclose as the payee the name of your staff worker.

Example #2: The payment(s) out of the staff worker's personal funds are over \$5,000 in the aggregate in the reporting period **and** you reimburse the staff worker from political funds in the same reporting period – Use a 3-step process, disclosing everything on the same report: (1) On Schedule E, disclose the total amount paid from the staff worker's personal funds as a loan from the staff worker to your campaign; (2) On Schedule F1, itemize the payments made by your staff worker separately, with the names of the vendors who sold the goods or services to your staff worker as the payees for the expenditures. **Do not** disclose as the payee the name of your staff worker; and (3) On Schedule F1, disclose the payment to your staff worker for the reimbursement of the loan.

Example #3: The payment(s) out of the staff worker's personal funds do not exceed \$5,000 in the aggregate in the reporting period **but** you reimburse the staff worker from political funds in a different reporting period – Use a 3-step process, disclosing steps 1 and 2 on the same report and step 3 later, when the reimbursement occurs: (1) On Schedule E, disclose the total amount paid from the staff worker's personal funds as a loan from the staff worker to your campaign; (2) On Schedule F1, itemize the payments made by your staff worker separately, with the names of the vendors who sold the goods or services to your staff worker as the payees for the expenditures. **Do not** disclose as the payee the name of your staff worker; and (3) When you reimburse your staff worker, if ever, disclose on Schedule F1 of the report covering the period in which the reimbursement occurs the payment to your staff worker for the reimbursement of the loan.

POLITICAL ADVERTISING

What You Need to Know



The Texas Election Code requires certain disclosures and notices on political advertising. The law also prohibits certain types of misrepresentation in political advertising and campaign communications. This brochure explains what you need to know to insure that your political advertising and campaign communications comply with the law.

If you are not sure what the law requires, do the cautious thing. Use the political advertising disclosure statement whenever you think it might be necessary, and do not use any possibly misleading information in political advertising or a campaign communication. If you are using political advertising or campaign communications from a prior campaign, you should check to see if the law has changed since that campaign.

Candidates for federal office should check with the Federal Election Commission at (800) 424-9530 for information on federal political advertising laws.

NOTICE: This guide is intended only as a general overview of the disclosure statements that must appear on political advertising as required under [Chapter 255 of the Election Code](#), which is distinct from political reporting requirements under [Chapter 254 of the Election Code](#).

Texas Ethics Commission
P.O. Box 12070
Austin, Texas 78711-2070

(512) 463-5800

TDD (800) 735-2989

Visit us at www.ethics.state.tx.us.

Revised July 16, 2019

REQUIRED DISCLOSURE ON POLITICAL ADVERTISING

I. What Is Political Advertising?

The disclosure statement and notice requirements discussed in this section apply to “political advertising.” In the law, “political advertising” is a specifically defined term. Do not confuse this special term with your own common-sense understanding of advertising.

To figure out if a communication is political advertising, you must look at what it says and where it appears. If a communication fits in one of the categories listed in Part A (below) and if it fits in one of the categories listed in Part B (below), it is political advertising.

Part A. What Does It Say?

1. Political advertising includes communications supporting or opposing a candidate for nomination or election to either a public office or an office of a political party (including county and precinct chairs).
2. Political advertising includes communications supporting or opposing an officeholder, a political party, or a measure (a ballot proposition).

Part B. Where Does It Appear?

1. Political advertising includes communications that appear in pamphlets, circulars, fliers, billboards or other signs, bumper stickers, or similar forms of written communication.
2. Political advertising includes communications that are published in newspapers, magazines, or other periodicals in return for consideration.
3. Political advertising includes communications that are broadcast by radio or television in return for consideration.
4. Political advertising includes communications that appear on an Internet website.

II. When Is a Disclosure Statement Required?

The law provides that political advertising that contains express advocacy is required to include a disclosure statement. The person who causes the political advertising to be published, distributed, or broadcast is responsible for including the disclosure statement.

The law does not define the term “express advocacy.” However, the law does provide that political advertising is deemed to contain express advocacy if it is authorized by a candidate, an agent of a candidate, or a political committee filing campaign finance reports. Therefore, a disclosure statement is required any time a candidate, a candidate’s agent, or a political committee authorizes political advertising.

The precise language of political advertising authorized by someone other than a candidate, the candidate's agent, or a political committee will determine if the advertising contains express advocacy and is therefore required to include a disclosure statement. Generally, the question is whether the communication expressly advocates the election or defeat of an identified candidate, or expressly advocates the passage or defeat of a measure, such as a bond election. The inclusion of words such as "vote for," "elect," "support," "defeat," "reject," or "Smith for Senate" would clearly constitute express advocacy, but express advocacy is not limited to communications that use those words. Similar phrases, such as "Cast your ballot for X," would also constitute express advocacy. Additionally, in 2007, the United States Supreme Court held that an advertisement included express advocacy or its functional equivalent "if the ad is susceptible to no reasonable interpretation other than as an appeal to vote for or against a specific candidate." *FEC v. Wis. Right to Life, Inc.*, 551 U.S. 449 (2007). It is a question of fact whether a particular communication constitutes express advocacy. If you are not sure whether political advertising contains express advocacy, do the cautious thing and include the disclosure statement. That way, there is no need to worry about whether you have violated the law.

Remember: The concept of "express advocacy" is relevant in determining whether political advertising is required to include a disclosure statement. However, the political advertising laws governing the right-of-way notice, misrepresentation, and use of public funds by political subdivisions will apply to political advertising regardless of whether the advertising contains express advocacy.

III. What Should the Disclosure Statement Say?

A disclosure statement must include the following:

1. the words "political advertising" or a recognizable abbreviation such as "pol. adv."; and
2. the full name of one of the following: (a) the person who paid for the political advertising; (b) the political committee authorizing the political advertising; or (c) the candidate or specific-purpose committee supporting the candidate, if the political advertising is authorized by the candidate.

The disclosure statement must appear on the face of the political advertising or be clearly spoken if the political advertising is audio only and does not include written text.

The advertising should not be attributed to entities such as "Committee to Elect John Doe" unless a specific-purpose committee named "Committee to Elect John Doe" has filed a campaign treasurer appointment with the Ethics Commission or a local filing authority.

IV. Are There Any Exceptions to the Disclosure Statement Requirement?

The following types of political advertising do not need the disclosure statement:

1. t-shirts, balloons, buttons, emery boards, hats, lapel stickers, small magnets, pencils, pens, pins, wooden nickels, candy wrappers, and similar materials;
2. invitations or tickets to political fundraising events or to events held to establish support for a candidate or officeholder;

3. an envelope that is used to transmit political advertising, provided that the political advertising in the envelope includes the disclosure statement;
4. circulars or fliers that cost in the aggregate less than \$500 to publish and distribute;
5. political advertising printed on letterhead stationery, if the letterhead includes the name of one of the following: (a) the person who paid for the advertising, (b) the political committee authorizing the advertising, or, (c) the candidate or specific-purpose committee supporting the candidate, if the political advertising is authorized by the candidate. (Note: There is also an exception for holiday greeting cards sent by an officeholder, provided that the officeholder's name and address appear on the card or the envelope.)
6. postings or re-postings on an Internet website if the person posting or re-posting is not an officeholder, candidate, or political committee and did not make an expenditure exceeding \$100 in a reporting period for political advertising beyond the basic cost of hardware messaging software and bandwidth;
7. an Internet social media profile webpage of a candidate or officeholder, if the webpage clearly and conspicuously displays the full name of the candidate or officeholder; and
8. postings or re-postings on an Internet website if the advertising is posted with a link to a publicly viewable Internet webpage that either contains the disclosure statement or is an Internet social media profile webpage of a candidate or officeholder that clearly and conspicuously displays the candidate's or officeholder's full name.

V. What Should I Do If I Discover That My Political Advertising Does Not Contain a Disclosure Statement?

The law prohibits a person from using, causing or permitting to be used, or continuing to use political advertising containing express advocacy if the person knows it does not include the disclosure statement. A person is presumed to know that the use is prohibited if the Texas Ethics Commission notifies the person in writing that the use is prohibited. If you receive notice from the Texas Ethics Commission that your political advertising does not comply with the law, you should stop using it immediately.

If you learn that a political advertising sign designed to be seen from the road does not contain a disclosure statement or contains an inaccurate disclosure statement, you should make a good faith attempt to remove or correct those signs that have been distributed. You are not required to attempt to recover other types of political advertising that have been distributed with a missing or inaccurate disclosure statement.

VI. The Fair Campaign Practices Act.

The [Fair Campaign Practices Act](#) sets out basic rules of decency, honesty, and fair play to be followed by candidates and political committees during a campaign. A candidate or political committee may choose to subscribe to the voluntary code by signing a copy of the code and filing it with the authority with whom the candidate or committee is required to file its campaign

treasurer appointment. A person subscribing to the code may indicate that fact on political advertising by including the following or a substantially similar statement:

(Name of the candidate or political committee, as appropriate) subscribes to the Code of Fair Campaign Practices.

VII. Special Notice to Political Subdivisions and School Districts.

You may not use public funds or resources for political advertising. Please see our “Publications and Guides” section of our website for more information.

ROAD SIGNS

I. When Is the “Right-Of-Way” Notice Required?

All written political advertising that is meant to be seen from a road must carry a “right-of-way” notice. It is a criminal offense to omit the “right-of-way” notice in the following circumstances:

1. if you enter into a contract or agreement to print or make written political advertising meant to be seen from a road; or
2. if you instruct another person to place the written political advertising meant to be seen from a road.

II. What Should the “Right-Of-Way” Notice Say?

Section 259.001 of the Texas Election Code prescribes the exact language of the notice:

NOTICE: IT IS A VIOLATION OF STATE LAW (CHAPTERS 392 AND 393, TRANSPORTATION CODE) TO PLACE THIS SIGN IN THE RIGHT-OF-WAY OF A HIGHWAY.

III. Do Yard Signs Have to Have the “Right-Of-Way” Notice?

Yes. The “right-of-way” notice requirement applies to signs meant to be seen from any road. The notice requirement assures that a person responsible for placing signs is aware of the restriction on placing the sign in the right-of-way of a highway.

IV. What About Bumper Stickers?

Bumper stickers do not need the “right-of-way” notice. They do, however, need a political advertising disclosure statement.

V. Where May I Place My Signs and How Long May Signs Be Posted?

For information about exactly where you may or may not place signs, or for information regarding the length of time your signs may be posted, check with your city or county government or your homeowner’s association. The Texas Ethics Commission does not have

jurisdiction over matters involving the location of signs, and the length of time that they may be posted.

MISREPRESENTATION

I. Are There Restrictions on the Contents of Political Advertising?

Political advertising and campaign communications may not misrepresent a person’s identity or official title, nor may they misrepresent the true source of the advertising or communication. The election law does not address other types of misrepresentation in political advertising or campaign communications.

Note that the misrepresentation rules apply to both political advertising and campaign communications. “Campaign communication” is a broader term than “political advertising.”

A “campaign communication” means “a written or oral communication relating to a campaign for nomination or election to public office or office of a political party or to a campaign on a measure.”

II. Misrepresentation of Office Title.

A candidate may not represent that he or she holds an office that he or she does not hold at the time of the representation. **If you are not the incumbent in the office you are seeking, you must make it clear that you are seeking election rather than reelection by using the word “for” to clarify that you don’t hold that office.** The word “for” must be at least one-half the type size as the name of the office and should appear immediately before the name of the office. For example, a non-incumbent may use the following formats:

**Vote John Doe
for Attorney General**

**John Doe
For
Attorney General**

A non-incumbent may not be allowed to use the following verbiage:

**Elect John Doe
Attorney General**

**John Doe
Attorney General**

III. Misrepresentation of Identity or Source.

A person violates the law if, with intent to injure a candidate or influence the result of an election, the person misrepresents the source of political advertising or a campaign communication or if the person misrepresents his or her own identity or the identity of his or her agent in political advertising or in a campaign communication. (If someone else is doing something for you, that person is your agent.) For example, you may not take out an ad in favor of your opponent that purports to be sponsored by a notoriously unpopular group.

IV. Use of State Seal.

Only current officeholders may use the state seal in political advertising.

V. Criminal Offenses.

Be aware that many violations of the Election Code are criminal offenses. For example, unlawfully using public funds for political advertising can be a Class A misdemeanor. So can misrepresenting one's identity or office title in political advertising. For more details on these offenses and political advertising in general, see [Chapter 255 of the Election Code](#).

CHAPTER 255. REGULATING POLITICAL ADVERTISING AND CAMPAIGN COMMUNICATIONS

Sec. 255.001. REQUIRED DISCLOSURE ON POLITICAL ADVERTISING.

(a) A person may not knowingly cause to be published, distributed, or broadcast political advertising containing express advocacy that does not indicate in the advertising:

- (1) that it is political advertising; and
- (2) the full name of:

- (A) the person who paid for the political advertising;
- (B) the political committee authorizing the political advertising; or
- (C) the candidate or specific-purpose committee supporting the candidate, if the political advertising is authorized by the candidate.

(b) Political advertising that is authorized by a candidate, an agent of a candidate, or a political committee filing reports under this title shall be deemed to contain express advocacy.

(c) A person may not knowingly use, cause or permit to be used, or continue to use any published, distributed, or broadcast political advertising containing express advocacy that the person knows does not include the disclosure required by Subsection (a). A person is presumed to know that the use of political advertising is prohibited by this subsection if the commission notifies the person in writing that the use is prohibited. A person who learns that political advertising signs, as defined by Section 259.001 [~~255.007~~], that have been distributed do not include the disclosure required by Subsection (a) or include a disclosure that does not comply with Subsection (a) does not commit a continuing violation of this subsection if the person makes a good faith attempt to remove or correct those signs. A person who learns that printed political advertising other than a political advertising sign that has been distributed does not include the disclosure required by Subsection (a) or includes a disclosure that does not comply with Subsection (a) is not required to attempt to recover the political advertising and does not commit a continuing violation of this subsection as to any previously distributed political advertising.

(d) This section does not apply to:

- (1) tickets or invitations to political fund-raising events;
- (2) campaign buttons, pins, hats, or similar campaign materials; or
- (3) circulars or flyers that cost in the aggregate less than \$500 to publish and

distribute.

(e) A person who violates this section is liable to the state for a civil penalty in an amount determined by the commission not to exceed \$4,000.

Sec. 255.002. RATES FOR POLITICAL ADVERTISING.

(a) The rate charged for political advertising by a radio or television station may not exceed:

- (1) during the 45 days preceding a general or runoff primary election and during the 60 days preceding a general or special election, the broadcaster's lowest unit charge for advertising of the same class, for the same time, and for the same period; or

- (2) at any time other than that specified by Subdivision (1), the amount charged other users for comparable use of the station.

(b) The rate charged for political advertising that is printed or published may not exceed the lowest charge made for comparable use of the space for any other purposes.

(c) In determining amounts charged for comparable use, the amount and kind of space or time used, number of times used, frequency of use, type of advertising copy submitted, and any other relevant factors shall be considered.

(d) Discounts offered by a newspaper or magazine to its commercial advertisers shall be offered on equal terms to purchasers of political advertising from the newspaper or magazine.

(e) A person commits an offense if the person knowingly demands or receives or knowingly pays or offers to pay for political advertising more consideration than permitted by this section.

(f) An offense under this section is a Class C misdemeanor.

Sec. 255.003. UNLAWFUL USE OF PUBLIC FUNDS FOR POLITICAL ADVERTISING.

(a) An officer or employee of a political subdivision may not knowingly spend or authorize the spending of public funds for political advertising.

(b) Subsection (a) does not apply to a communication that factually describes the purposes of a measure if the communication does not advocate passage or defeat of the measure.

(b-1) An officer or employee of a political subdivision may not spend or authorize the spending of public funds for a communication describing a measure if the communication contains information that:

- (1) the officer or employee knows is false; and
- (2) is sufficiently substantial and important as to be reasonably likely to influence a voter to vote for or against the measure.

(c) A person who violates Subsection (a) or (b-1) commits an offense. An offense under this section is a Class A misdemeanor.

(d) It is an affirmative defense to prosecution for an offense under this section or the imposition of a civil penalty for conduct under this section that an officer or employee of a political subdivision reasonably relied on a court order or an interpretation of this section in a written opinion issued by:

- (1) a court of record;
- (2) the attorney general; or
- (3) the commission.

(e) On written request of the governing body of a political subdivision that has ordered an election on a measure, the commission shall prepare an advance written advisory opinion as to whether a particular communication relating to the measure does or does not comply with this section.

(f) Subsections (d) and (e) do not apply to a port authority or navigation district.

Sec. 255.0031. UNLAWFUL USE OF INTERNAL MAIL SYSTEM FOR POLITICAL ADVERTISING.

(a) An officer or employee of a state agency or political subdivision may not knowingly use or authorize the use of an internal mail system for the distribution of political advertising.

(b) Subsection (a) does not apply to:

- (1) the use of an internal mail system to distribute political advertising that is delivered to the premises of a state agency or political subdivision through the United States Postal Service; or

(2) the use of an internal mail system by a state agency or municipality to distribute political advertising that is the subject of or related to an investigation, hearing, or other official proceeding of the agency or municipality.

(c) A person who violates this section commits an offense. An offense under this section is a Class A misdemeanor.

(d) In this section:

(1) "Internal mail system" means a system operated by a state agency or political subdivision to deliver written documents to officers or employees of the agency or subdivision.

(2) "State agency" means:

(A) a department, commission, board, office, or other agency that is in the legislative, executive, or judicial branch of state government;

(B) a university system or an institution of higher education as defined by Section 61.003, Education Code; or

(C) a river authority created under the constitution or a statute of this state.

Sec. 255.004. TRUE SOURCE OF COMMUNICATION.

(a) A person commits an offense if, with intent to injure a candidate or influence the result of an election, the person enters into a contract or other agreement to print, publish, or broadcast political advertising that purports to emanate from a source other than its true source.

(b) A person commits an offense if, with intent to injure a candidate or influence the result of an election, the person knowingly represents in a campaign communication that the communication emanates from a source other than its true source.

(c) An offense under this section is a Class A misdemeanor.

(d) A person commits an offense if the person, with intent to injure a candidate or influence the result of an election:

(1) creates a deep fake video; and

(2) causes the deep fake video to be published or distributed within 30 days of an election.

(e) In this section, "deep fake video" means a video, created with the intent to deceive, that appears to depict a real person performing an action that did not occur in reality.

Sec. 255.005. MISREPRESENTATION OF IDENTITY.

(a) A person commits an offense if, with intent to injure a candidate or influence the result of an election, the person misrepresents the person's identity or, if acting or purporting to act as an agent, misrepresents the identity of the agent's principal, in political advertising or a campaign communication.

(b) An offense under this section is a Class A misdemeanor.

Sec. 255.006. MISLEADING USE OF OFFICE TITLE.

(a) A person commits an offense if the person knowingly enters into a contract or other agreement to print, publish, or broadcast political advertising with the intent to represent to an ordinary and prudent person that a candidate holds a public office that the candidate does not hold at the time the agreement is made.

(b) A person commits an offense if the person knowingly represents in a campaign communication that a candidate holds a public office that the candidate does not hold at the time the representation is made.

(c) For purposes of this section, a person represents that a candidate holds a public office that the candidate does not hold if:

(1) the candidate does not hold the office that the candidate seeks; and

(2) the political advertising or campaign communication states the public office sought but does not include the word "for" in a type size that is at least one-half the type size used for the name of the office to clarify that the candidate does not hold that office.

(d) A person other than an officeholder commits an offense if the person knowingly uses a representation of the state seal in political advertising.

(e) An offense under this section is a Class A misdemeanor.

[Section 255.007, Election Code, was moved to Section 259.001, Election Code]

~~[Sec. 255.007. NOTICE REQUIREMENT ON POLITICAL ADVERTISING SIGNS.~~

~~(a) The following notice must be written on each political advertising sign:~~

~~"NOTICE: IT IS A VIOLATION OF STATE LAW (CHAPTERS 392 AND 393, TRANSPORTATION CODE), TO PLACE THIS SIGN IN THE RIGHT OF WAY OF A HIGHWAY."~~

~~(b) A person commits an offense if the person:~~

~~(1) knowingly enters into a contract to print or make a political advertising sign that does not contain the notice required by Subsection (a); or~~

~~(2) instructs another person to place a political advertising sign that does not contain the notice required by Subsection (a).~~

~~(c) An offense under this section is a Class C misdemeanor.~~

~~(d) It is an exception to the application of Subsection (b) that the political advertising sign was printed or made before September 1, 1997, and complied with Subsection (a) as it existed immediately before that date.~~

~~(e) In this section, "political advertising sign" means a written form of political advertising designed to be seen from a road but does not include a bumper sticker.]~~

Sec. 255.008. DISCLOSURE ON POLITICAL ADVERTISING FOR JUDICIAL OFFICE.

(a) This section applies only to a candidate or political committee covered by Subchapter F, Chapter 253.

(b) Political advertising by a candidate who files a declaration of intent to comply with the limits on expenditures under Subchapter F, Chapter 253, or a specific-purpose committee for supporting such a candidate may include the following statement: "Political advertising paid for by (name of candidate or committee) in compliance with the voluntary limits of the Judicial Campaign Fairness Act."

(c) Political advertising by a candidate who files a declaration of intent to comply with the limits on expenditures under Subchapter F, Chapter 253, or a specific-purpose committee for supporting such a candidate that does not contain the statement prescribed by Subsection (b) must comply with Section 255.001.

(d) Political advertising by a candidate who files a declaration of intent to exceed the limits on expenditures under Subchapter F, Chapter 253, or a specific-purpose committee for supporting such a candidate must include the following statement: "Political advertising paid for by (name of candidate or committee), (who or which) has rejected the voluntary limits of the Judicial Campaign Fairness Act."

(e) The commission shall adopt rules providing for:

(1) the minimum size of the disclosure required by this section in political advertising that appears on television or in writing; and

(2) the minimum duration of the disclosure required by this section in political advertising that appears on television or radio.

(f) A person who violates this section or a rule adopted under this section is liable for a civil penalty not to exceed:

(1) \$15,000, for a candidate for a statewide judicial office or a specific-purpose committee for supporting such a candidate;

(2) \$10,000, for a candidate for chief justice or justice, court of appeals, or a specific-purpose committee for supporting such a candidate; or

(3) \$5,000, for a candidate for any other judicial office covered by Subchapter F, Chapter 253, or a specific-purpose committee for supporting such a candidate.

(g) Section 253.176 applies to the imposition and disposition of a civil penalty under this section.



Political and Campaign Signs

Right of Way Division

Interstate and Primary Highways

During campaign season, the landscape blooms with a special kind of flower - the political sign. Unlike wildflowers which are welcome anywhere, putting campaign signs on public lands is illegal. So before you plant that sign, learn the law and keep Texas beautiful.

TxDOT only controls the location of commercial signs, and never controls the content of any signage. If you have questions about what may be on a political sign, please contact the Texas Ethics Commission at (512) 463-5800.

Frequently Asked Questions

Where can I place political signs?

You can place your signs anywhere so long as they are:

- 1) not in the highway right of way;
- 2) not in a location that poses a safety hazard (e.g. blocking sight to a driveway); and
- 3) placed with the landowner's permission.

Always make sure to check with local authorities (cities, counties, etc.) as they may have their own restrictions on sign placement.

When can I place political signs?

Cities and counties may have their own time restrictions for political signs, however TxDOT does not enforce any timing restrictions.

There is a sign on private property posing a safety hazard

If you believe a sign or signs create a safety hazard, contact local law enforcement as they can have the owner remove or relocate their sign(s).

There are signs located on the Right of Way (ROW)

Signs cannot be placed on the ROW as per Texas Transportation Code §393.002. "A sheriff, constable, or other trained volunteer authorized by the commissioners court of a county may confiscate a sign placed in violation of Section 393.002." [TEX. TRANS. CODE §393.003]. For state-maintained highways, your local TxDOT district office also has the authority to remove signs located on state owned right of way.

Where is the ROW?

If you are unsure where the ROW starts or ends, you should contact your local TxDOT district office.

Online Information

This same information is available online on TxDOT's website and can be accessed by the below method:



Contact Us

The contact information for your local TxDOT office can be found online at:

www.txdot.gov → About → TxDOT Districts

Then find your county and select the "Discover" link for specific contact information.

For any other questions concerning signs along Texas highways, contact the TxDOT Commercial Signs Regulatory Section:

ROW_OutdoorAdvertising@txdot.gov

or by phone:

(512) 416-3030



CAMPAIGN ADVERTISING

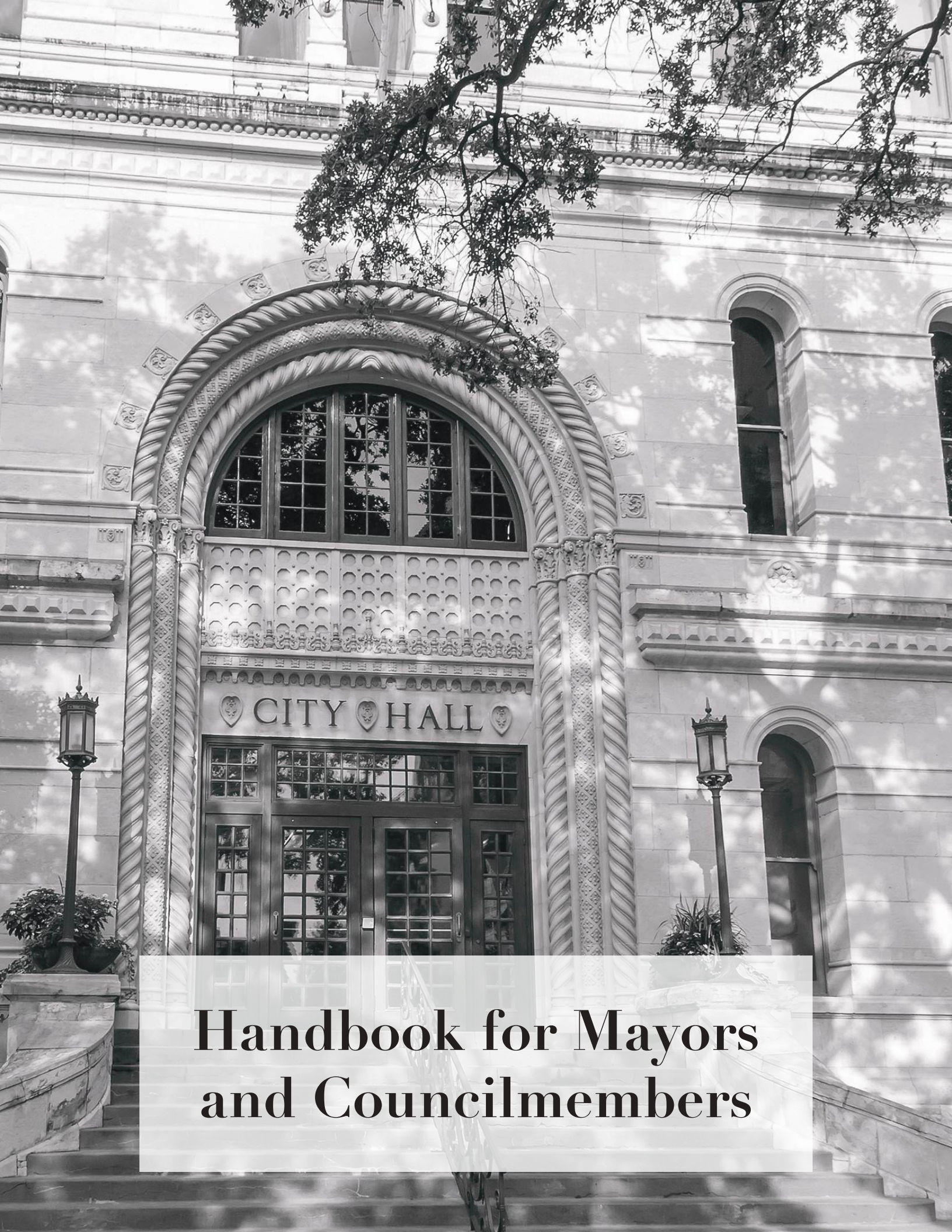
WHAT YOU NEED TO KNOW ABOUT POLITICAL SIGNS

(Amarillo Municipal Code – Title IV, Chapter 4-2)

A political sign can announce an upcoming election, announce a position as a candidate for a political office, or announce an issue in an upcoming election.

Political signs are generally exempt from permit requirements, with a few restrictions:

1. Signs must be placed on private property and only with the consent of the property owner. Signs cannot be placed on utility poles, light poles, street sign poles, or other similar structures.
2. The area between the curb and sidewalk is usually city right-of-way: no signs are allowed there.
3. The sign cannot display goods, services, or any other advertising message.
4. The size of a political sign cannot exceed an area equal to one square foot per linear foot of lot frontage on which the sign is erected or 36 square feet, whichever is greater. Lot frontage is measured along the curb, from property line to property line.
5. Signs must be removed within 30 days following the election or activity for which the sign was intended.



Handbook for Mayors and Councilmembers

Note to the City of Amarillo Potential City Councilmember:

This 2024 Handbook for Mayors and Councilmembers is an excellent foundational tool for learning more about the complex and dynamic role of the City Council, City Management, and overall City Operations. It is important to note though that not all cities in Texas are alike. This handbook is written for all cities, therefore it includes some information that does not pertain to the City of Amarillo. We have attempted to go through and cross out those sections that do not apply. For example, there are two types of cities under Texas law: Home Rule and General Law. The City of Amarillo is a Home Rule city. As an example, the City of Reno is a General Law city. To learn more about the differences, please read on in this packet. Please feel free to read anything and everything in this packet that was crossed off, but knowing that your time is precious, our attempt is to help narrow down the reading, for your convenience. On occasion, we have also included a few comments on the page that can be viewed electronically simply by clicking on the note icon on the screen. Should you have any trouble viewing those, please let us know. If at any point you have any questions regarding the material you read, please do not hesitate to ask!

Sincerely,
City of Amarillo Staff

TEXAS MUNICIPAL LEAGUE

1821 Rutherford Lane, Suite 400, Austin, Texas 78754

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2024 HANDBOOK FOR MAYORS AND COUNCILMEMBERS

Foreword

Serving as a local elected official is one of the most demanding—and often thankless—tasks a citizen can perform. Municipal officials can be called upon day and night. They are subject to constant criticism, and almost everything they do will be wrong in someone’s opinion. Many spend their own money to campaign for election; most receive little, if any, pay for the job.

But serving in local office can also be rewarding and productive. For many, it is more important than being in Congress or the state legislature because the city is the real world where municipal officials can make good things happen for their fellow city residents.

We hope this handbook will offer a few suggestions that will make your job easier. Obviously, this guide cannot touch upon every relevant subject, but it does include what we think are the most important topics. Throughout, however, it should be recognized that this handbook is only a guide and that there is no substitute for competent legal advice regarding interpretations of the law and other questions that might arise in specific situations.

If you don’t find the answers to your questions about the part of city government you are covering or the issues facing cities today, we’re ready to assist you in any way we can. Just give us a call at 512-231-7400, email us at legalinfo@tml.org, or visit our website at www.tml.org.

We wish you great success.

BENNETT SANDLIN

TML Executive Director



TABLE of CONTENTS

INTRODUCTION	7	CHAPTER FIVE: THE CITY COUNCIL AT WORK: MEETINGS	35
CHAPTER ONE: LOCAL GOVERNMENT IN TEXAS	8	Legal Requirements	35
Units of Local Government	8	Texas Open Meetings Act	35
Categories of General Law Cities	9	Public Information Act	37
City Manager Plan	10	Formal Meetings of the Council/ The Agenda	39
The Home Rule Concept	11	Rules of Order and Procedure	40
Inherent Powers of Home Rule Cities	12	Motions	40
Limitations on Home Rule Powers	13	Streamlining Council Meetings	43
The Charter Document	15	Council Work Sessions	44
Forms of Home Rule City Government	15	Public Participation	44
		Public Hearings	45
CHAPTER TWO: ROLES AND RESPONSIBILITIES OF OFFICERS IN GENERAL LAW CITIES	17	CHAPTER SIX: FINANCIAL ADMINISTRATION	47
Office of the Mayor	17	Revenue Sources	47
Office of the Mayor Pro Tem	20	Budgeting	50
Office of Councilmember	20	Municipal Borrowing	52
Qualifications	21	General Obligation Debt	53
Terms of Office	21	Revenue Bonds	54
Vacancies	22	Bond Ratings	54
Absences	22	Bond Elections	55
Removal	22	Installment Obligations	55
Compensation	22	Anticipation Notes	55
Expense Reimbursement	22	Capital Improvements Programming	56
		Financial Reporting	57
CHAPTER THREE: ROLES AND RESPONSIBILITIES OF OFFICERS IN HOME RULE CITIES	23	Investments	57
Office of the Mayor	23	Financial Warning Signals	58
Office of the Mayor Pro Tem	24	CHAPTER SEVEN: ORDINANCES AND RESOLUTIONS	59
Office of Councilmember	25	Compatibility of Ordinances with State and Federal Laws	59
Terms of Office	25	Validity of Ordinances	60
Qualifications	26	Form of the Ordinance	60
Vacancies	26	CHAPTER EIGHT: CONFLICTS OF INTEREST	63
Compensation	27	Dual Office-Holding	63
CHAPTER FOUR: POWERS AND DUTIES OF CITIES	29	City Actions that Benefit Members of Council	63
Administrative Oversight in General Law Cities	29	Nepotism	66
Administrative Oversight in Home Rule Cities	30	Purchasing	66
The Police Power	31	CHAPTER NINE: PERSONAL LIABILITY OF MEMBERS OF CITY COUNCIL	67
Planning, Subdivision Controls, and Annexation	31	Liability Under State Law	67
Regulation of Streets and Other Public Places	32	Liability Under Federal Law	68
Construction of Public Facilities	32	CHAPTER TEN: SOURCES OF INFORMATION	69
Donations of City Funds	32	Local Sources	69
Payment of Bonuses to City Employees	33	Texas Municipal League	69
Public Purchasing	33	National Resources	69
City Depository	34		
Uniform Election Dates	34		
Official Newspaper	34		
Federal Voting Rights Act	34		
Delegation of Legislative Powers	34		

About the Texas Municipal League



In the summer of 1913, Professor Herman G. James, director of the Bureau of Municipal Research and Reference at the University of Texas at Austin, and A.P. Woolridge, then the mayor of Austin, formed the League of Texas Municipalities.

The two men invited representatives from all Texas cities to come to Austin on November 4, 1913, for an organizational meeting. Fourteen cities sent representatives to Austin. At that first meeting, a modest membership fee was approved along with a constitution to govern the association.

Since that time, the League has grown into one of the largest and most respected organizations of its kind in the nation. From the original 14 members, TML's membership has grown to over 1,170 cities. Membership is voluntary and open to any city in Texas. More than 16,000 mayors, councilmembers, city managers, city attorneys, and department heads are member officials of the League by virtue of their cities' participation. Guided by its purpose statement – *Empowering Texas cities to serve their citizens* – TML exists to provide support and services to city governments in Texas.

League services to its member cities include legal information on municipal legal matters, legislative representation on the state and federal levels, information and research, publication of a monthly magazine, conferences and training seminars on municipal issues, and professional development of member city officials.

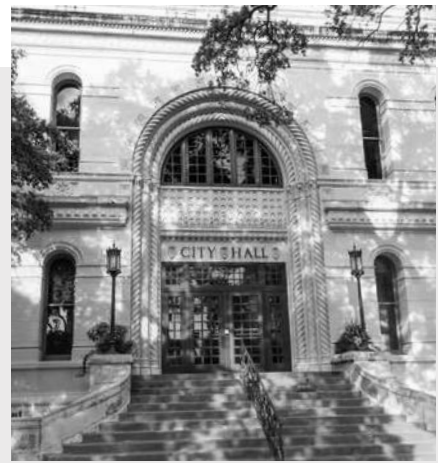
Introduction

HOW TO USE THIS HANDBOOK

In the past, the League has prepared two separate handbooks for city officials: one for those in general law cities, and one for those in home rule cities. In the interest of efficiency, those books have been combined to form this *Handbook for Mayors and Councilmembers*. Most of the information is relevant to all cities. But a fundamental understanding of the fact that there are two types of cities in Texas will help the reader recognize those areas where a distinction is made.

The two types of cities in Texas are general law and **home rule**. Most smaller cities (those with 5,000 or fewer inhabitants) are general law cities. A general law city operates exactly as its name implies: it can do only what state law expressly authorizes. The most important part of that authorization is the form of government of a general law city. State law defines the composition of the governing body and various items that go with that (such as filling vacancies on the governing body). Chapter two describes in detail the roles and responsibilities of officers in general law cities: Type A, Type B, and Type C. The main differences in the powers of the different types of cities are largely of historical interest, but the state law directing the makeup of the governing body is still very important.

When a general law city reaches 5,000 inhabitants, it may follow procedures in state law to draft a home rule charter. The draft is then submitted to the voters of the city at an election. If the voters approve the charter at the election, the city becomes a home rule city. **A home rule city is governed by its charter (see chapter three**



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for the roles and responsibilities of officers in home rule cities) and looks to state law for limitations on its power. The state legislature has frequently passed laws that limit the authority of home rule cities, and state law also frequently imposes certain procedures that must be followed by any type of city.

This handbook is meant to be a broad and general overview of cities in Texas. Many of the topics are covered in much more detail in various papers and memos available from the League. City officials with questions about items in this book or anything relating to the governance or authority of their city should visit the TML website at www.tml.org and/or contact the League's legal services department at legalinfo@tml.org. The information in this handbook, or other information obtained from the League, should never be substituted for the advice of local legal counsel.



Chapter One: Local Government in Texas

Understanding city government requires some knowledge of all local governments. This chapter briefly discusses counties, school districts, council of governments, and types of city governments.

Units of Local Government

According to 2022 Census of Government figures, Texas has 1,225 cities, 254 counties, 1,070 school districts, and 2,984 special districts. During the past 20 years, the number of special districts has steadily increased, due mainly to the rapid creation of water districts in unincorporated areas. Conversely, the number of school districts has steadily declined as smaller systems have consolidated with larger ones. The number of counties has remained constant for 100 years, while the number of cities is increasing at an average of about 10 per year.

The United States Census Bureau also recognized that five of the 10 cities with the largest recent population gains were in Texas — San Antonio, Fort Worth, Georgetown, Leander, and New Braunfels. Texas also had six of the most recent 15 fastest-growing cities by percentage — New Braunfels, Georgetown, Kyle, Little Elm, Leander, and Conroe.

Counties

Counties are known as “general purpose” governments due to the many different functions they perform. Counties serve the dual purposes of providing governmental services for the benefit of their residents and administrative services on behalf of the state. Major governmental services include road construction and maintenance, jails and courts, welfare, health, and law enforcement. Administrative services performed by counties as agents of the state include voter registration and motor vehicle licensing.

Special Districts

Schools and the many types of special districts are known as “single-purpose” governments, since they usually perform just one function, such as education, water supply, or hospital care. Most special districts serve a limited geographical area and were created because of the inability of general purpose local governments to provide a particular service.

Councils of Governments

Councils of governments (COGs) are also known as “regional planning commissions.” COGs are defined as “political subdivisions of the state” under Texas law. However, COGs differ considerably from cities, counties, and other conventional local governments because they cannot levy taxes nor incur debt.

COGs are voluntary, area-wide associations of local governments. Their function is to foster local cooperation among localities by serving as forums for intergovernmental problem-solving and by planning governmental programs and facilities on a regional basis. Though they do not have broad power to execute projects, many of the state’s COGs provide direct services on a limited basis.

Each COG operates under the supervision of a governing body composed of elected officials representing participating local governments. Financing is provided by a combination of dues paid by member governments and federal and state funds.

Cities

Among all the different types of local governments, cities perform the greatest number of functions, both governmental and proprietary.

State law specifically defines and lists certain activities as either governmental or proprietary functions in the Texas Tort Claims Act. The law lists 36 functions that are governmental. Included among them are police and fire protection, health and sanitation services, street construction and design, transportation systems, establishment and maintenance of jails, and enforcement of land use restrictions. Three functions are listed as

proprietary: the operation and maintenance of a public utility, amusements owned and operated by a city, and any activity that is abnormally dangerous or ultra-hazardous. Functions that are listed as governmental are not included as proprietary functions.

There are two categories of cities in Texas: home rule and general law.

Home rule cities are larger cities with more than 5,000 inhabitants in which the residents of the city have adopted a home rule charter. A charter is a document that establishes the city's governmental structure and provides for the distribution of powers and duties among the various branches of government.

The legal position of home rule cities is the reverse of general law cities. Rather than looking to state law to determine what they may do, as general law cities must, home rule cities look to the state constitution and state statutes to determine what they may not do. Thus, if a proposed home rule city action has not been prohibited, limited, or preempted by the state, the city generally can proceed.

General law cities are smaller cities, most of which are less than 5,000 in population. All general law cities operate according to specific state statutes prescribing their powers and duties. General law cities are limited to doing what the state authorizes or permits them to do. If state law does not grant general law cities the express or implied power to initiate a particular action, none may be taken.

Approximately seventy-five percent of all Texas cities operate under the general laws; the remainder are home rule cities. "General law" is a term used to describe all of the state laws applicable to a particular class of things. A general law city, therefore, is one that is subject to all of the state laws applicable to such cities, many of which are found in the Local Government Code.

General law city officials occasionally call the Texas Municipal League office to request a copy of their "city charters." Unlike home rule cities, general law cities do not have charters. The creation of a general law city is documented in its incorporation papers, filed at the county courthouse, which

describe when the city was established and its original boundaries.

Categories of General Law Cities



There are three categories of general law cities: Type A, Type B, and Type C. Although it is sometimes difficult to distinguish between the types, it is necessary to know the difference in order to determine which state laws apply.

Type B General Law Cities

Most new cities begin as Type B general law cities under a state law that permits the incorporation of any area containing 201 to 10,000 inhabitants. Later, as the population of a city grows to 600 or more, it can make a transition to Type A.

In a Type B general law city with the aldermanic form of government, the governing body is known as the "board of aldermen" and includes six members (a mayor and five aldermen), all of whom are elected at large. At its discretion, the board of aldermen may provide by ordinance for the appointment or election of such additional officers as are needed to conduct the business of the city.

A Type B general law city has the same powers and duties as a Type A general law city, except where specifically provided otherwise. In other words, a Type B general law city has the authority of a Type A general law city in a particular issue where the law governing a Type B city is silent on the particular issue.

Type A General Law Cities

Type A general law cities are usually the larger general law cities. Most were incorporated under Type B status and then switched to Type A status when their population increased to 600 or more, or when they had at least one manufacturing establishment.

The governing body of a city operating as a Type A general law city is technically known as the board of aldermen, although many cities refer to it as the "city council." The governing body varies in size depending on whether the city has been

divided into wards. If the city has been divided into wards, the council consists of a mayor and two councilmembers from each ward—whatever the number. If the city has not been divided into wards, the governing body always consists of a mayor and five councilmembers.

In addition to the city council, other municipal officers include a marshal, treasurer, tax assessor-collector, city secretary, city attorney, and engineer. Whether these offices are elective or appointive depends on the method selected by the city council for filling them. Moreover, the city council may provide by ordinance for the appointment or election of such other municipal officers as it deems necessary.

Type C General Law Cities

A Type C general law city operates with the commission form of government. The governing body is known as the “board of commissioners” and always consists of a mayor and two commissioners. No other elective officers are required; however, the board of commissioners must appoint a city clerk, and may provide by ordinance for the election or appointment of such other officers as are required.

In a Type C general law city of 500 or less population, the board of commissioners must follow the requirements applicable to a Type B general law city—that is, the board of commissioners has the same powers and duties as the board of aldermen in a Type B general law city, except where specifically provided otherwise. In a city of over 500 population, the board of commissioners must follow the requirements of a Type A general law city, except where specifically provided otherwise.

Any city operating under the commission form of government can change over to the aldermanic form of government, and vice versa. The commission form of government in a general law city should not be confused with the commission plan adopted by the City of Galveston at the turn of the century. Under the Galveston plan, each member of the municipal governing body—the city commission—simultaneously served as legislators and heads of the city’s administrative departments. Thus, one member of the governing body served as

“police commissioner,” another served as “fire commissioner,” and so on, with each commissioner exercising day-to-day supervisory authority over a particular department.

General law cities operating under the commission form of government are not authorized to adopt the Galveston plan.

In a general law city, one commissioner, alderman or councilmember, acting alone, has no individual power; only the commission, board of alderman or city council, acting collectively, exercises power.

City Manager Plan

The city manager plan can be adopted in any general law city under the provisions of Chapter 25 of the Local Government Code:

- 1) Upon presentation of a petition signed by at least 20 percent of the total number of qualified voters voting for mayor in the last preceding city election, the mayor must call an election on the question of adopting the city manager plan within 10 days after the date the petition is filed.
- 2) If a majority of the votes cast at the election favor adoption of the city manager plan, the council must, within 60 days after the election, appoint a city manager and fix his or her salary by ordinance.
- 3) The administration of the city is to be placed in the hands of the city manager, who serves at the pleasure of the city council.
- 4) In any city where the city manager plan has been approved, all officers of the city, except members of the governing body, thereafter shall be appointed as may be provided by ordinance.
- 5) Procedures for repealing the city manager plan are essentially the same as for adopting it.

The basic structure of the city manager plan is similar to that of a private corporation, in which the stockholders elect a board of directors which then hires a president to run the company. Under the city manager plan, the voters elect a city council which, in turn, hires a city manager to

administer the city's day-to-day affairs.

Under the city manager plan, the council serves as the legislative body. The council sets policy, it approves the budget and sets the tax rate, and it determines the size of the payroll and the extent and cost of municipal services. In short, the council is the final authority on all of the many policy decisions that determine the scope and functions of the city government.

The mayor and councilmembers have no administrative duties under the city manager plan. These are vested in the city manager, who is responsible for directing the workforce and programs of the city in accordance with ordinances, rules, and regulations adopted by the council.

The typical city manager in Texas is appointed for an indefinite term and is subject to dismissal by the council at any time except as otherwise prohibited by law. He or she is designated as the chief executive and administrative officer of the city and is accountable to the council for the proper conduct of all municipal operations. The manager has the unilateral authority to hire, discipline, and fire the department heads under the manager's control. In some cases, however, certain employees, such as the city attorney or municipal judge, are directly hired and/or supervised by the council rather than the manager. Although the manager's role varies from one city to another, the primary function is to implement the policies established by the council and ensure that the city is operated in an economical and responsible manner. Specific duties of the manager may include the following:

- 1) Enforcing all city ordinances, rules, and regulations.
- 2) Supervising all municipal employees and programs.
- 3) Preparing and executing the city's annual budget pursuant to the revenue and expenditure plans adopted by the council.
- 4) Managing the city's funds and preparing periodic reports that advise the council and the general public of the city's financial condition.
- 5) Providing information to the council to facilitate its ability to make informed decisions in the best interests of the city.

- 6) Preparing council meeting agendas and attending all such meetings to serve as a resource to the council and the public.
- 7) Drawing the council's attention to community needs and recommending alternatives by which the council can respond to those needs.

Adopting the city manager plan does not change the basic governmental framework of a general law city. Rather, it is an administrative mechanism added to the basic structure.

Legislation passed in 2003 clarifies that city councils of cities that have not adopted a city manager plan under chapter 25 of the Local Government Code are free to delegate by ordinance management duties to a city administrator.

The Home Rule Concept

Although scholars have used a variety of flowery phrases to describe the concept of home rule, the principle is simple: home rule is the right of citizens at the grassroots level to manage their own affairs with minimum interference from the state. Home rule assumes that governmental problems should be solved at the lowest possible level, closest to the people.

As mentioned earlier, home rule cities look to the state to tell them what they are prohibited from doing, rather than for specific grants of authority to undertake particular functions. In *Forwood v. City of Taylor*, the Texas Supreme Court summarized Texas' home rule doctrine as follows:

It was the purpose of the Home-Rule Amendment ... to bestow upon accepting cities and towns of more than 5,000 population full power of self-government, that is, full authority to do anything the legislature could theretofore have authorized them to do. The result is that now it is necessary to look to the acts of the legislature not for grants of power to such cities but only for limitations on their powers.

As a result of the *Forwood* case and other court decisions upholding their broad powers, home rule cities have the inherent authority to do just about

anything that qualifies as a “public purpose” and is not contrary to the constitution or laws of the state.

Inherent Powers of Home Rule Cities

An “inherent power” is one that is possessed by a city without its having been specifically granted by the state. It is the right to perform an act without having received that right from the Texas Constitution or the state legislature.

Home rule cities have many inherent powers. A discussion of some of the inherent powers of major significance may explain why so many cities have chosen to adopt home rule charters.

Municipal Organization

In contrast to counties or general law cities, whose organization is fixed by state law, the governmental structure of a home rule city is left entirely to the discretion of local voters. The residents of a home rule city are free to decide their form of municipal government (mayor-council, council-manager, and so on); choose between a large or small city council; provide for the election of the city council at-large, by single-member district, or by place; fix the terms of office for councilmembers at two, three, or four years; or establish overlapping terms of office. Moreover, they can decide whether the mayor is to be elected directly by the voters, selected from among members of the council, or chosen by some other method.

The residents of a home rule city also have total discretion over the city’s administrative structure. Subject only to local preferences, the charter can establish a simple administrative framework or a complex one, provide for the appointment or election of major administrative officials, and so on. And finally, the charter can provide for the creation of any boards or commissions that local voters decide are necessary to make the city function effectively.

Annexation

From 1912-2019, the inherent power of a city to unilaterally annex adjoining areas was one of the

most important home rule prerogatives. To annex “unilaterally” means that the city can bring an adjacent, unincorporated area into the city without the permission of the persons residing in that area.

In 2019, the legislature passed H.B. 347, which drastically altered the annexation landscape for all cities. Now a city may only annex:

- 1) Vacant land at the request of the landowner;
- 2) An area with a population of less than 200 only if the following conditions are met, as applicable: (a) the city obtains consent to annex the area through a petition signed by more than 50 percent of the registered voters of the area; and (b) if the registered voters of the area do not own more than 50 percent of the land in the area, the petition described by (1) is signed by more than 50 percent of the owners of land in the area; and
- 3) An area with a population of 200 or more only if the following conditions are met, as applicable: (a) the city holds an election in the area proposed to be annexed at which the qualified voters of the area may vote on the question of the annexation and a majority of the votes received at the election approve the annexation; and (b) if the registered voters of the area do not own more than 50 percent of the land in the area, the city obtains consent to annex the area through a petition signed by more than 50 percent of the owners of land in the area.

Initiative, Referendum, and Recall



Initiative, referendum, and recall are inherent home rule powers that are reserved for exclusive use by local voters to provide direct remedies in unusual situations. There is no constitutional or statutory authority for initiative, referendum, or recall. These powers are unique to home rule cities, and they are not available to voters at any other level of government, including the state.

Initiative is a procedure under which local voters directly propose (initiate) legislation. Lawmaking through the initiative process allows local voters to circumvent the city council by direct ballot box

action on new ordinances that have wide support in the community, but which the council refuses to enact.

The initiative process begins with the circulation of a petition setting forth the text of the desired ordinance. Then, petitioners must obtain the number of voter signatures needed to force the city council to submit the ordinance to the people at a citywide election. Petition signature requirements vary from charter to charter. Some are based on a percentage of the number of qualified voters in the city, while others are expressed as a ratio of the number of votes cast at the last general city election.

After a completed petition is filed, the city secretary checks it to make sure that all of those who signed are qualified voters. If the petition complies with the requirements of the charter and the Election Code, the city council has two options: (1) it can adopt the proposed ordinance; or (2) it must call an election on the ordinance. If, at the election on the proposed ordinance, a majority of those voting favor its adoption, the ordinance is put into effect.

Referendum is a procedure under which local voters can repeal unpopular, existing ordinances the council refuses to rescind by its own action. The procedures for forcing the city council to call a referendum election are usually the same as for initiative elections. Petitions calling for an election to repeal “Ordinance X” are circulated. When the required number of signatures is obtained, the petition is submitted to the city council, which can either repeal the ordinance by its own action or call an election at which the residents can vote to repeal it. If, at such an election, a majority favors retaining the ordinance, it is left on the books. If a majority favors its repeal, it is rescinded when the council canvasses the election returns.

Recall is a process by which local voters can oust members of the city council before the expiration of the members’ terms. Under most charters, a recall election begins with the filing of an affidavit stating the name of the member of council whose removal is sought and the grounds for removal. The city clerk or secretary then furnishes the person filing the affidavit with petition forms that must be completed and returned within a prescribed time.

Most city charters impose two further limitations on recall efforts. First, they prohibit more than one recall election per member per term. Secondly, they forbid recall elections for any member during the early stages of his or her term—as, for example, prohibiting an election to recall a member within 60 days of the date he or she was sworn into office, or prohibiting recall elections for members whose terms will expire within 60 days. The following language is typical of charter recall provisions:

The people of the city reserve the power to recall any member of the council and may exercise such power by filing with the city clerk a petition, signed by qualified voters of the city equal in number to at least ten percent of the qualified voters of the city, demanding the removal of a member.

Charter Amendments

In addition to initiative and referendum, direct lawmaking by local voters can be accomplished through amendments to the charter document itself. Under Section 9.004 of the Local Government Code, citizens can force the city council to call an election on a proposed charter amendment by simply filing a petition signed by five percent of the qualified voters or 20,000, whichever is less. Voter-initiated charter amendments, if adopted, can change most aspects of the city government.

Limitations on Home Rule Powers

Although the powers of a home rule city are broader than that of a general law city, they remain subject to all the limitations imposed by state and federal law. Some of these are briefly summarized below.

Every city must comply with the federal and state constitution and statutory requirements. Examples include state statutes that require every city to pay unemployment taxes, that require cities with 10,000 or more in population to pay longevity compensation to its police officers and firefighters or prohibit conducting regular city elections on any day except on those days prescribed by the Election Code.

Though certain limitations are imposed on home rule cities by the state, some can be further narrowed by local action. For example, the Texas Constitution authorizes any city with more than 5,000 inhabitants to levy property taxes at a maximum rate of \$2.50 per \$100 assessed valuation. But a home rule charter may set a local ceiling lower than that. If a city's charter limits the city tax rate to \$1.70 per \$100 of assessed valuation, this provision has the same effect as state law. The city council is bound by it even though the state constitution permits a higher rate.

Additionally, the governing body of a home rule city cannot act on any matter which has been preempted by the state. A clear example of preemption by state law can be found in the Texas Alcoholic Beverage Code. In this code, the state sets the business hours of retail liquor stores. Therefore, an ordinance requiring liquor stores to open or close at times other than those prescribed by state law may not be enacted. Another example of clear preemption is recent legislation that prohibits cities from adopting or enforcing an order, ordinance, or other measure that imposes a curfew on juveniles.

Some areas of preemption are much less clear now. In 2023, the Legislature adopted H.B. 2127, also known as the "Texas Regulatory Consistency Act," which curbed city authority.

H.B. 2127 expressly preempts a city from adopting or enforcing five types of regulations:

- Regulations of employment leave, hiring practices, breaks, employment benefits, scheduling practices, and any other terms of employment that exceed or conflict with federal or state law for non-city employers;
- New or amended predatory lending regulations;
- Regulations impeding a business involving the breeding, care, treatment, or sale of animals or animal products, including a veterinary practice, or the business's transactions if the person operating the business holds a state or federal license to perform such actions or services;
- New or amended regulations relating to the retail sale of dogs or cats; and
- Regulations involving evictions.

Most notably, H.B. 2127 among other things, prohibits a city from adopting or enforcing an ordinance in a field of regulation occupied by state law in eight specific statutory codes (Agriculture Code, Business & Commerce Code, Finance Code, Insurance Code, Labor Code, Natural Resources Code, Occupations Code, and Property Code), unless expressly authorized by another statute. Exactly what "fields of regulation occupied by state law" means remains unclear. Unfortunately, this is a legal question that the courts must decide on a case-by-case basis.

H.B. 2127 appears to potentially contradict the long-standing constitutional interpretation of home rule authority in Texas. The bill adds Section 51.002 of the Local Government Code to provide as follows: "Notwithstanding Section 51.001, the governing body of a municipality may adopt, enforce, or maintain an ordinance or rule only if the ordinance or rule is consistent with the laws of this state." That provision raises even more questions about the scope of the bill. If state law is silent in a certain area, it is unclear if a home rule city may regulate in that area. One might argue yes, because the Texas Constitution gives home rule cities the full power of self-government. But the bill certainly calls home rule authority in question in several areas. Given the language, a court could determine Section 51.002 of the Local Government Code eliminates city regulatory authority in the absence of state regulation, which would create a direct conflict between the statute and the Texas Constitution.

In fact, in August of 2023, a Travis County district judge declared that H.B. 2127 is unconstitutional, lending credence to cities' arguments during the 2023 Legislative Session that the bill was ambiguous and on questionable legal footing. The ruling came after the City of Houston—later joined by the cities of San Antonio and El Paso as intervenors—filed a lawsuit against the state challenging the constitutionality of H.B. 2127.

While the ruling represents an encouraging first step for the preservation of constitutional home rule authority in Texas, it marks just the beginning of the legal wrangling over the new law.

The Charter Document

Although all municipal governments are subject to an abundance of federal and state laws, the charter remains the most important document for a home rule city. Members of the council should read the charter immediately upon their election to office; annual reviews also can be useful.

Most charters include the following components:

1. Provisions establishing the city's form of government (mayor-council, council-manager, and so on) and its legislative and judicial machinery;
2. Organizational provisions establishing the administrative structure of the city government and the means for financing its operations;
3. Provisions governing the procedures of the city council and advisory boards and commissions, and procedures for granting franchises, and assessing and collecting taxes; and,
4. Popular controls over the city government, such as elections, referenda, initiative, and recall.

Forms of Home Rule City Government

Every home rule city in the state operates under one of two forms of government: mayor-council or council-manager. Among Texas' approximately 385 home rule cities, the vast majority have the council-manager form.

Mayor-Council Government

The mayor-council plan has two variants: strong-mayor and weak-mayor. Under the strong-mayor system, most key administrative and appointive powers are concentrated in the hands of a full-time mayor who also presides over meetings of the city council. The mayor usually has: (1) the power to appoint and remove department heads and the members of most major boards and commissions; (2) the prerogative to prepare the city budget and,

following its adoption by the council, to execute the budget; (3) a high enough salary to enable the officeholder to devote their full time to being mayor, as well as an office budget sufficient to hire an adequate staff; and (4) the power to veto actions by the city council. In a strong-mayor city, councilmembers have no administrative duties. Their role is to enact ordinances, adopt policies governing the operations of the city, and otherwise function as the legislative branch of the city government.

Under the weak-mayor system, the powers of the mayor are limited. First, the mayor may be selected by the council rather than being directly elected by the people, which dilutes his or her political influence. Secondly, the mayor's pay is usually minimal and few, if any, funds are provided for staff. Third, department heads often are appointed and removed by majority vote of the city council, which diffuses administrative authority. And finally, few weak mayors have either the authority to veto actions of the council or the exclusive power to develop and execute the budget, since these powers are collectively exercised by the council.

Very few home rule cities in Texas use the weak-mayor form of government.

Council-Manager Plan

The basic structure of the council-manager form of government is like that of a private corporation where the stockholders elect a board of directors which then hires a president to run the company. Under the council-manager plan, the voters elect a city council which, in turn, hires a city manager to administer the city's day-to-day affairs.

In a council-manager city, as in any other form of city government, the council serves as the legislative body. The council sets policy, approves the budget, sets the tax rate, determines the size of the payroll, and the extent and cost of municipal services. In short, the council is the final authority on all the many policy decisions that determine the scope and functions of the city government.

Under the council-manager plan, the mayor and councilmembers have no administrative duties. These are vested in the city manager, who is responsible for directing the workforce

and programs of the city in accordance with ordinances, rules, and regulations adopted by the council. The typical city manager in Texas is appointed for an indefinite term and is subject to dismissal by the council at any time except as otherwise prohibited by law. He or she is designated, either by charter or ordinance, as the chief executive and administrative officer of the city and is accountable to the council for the proper conduct of all municipal operations. The manager has the unilateral authority to hire, discipline, and fire the department heads.

On the other hand, the managers of medium-sized and smaller cities frequently operate with limited resources and a small staff. The manager must, by necessity, be personally involved in the details of providing police, fire, solid waste, and other services.

Although the manager's role varies from one city to another, the manager's primary function is to implement the policies established by the council and ensure that the city is operated in an economical and responsible manner. Specific duties of the manager may include the following:

- 1) Enforcing all city ordinances, rules, and regulations.
- 2) Supervising all municipal employees and programs.
- 3) Preparing and executing the city's annual budget pursuant to the revenue and expenditure plans adopted by the council.
- 4) Managing the city's funds and preparing periodic reports that advise the council and the general public of the city's financial condition.
- 5) Providing information to the council to facilitate its ability to make informed decisions in the best interests of the community.
- 6) Preparing council meeting agendas and attending all such meetings to serve as a resource to the council and the public.
- 7) Drawing the council's attention to community needs and recommending alternatives by which the council can respond to those needs.

In larger cities, city managers spend comparatively little time on citizen contacts, personnel problems, and other routine matters. Managers in these cities usually have a sizable staff capable of handling day-to-day problems, thus allowing the manager to concentrate on communicating with the council, policy issues, planning activities, and work sessions with department heads.



Chapter Two: Roles and Responsibilities of Officers in General Law Cities

All members of the city council play unique roles in making the city government operate effectively in a general law city. Many of their functions are set by law, while others are established as a matter of local custom or policy.

Office of the Mayor

The mayor occupies the highest elective office in the municipal government. As political head of the city, the mayor is expected to provide the leadership necessary to keep it moving in the proper direction.

Except under the city manager plan of government, the mayor is the city's chief executive officer. The mayor presides over council meetings and is generally recognized as the ceremonial and governmental head of the city for most purposes.

Most of the powers exercised by the mayor are created through ordinances and resolutions adopted by the city council. Very few mayoral powers are prescribed by state law.

Legislative Responsibilities

The mayor's most important duty is to carry out the legislative responsibilities he or she shares with other members of the council—identifying the needs of the city, developing programs to satisfy those needs, and evaluating the extent to which municipal services satisfactorily reflect the policy goals of the council.

Under the law, the mayor is the presiding officer of the city council. In this capacity as presiding officer, the mayor's actual powers in legislative matters can be greater than those of other councilmembers. For example, the mayor can influence the flow of debate through the power to recognize councilmembers for motions or statements.

Also, the mayor rules on questions of procedure at council meetings, and those rulings are binding unless successfully challenged by a majority of the governing body. Finally, the mayor of a Type A general law city can formally object to ordinances and other resolutions passed by the council. If the mayor objects to an ordinance or resolution before the fourth day after it is placed in the city secretary's office, it must be reconsidered by the governing body. If approved, it becomes effective (Local Government Code Section 52.003).

Appointive Powers

Appointive powers represent another area in which the mayor's powers often outrank those of councilmembers, especially when the mayor is authorized by ordinance to appoint department heads and advisory board members. In Chapter 25 council-manager cities, the mayor's appointive powers are more limited, because the city manager may appoint all or most administrative employees. Although most of the mayor's appointive powers are established by ordinances enacted by the city council, some are established by state law, such as the power to appoint commissioners of a housing authority (Local Government Code Section 392.031).

Law Enforcement and Related Duties of the Mayor

The office of the mayor involves a variety of law enforcement responsibilities. The mayor is specifically obligated by law to "actively ensure that the laws and ordinances of the city are properly carried out," and "in the event of a riot or unlawful assembly or to preserve the peace," the mayor may order the closing of certain public places.

Under extreme circumstances, as in the case of a riot, the mayor of a Type A general law city can summon a special police force into service (Local Government Code Section 341.011) or call for assistance from the Texas National Guard. Also, if the city has used the provisions of Sections 362.001 et seq., Local Government Code, to enter into a mutual law enforcement pact with other nearby cities or the county, the mayor can call on those localities for help in dealing with civil disorders and other emergencies. Additionally, most local emergency management plans authorize the mayor

to exercise supreme powers in case of a public calamity, after the mayor has declared a local disaster or asked the governor to declare a state of emergency. State law also permits a mayor to require a mandatory evacuation order and control who can access an area during a phased reentry (Government Code Chapters 418 and 433).

Judge of the Municipal Court

In every general law city where no separate office of judge of the municipal court exists by ordinance, the mayor is ex officio judge of the court (Government Code Section 29.004). A mayor serving as the ex officio municipal judge must still receive the annual training required of all municipal judges.

Signatory Duties

As signatory for the city, the mayor may be required to sign a variety of documents to give them official legal effect. The mayor's signature is required on all bonds, certificates of obligation, warrants, and other evidence of debt, as well as may be required on ordinances, resolutions, advertisements for bids on public works projects, contracts, and similar legal paperwork. The mayor is also responsible for signing proclamations recognizing special events and personal achievements.

Ceremonial Duties

The mayor's participation in local ceremonial events is a never-ending responsibility. The mayor is expected on a daily basis to cut ribbons at ceremonies opening new businesses; break the ground to begin the construction of new city facilities; and regularly appear at fairs, parades, pageants, and other community celebrations.

The mayor also issues proclamations for a variety of purposes, whether to honor visiting dignitaries or declare "Support Your Local School Week." And as a featured speaker before professional clubs, school assemblies, and neighborhood groups, the mayor can expect to be interviewed, photographed, and otherwise placed on extensive public display by the media.

Administrative Duties

Except in Chapter 25 council-manager cities, the mayor serves in the dual roles of administrator and political head of the city, going to city hall on a regular basis, working with department heads on matters that need attention each day, and performing the ceremonial duties that go with the office. In some cases, ordinances approved by the council give the mayor wide latitude to deal with the many problems that arise each day. Also, an administrative staff is sometimes available to help the mayor, but the office still involves considerably more effort—and power—than its counterpart in cities operating under the city manager plan.

Limitations on the Mayor's Powers

The broad powers of the mayor can be offset by several methods, including ordinance requirements that the council ratify mayoral appointments and other key actions.

Limiting the mayor's power at the council table is another way of imposing restraints. In Type A general law cities, for instance, the mayor is allowed to vote only in the event of a tie (Local Government Code Section 22.037). As state law is unclear on the mayor's ability to vote in Type B general law cities, those cities should consult with their local legal counsel with questions.

The mayor's prerogatives can also be restricted by the structure of the city government. Under the Chapter 25 council-manager plan, for example, the mayor has no administrative powers and will probably be in city hall on a less frequent basis. The ordinances of most council-manager cities also make it clear that decision-making is to be shared by the full council, and that the mayor is to be considered the same as any other member of the governing body for policy purposes. This is accomplished by concentrating administrative powers in the hands of a city manager, who acts under the direction of the full council.

Qualifications of Office

In Type A general law cities, every candidate for the office of mayor must meet the following qualifications:

- 1) ~~Be a United States citizen;~~
- 2) ~~Have been a resident of Texas for at least 12 months, as of the deadline for filing for the office;~~
- 3) ~~Have resided in the city for at least 12 months preceding election day;~~
- 4) ~~Be a registered voter;~~
- 5) ~~Be 18 years of age or older upon the commencement of the term to be filled at the election;~~
- 6) ~~Not have been convicted of a felony for which he or she has not been pardoned or otherwise released from the resulting disabilities; and~~
- 7) ~~Not have been deemed mentally incompetent by a final judgment of a court.~~

~~(Election Code Section 141.001; Local Government Code Section 22.032).~~

~~In Type B and Type C general law cities, every candidate for mayor must meet the qualifications listed above, except that he or she must have resided in the city for six months, rather than twelve, preceding election day (Election Code Section 141.001; Local Government Code Section 23.024).~~

Terms of Office

~~In a Type B general law city operating under the aldermanic form of government, the mayor's term of office is one year, unless the board of aldermen has enacted an ordinance providing a two-year term for the mayor and two-year overlapping terms for aldermen (Local Government Code Section 23.026). In a Type A general law city, the term of the mayor and members of the city council or board of aldermen is two years (Local Government Code Section 22.035). In a Type C general law city, the mayor's term of office is two years (Local Government Code Section 24.023).~~

~~In any city, the term of office for members of the governing body can be extended to three or four years upon approval of a majority of the voters voting at an election on the question (Texas Constitution, Article XI, Section 11).~~

Vacancies

~~When the mayor is temporarily unable to perform~~

~~his or her duties because of illness, out-of-town travel, or similar reasons, the mayor pro tem assumes the responsibilities of the office on an interim basis (please see discussion of mayor pro tem on the next page). But if a permanent vacancy occurs in the office of mayor as a result of death, disability, resignation, or some other reason, the vacancy should be filled according to prescribed procedures.~~

~~In a Type B general law city operating under the aldermanic form of government, a mayoral vacancy must be filled by appointment by the board of aldermen. The term of the person appointed expires at the same time that the term of the person who vacated the office would have expired if he or she had remained in office (Local Government Code Section 23.002).~~

~~In a Type A general law city operating under the aldermanic form of government, the vacancy can be filled either by appointment of the city council or by a special election if the mayor's office is the only one vacant. However, if another vacancy exists on the board of aldermen when the mayor's office is vacant, both vacancies must be filled at a special election. When a vacancy is filled by appointment, the term of the person appointed expires at the next general municipal election. When a vacancy is filled by special election, the person elected serves out the remainder of the unexpired term of the vacancy being filled (Local Government Code Section 22.010).~~

~~In a Type C city operating under the commission form of government, a vacancy in the office of mayor must be filled by appointment by the two remaining members of the board of commissioners. But if there are two vacancies on the board of commissioners, the vacancies must be filled at a special election called by the county judge, and the persons elected serve out the remainder of the unexpired terms of the vacancies being filled (Local Government Code Section 24.026).~~

~~If the terms of office in a city have been changed to three or four years, appointment to fill a vacancy is no longer an option. Any vacancy must be filled by special election (Texas Constitution, Article XI, Section 11).~~

Absences

Under Section 22.041 of the Local Government Code, “if a member of the governing body is absent for three regular consecutive meetings, the member’s office is considered vacant unless the member is sick or has first obtained a leave of absence at a regular meeting.”

Removal

Procedures for removing the mayor or a councilmember from office are set forth in Chapter 21 of the Local Government Code. Under the law, a member of the governing body is subject to removal for incompetence, official misconduct, or intoxication. A petition for removal must be filed with a district court, may be filed by any resident of the city, and must state the alleged grounds for removal. The judge may decide to issue a citation to the member in question or may decline to do so. If the judge declines to issue a citation, the petition is dismissed at the cost of the petitioner. If the judge issues a citation to the member, the member must appear before the judge to answer the petition and may request a trial by jury. The petitioner must execute a bond in an amount fixed by the judge. The bond shall be used to pay damages and costs to the member if the alleged grounds for removal are found to be insufficient or untrue. The final judgment on the issue may be appealed by either party. Conviction of the member for any felony or for a misdemeanor involving official misconduct will result in immediate removal, and the removed member is ineligible for reelection for two years.

There is no such thing in a general law city as “recall,” which is a procedure citizens can use to vote an incumbent mayor or councilmember out of office before the expiration of his or her term. The power of recall is limited to voters in home rule cities in which the charter provides for the procedure.

Compensation

In Type C cities, the board of commissioners may, by ordinance, fix the mayor’s compensation at a maximum of \$5 for each regular commission meeting and \$3 for each special meeting. Alternatively, the board of commissioners in a city

of less than 2,000 can pay the mayor a salary of up to \$600 per year, while the board of commissioners in a city of 2,000 or greater population can pay the mayor up to \$1,200 per year (Local Government Code Section 141.003).

In Type A and B general law cities, no maximum salary amount is fixed for the mayor. The governing body can set the mayor’s compensation at any level it chooses (Local Government Code Sections 141.001 and 141.002). Only one limitation exists: an elected officer cannot receive a pay increase that was approved during the term for which he or she is elected. Such an increase will become effective only after the next general municipal election at which the office is filled (Local Government Code Section 141.001).

Expense Reimbursement

It is commonplace for the city to reimburse the mayor for travel and other expenses incurred on official city business trips, such as meetings of the Texas Municipal League and similar organizations. Most city travel policies are established by ordinance or resolution.

Office of the Mayor Pro Tem

The mayor pro tempore is a member of the council who performs the mayor’s duties during the mayor’s incapacity or absence. The mayor pro tem is selected by majority vote of the council from among its own membership. The mayor pro tem’s term is one year. The mayor pro tem retains the right to vote on all matters before the council while performing the duties of the mayor (Local Government Code Sections 22.037 and 23.027).

Office of Councilmember

Councilmembers are the city’s legislators. Their primary duty is policymaking, which includes identifying the needs of local residents, formulating programs to meet the changing requirements of the community, and measuring the effectiveness of ongoing municipal services.

Unless restricted by state law, each councilmember is entitled to vote or abstain on every question

decided at a council meeting and has full parliamentary privileges in council meetings—including the right to speak and make motions when recognized by the chair and the right to introduce new ordinances and amendments to existing ones.

Though foremost in importance, lawmaking is just one of many functions councilmembers perform. They also wear several other hats, which one writer describes as follows:

1. **Regulator**—The council exercises regulatory powers over the conduct and property of its citizens. It has the power to declare certain conduct to be criminal, to require that certain businesses and activities be licensed, and to tell property owners how and for what purposes they may use their property.
2. **Financier**—The council may levy taxes, assess fees and charges, and sell bonds in order to finance the many functions of the city government. The council also has to budget the expenditure of the city's funds, and then explain to the people why municipal government is a bargain compared to the price of rampant crime, fires, disease, and all of the other problems that would flourish without proper city services.
3. **Employer**—The council is responsible for all the city's employees and must see that they are adequately paid and provided with decent working conditions and fringe benefits.
4. **Buyer**—The council is one of the biggest purchasers in the community and must see to it that the city gets the best value possible for dollars spent.

This is not even a complete description of all the challenges that confront councilmembers.

The real task is in providing leadership and direction for the city, in deciding what needs to be done, and in helping plan what the city will be for future generations.

Qualifications

In general law cities, the qualifications for the office of councilmember are:

- 1) Be a United States citizen;
- 2) Have been a resident of Texas for at least 12 months as of the deadline for filing for the office;
- 3) Have resided in the city for at least six months preceding election day;
- 4) Be a registered voter;
- 5) Be 18 years of age or older upon the commencement of the term to be filled at the election;
- 6) Not have been convicted of a felony for which he or she has not been pardoned or otherwise released from the resulting disabilities; and
- 7) Not have been deemed mentally incompetent by a final judgment of a court.

(Election Code Section 141.001; Local Government Code Sections 22.032 and 23.024).

One additional requirement: if a Type A general law city has been divided into wards, every council candidate must, at the time of his or her election, be a resident of the ward he or she proposes to represent if elected (Local Government Code Section 22.032).

Terms of Office

In a Type B general law city, the term of office for aldermen is one year, unless the board of aldermen has enacted an ordinance providing a two-year term for the mayor and two-year overlapping terms for aldermen (Local Government Code Section 23.026). In a Type A general law city, the term of office for members of the city council is two years (overlapping terms) (Local Government Code Section 22.035).

In any city, the term of office of members of the governing body can be extended to three years or four years upon approval of a majority of the voters voting at an election called on the question (Texas Constitution, Article XI, Section 11).

Vacancies

In a Type B general law city operating under the aldermanic form of government, vacancies on the board of aldermen—whatever the number of vacancies—must be filled by appointment by the remaining members of the board (Local Government Code Section 23.002).

In a Type A general law city operating under the aldermanic form of government, when there is only one vacancy on the governing body, the vacancy can be filled either by appointment of the city council or by means of a special election. However, if there are two or more vacancies on the governing body, such vacancies must be filled at a special election (Local Government Code Section 22.010).

In a Type C general law city, a single vacancy must be filled by appointment by the two remaining members of the board of commissioners. But if there are two vacancies on the board, they must be filled at a special election called by the county judge (Local Government Code Section 24.026).

Absences

Under Section 22.038 of the Local Government Code, an illness of an alderman or someone in his or her family is the only reason for absence from council meetings in a Type A general law city without a fine. Unexcused absences are punishable by a fine of \$3 for each council meeting missed. If an alderman is absent for three consecutive regular meetings—unless because of sickness or the alderman has obtained a leave of absence at a regular meeting—his or her office shall be vacant. (Local Government Code Section 22.041).

There is no law applicable to absences by aldermen in Type B general law cities or members of the board of commissioners in cities operating under the commission form of government (Type C general law cities). However, in cities over 500 population, which operate under the commission form of government, Sections 51.035 and 51.051 (the “borrowing provisions”) of the Local Government Code (relating to the application of laws to cities with the commission form) would probably make Sections 22.038 and 22.041 of the

Local Government Code (relating to absences) applicable to such cities. Type B general law cities should contact their local legal counsel to discuss this issue, as state law is unclear.

Removal

Procedures for removing a councilmember from office in a general law city are the same as for the mayor and are governed by Chapter 21 of the Local Government Code.

Compensation

In Type C cities, the board of commissioners may, by ordinance, fix commissioners’ compensation at a maximum of \$5 for each regular commission meeting and \$3 for each special meeting. Alternatively, the board of commissioners in a city of 2,000 or greater population can provide for paying commissioners up to \$600 per year (Local Government Code Section 141.003).

In Type A and B general law cities, no maximum salary amount is fixed for aldermen. Therefore, the governing body can set councilmember compensation at any level it decides. Only one limitation exists: an alderman cannot receive the benefit of a pay increase adopted during the term for which he or she is elected. Such increase will become effective only after the next general municipal election at which the office of the alderman serving at the time of the pay increase is filled (Local Government Code Chapter 141).

Expense Reimbursement

It is commonplace for cities to reimburse councilmembers for travel and other expenses incurred on official city business trips to meetings of the Texas Municipal League, a council of governments, and similar organizations. Most travel policies are established by ordinance or resolution.

Chapter Three: Roles and Responsibilities of Officers in Home Rule Cities

All members of the city council play unique roles in making the city government operate effectively in a home rule city. Many of their functions are set by law, while others are established as a matter of local custom or policy. While the information in this chapter is broadly applicable to cities across the state, each home rule charter is distinct. To ascertain the scope of a particular official's role in a specific city, one would need to consult that city's charter.

Office of the Mayor

The mayor occupies the highest elective office in the municipal government. As political head of the city, the mayor is expected to provide the leadership necessary to keep it moving in the proper direction.

Except under the city manager plan of government, the mayor is the city's chief executive officer, just as the governor serves as chief executive of the state. The mayor presides over council meetings, is the signatory for the city, and is generally recognized as the ceremonial and governmental head of the city for most purposes.

Most of the powers exercised by the mayor are created either by provisions in the charter or through ordinances and resolutions adopted by the city council. Very few mayoral powers are prescribed by state law.

Legislative Responsibilities

The mayor's most important duty is to carry out the legislative responsibilities he or she shares with other members of the council—identifying the needs of the city, developing programs to satisfy those needs, and evaluating the extent to which municipal services satisfactorily reflect the policy goals of the council.

Most charters designate the mayor as presiding officer of the city council and as such, his or her

actual powers in legislative matters can be greater than those of other councilmembers. For example, as presiding officer of the council, the mayor can influence the flow of debate through the power to recognize councilmembers for motions or statements.

Also, the mayor rules on questions of procedure at council meetings, and those rulings are binding unless successfully challenged by a majority of the governing body. Finally, the charters of some cities authorize the mayor to veto ordinances and other enactments approved by the city council.

Appointive Powers

Appointive powers represent another area in which the mayor's powers often outrank those of councilmembers, especially in mayor-council cities where the mayor is authorized to appoint department heads and advisory board members. In council-manager cities, however, the mayor's appointive powers are usually more limited, since the city manager appoints all or most administrative employees, and the full council often appoints the members of advisory boards and commissions.

Signatory Duties

As signatory for the city, the mayor is required to sign a variety of documents to give them official legal effect. The mayor's signature is required on all bonds, certificates of obligation, warrants, and other evidence of debt, as well as ordinances, resolutions, advertisements for bids on public works projects, contracts, and similar legal paperwork. The mayor is also responsible for signing proclamations recognizing special events and personal achievements.

Ceremonial Duties

The mayor's participation in local ceremonial events is a never-ending responsibility. The mayor is expected on an almost daily basis to cut ribbons at ceremonies opening new businesses; break the ground to begin the construction of new city facilities; and regularly appear at fairs, parades, city events, and other community celebrations.

The mayor also issues proclamations for a variety

of purposes, whether to honor visiting dignitaries, recognize exceptional achievements, or declare “Support Your Local School Week.” And as a featured speaker before professional clubs, school assemblies, and neighborhood groups, the mayor can expect to be interviewed, photographed, and otherwise placed on extensive public display by the media.

Powers of the Mayor in Council-Manager Home Rule Cities

Under the council-manager form of government, the mayor has no day-to-day administrative duties; rather, these are vested in a city manager who is responsible for implementing policies established by the council. In most council-manager cities, the mayor is in city hall on an irregular basis and is involved very little in routine operational matters.

The charters of most council-manager cities make it clear that decision-making is to be exercised by the full council, and that the mayor is to be considered the same as any other member of the council for policy-making purposes. This is accomplished by concentrating administrative powers in the hands of the city manager and by requiring action by the whole council, and not just the mayor, to appoint key board and commission members.

And finally, a number of state laws further ensure that the full council share appointive powers. Several examples can be found in the Local Government Code. Chapter 211 mandates that the city’s governing body appoint the members of the city’s zoning commission as well as the members of the zoning board of adjustment. Additionally, Chapters 504 and 505 authorize the governing body to appoint the directors of Type A and Type B economic development corporations.

Powers of the Mayor in Mayor-Council Home Rule Cities

The Mayor-Council setup, sometimes referred to as the “Strong Mayor” form of government, allows the mayor in home rule cities to serve in the dual roles of administrator and political head of the city. Even though this form of local government is allowable in home rule cities in Texas, it remains relatively uncommon. When adopted, the mayor

is in city hall on a continuing basis, working with department heads on routine items that need to be addressed each day, handling emergencies, and performing all of the ceremonial duties that go with the office. Depending on the city, the charter may give the mayor broad authority to deal with the many problems that arise each day. A skilled administrative staff usually is available to help the mayor carry the day-to-day load. Additionally, in some cities, the charter gives the mayor the power to veto actions of the council.

The broad powers of the mayor in mayor-council cities usually are offset by charter provisions that require the council to ratify mayoral appointments and other key actions. This requirement for council approval of the budget provides councilmembers with an effective method of slowing down a zealous mayor by reducing or abolishing expenditures.

Further checks can be created by distributing governmental powers in a certain way. For instance, under the Houston charter, provision is made for an elected city controller responsible for supervising the expenditure of municipal funds independent of both the mayor and council.

Limitations on the Mayor’s Powers

As noted above, the powers of the mayor in both mayor-council and council-manager home rule cities can be limited by requiring full council approval of the budget and board and commission appointments, and by distributing governmental powers among a variety of city officials rather than concentrating them in the office of mayor. Another way to impose restraints on the mayor is to limit his or her power at the council table. For example, some charters in home rule cities do not allow the mayor to initiate motions at council meetings, while some charters forbid the mayor from voting except to break a tie.

Office of the Mayor Pro Tem

The mayor pro tempore is a member of the council who performs the mayor’s duties if the mayor’s is incapacitated or absent. The mayor pro tem is usually selected by a majority vote of the council. The term of service as a mayor pro tem can vary



from city to city. For example, in most cities the term of the mayor pro tem is often the same as that of a councilmember. In another city, for example, each councilmember serves a three-month term as mayor pro tem on a rotating basis.

Office of Councilmember

Councilmembers are the city's legislators. Their primary duty is policymaking, which includes identifying the needs of local residents, formulating programs to meet the changing requirements of the community, and measuring the effectiveness of ongoing municipal services.

Unless restricted by state law, each councilmember is entitled to vote on every question presented at a council meeting, and has full parliamentary privileges in council meetings—including the right to speak and make motions when recognized by the chair and the right to introduce new ordinances and amendments to existing ones.

Though foremost in importance, lawmaking is just one of the many functions councilmembers perform. They also wear several other hats, which one writer describes as follows:

1. **Regulator**—The council exercises regulatory powers over the conduct and property of its citizens. It has the power to declare certain conduct to be criminal, to require that certain businesses and activities be licensed, and to tell property owners how and for what purposes they may use their property.
2. **Financier**—The council must levy taxes, assess fees and charges, and sell bonds in order to finance the many functions of the city government. The council also has to budget the expenditure of the city's funds, and then explain to the people why city government is a bargain compared to the price of rampant crime, fires, disease, and all of the other problems that would flourish without proper city services.
3. **Employer**—The council is responsible for all the city's employees and must see that they are adequately paid and provided with decent working conditions and fringe benefits.

4. **Buyer**—The council is one of the biggest purchasers in the community and must see to it that the city gets the best value possible for dollars spent.

In addition to these everyday duties, councilmembers spend considerable time representing the city in a wide circle of external relationships. Examples include:

1. Serving on committees of the Texas Municipal League and other statewide local government organizations.
2. Working with state legislators on city-related bills.
3. Working with the National League of Cities, the U.S. Conference of Mayors, and other national public interest groups on municipal issues pending before Congress or federal regulatory agencies.
4. Supporting efforts of the chamber of commerce, industrial foundations, and other organizations to foster the city's economic development.

Size of the Council

There is no state law requiring the city council of a home rule city to be any particular size. As is true in so many other areas of home rule, the size of the governing body is determined by the city's charter.

Terms of Office

The terms of office for mayors and councilmembers range from two to four years and are set by the city's charter. More than ninety percent of all home rule charters provide continuity on the governing body by staggering councilmembers' terms, thus preventing wholesale changeovers on the council at any one election. Under staggered term procedures, the terms of approximately half of the members of the council expire at one municipal election, and the other half expire at the next election. For instance, in the case of a seven-member city council with two-year terms, the terms of three members might expire during each odd-numbered year, while the other four terms would expire during each even-numbered year. Some home rule charters limit the number of terms a councilmember may serve.

Method of Electing the Council

Council members in cities with two-year terms may be elected by winning a plurality of votes cast; however, Article XI, Section 11 of the Texas Constitution stipulates that in cities with terms longer than two years, members of the governing body must be elected by a majority vote. This requirement can occasionally lead to the need for runoff elections to ensure a majority vote is achieved. There are four basic methods of electing home rule city councils in Texas. The first is the pure at-large system, under which candidates are elected citywide without regard to where they live.

The second is the at-large place system of electing the council, under which candidates run citywide, but each must file for a designated seat or “place” on the council.

Under an at-large/from-districts system, candidates are elected citywide, but councilmembers must reside in designated geographical areas of the city.

Under a single-member district electoral system, all candidates for the council (not including the mayor) must live in designated districts of the city and are voted upon only by the voters residing in those districts.

Additionally, a number of cities use hybrid electoral systems that combine various features of the plans described above. Mixed systems include those in which some members of the council are elected at-large and the remaining councilmembers are elected from single-member districts, or where some members of the council are elected at-large and the balance are elected from districts at-large.

Qualifications

Every candidate for the office of mayor or councilmember must meet the qualifications prescribed by the Texas Election Code, which requires that a candidate:

1. Be a United States citizen;
2. Be 18 years of age or older upon the commencement of the term to be filled at the election;
3. Has been a resident of Texas for at least 12

months as of the deadline for filing for the office;

4. Has resided in the city for at least 6 months as of the deadline for filing for the office;
5. Has not been convicted of a felony for which he or she has not been pardoned or otherwise released from the resulting disabilities;
6. Has not been found mentally incompetent by a final judgment of a court; and
7. Be a registered voter in the city.

(Election Code Section 141.001).

The Election Code authorizes home rule cities to establish two exceptions to these six criteria. First, the charter can require council candidates to be up to 21 years old, rather than 18, upon the commencement of the term to be filled at the election. Second, the charter can require candidates to be residents of the city for 12 months, rather than 6 months, as of the deadline for filing for office (Election Code Section 141.003).

Vacancies

Vacancies on the council can result from a failure to qualify for office, resignation, death, disability, recall, or failure of a member of council to meet the requirements of the charter. In some instances, a vacancy can occur if a member of the council announces for another elective office. For example, under Article XI, Section 11, of the Texas Constitution, in cities where the term of office for councilmembers is three or four years, any councilmember who announces for another elective office automatically resigns from the council if more than one year and 30 days remains in his or her term at the time of such announcement.

Also, some city charters provide that any councilmember who runs for another office automatically vacates his or her seat on the council. A city charter may provide that:

If any officer of the city shall file as a candidate for nomination or election to any public office, except to some office under this charter, they shall immediately forfeit their office.

Procedures for filling vacancies vary from charter to charter. In some instances, charters require that vacancies on the governing body be filled by appointment of the council in every case, regardless of whether a regular city election is imminent. The charters of others require the council to fill a single vacancy by appointment, but if two or more vacancies exist, they must be filled at a special election. Under Article XI, Section 11, of the Texas Constitution, cities with three- or four-year terms must fill all vacancies by election unless: (a) there is 12 months or less left in the member's term; and (b) the charter provides for appointment. Finally, some charters require that all council vacancies be filled by special election. Among these cities, the common practice is not to require special elections in cases where a regular city election is imminent (for example, within sixty to ninety days of the time the vacancy occurred).

Compensation

As with so many other aspects of home rule government, state law is silent regarding the compensation of mayors and councilmembers. As such, the salary can be governed by the charter or set by local policy if the charter is silent.

Salaries

In most of the cities operating under the mayor-council form of government, the mayor may receive a substantial salary for his or her full-time administrative services. In council-manager cities, the charter generally treats councilmembers as part-time legislators for whom minimum compensation is provided.

Most charters fix the dollar amount of the salary or fees to be paid to members of the governing body. A few permit the council to set its own compensation.

Expense Reimbursement

It is commonplace for cities to reimburse members of council for travel, lodging, and other expenses incurred on official city business trips to meetings of the Texas Municipal League, National League of Cities, and similar organizations. Only a small number of charters make any mention whatsoever

of members' expense reimbursement. Most travel policies are established by ordinance or resolution.

Other Benefits

A final category of benefits for councilmembers includes staff and office facilities. Again, there is no consistency among cities: benefits range from providing part-time clerical help to full-time secretaries and administrative assistants.

As with so many other issues, the question of what—if any—staff and facilities should be provided to councilmembers must be decided locally.



CITY HALL

Chapter Four: Powers and Duties of Cities

Both home rule and general law cities have the authority to deal with many issues. General law cities must look to state law for the authority to act, while home rule cities may have more latitude in certain areas although the state legislature has seen fit to limit home rule authority in many ways (See Chapter One for a discussion on H.B. 2127). Below is a discussion of some of the basic powers given to cities.

Administrative Oversight in General Law Cities

The Mayor as Chief Executive Officer

In a general law city, a mayor's duties and authority come first from the Local Government Code and other state law and then may be expanded by the city council. See Local Government Code Sections 22.037, 22.042, and 23.027. Through an express delegation of authority, the city council in some cities may delegate to the mayor the authority to supervise the city's employees, procure supplies, ensure that the streets are cleaned and repaired, or oversee the multitude of other items that need attention each day. Department heads may report directly to the mayor, who meets with them from time to time to check on their problems. Most of the mayors who assume these extensive responsibilities usually do so in addition to their regular jobs.

The degree of flexibility the council permits the mayor to exercise in administrative matters varies from one city to another. In some cities, the council expects the mayor to make routine decisions only as specifically authorized by ordinances enacted by the governing body. In others, the mayor is given free rein over the city's administration. It is important to note that while the city council can delegate these authorities, they also retain the power to rescind or modify such delegations as circumstances or preferences change.

Placing the lead responsibility for administration in the hands of the mayor enables citizens and the

city council to go to one central point for solutions to particular problems. Also, this arrangement can help focus accountability and keep the city's business moving ahead smoothly and efficiently. At the same time, this system can easily go awry if the mayor does not get along with the council, encounters political difficulty, or when council meetings deteriorate into haggling sessions over whether the mayor has the legal authority to do something.

The City Council as Administrative Board

In addition to their legislative duties, some city councils supervise local operations on a continuing basis. Under this approach, the full council approves all purchases and other administrative details, and department heads report directly to the council at every regular meeting.

This arrangement provides the council with maximum control over the city's operations. If a department is not functioning properly, the council can go directly to the source of the problem and take corrective action.

The downside is that because councils meet just once or twice a month, they may not be able to deal in a timely manner with problems as they arise. Delays can occur if a department is unable to proceed with a project because of snags that only the council can overcome, or if critical items are left off council meeting agendas. This arrangement tends to be inefficient unless some method is established for coordinating the operations of various departments on a regular basis between council meetings, without violating open meetings laws.

City Manager or Administrator

Many city councils have found it advantageous to delegate administrative powers and responsibilities to a single appointive officer or employee. Often this official has the title "city manager" or "city administrator," who is the chief administrative officer of the city. In other cases, the lead administrative role is assumed by the city clerk or secretary, the utility manager, or another department head who serves as "first among equals." Whatever the title, the official the city has delegated administrative functions to, by ordinance



or city policy, is responsible for overseeing all the city's operations on a continuing basis and for reporting to the council on behalf of the various departments. All administrative actions by the council are taken through the official, and any questions the council may have concerning the enforcement of ordinances or performance of city programs are directed to that individual.

Centralizing authority and accountability in one appointed officer or employee can simplify the council's job. The council will be relieved of attending to minor details and will have more time for the important task of setting policy. With proper guidance from the council, a skillful administrator can create an efficient management team capable of running itself.

Conversely, concentrating too much authority in the hands of an appointed officer or employee may put a barrier between citizens and their elected representatives. Also, allowing a single person to control information concerning the city's internal administrative operations can lead to a situation in which councilmembers are isolated from the real-world problems the community is experiencing with the city government.

The residents in general law cities have an additional option for choosing their city's form of administrative oversight through election. Chapter 25 of the Local Government Code allows for the creation of the city manager position pursuant to an election, with the duties established by state law. This form of government is rare and has different characteristics from other forms where a manager or administrator position is created solely by ordinance at the city council's discretion.

Council Committees

Most smaller cities are faced with the problem of limited resources, and there simply are not enough staff members to handle the many demands imposed on the city organization. One method of dealing with this problem is to subdivide the council into administrative committees, each responsible for a different area of the city government.

Council committees usually are organized by service or function: police, fire, health, budget,

and so on. "Standing committees" are permanent panels that meet regularly and have assigned areas in which there is always work to be done. On the other hand, "ad hoc" or "special" committees serve on a temporary basis and deal with short-term items that cannot be handled by a standing committee. At the option of the city council, either the full council can designate the councilmembers who chair or serve as members of the various committees or the council can delegate this authority to the mayor.

Commonly, council committees serve as the liaison between the governing body and individual city departments. They communicate with department heads, ensure that the full council is kept apprised of departmental problems, and, as necessary, conduct departmental evaluations and report their findings to the council.

The most common temptation for members of council committees is to overstep the bounds of their authority. Although they can be vested with substantial authority—such as the authority to conduct investigations or take employment action—council committees do not possess legislative powers and should never attempt to act as if they are the city council.

One cautionary note: care should be taken to avoid violations of the Texas Open Meeting Act, which requires that notices of meetings of all governmental bodies be posted in advance and meetings be open to the public, unless an exception applies. If there is some question as to whether meetings of a council committee are subject to the Open Meetings Act, the best practice usually is to assume that they are (see Texas attorney general opinions H-3, and JM-1072; and JC-60) and consult with the city attorney for guidance.

Administrative Oversight in Home Rule Cities

While the same general policy-making functions are shared by city councils everywhere, administrative responsibilities differ according to the particular city government organization. For example, if the city operates under a city manager or city administrator plan, or if the mayor serves as an administrative head of the city, the council

exercises control in a more indirect way by setting broad policies that are left to the mayor, manager, or administrator for execution.

Regardless of the administrative structure used, every city council should operate on the basis of written policies that set out the specific powers and duties of all the city's departments and officials, and some method should be established for ensuring that those policies are carried out. Policy decisions are not implemented automatically, and no matter how much careful thought may go into their preparation, there is always a management job to be done. Someone must assume the responsibility for organizing and controlling the city's administrative machinery.

The city's charter, along with local ordinances and policies, outline the administrative procedures in a home rule city.

The Police Power

Cities have the power to regulate a wide range of activities in order to promote the general welfare of the city's residents. This is known as the city's "police power," and it encompasses all governmental powers exercised for the public good.

More particularly, the police power is defined as the city's authority to preserve and promote the health, safety, morals, and welfare of local residents. It is based on the supremacy of the rights of the general public over individual rights. Some of the more common methods by which city police powers are exercised are described below.

In order to preserve the peace, the city council has the power to create a police department to maintain order, enact ordinances controlling noise and other disturbances, and require animals to be leashed. The council also can declare certain activities to be public nuisances and penalize persons who create them.

With regard to public health and safety, the council has the power to take all actions and make all regulations that may be necessary or expedient for the promotion of health or the suppression of disease. A city's authority to protect the health

of the public is generally broader than other city police powers.

The regulation of dogs and other animals, the regulation of unwholesome business practices, and the regulation of slaughterhouses are just a few of the powers the city council may exercise to protect the health of its citizens. The council also has the power to enact quarantine regulations, regulate cemeteries, and regulate weeds and stagnant water. The authority for these regulations can be found in the Local Government Code, the Government Code, the Health and Safety Code, and other statutes.

Additionally, a city can enact a zoning ordinance to regulate the height and size of buildings, the size of lots and density of population, the location and use of buildings, and other aspects of land and improvements thereon, and the uses to which they are put (Local Government Code Chapter 211). The city council also has the authority to prescribe some standards for the construction of buildings within the city, regulate the condition of buildings, and condemn unsafe buildings.

Planning, Subdivision Controls, and Annexation

The city council has the power to spend city funds to compile statistics, conduct studies, and make plans for the orderly growth of the city and the welfare of its residents. The council can create a planning commission to develop and maintain a city plan, and can establish a planning department to implement the plan.

The council can establish rules and regulations governing the subdivision and development of land within the city. The city also can extend its subdivision controls to land located within the city's area of extraterritorial jurisdiction in order to ensure the orderly development of outlying areas (Local Government Code Chapters 212 and 213).

Prior to 2017, a home rule city could annex areas located outside the city limits but within the city's extraterritorial jurisdiction without the consent of the landowners. However, beginning with the 2017 legislative session, the legislature began a multi-session project to drastically alter city annexation

authority. As it stands today, except in certain specific circumstances, both home-rule and general law cities may annex property only on request of the landowners, or by following the procedures below:

1. A city may annex an area with a population of less than 200 only if the following conditions are met, as applicable: (1) the city obtains consent to annex the area through a petition signed by more than 50 percent of the registered voters of the area; and (2) if the registered voters of the area do not own more than 50 percent of the land in the area, the petition described by (1) is signed by more than 50 percent of the owners of land in the area.
2. A city may annex an area with a population of 200 or more only if the following conditions are met, as applicable: (1) the city holds an election in the area proposed to be annexed at which the qualified voters of the area may vote on the question of the annexation and a majority of the votes received at the election approve the annexation; and (2) if the registered voters of the area do not own more than 50 percent of the land in the area, the city obtains consent to annex the area through a petition signed by more than 50 percent of the owners of land in the area.

Regulation of Streets and Other Public Places

The city council has supervisory powers over all streets, alleys, sidewalks, bridges, parks, and other public ways and places within the city. The council has the power to: (1) regulate the use of streets and other public ways, provide for cleaning and lighting, prevent and remove encroachments, and direct and regulate the planting of trees; (2) regulate openings for laying out gas, water, and other mains and pipes; (3) regulate the use of sidewalks and require the owners or occupants of abutting premises to keep their sidewalks free from obstructions; (4) prevent activities that would result in damage to streets, alleys, or other public grounds; (5) regulate crosswalks, curbs, and gutters; (6) regulate and prevent the posting of signposts,

handbills, and similar items on streets or sidewalks; (7) regulate traffic and sales on streets, sidewalks, and other public spaces; (8) control weedy lots and junked vehicles; (9) regulate the location of manufactured housing; and (10) regulate the location of sexually oriented businesses and establishments that sell alcoholic beverages.

Construction of Public Facilities

In addition to its regulatory powers, the council has the authority to erect, construct, and maintain a wide variety of facilities for public use, including water and sewage systems, airports, hospitals, parks, libraries, transit systems, electric and gas systems, streets, bridges, culverts, sidewalks, street lights, and many other kinds of facilities.

A city may construct or maintain certain public facilities using either traditional competitive bidding or an alternative procurement and delivery method (such as design-build, construction management, a job order contract, or competitive sealed proposals) that provides the “best value” to the city (Local Government Code Chapter 252 and Government Code Chapter 2267).

Donations of City Funds

The Texas Constitution prohibits the donation of city funds to private individuals, corporations, or associations (such as garden clubs or The Scouts), no matter how worthy the cause. The purpose of this prohibition is to prevent a city council from appropriating public money for private purposes (Texas Constitution, art. III, §52, and art. XI, §3).

Expenditures that serve a “public purpose” (for example, contributions to a local volunteer fire department) may fall outside of the constitutional prohibition against donations.

If the city council wishes to make such an expenditure, it must determine whether the expenditure accomplishes a public purpose, and the determination is subject to review by the courts. Written contracts with formal control over use of a city expenditure or payment are usually necessary in order for the council to ensure that the city receives some sort of payment or value for

its expenditure—the accomplishment of the public purpose.

The constitutional prohibition does not apply to expenditures made in connection with contracts for services provided by engineers, architects, and other professionals, nor to the payment of dues to the Texas Municipal League, councils of governments, or similar organizations.

A city may establish and implement programs to promote state or local economic development and to stimulate business and commercial activity within the city. A program such as this may include provisions for making loans and grants of public money and for utilizing the city's personnel and services for the purpose of economic development (Local Government Code Chapter 380).

Payment of Bonuses to City Employees

The Texas Constitution (Article III, Sections 52 and 53) prohibits the payment of bonuses to city employees. If, for example, when December arrives, it is found that the city has some extra funds and it is decided that it would be nice to reward the city's employees with a Christmas bonus, such a distribution of public funds would be illegal. However, if the payment is part of the employee's overall compensation, and is included in the budget as such, it can be a legitimate expenditure.

Public Purchasing

Chapter 252 of the Local Government Code requires that any city purchase requiring the payment of more than \$50,000 be awarded pursuant to certain competitive bidding or sealed proposal procedures. The statute mandates that the city either accept the lowest responsible bid under the traditional competitive bidding process, accept the bid or proposal that provides goods or services at the best value for the city, use an Internet-based reverse auction procedure, or participate in a cooperative purchasing program.

Certain cities that choose to use traditional competitive bidding when purchasing real or personal property may give preference to a local bidder if certain procedures are followed and the local bid is within a certain percentage of the lowest bid from a non-local bidder. In some cases, local preference is allowed only if the purchase is for less than \$100,000.

Cities making an expenditure of more than \$3,000 but less than \$50,000 must contact at least two historically underutilized businesses (HUBs) from a list provided by the Texas Facilities Commission through the state comptroller's office. If the list does not identify a HUB in the county in which the city is situated, the city is exempt from this requirement.

The above procedures do not apply to some purchases, including: (1) the purchase of land or rights-of-way; (2) personal or professional services, such as engineering, architectural, or planning services; (3) property bought at an auction; (4) property bought at a going-out-of-business sale; (5) property bought from another political subdivision or the state or federal government; and (6) advertising, other than legal notices.

Also, the city can waive the requirement for bids in—for example—the following instances: (1) in the case of public calamity, where it becomes necessary to act at once to provide relief for local citizens or to preserve or protect the public health; or (2) in the case of unforeseen damage to public property, machinery, or equipment, where immediate repair is necessary.

A city may use a competitive sealed proposal procedure for the purchase of goods, services, and high technology items. If a city makes a contract without compliance with competitive procurement laws, it is void, and the performance of the contract, including the payment of any money under the contract, may be enjoined by: (1) any property tax-paying resident of the city; or (2) a person who submitted a bid for a contract to which the competitive sealed bidding requirement applies, regardless of residency, if the contract is for the construction of public works.

City Depository

Under chapter 105 of the Local Government Code, the city council is authorized to designate a bank as the official depository of the city's funds. The city attorney should be consulted as to the manner of designating the depository, as well as procedures the city must follow after designation has been made.

Uniform Election Dates

The Texas Election Code prescribes certain days for holding municipal elections for officers. Any municipal election for officers held on a day other than one of those prescribed is void, with a few exceptions. Currently, the uniform election dates for city elections are the first Saturday in May and the first Tuesday after the first Monday in November.

Official Newspaper

At the beginning of each fiscal year, the council is required to designate, by ordinance or resolution, the official newspaper of the city, and to publish therein the captions of penal ordinances, notifications of public hearings, and other required public notices (Local Government Code Sections 52.004 and 52.011). Type B general law cities must, before enforcing an ordinance, publish the ordinance (or simply the caption and penalty for violations of the ordinance) enacted by the governing body by either posting it in three public places or by publication in the newspaper (Local Government Code chapter 52). Many home rule charters have similar provisions.

Federal Voting Rights Act

On June 25, 2013, the United States Supreme Court issued its opinion in *Shelby County v. Holder*. In the case, Shelby County, Alabama, alleged that the basis for applying the federal Voting Rights Act to certain states is unconstitutional. The Court agreed. It concluded that Section 4 of the Act is unconstitutional, but the holding also affects other portions of the law, including the requirement that

any voting change made by a city be "precleared" by submitting it to the United States Department of Justice or a federal court for a determination that it is not discriminatory.

In response to the opinion, the United States Department of Justice is providing a written response to jurisdictions that submit proposed changes to the Attorney General that advises that no determination will be made under Section 5 of the Voting Rights Act on the specified change.

Based on the United States Department of Justice's response, the Texas Municipal League advises that Section 5 preclearance submissions to the Department of Justice are no longer required. However, each city should heed the advice of its attorney to make the determination on whether or not preclearance is required, as pending litigation may impact other sections of the Voting Rights Act.

Delegation of Legislative Powers

The city council is prohibited from delegating its legislative powers. As a practical matter, this means that the council may not authorize any person, committee, board, or commission to make policy decisions on its behalf. The job of ensuring that the council's policies are carried out can be assigned to the mayor, city manager, or some other city official, but the ultimate responsibility for establishing policy rests with the council.

Chapter Five: The City Council at Work: Meetings

It is imperative that every meeting of the city council be conducted in an orderly and legal manner. If the council's conduct is improper, the legality of its actions may be successfully challenged in court. If its meetings are slovenly and disorganized, the council cannot expect to command public respect.

Legal Requirements

State law prescribes several specific requirements for council meetings, including: (1) that meetings be scheduled at a fixed time and place; (2) that notice of a meetings be posted within a specific time frame; (3) that a quorum of the council be present (either in person or, in certain cases, by video conference) for the transaction of business; and (4) that any question before the council be decided by majority vote of the members present and voting, except where the law requires otherwise.

Texas Open Meetings Act

Every meeting of the city council must be conducted in accordance with Chapter 551 of the Government Code, the Texas Open Meetings Act. Among all the state laws affecting city officials, this is the one most likely to be unintentionally violated because of lack of knowledge.

To help educate government officials on the Act's requirements, each elected or appointed member of a governmental body must take at least one hour of training in the Open Meetings Act. The training must be completed not later than 90 days after the member takes the oath of office or assumes the responsibilities of the office.

The attorney general's office allows the training requirement to be met in at least two ways: (1) viewing a video that is available to borrow or online; and (2) receiving training from certified entities, such as TML. Please visit the

attorney general's website or call TML for more information on the training.

The Open Meetings Act requires that written notice of the date, hour, location, and subject of every council meeting be posted 72 hours in advance of such meeting on a bulletin board in city hall accessible to the public day and night. Cities that maintain a website must also concurrently post the notice of the city council meeting and the meeting agenda on the city's website. Also, the minutes of the city council's meetings must be posted on the city's website when approved. The validity of an Internet posting of the notice and agenda by a city that is made in good faith to comply with the requirements of the law is not affected by the failure to comply due to technical problems beyond the control of the city. Additionally, if the city makes a good-faith attempt to continuously post the notice of the meeting on the Internet during the prescribed period, the notice physically posted at city hall must be readily accessible to the general public only during normal business hours. There are some special requirements, including additional notice requirements, if a meeting is to be held by videoconference call.

There are three exceptions to the 72-hour posting requirement:

- 1) At least one hour advance notice is required for a special meeting called in the case of "emergency or urgent public necessity," the nature of which must be stated in the notice.
- 2) Emergency or urgent public necessity items may be added to an agenda of a meeting for which 72 hours notice has already been posted if a supplemental notice listing such items is posted at least one hour prior to the meeting stating the emergency that requires action on the additional items.
- 3) Pursuant to a general posting of items of "community interest," the following need not specifically appear on the posted notice: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; honorary recognitions of city officials, employees, or other citizens; reminders about upcoming events

sponsored by the city or other entity that is scheduled to be attended by a city official or employee; and announcements involving imminent threats to the public health and safety of the city.

The Act also requires that all council meetings, with narrow exceptions, be open to the public. Closed meetings (also referred to as “executive sessions”) are permitted for the discussion of items that legitimately fall within the exceptions stated in the law. Exceptions from the open meeting requirement are provided for the following:

- 1) Private consultations between the city council and its lawyers to discuss pending or contemplated litigation, settlement offers, and other legal matters that implicate the attorney-client privilege. The city’s attorney must be present (either in person if the attorney is a city employee, or in person or by telephone, video conference call, or Internet communications if the attorney is an independent contractor) at any closed meeting held under this exception.
- 2) Discussions regarding the purchase, exchange, lease, or value of real property, or negotiated contracts for prospective gifts or donations to the city, when a discussion of these items in public would have a detrimental effect on the city’s negotiating position.
- 3) Deliberations involving the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a city officer or employee, or to hear complaints or charges against such officer or employee, unless such officer or employee requests a public hearing.
- 4) Discussions regarding the deployment or implementation of security personnel or devices, or a security audit. Also, security assessments or deployment relating to information research technology.
- 5) Discussions regarding commercial information received from a business prospect and/or the nature of any incentives being considered by the city for economic development purposes.
- 6) Deliberations regarding a test item or information relating to a test that the

city administers to individuals who seek to obtain or renew a license or certificate necessary to engage in an activity.

- 7) Electric or gas service discussions in very limited circumstances.
- 8) Discussions regarding various critical infrastructure and homeland security information, including: (a) staffing requirements of an emergency response provider; (b) tactical plans; (c) infrastructure vulnerability assessments and other reports prepared for the federal government; (d) the location of dangerous materials that may be used for weapons; (e) computer passwords; and (f) information regarding security systems that protect property from terrorism or related criminal activity.

Before an executive session can take place, the council must first convene in open session, the presiding officer must announce that a closed meeting will take place, and he or she then must identify the section of the Open Meetings Act that authorizes the closed session.

The law requires that a certified agenda or a recording must be made of all meetings that are closed to the public, except executive sessions held for the purpose of consulting with an attorney under the provisions of the law. For an executive session to discuss critical infrastructure or homeland security matters, a recording is mandatory. The law does not define the term “certified agenda,” but it does provide that the certified agenda shall state the subject matter of each deliberation and include a record of any further action taken. It also must include a record of the date and time of the beginning and end of the meeting. The presiding officer must certify that the agenda is a true and correct record of the proceedings. In lieu of the certified agenda, the city may make a recording of the closed meeting, including an announcement made by the presiding officer at the beginning and end of the meeting indicating the date and start and end times.

The certified agenda or the recording must be maintained for a period of two years after the date of the meeting. However, if a lawsuit is filed during this two-year period, the certified agenda or recording must be preserved pending the outcome

of the action. The certified agenda or recording is not a public record, and it is a criminal offense to make either available to the public without lawful authority, but either may be reviewed by a current member of the city council. It is advisable that the certified agenda or the recording be placed in a sealed envelope identifying the contents and then placed in secured storage. The certified agenda and tape recording are available for inspection by a judge if litigation has been initiated involving an alleged violation of the open meetings law. The judge may order that the recording or certified agenda be made available to the public if the closed meeting was not authorized.

Although a certification of the posted notice may have been the intent of the legislature, the fact that a certified agenda or recording is to be made available to members of the public only upon court order may indicate that the contents of the certified agenda consist of a more descriptive agenda item than might be placed on the posted notice. For example, while the posted notice may state that an executive session is being held for the purpose of discussing “Land Acquisition for an Electric Substation,” the certified agenda may read “Land Acquisition—Discuss acquisition of land for a new electric substation to serve The Oaks subdivision.” Although the statute requires the certified agenda to include a record of any further action taken, the open meetings law expressly provides that no final action, decision, or vote can be made except in a meeting that is open to the public. The “further action” which must be noted on the certified agenda may be, for instance, no action, a directive to place the item on an open meeting agenda for final action, or a request that additional information be gathered for discussion on another date.

One of the most difficult aspects of the Open Meetings Act results from the fact that communications between a quorum of a city council about public business, no matter the forum or the time, constitute a “meeting” to which the Open Meetings Act applies. As a result, members of council have generally been advised to avoid commenting, for instance, on social media sites related to city business if the discussion will ultimately involve a quorum.

However, a written communication between members of council about public business or public policy over which the council has supervision or control does not constitute a meeting if the following conditions are met: (1) the communication is posted to a city-owned or controlled online message board that is viewable and searchable by the public, (2) the communication is displayed in real time and displayed on the message board for no less than 30 days after the communication is first posted, and (3) the message board is prominently displayed on the city’s primary internet webpage and not more than one click away from the city’s primary internet webpage. A city may not have more than one online message board used for these purposes.

Additionally, the online message board may only be used by members of council or city employees who have received authorization from the council. If a city employee posts on the message board, the employee must include his or her name and title with the communication. Moreover, the council may not vote or take action by posting on the city’s online message board, and if the city removes a posted message, the city must retain the posting for six years as it is considered public information.

Stiff penalties are provided for violations of the Open Meetings Act. A member of council who participates in an illegal closed meeting can be punished by a fine of \$100 to \$500, confinement in the county jail for one to six months, or both. The same penalty applies to a member of council who engages in a prohibited series of communications. For instance, using the telephone or email to poll other members of council or meeting with them individually to deliberate over some matter of city business that will be deliberated among a quorum of members could violate the Act.

The actions taken by a city council in an illegal meeting are voidable, and a court may assess costs of litigation and reasonable attorney’s fees incurred by a party who substantially prevails in an action brought under the open meetings law.

Public Information Act

Chapter 552 of the Government Code requires that most city records, including those in the

possession of members of council, be open to public inspection.

As with the Open Meetings Act, each elected or appointed member of the city council must take at least one hour of training in the Public Information Act or designate a public information coordinator to take the training on his or her behalf.

The training or designation must be completed not later than 90 days after the member takes the oath of office or assumes the responsibilities of the office. Again, note that a public official (for example, a member of a city council) may designate a public information coordinator to satisfy the open records training requirement.

“Public information” is defined as information that is written, produced, collected, assembled, or maintained under a law or ordinance or in connection with the transaction of official business: (1) by a governmental body; (2) for a governmental body and the governmental body: (a) owns the information; (c) has a right of access to the information; or (d) spends or contributes public money for the purpose of writing, producing, collecting, assembling, or maintaining the information; or (3) by an individual officer or employee of a governmental body in the officer’s or employee’s official capacity and the information pertains to official business of the governmental body. Information is in connection with the transaction of official business if the information is created by, transmitted to, received by, or maintained by an officer or employee of the governmental body in the officer’s or employee’s official capacity, or a person or entity performing official business or a governmental function on behalf of a governmental body, and pertains to official business of the governmental body.

“Public information” includes any electronic communication created, transmitted, received, or maintained on any device if the communication is in connection with the transaction of official business. “Official business” is defined as any matter over which a governmental body has any authority, administrative duties, or advisory duties. This means, for instance, that the Public Information Act now expressly provides that communications on the privately-owned computer

or cell phone of a member of council, if made in connection with the transaction of official business, are public information.

Members of council are considered “temporary custodians” of the public information on their privately-owned devices. A “temporary custodian” is an officer or employee of a city, including a former officer or employee, who, in transaction of official business, creates or receives public information that the officer or employee has not provided to the city’s officer for public information or the officer’s agent. As a temporary custodian, the member of council must either preserve the public information in its original form in a backup or archive and on the privately-owned device for the required record retention period, or transfer the public information to the city or the city server. Also, as a temporary custodian, a member of council is required to surrender public information in a privately-owned device and that is the subject of public information request to the public information coordinator not later than the tenth day after receiving a request from the public information coordinator. Failure to surrender the information could be grounds for disciplinary action by the city council, as well as, other penalties being brought against the temporary custodian.

The media on which public information is recorded may include paper; film; a magnetic, optical, or solid state or other device that can store an electronic signal; tape; mylar; and any physical material on which information may be recorded, including linen, silk, and vellum. The general forms in which the media containing public information exist may include a book, paper, letter, document, email, Internet posting, text message, instant message, other electronic communication, printout, photograph, film, tape, microfiche, microfilm, photostat, sound recording, map, and drawing and a voice, data, or video representation held in computer memory.

Certain information is specifically excluded from the requirements of the law. While the list of exempt materials is too long to recite here, it includes such information as working papers being used to draft ordinances or resolutions; certain personnel records; certain law enforcement records; information that would, if released, give an advantage to bidders; documents protected because

of attorney-client relationships; documents relating to pending litigation; and various types of critical infrastructure and homeland security information, including information that relates to: (1) staffing requirements of an emergency response provider; (2) tactical plans; (3) infrastructure vulnerability assessments and other reports prepared for the federal government; (4) the location of dangerous materials that may be used for weapons; (5) computer passwords; and (6) information regarding security systems that protect property from terrorism or related criminal activity.

Despite the narrow exemptions established in the law, its net effect is to require that most public information, upon request, must be made promptly available, to members of the public. A city that receives a written request for information that it wishes to withhold from public disclosure and that it considers to be within one of the exceptions to disclosure under the Public Information Act, must, with some exceptions, ask for a decision from the Texas attorney general. If an attorney general decision is required, the city must request the decision and state the exceptions that apply not later than the 10th business day after receiving the written request. Not later than the 15th business day after receiving the request, the city must submit to the attorney general the reasons that the exceptions apply, a copy of the request for information, and a copy of the information requested or representative samples labeled to indicate which exceptions apply to which parts of the information. Recent legislation now requires cities, other than those with fewer than 16 full-time employees or that are located in a county with a population of less than 150,000, to submit all requests for an attorney general ruling and certain related documents through the attorney general's electronic filing system.

Formal Meetings of the Council/ The Agenda

A well-organized agenda is an indispensable part of every orderly council meeting. The agenda establishes a calendar of activities for the council to follow in the course of its meeting. **It lists all the items of business that will be considered.** By putting members of council on notice as to what will be discussed, each of them is enabled to arrive

at the meeting prepared and ready to conduct business.

The following illustrates a typical agenda format:

- 1) Call to Order—The presiding officer calls the meeting to order and determines whether a quorum is present.
- 2) Invocation—Optional.
- 3) Roll Call—Although most city councils are small enough to readily determine who is present by simply looking around the council table, a formal roll call lends an air of dignity to the proceedings.
- 4) Approve Minutes of the Previous Meeting—Unless a majority of the council desires that the minutes of the previous council meeting be read, the minutes can be approved as submitted or corrected.
- 5) Consent Items—“Consent” items are noncontroversial items that can be considered and voted upon as a block.
- 6) Public Comment Session—Scheduling this agenda item early in the meeting permits members of the public to complete their business with the council in a timely manner and then leave if they wish.
- 7) Public Hearings.
- 8) Old Business—Final passage of ordinances, and other business pending from previous council meetings.
- 9) New Business—New ordinances or resolutions (or amendments to existing ones) or policies that councilmembers or city staff wish to have the council consider. Under the Open Meetings Act, each item to be considered must be specifically described in the agenda. It is not sufficient just to put the words “New Business” or “Old Business” on the agenda, and then allow the consideration at the council meeting of any or all items that might be brought up.
- 10) Reports of Advisory Boards and Commissions—Each board or commission must be listed, together with a description of each report that will be presented at the council meeting.
- 11) Items from Council—This part of the agenda is provided for members of council to present matters other than ordinances, resolutions, and other matters requiring

formal action. The attorney general has opined that matters raised by members of council or city staff must be specifically described on the agenda (other than items of “community interest,” as previously explained in this chapter). Examples would include a councilmember’s request that the staff take action on a particular problem, as described in the agenda.

- 12) Staff Reports—This agenda item includes reports from the mayor and/or city administrator on the status of various projects, problems that are developing in particular neighborhoods, and so on. Under the open meetings law, each of these reports must be listed and specifically described in the agenda.
- 13) Announcements.
- 14) Adjournment—If there is no further business, the mayor can adjourn the meeting. If all of the items listed in the agenda have not been considered and disposed of, a majority vote usually is required to adjourn.

The amount of detail included in the agenda is a matter for the council to decide. Oftentimes, the agenda is used as the notice of the meeting. In that case, the legal rule applicable to the format of an agenda is found in the open meetings law, which requires that every agenda item be specifically described in the meeting notice. In practice, this means that broad categories, such as “Old Business” or “New Business,” cannot be included in the agenda without listing each of the specific items that will be discussed.

The city council is specifically required to keep minutes or a recording of each of its open meetings. The minutes must state the subject matter of each deliberation and must indicate each vote, other decision, or other action taken by the council. The minutes or recording are public records and may be examined or copied by members of the public. This requirement must be met for all open meetings of the council, including meetings where formal actions or votes do not occur. For example, a city council or board that meets to discuss formulation or development of a policy or ordinance that will be voted on at a later date must keep a formal record of the proceedings, even though no final vote or action is taken.

Rules of Order and Procedure

Recognizing that every legislative body needs a systematic way of conducting its business, many city councils operate according to formal rules of order and procedure. Rules of order and procedure prevent confusion by establishing an organized process for conducting council meetings. Properly followed, they save time for all participants, while protecting the individual member’s right to participate fully.

The following provisions usually are included in rules of order and procedure:

1. Designation of the time and location of regular meetings of the council, together with a description of procedures for calling special meetings;
2. Procedures for placing items on a meeting agenda;
3. Methods for compelling members of council to attend meetings;
4. A description of the duties of the presiding officer at council meetings;
5. A description of the parliamentary rules under which the council will operate;
6. Procedures for introducing and voting on ordinances, resolutions, and other items;
7. The order of business the council will follow at each meeting; and
8. A ranking of motions by order or precedence, which motions may or may not be debated, and so on.

Although most city councils use *Robert’s Rules of Order* to conduct their meetings, some have adopted their own local rules. *Robert’s Rules of Order* may be appropriate for some cities, but is often too cumbersome for others. State law is silent with regard to what procedural rules apply; so, unless your city charter provides otherwise, any standard rules that are reasonable and consistently followed are acceptable.

The following two sections briefly describe motions and debate rules that are fairly common.

Motions

A motion is simply a vehicle for initiating action on a proposal. Some types of motions can be brought

up and voted on at any time, while others are out of order at certain times. Certain motions outrank others. Some motions require a second; others do not. Knowing the difference between the various types of motions and when to use them is a first step in taking an active part in passing or defeating measures before the council.

A main motion is used to initiate the consideration of a new item of business. After being seconded, a main motion is subject to being debated, amended, tabled, or withdrawn before a final vote is taken.

Any councilmember making a main motion may, prior to receiving a second, withdraw or change it. If the motion has been seconded, approval of the person who seconded it is required in order for the maker of the motion to change or withdraw it, unless another councilmember objects, in which case the change or withdrawal must be voted upon.

A new main motion cannot be brought up for consideration while another main motion is being debated. Each main motion must be disposed of before another is made.

A secondary motion is used to propose an action on a main motion being debated by the council. Examples of secondary motions include the following:

- 1) Motion to table the main motion; that is, lay it aside and go on to the next item on the agenda.
- 2) Motion to request that discussion cease and that the main motion be voted upon; that is, moving the previous question.
- 3) Motion to limit discussion to a fixed amount of time.
- 4) Motion to postpone action on the proposal until some definite time in the future.
- 5) Motion to refer the proposal to a committee.
- 6) Motion to amend the main motion.
- 7) Motion to postpone action on the proposal to an indefinite future time.

These examples of secondary motions are listed in the order of their rank. Therefore, if the council is debating Councilmember X's motion that the item under consideration be referred to a committee, and Councilmember Y moves to table the main

motion, debate would cease until Councilmember Y's higher-ranking motion is voted upon.

A privileged motion is used to bring procedural questions before the council, such as whether the council should recess or adjourn. Unlike other motions, privileged motions do not require a second in order to be considered.

A privileged motion can be offered at any time, without regard to any other motion pending before the council and must be decided before the council returns to the other business under discussion. Therefore, a motion to adjourn, if made while a main motion is before the council, must be decided before the main motion is considered any further.

Some privileged motions are more privileged than others. This is the usual order of their importance:

- 1) Motion to set the time and place of the next meeting.
- 2) Motion to fix the time of adjournment.
- 3) Motion to adjourn.
- 4) Motion to recess.
- 5) Motions on questions of privilege.
- 6) Motion to keep the meeting to the agreed order of business.

Thus, during consideration of a main motion, a privileged motion might be made to adjourn. But before the question is called on the motion to adjourn, another higher-ranking privileged motion might be made to set the time and place of the next meeting.

Debate

Motions are usually classified three ways: (1) undebatable motions; (2) privileged motions upon which limited debate is permitted; and (3) fully-debatable motions.

Undebatable motions involve procedural questions that can be resolved without discussion, such as tabling a main motion, moving the previous question, restricting further discussion of a main motion to a fixed number of minutes, postponing action, or referring an item under discussion to a committee. [See items (1) through (7) under "secondary motions."] After an undebatable motion is offered, the presiding officer must immediately take a vote, without discussion.

Privileged motions upon which limited debate is permitted include setting the time of the next meeting and others listed among items (1) through (6) under “privileged motions.” Any discussion of a privileged motion must be addressed to the motion itself. A motion to fix the time for adjourning the council meeting, for example, might require limited debate as to the advisability of such a decision, but other points of discussion would be out of order.

Fully-debatable motions are subject to unlimited discussion prior to a decision.

One of the most important principles of debate is that councilmembers’ statements be directly relevant to the item under consideration. Councilmembers recognized by the mayor are given the floor only for the purpose of discussing the item then pending, and they are out of order if they depart from that item.

“Debate” can easily evolve into statements of personal philosophy. Interesting though they may seem to the speaker, such departures do not belong in a council meeting. Meandering can be controlled by limiting councilmembers to one speech per agenda item or by restricting the length of their speeches. (Robert’s Rules of Order sets an arbitrary limit of 10 minutes for each such speech.) A more difficult alternative is to impose limits on the number of minutes that will be allotted for a given agenda item.

Role of the Mayor as Presiding Officer

The mayor, as presiding officer, has the primary responsibility for ensuring that the council’s rules of procedure are followed and for maintaining the dignity of council meetings. The mayor calls the meeting to order and confines the discussion to the agreed order of business. He or she recognizes councilmembers for motions and statements and allows audience participation at appropriate times. The mayor sees to it that speakers limit their remarks to the item being considered and, as necessary, calls down people who are out of order.

Proper performance of these functions requires that the mayor know parliamentary procedure and how to apply it. The mayor must recognize that parliamentary procedure is a tool, not a bludgeon—that is used to ensure that the will

of the majority prevails while the right of the minority to be heard is protected.

In addition to fulfilling the duties of the presiding officer, the mayor should be familiar with legal requirements imposed by state law. This involves knowing which actions are required on ordinances, when extraordinary council votes are required, and when a time element—such as the deadline for giving notice of a city election—is important. The city attorney can help with these matters, but if the mayor knows the basics, time can be saved and illegal or incomplete actions prevented.

Presiding effectively at a council meeting is an art that no book can fully teach. The tactful presiding officer knows how to courteously discourage councilmembers who talk too much or too often, and how to encourage shy councilmembers who are hesitant to speak at all.

Councilmembers’ remarks should always be directed to the chair. Even when responding to questions asked by another councilmember, he or she should begin by saying, “Mayor, if you will permit me. . .” and wait for recognition from the chair before proceeding. This helps avoid the spectacle of two councilmembers haggling over an issue that is of little interest to their council colleagues.

In addition to maintaining order and decorum at council meetings, the mayor must see to it that all motions are properly dealt with as they arise. The mayor must recognize the councilmember offering the motion, restate the motion, present it to the council for consideration, call for the vote, announce the vote, give the results of the effect of the vote, and then announce the next order of business.

In some cases, the mayor might refuse to allow a councilmember to offer a motion, even though it is in order, either because of unfamiliarity with parliamentary procedure or because of personal opposition to the proposed action. The mayor’s refusal to allow a motion to be considered is subject to appeal, as are all of the mayor’s decisions regarding procedures. A simple majority vote is all that is required to overrule the mayor’s decision on procedural issues. If the decision of the chair is sustained, no further action is taken; but if the decision of the chair is overruled by the council,

the council goes forward with the discussion of the motion or other matters before it.

On rare occasions, the mayor, in the heat of the moment, may rule that an appeal is out of order, or even declare the meeting adjourned. Both rulings are improper. A meeting cannot be summarily adjourned by the mayor. If an appeal from the decision of the chair is made immediately following the ruling, it is not out of order. If the mayor refuses to honor the appeal, the person making the appeal could then state the question, suggest limited debate, and then put the question to a vote.

Streamlining Council Meetings

Even the best planned council meetings can deteriorate into endurance contests. These are not necessarily the exceptional meetings, with long public hearings or battles over controversial ordinances. As often as not, these are regularly-scheduled meetings which drone on until the entire council is thoroughly exhausted.

Regulating Talk

Too much talking is the most common cause of lengthy meetings. Talking can assume a variety of forms—bickering or tiresome exchanges of personal opinions among councilmembers, endless speeches by citizens appearing before the council, or unnecessarily long and detailed reports by staff.

Nearly all these problems can be overcome by tactful action on the part of the presiding officer. If citizens addressing the council ramble on and on, the mayor may have no choice but to tell them to confine their remarks to the subject at hand and conclude as quickly as possible. If the problem is created by a talkative councilmember, a simple statement to the effect that “it’s getting late and we must move along” usually will suffice, though private visits by the mayor may be needed to handle chronic talkers.

Shortening the Agenda

Having too many items on the agenda is another frequent cause of lengthy council meetings. This is not an easy problem to solve, and several evaluation sessions may be needed to correct the situation.

Perhaps the agenda is loaded down with detailed items that are included for reasons of custom, rather than necessity, and many of these could be handled by staff without council action. If too much meeting time is needed to explain the various items on the agenda, perhaps a requirement that the more complex ones be explained in writing in advance of the meeting would help.

In some cases, it may be discovered that lengthy council meetings are the result of complexities that simply cannot be overcome. In these instances, the only answer may be more frequent meetings.

Handling “Consent” Agenda Items

Agendas tend to be cluttered with uncontroversial, recurring items that are of little interest to most councilmembers but must be included because they require formal council approval. Examples include council approval of the minutes of previous meetings, routine purchases, and minor fund transfers between accounts. Most of these items generate no discussion, but each uses up time by requiring a separate motion to approve, a second, and a vote.

This problem can be overcome by establishing a “consent” agenda category that encompasses routine items that are approved by a single motion and a vote, without debate. (“Councilmember Smith moves the approval of items 3a, b, c, d, e, f, and g.”)

If a councilmember objects to a consent item, it is removed from the list and added to the regular agenda at the appropriate spot. If a councilmember questions a consent item, but not so strongly as to require that it be removed from the list, his or her “no” vote or abstention can be entered in the minutes when the consent vote is taken.

The number of consent items can range from a handful to 25 or 30 or more, depending on the council’s workload and preferences. Whatever the size, the consent agenda can be a real time-saver. One city reported that using a consent agenda had slashed the length of the average council meeting by 50 percent.

Administrative Improvements

Some council meetings are unnecessarily long because of deficiencies in the city's administrative procedures. For example, residents who can't get their problems solved at city hall during normal business hours are likely to show up at council meetings to demand assistance. The fact that most of these complaints should have been handled through administrative action does not relieve the council of the duty to spend time listening to them.

Councilmembers who sense that too much formal meeting time is being devoted to hearing gripes from residents about administrative inaction usually come to the conclusion that the way to get frustrated residents off the agenda and into proper channels is to establish a system for receiving and processing complaints. The system can be simple, such as assigning one or two employees to process complaints on a part-time basis, or it can be a more sophisticated office operated by a full-time staff. In any event, it is usually advisable to have at least one staff member responsible for this function attend council meetings to be available to head off complaints.

Mechanical Aids

The time needed to explain an agenda item can be reduced by using photographs, flipcharts, and other graphic arts to supplement or replace written reports. Graphics and visual presentations needn't be expensive. In most cases, using a simple map to show the location of a project, flow charts to illustrate a particular procedure or process, photographs to point out the physical characteristics of the matter being discussed, or a PowerPoint presentation can provide the extra perspective that written words or oral discussions sometimes fail to convey.

Council Work Sessions

Informal work sessions (sometimes called "workshops") of the council may be needed from time to time to study certain matters in detail. These are most often held in conjunction with budget review since regular council meetings do not provide enough time to consider the budget in detail. Work sessions are also useful when

major policy questions must be decided or when a complicated ordinance, such as a building code, comes before the council.

The Texas Open Meetings Act applies to all council meetings, including workshops. A notice of a workshop meeting therefore should be posted in the same manner as a notice of regular council meeting. Also, minutes or a recording must be made of the meeting.

Public Participation

Many members of the public form their opinions of the city government on the basis of having attended just one council meeting. For some, it will be the only one they attend in their lifetime. This is the time to impress citizens favorably, and to show them that the council is capable of doing its job.

The "public participation" period, also known as "public comment" or "public session," is a time slot set aside on the agenda for the public to address the council. Members of the public have the right to speak on items that are on the agenda for consideration at an open meeting. The council must allow the public to speak on items listed on the agenda of an open meeting either at the beginning of the open meeting or during the meeting when that item is being discussed by the council. The council can still adopt reasonable rules regarding the right of the public to address the council. This includes limiting the amount of time that the public may address the council on a given item. If the citizen addressing the council on an item on the agenda speaks a foreign language and needs an interpreter, then the council must allow the non-English speaker at least double the time allowed for English speakers to address the council. Though members of council are expected to be polite to members of the public appearing before them, they may not prevent the public from publicly criticizing the council or its actions during the public comment period.

The presiding officer should inform members of the public of the place on the agenda at which time they will be recognized to speak. And if an exceptionally controversial item has drawn a large crowd, it is generally wise to state the approximate time the item is likely to come up for discussion.

To guard against filibusters by members of the public, some councils limit the length of time any one member may speak to three or four minutes, and permit this to be extended only by a two-thirds vote of the council. This kind of limitation often is necessary to keep talkative speakers from infringing on the rights of others who may wish to speak.

A city council may also allow the public to speak on items that are not listed on the agenda during a public comment session. If the city council allows the public to do so, it may apply reasonable rules regarding the number, frequency, and length of the presentation, but it cannot discriminate against speakers. In such instances, limited verbal interchanges between members of the public and members of council are allowed. When a member of the public makes an inquiry about a subject which is not on the agenda, a member of council may respond with a statement of factual information or recite existing policy.

Because the city council cannot take action on an item unless it has been posted on the agenda in accordance with the Open Meetings Act, if a citizen brings an item before the council that needs to be acted upon, the city council should request that it be placed on the agenda for the next meeting. The attorney general has also stated that if a city knows or reasonably should know the subject matter of a citizen's presentation, it should place the matter on the agenda.

Public Hearings

The purpose of a public hearing is to present evidence on both sides of an issue. Some public hearings are required by state law, as in the case of the Uniform Budget Law (Sections 102.001 et seq., Local Government Code), which requires a public hearing on the city budget prior to its adoption. Others are voluntarily conducted by the council to obtain a full range of citizen opinion on important matters, such as a proposed bond issue. The difference between a public hearing and a public comment session is that a public hearing is required by law for particular topics with specific notice requirements set out by law.

The proper conduct of a public hearing is no less important than for a regular council meeting. Each should begin promptly and be conducted in an orderly manner in conformance with established rules of procedure.

At the start of the hearing, the presiding officer should clearly state the subject to be discussed. If, for instance, it is a rezoning public hearing, the proposed ordinance should be read and its purpose explained. If the subject is controversial, the following order can be adhered to: proponents' presentation, opponents' presentation, proponents' rebuttal, opponents' rebuttal, questions from council.

One cardinal rule to remember is that numbers don't always count. There are some topics that naturally draw large, highly biased crowds. Vocal minorities often swamp public hearings to show that their side has widespread support. Such items as little league ballparks, school crosswalks, water rates, and taxes can attract crowds, but the size of the turnout does not necessarily indicate that their cause is just. The council is elected to serve all the citizens, and the council must look at the overall picture—not just the view presented by one partisan group.

The council is responsible for weighing the evidence presented at the hearing and, after due consideration, reaching a decision. Obviously, this cannot always be done at the same meeting as the public hearing. In fairness to those who have taken the time to attend, the presiding officer should indicate whether a decision will be made immediately after the hearing and announce the final result. Otherwise, the chair should describe the reason that no decision will be made at that time, then state the probable time at which a final determination will be reached.

When a decision is announced on an issue that involves a public hearing, the presiding officer may, with the assistance of legal counsel, give the reasons why the decision was reached. Even a brief explanation will help prevent observers from feeling that the outcome of the hearing was decided in advance, and that they wasted their time by attending.



POLICE

NO PARKING
FIRE LANE

MAIN
JEFFERSON ST

Chapter Six: Financial Administration

Financial administration, simply stated, is matching dollars with needs. Financial administration is the small town mayor who notices that city hall has a leaky roof and makes a mental note to have it replaced when the money is available. Financial administration is a million-dollar capital improvements program, a bond election preceded by a barrage of information disseminated through the news media, a bond sale, and a report to the taxpayers through the newspaper—all of this is part of financial administration.

Financial administration involves an understanding of the extent and limits of the economic resources of the city and the methods of tapping them to meet residents' demands for city services. It begins with a thorough knowledge of revenue sources and ends with a proper accounting of all the funds expended by the city. Much lies in between; it is all financial administration.

Revenue Sources

City revenues come from many sources, including utility systems, property taxes, sales taxes, user fees, federal grants, and street rentals. (The Texas Municipal League publishes a comprehensive Revenue Manual for Texas Cities.)

Utility Revenues

Most Texas cities own water and sewer systems, while comparatively few operate electric or gas systems. Among those that own water or sewer systems, the revenue produced by utility billings accounts for a substantial portion of all money taken in at city hall. This percentage is considerably higher among cities that own electric or gas systems.

Property Taxes

Municipal property tax revenue is growing each year, both in total dollars and on a per-capita basis. In many cases, however, the demands on city budgets have increased at a much greater rate than have property tax collections.

Maximum Property Tax Rates

The Texas Constitution establishes the maximum permissible property tax rate for cities at the following levels: (1) for Type B and small Type C general law cities—25¢ per \$100 assessed valuation; (2) for other general law cities with a population of 5,000 or less—\$1.50 per \$100 assessed valuation; and (3) for cities with 5,001 or greater population—\$2.50 per \$100 assessed valuation.

Administrative Procedures

Over the years, the Texas system of property tax administration has undergone significant change.

Prior to 1980, the appraisal of property for tax purposes was fragmented among more than 3,000 cities and other local jurisdictions, and there were no uniform statewide standards governing the administration of local taxes. In 1979, however, the Texas Legislature changed this situation radically when it enacted a new State Property Tax Code that established uniform appraisal policies and procedures.

Under the code, county-wide appraisal districts are now responsible for preparing a unitary tax roll that encompasses all property within the county. Although cities and other jurisdictions retain the authority to set their own tax rates and collect their own taxes, they must use the tax roll prepared by the central appraisal district for all tax-related purposes.

The basic procedures for administering property taxes include the following:

- 1) **Appraisal:** The taxable value of all property in the county is determined by the central appraisal district.
- 2) **Protest:** Any property owner dissatisfied by the value fixed by the central appraisal district can appeal to the appraisal review board. Upon a convincing demonstration that the appraisal district's determination was erroneous, the review board has the authority to correct the error, including but not limited to ordering a reduction of the taxable value of the appellant's property.

- 3) **Assessment of Taxes:** The tax roll prepared by the central appraisal district is furnished to cities and other taxing entities within the county; those entities use it as the basis for levying taxes for the coming fiscal year.

Legislation passed in 2019 overhauls the process by which cities adopt their tax rates. Generally speaking, if taxes that fund maintenance and operations expenses increase more than 3.5 percent, the city must hold an election on the November uniform election date for voters to approve the rate. (Note: There are exceptions to this general process for cities under 30,000 population, under certain circumstances.) A city may not adopt a tax rate exceeding the lower of the voter-approved tax rate or the no-new-revenue tax rate until it publishes notice and holds a public hearing. Cities must take various other actions to promote transparency in the tax-rate-setting process, including posting certain information on their websites, and incorporating tax rate information into a database maintained by their appraisal districts.

- 4) **Collection:** After the council has set the property tax rate for the coming fiscal year, the tax assessor-collector mails tax notices to all property owners in the city and initiates the collection of taxes.

The procedures for assessing and collecting property taxes are prescribed by the Tax Code and Local Government Code. Complete details regarding state requirements are available from the Property Tax Division of the Texas State Comptroller of Public Accounts.

Delinquent Property Taxes

For obvious reasons, it is to the city's advantage to collect as much as possible of the amount of property taxes owed. In this regard, financial analysts are inclined to criticize cities that fail to consistently collect at least 95 percent of the taxes levied. In many Texas cities, a 98-percent collection rate is the norm.

The more successful city tax offices are assisted by an attorney who is skilled in collecting delinquent taxes. In some cases, this may be the city attorney,

but the more common practice is for the city to hire a lawyer who specializes in the delinquent tax field. Most outside lawyers charge a fee that is paid by the delinquent taxpayers on the basis of a percentage of the delinquent taxes they owed.

City Sales Tax

As a result of legislation initiated by the Texas Municipal League, the general city sales tax became available to Texas cities in 1968 and has become almost universal, with virtually all cities in the state having adopted it.

Most cities in which the combined local sales tax (city, county, special district) has not reached two percent can consider the imposition of certain additional sales taxes for purposes that include economic development, crime control, property tax relief, and street maintenance. Additional information regarding the sales tax for economic development is available from the Texas Municipal League and the League's *Economic Development Handbook*.

User Fees

Charges for the use of city services are an increasingly popular method of generating revenues. In addition to charging for solid waste collection and water and sewer services, cities impose fees for the use of a variety of facilities, including swimming pools, golf courses, and airports.

Federal Grants

Despite cutbacks in recent years, federal aid is still an important part of the municipal revenue picture. For individual cities, federal aid as a proportion of all revenues fluctuates widely, with "distressed" cities receiving large amounts of federal money, and the more prosperous cities receiving comparatively little.

Street Rentals

A portion of an average city's revenue is produced by rental charges collected from private firms—such as cable TV companies, telecommunications providers, and gas and electric utilities—in return for allowing them to use streets and other public

rights-of-way. Municipal street rental charges for electric, gas, and water utilities are authorized under the state Tax Code, which allows cities to impose such charges on utility and transportation enterprises in return for the privilege of using the city's streets and alleys to string lines, bury pipes, and otherwise use public property to conduct business. The provisions for collecting compensation from telecommunications providers are contained in Chapter 283 of the Local Government Code, and those relating to cable and video providers are in Chapter 66 of the Utilities Code. Chapter 284 of the Local Government Code contains right-of-way compensation provisions for small cellular network nodes.

Fines

Under state law, a city may assess a fine of up to \$2,000 per day for violations of ordinances dealing with fire safety, zoning, or public health-related matters. A city may assess a fine of up to \$4,000 per day for violation of an ordinance governing the dumping of refuse. For ordinances dealing with other violations, the maximum fine is \$500 per day.

The amount of revenue from fines as a proportion of city revenues usually varies in direct proportion to city size. In larger cities, fines generate a comparatively small proportion of total revenues; in most small cities, fine revenues play a much more important role in the city budget. State law limits the amount of revenue that a city under 5,000 population may derive from fines for violations of traffic laws.

License and Permit Fees

Under their police powers, cities regulate a wide variety of activities to promote the health, safety, and welfare of local citizens. Permit and license fees provide the revenues necessary to finance the administrative costs of these regulatory programs. Examples of permit fees include those charged for examining subdivision plats and plumbing installations. Examples of license fees include those for registering dogs. The amount of a permit or license fee must bear a reasonable relationship to the cost of the particular regulatory program. Under the law, excessive fees may not be imposed to create "profits." Also, the city may not assess a fee or require a permit for which no bona fide regulatory function is performed.

Hotel-Motel Tax

Chapter 351 of the Tax Code authorizes most cities to levy an occupancy tax of up to seven percent on the price of a hotel or motel room. Other cities, depending on population, may levy an even higher tax. For purposes of imposition of a hotel occupancy tax, a short-term rental (STR) is considered a hotel under state law. Under the law, proceeds from hotel occupancy tax must be earmarked for certain specified purposes, including the advertising and promotion of the city and its vicinity to attract tourism, arts and cultural activities, historical restoration and preservation activities, registration of convention delegates, operation of visitor information centers, the construction of civic centers and auditoriums, certain sporting events, signage, and tourist buses. Cities must maintain a written list of all projects funded by the hotel-motel tax. Cities must also annually report to the comptroller their hotel occupancy tax rates, the amount of revenue collected from hotel occupancy taxes during the year, the amount of revenue collected in any preceding fiscal year that has not yet been spent and the amount of that revenue remaining in the city's possession, and the amounts and percentages allocated to specific uses during the year.

Taxes on Alcoholic Beverages

Under the Texas Alcoholic Beverage Code, the state levies both a gross receipts tax and a separate tax on the sale of all mixed drinks served in clubs, saloons, and restaurants. Some of the state's total collections are remitted back to the cities on a pro rata basis.

Additionally, cities are authorized by state law to levy fees not to exceed one-half of the state fee for a variety of alcoholic beverage-related permits, including permits for package stores, distributors, brewers, and others issued within the city.

Occupation Taxes

Cities are authorized to levy an occupation tax on certain businesses and professions, such as operators of pinball machines and other coin-operated devices. The rate of the city tax may not exceed an amount set by law and may not exceed 50 percent of the rate of the occupation tax levied by the state on the same businesses if

no statutory amount is set. A city may not levy a tax on a business or profession not subject to state occupation taxation.

Special Assessments

A “special assessment” is a charge imposed by the city on a limited group of properties to finance public improvements that specifically benefit those properties and enhance their value. Special assessments are most frequently used to finance the construction of sidewalks or reconstruction of streets. The cost of improvements is apportioned among all the owners of property abutting the improvement according to relative benefit. Costs are divided between property owners and the city according to the state law applicable to the particular type of improvement.

Miscellaneous Revenues

Miscellaneous income is derived from many different sources, such as rental charges for the use of city property, the sale of city property, the sale of water and other utility services to other jurisdictions, and interest income on idle city funds.

Budgeting

For many members of council, budgeting represents the most wretched and tiresome aspect of city government. Budgeting begins amid cries from some citizens for “tax relief” and demands from others that their “essential” programs be funded. Upon its adoption, the budget is dismissed with a sigh: “Now that that dreadful chore is behind us, we can get on with the ‘fun’ part of the city’s business.”

Financial management is indeed unglamorous, and budgets are poor leisure reading. However, it is also true that among all the functions performed by the city council, budgeting is the most important.

In its simplest definition, budgeting is a plan for utilizing the city’s available funds during a fiscal year to accomplish established goals and objectives. Within a broader context, the budget also serves to:

- 1) Provide the public with an understandable financial plan that plainly describes activities that will be undertaken during the next fiscal year and the extent and specific types of services that will be performed.
- 2) Establish priorities among city programs, particularly new or expanded programs.
- 3) Define the financial framework that will be used to periodically check the status of city operations.
- 4) Determine the level of taxation necessary to finance city programs.

Budgeting is the forum for making the most of the council’s key decisions about the future of the city. It is a process for determining the community’s standard of living—what local residents need and want, what they are willing and able to pay for, and what services they can expect to receive for their tax dollars.

The council can use the budget to restore an ailing city government to financial health, or misuse it to drive a healthy government to insolvency. It can be used to nurture community development or freeze growth. The budget is everything. It is, in the words of one mayor, “the World Series of municipal government.”

Statutory Requirements

The budgeting process in every Texas city, regardless of size, must comply with the requirements in Chapter 102 of the Local Government Code. Under the statute:

- 1) The city council must adopt an annual budget and conduct the financial affairs of the city in strict conformance with the budget.
- 2) The budget for each fiscal year must be adopted prior to the first day of such fiscal year. In most Texas cities, the fiscal year begins on October 1; therefore, the budget must be adopted by September 30 or earlier.
- 3) The city’s budget officer must prepare a proposed budget for the consideration of the city council. In most cities, the law requires that the mayor serve as budget officer; in cities that have adopted the city

manager form of government, the city manager is the budget officer.

- 4) Copies of the proposed budget compiled by the budget officer must be filed with the city clerk/secretary and made available for public inspection. The initially proposed budget must be filed no later than 30 days prior to the date upon which the city council sets the property tax rate for the next fiscal year.
- 5) If the budget will raise more total property taxes than in the prior year, it must contain a cover page giving notice of that fact. A budget calling for such a property tax increase must be posted on the city's website if it operates one.
- 6) The city council must hold a public hearing on the budget after the 15th day that the budget has been filed with the city clerk or secretary. Notice of the public hearing must be given in a newspaper of general circulation in the county not less than ten nor more than 30 days prior to the hearing. The notice must identify a proposed property tax increase.
- 7) Upon adoption of the final budget by majority vote of the council, copies must be filed with the county clerk and city clerk/secretary and made available for public inspection. A budget that raises total property taxes requires a separate ratification vote. The adopted budget must contain a cover page that includes property tax information as well as the record vote of each councilmember on the budget. The adopted budget and cover page must be posted on the city's website if it operates one.
- 8) After the new fiscal year has begun and the budget has been put into effect, no expenditure "shall thereafter be made except in strict compliance with such adopted budget," and council may not amend the budget to authorize new or additional expenditures except for reasons of "grave public necessity" requiring "emergency expenditures to meet unusual and unforeseen conditions, which could not, by reasonable diligent thought and attention, have been included in the original budget..." However, council may make changes to the budget that do

not increase the total expenditure in the original budget (for example, moving amounts from one budget line item to another line item) without a finding of "grave public necessity."

- 9) The budget and any amendments to it must be filed with the county clerk.
- 10) The governing body of the city may levy taxes only in accordance with the budget.

For obvious reasons, Chapter 102 of the Local Government Code is generally interpreted to prohibit deficit financing—that is, budgeting expenditures for which no offsetting revenues are provided.

Many charters also prescribe the format of the budget, including requirements that it contain a message describing the budget officer's proposed fiscal plan for the city and significant features of the budget for the forthcoming fiscal year; a general summary, with supporting data, which shows proposed expenditures and anticipated revenues for the next fiscal year and their relationships to corresponding data for the current budget year; and details of proposed expenditures and anticipated revenues.

Basic Budget Information

Adoption of a plan of city services for the next fiscal year begins with a budget document containing certain basic information. The budget document should identify all services currently provided and proposed to be provided (or terminated) during the coming fiscal year. For each service, the following information should be furnished:

1. An itemization of expenditures for each service during the previous fiscal year, a projection of actual expenditures for the current year, and proposed expenditures for the next fiscal year.
2. A statement of objectives for each service to be funded during the next fiscal year. "Objectives" do not mean organizational objectives—such as "to add new police officers" or "to purchase a new street sweeper." Rather, these statements should describe the benefits the community will derive from a particular service, such as

“to reduce average police response time to emergency calls by three minutes,” or “to clean x number of miles of streets.”

3. The proposed level of each service for the next fiscal year, together with a description of performance standards for each. In the case of the solid waste budget, for example, service levels and performance can be expressed in terms of the numbers of customers served and the volume of refuse collected. Street maintenance can be expressed in terms of lane miles resurfaced, maintenance requests, and number of complaints concerning street quality, and so on. This approach will help the council focus on community benefits that will be produced by a given expenditure, rather than on such details as whether a particular department is requesting too much money for supplies or travel.
4. A brief description of the methods by which the services will be delivered.
5. An itemization of the cost components of proposed services.
6. Sources of funding for the proposed services.
7. A description of factors that could affect the cost of proposed services.

The budget also should contain a summary of the city’s financial condition for the prior year and current year, and a projection of its anticipated condition for the coming fiscal year and beyond. This summary should indicate:

1. Outstanding obligations of the city.
2. Beginning balance of all cash funds.
3. Actual revenues, broken down by source, collected in the preceding year and anticipated for the ensuing year.
4. Estimated revenue available to cover the proposed budget.
5. Estimated tax rate required to cover the proposed budget.

Properly organized, this information will enable members of council to gain a comprehensive understanding of the city’s financial condition and give them the tools they need to establish the scope and direction of municipal services for the coming year.

Implementation

After the budget has been approved, regular monitoring by the city council can help ensure that municipal services are carried out in accordance with budget objectives and within expenditure ceilings. In most cities, the budget officer is required to furnish the council with periodic reports that show the prior month’s expenditures and total expenditures to date for each budgeted activity. Using these reports, the council can identify deviations from budget plans, anticipate financial trouble spots, and determine whether the various departments are functioning properly.

On a periodic basis, perhaps quarterly, the council should be furnished with a written description of significant budgetary developments during the current fiscal year. For each activity, this statement should describe progress to date in comparison with objectives, and should provide reports on expenditures by budget category and revenue collections. Revised estimates of revenue also should be presented, together with revised surplus or deficit projections. These reports will give the council the basis for determining how well the city is meeting its service targets with the funds available. Also, it can help the council determine whether budget modifications are needed during the year.

Municipal Borrowing

It is a rare case when a city is able to carry out a capital improvements program of any consequence without using credit. More often, the city borrows money, and in doing so, offers future tax collections or utility revenues as security for the loan.

Loans fall into two categories: short-term and long-term—or, stated differently, loans to be repaid within the current fiscal year versus those to be repaid in future years. This section briefly reviews the two types of loans.

Short-Term Borrowing

Most short-term loans are made with local banks. Their purpose is to provide funds of a temporary nature, and they are made with the expectation of repayment within the current fiscal year. A bank

loan made in August to avoid an overdraft in the general fund pending receipt of tax collections in September is a good example of a short-term loan.

A short-term loan differs from a long-term loan in two respects: (1) it will mature within the current fiscal year; and (2) it can be approved by the city council without the necessity for voter approval at a referendum election.

Short-term loans should be used sparingly. An excessive amount of short-term debt can adversely affect the city's bond rating and impair its ability to accomplish long-term borrowing for major capital improvement programs. Frequent use of short-term borrowing reflects deficiencies in the quality of the city's management of its financial resources.

Long-Term Borrowing

Unlike short-term loans, which can be repaid with general fund dollars derived from a variety of revenue sources within the current fiscal year, long-term loans require that the specific source of revenue that will be used to repay the debt be identified and, in certain cases, pledged.

Long-term loans secured by a pledge of property taxes are called "general obligations" and include ad valorem tax bonds, time warrants, and certificates of obligation. Long-term loans secured by a pledge of revenue from an income-producing facility are called "revenue bonds."

General Obligation Debt

General obligation debts are payable from, and are secured by, a pledge of future property tax collections. Under standards promulgated by the Texas attorney general, a city with a maximum permissible tax rate of \$1.50 per \$100 assessed valuation may not incur general obligation debt that will require the levy of a tax at a rate higher than \$1.00, after allowing ten percent for delinquencies in collection and for the payment of maturing principal and interest.

General obligation debt is commonly expressed as a percentage of the city's total assessed

valuations. For example, a city that has a total assessed valuation of \$10 million and outstanding general obligation debt in the principal amount of \$500,000 is said to have a debt ratio of five percent. Three common forms of general obligation debt are ad valorem tax bonds, time warrants, and certificates of obligation.

Ad Valorem Tax Bonds

Ad valorem tax bonds are commonly referred to as general obligation, or G.O. bonds. They are issued pursuant to an ordinance adopted by the city council, typically following approval of the bonds at a referendum election. The bonds are examined as to legality by the Texas attorney general, and then delivered by the city to the successful purchaser or bidder for payment in cash. This cash is then used by the city to pay for libraries, police buildings, city halls, and other public facilities with a long, useful life.

G.O. bonds usually are issued in \$5,000 denominations, and the bond issue usually provides serial maturities, with a certain amount of principal maturing each year over a period not to exceed forty years.

General obligation bonds have the highest degree of investor acceptance of any type of municipal indebtedness, and they command the lowest interest rates. Therefore, unless exceptional circumstances dictate otherwise, G.O. bonds are the preferred means of borrowing against a pledge of tax revenues.

Time Warrants

Time warrants are also general obligation debts and are payable from ad valorem taxes. Unlike G.O. bonds, which are sold for cash, time warrants are issued directly to vendors to pay for construction, equipment, and services. Also, unlike G.O. bonds, time warrants do not require voter approval, although the law does require that the city council publish notice of its intent to issue them and that the council call a referendum election upon presentation of a petition signed by ten percent of the taxpaying voters.

The procedures for issuing time warrants are cumbersome and expensive and will result in

the city paying a higher rate of interest than if the borrowing were accomplished with bonds. Nevertheless, time warrants can occasionally be advantageous—for example, to complete the construction of a public works project where there has been a cost overrun and bond funds have been exhausted.

Certificates of Obligation

The third form of general obligation debt payable from property taxes is certificates of obligation (COs). Like time warrants, COs can be issued without voter approval—except that upon notice of the city’s intent to issue COs, five percent of the qualified voters can force an election on the issue by submission of a petition. With certain exceptions, a city may not issue a CO to pay a contracted obligation if a bond proposition to authorize the issuance of bonds for the same purpose was submitted to the voters during the preceding three years and failed to be approved.

COs can be issued directly to vendors to pay for construction work, equipment, machinery, materials, supplies, land, or professional services furnished to the city. Also, under certain circumstances COs can be sold, like bonds, for cash, in which case they must be approved by the Texas attorney general in the same manner as bonds.

Revenue Bonds

Revenue bonds are the only type of bond secured by a pledge of revenues from an income-producing facility such as a utility system. Revenue bonds are usually designated with the name of the system that pledges the revenues (for example, Waterworks System Revenue Bonds, Waterworks and Sewer System Revenue Bonds, and so on).

When utility revenues are pledged to support revenue bonds, the pledge is made of the system’s net revenues—that is, gross revenues minus operating and maintenance costs. Such bonds are payable solely from these revenues and include a statement on their face that the holder shall never be entitled to demand payment from property taxes.

In determining whether the amount of pledged revenues is sufficient to repay the outstanding revenue bonds of a utility system, analysts will look at the ratio between the system’s net earnings and the requirements of principal and interest maturities over a period of years. As a rule, net revenues should be at least 1.25 times larger than the average annual debt service requirements of the system. This ratio is called “coverage,” and revenue bonds are said to have 1.25X coverage, or 2.23X coverage, and so on. The higher the coverage, the better the security for the bonds and, all other things being equal, the lower the rate of interest at which the bonds can be issued.

In pledging the revenues of a utility system, it is common to make a “cross pledge,” or “combined pledge.” This is a pledge of the revenues of one system to repay bonds issued for improvements to a different system; for example, pledging the net revenues of the water system to the payment of bonds issued to improve the sewer system. On the other hand, the revenues of a utility system may not be cross pledged to the payment of bonds issued on behalf of a non-revenue-producing facility. For instance, water system revenues cannot be pledged to the payment of bonds issued to build a city hall.

Bond Ratings

As the annual volume of long-term debt incurred by state and local governments has grown over the years, competition between cities and other borrowers for investors’ dollars has increased correspondingly. A municipal bond rating is one of the methods used to help alleviate the problems arising from this competitive situation.

A bond rating gives a quick indication of the quality of a new issue being offered, so that prospective bidders may know if they want to develop a bid. But a bond rating has greater value than a mere screening device: it also influences the rate of interest payable on bonds. Therefore, it is desirable that the city maintain a good rating for its bonds, because it can mean the difference between a good bid and a poor one, and a difference in interest charges to the city running into many tens of thousands of dollars.

Most Texas cities have more than one bond rating. Each bond issue is rated separately, based on the source of revenue that has been pledged to secure payment. General obligation bonds, therefore, are rated separately from water or sewer revenue bonds.

In determining the rating of a bond issue, analysts focus on the nature of the particular security. In the case of general obligation bonds, prime importance is attached to relationships among the city's debt, wealth, population, and tax collection experience. The economic base of the city, the stage of its development, and the quality of its government also are important factors. Finally, analysts examine the exact nature and strength of the legal obligation that the bonds represent.

The bond ratings of two particular firms are universally accepted in investor circles. These are Moody's Investors Service and S&P Global (formerly Standard & Poor's Corporation), both of which are based in New York City. The four investment grade ratings granted by these services are as follows:

Moody's Investors Service

Aaa: Best quality, carrying the smallest degree of investment risk.

Aa: High quality (together with Aaa comprise "high-grade bonds").

A: Higher medium-grade (many favorable investment attributes).

Baa: Lower medium-grade (neither high-quality nor high-risk).

S&P Global

AAA: Highest rating, with extremely strong capacity to repay loan.

AA: Only a small degree below AAA in the capacity to repay the loan.

A: Strong capacity to repay loan, although more susceptible to adverse effects in economic conditions.

BBB: Adequate capacity to repay loan.

In offering newly issued bonds for bids, the city should apply to one or both of the rating agencies to obtain a rating on the issue being offered. The nominal cost of obtaining

a rating can be recovered many times over by minimizing interest costs on the basis of a favorable bond rating, as opposed to the sale of non-rated bonds.

Bond Elections

If it has been determined by the city council that a bond election is required, the first step—and the key step—in a successful campaign is citizen participation. The tried-and-true elements of a successful bond election include the following:

1. Let private citizen volunteers, rather than the city council, conduct the campaign to persuade local voters to vote for the bonds.
2. Enlist the support of community and civic organizations.

Installment Obligations

An ever-increasing number of Texas cities are financing municipal purchases through installment sales or lease-purchase agreements. Generally speaking, cities must competitively procure the personal property at issue when a lease-purchase agreement or installment sale involves an expenditure of more than \$50,000 in city funds.

Anticipation Notes

Certain cities may have authority to borrow against anticipated revenue (typically federal grant money) by issuing anticipation notes. Anticipation notes may be appropriate for borrowing relatively small amounts of money when the issuance of bonds would be cost prohibitive. State agencies may be authorized to purchase anticipation notes from cities, thus speeding the grant process to fund city projects. The law relating to anticipation notes is found in chapter 1431 of the Texas Government Code.

Capital Improvements Programming

It is a financial fact of life in every city that the demand for new streets, water lines, and other public works will always exceed the supply of current funds. Capital improvements programming is the primary method used by most cities to cope with the perpetual imbalance between capital demands and limited financial resources.

A capital improvements program (CIP) is a long-term plan, usually spanning five to six years, for financing major cost items that have a long useful life, such as buildings, land, streets, utility lines, and expensive equipment. The CIP document lists all the capital items scheduled for construction or acquisition during the next five or six years, the time when construction or acquisition is to occur, the amount expected to be spent during each year of the CIP, and the source of funding for each expenditure.

Preparation of a CIP involves five major steps. First, a list of proposed capital improvements is prepared on the basis of recommendations from the city council, staff, and community groups. The city's comprehensive plan will be the source of many CIP items, but whatever the source, each item included in the list should be supportive of the community goals expressed in the plan.

Second, cost estimates are developed for all proposed CIP items. In addition to stating the up-front cost of each item, these calculations usually include a description of savings that will result from its acquisition or construction, as well as the impact the item would have on future revenues or operating costs.

Third, a determination is made of the city's ability to pay for the items included in the draft CIP, together with a description of the method by which each will be financed. Ability to pay will be determined by a financial analysis of past, current, and future revenue, expenditure, and debt patterns. Options for financing particular items include special assessments, state or federal grants, additional fees or taxes, current revenues (pay-as-you-go), reserve or surplus funds, general obligation or revenue bonds, and certificates of obligation. The objective of this step is to

determine, for each year, the minimum costs the city will incur before any new capital expenditures can be financed.

Fourth, all proposed CIP items are organized by the staff for orderly presentation to the city council. Each is ranked in recommended priority order. Items that overlap or duplicate previously approved projects or that are inconsistent with the city's comprehensive plan are identified and perhaps downgraded.

Finally, the tentative CIP is discussed at public hearings, thoroughly reviewed by the council, and then finally approved by formal council action.

Based on information contained in the CIP, a capital budget is prepared to show all capital expenditures in priority order, together with summaries of the financial activities planned for each year, including the amounts of bonds to be issued, amounts of operating funds required, and so forth.

The capital budgeting process normally takes place on a cyclical basis. Under a six-year CIP, year one is the current capital budget adopted by the city council at the same time it approves the operating budget. Many times, the capital budget is included as a component of the operating budget. Years two through six, having been approved by the council when it adopted the CIP, remain in the record as expressing the council's intent to carry forward with the balance of the CIP.

At the conclusion of year one, the council approves another one-year capital budget and extends the CIP, with revisions, for another year. Thus, year two of the previous CIP becomes year one of the new six-year program, and the cycle begins anew.

Capital improvement programming offers several advantages. By scheduling ample time for construction or acquisitions, costly mistakes can be avoided, as is the case when streets have to be dug up repeatedly because they are not planned in relation to other facilities. Also, by working with a list of planned projects, sites can be purchased at lower cost, and by spacing out projects over several years, the city's tax and debt load can be stabilized, and balance can be maintained between debt service and current expenditures.

Financial Reporting

Financial reports prepared periodically throughout the fiscal year are an essential part of the control system necessary to permit the city council to determine whether funds are being expended in accordance with the budget and to identify discrepancies between anticipated and actual revenues. Financial reports fall into four general categories—internal budgetary reports, annual financial reports, annual audits, and local debt reports—each of which is briefly discussed next.

Internal Budgetary Reports

Internal budgetary reports are prepared on a monthly basis and are distributed to the city council and department heads. These reports illustrate the financial condition of the city as it unfolds from month to month and answer such questions as: are city services being provided as planned? are expenditures exceeding budgeted levels? is the cash inflow at the expected level? By determining the answers to these and related questions on a regular basis, the council can identify problem areas and initiate corrective actions accordingly.

Annual Financial Report

The annual financial report is compiled at the conclusion of the fiscal year and shows, item by item, budgeted versus actual revenues and expenditures, together with other information that describes the city's year-end financial condition. The financial report should be prepared by an independent certified public accountant appointed by the city council and made available to the department heads, the news media, and other interested parties.

Annual Audit

Sections 103.001-103.004 of the Local Government Code require each city to have an annual audit of its financial records and accounts. The audit can be performed either by a certified public accountant or a qualified city employee, and must be made available for public inspection no later than 180 days after the close of the city's fiscal year.

The audit involves examination of three aspects of the city's financial operations: (1) internal controls; (2) statements, records, and accounting transactions; and (3) compliance with statutory and budgetary requirements. Properly conducted, the audit provides a double check on the city's financial status, a method for communicating with the citizenry, and a bona fide statement of the city's financial condition, which will improve its ability to issue bonds.

Local Debt Report

Section 140.008 of the Local Government Code requires cities to annually compile and report various types of debt obligation information, including the amounts of principal and interest to pay outstanding debt obligations, the current credit rating given by any nationally recognized credit rating organization to debt obligations of the city, and any other information that the city considers relevant or necessary to explain the outstanding debt values. Subject to certain exceptions discussed below, the local debt report must be posted continuously on the city's website until the city posts the next year's report. The report must be made available to any person for inspection.

As an alternative to posting the report on the city's website, a city may provide all required debt information to the comptroller and have the comptroller post the information on the comptroller's official website. Further, a city with a population of less than 15,000 may provide the comptroller with its local debt report for inclusion on the comptroller's website. A city that already includes the required debt information in other reports that are posted to the city's website may provide a link to that information rather than replicating the data in the local debt report.

Investments

In 1995, the Texas Legislature enacted the Public Funds Investment Act, which requires the city council to adopt a written investment policy. A city may contract with an independent investment advisor to provide investment and management services. Typically, the city investment officer must attend one investment training session within 12 months of taking office and must attend eight

hours of training once every two years thereafter. The treasurer and the chief financial officer (if the treasurer is not the chief financial officer) must also attend ten hours of training every two years. The Texas Municipal League offers comprehensive public funds investment training.

Financial Warning Signals

In recent years, increasing attention has been given to monitoring the financial health of cities. Although most of the chronic financial problems of cities tend to slowly snowball over an extended period of time, they usually result from a standard set of problems, including: (1) a decline in revenues or tax base; (2) an eroding capital plant; (3) a faltering local or regional economy; (4) growing debt burden; (5) accumulation of unfunded pension liabilities; (6) a sudden loss of substantial federal funds; (7) an increase in spending pressures; and/or (8) ineffective financial management practices.

Chapter Seven: Ordinances and Resolutions

The city council takes official action by two primary means: resolutions and ordinances. Both play important roles in their own respective ways, and they share certain similarities. But there are distinctions between the two, and it is good to know the differences.

The distinction between an ordinance and a resolution is in subject matter, not terminology. An ordinance cannot be changed into a resolution merely by calling it a resolution, nor may the requirements for enacting an ordinance be bypassed by simply passing a resolution. A resolution generally states a position or policy of a city. An ordinance is more formal and authoritative than a resolution. An ordinance is a local law that usually regulates persons or property and usually relates to a matter of a general and permanent nature.

Passage of an ordinance generally involves three steps, the first of which is the introduction of the proposed ordinance at a council meeting.

Next, the city clerk or city attorney either reads the entire ordinance or reads just the caption of the ordinance and allows the person proposing it to provide an explanation.

There is no state law requiring that ordinances be read aloud in their entirety. In addition, there is no generally applicable state law that requires multiple readings of an ordinance. (Some home rule charters, however, do provide for more than one reading.) If the ordinance is short, the council may wish to have it read in full for the benefit of any citizens present. If the ordinance is long and

technical, the usual practice is to settle for a brief summary and general explanation of the purpose of the ordinance.

Third, the ordinance is debated by the council and either defeated, postponed, referred to a committee for further study, or approved. If the ordinance is approved, it is then signed by the mayor and attested to (certified) by the city secretary or city attorney.

Also, depending on city type and the subject matter of an ordinance, it may have to be published in a newspaper before taking effect.

Because of the relatively cumbersome procedures involved in enacting an ordinance, it is important to know when an ordinance is required and when less formal kinds of council action will suffice. Though there are no absolute standards that apply, these three rules of law may help:

- 1) Any council enactment that regulates persons or property and imposes a fine for violations must be in the form of an ordinance. This requirement is based on the principle that there must be a printed law and citizens must have some notice that it is in effect before they can be subjected to a fine.
- 2) An enactment must always be in the form of an ordinance if the state law authorizing the particular action requires an ordinance. Examples include the creation of a planning and zoning commission or setting the tax levy for the next fiscal year.
- 3) An ordinance is required to amend or repeal an existing ordinance.

Compatibility of Ordinances with State and Federal Laws

An ordinance, or portion thereof, is void if it conflicts with the United States Constitution, the Texas Constitution, or a federal or state law. Also, even though an ordinance might be valid at the time it was passed, if a law subsequently enacted by the state or federal legislature conflicts with the ordinance, the ordinance is void. Conversely, if an ordinance supplements and is in harmony with the law, the ordinance will be sustained.

An ordinance is invalid if a court determines that the state legislature intended to preempt the subject area addressed in the ordinance. If the legislature has preempted the field, no ordinance except those specifically authorized by statute may be enacted on the subject.

Examples of conflicts that have caused ordinances to be ruled invalid include:

1. an ordinance prescribing a different penalty from that imposed by state law where the ordinance and the law dealt with the same type of offense;
2. An ordinance restricting the hours of operation of liquor stores to fewer than those authorized under the state Alcoholic Beverage Code;
3. an ordinance legalizing an activity or business that was prohibited by state law; and
4. an ordinance in conflict with the Interstate Commerce Clause of the United States Constitution.

Validity of Ordinances

An ordinance that is arbitrary, oppressive, capricious, or fraudulent will be invalidated by the courts. A court can inquire into the validity of an ordinance by looking at whether the ordinance has a substantial relationship to the protection of the general health, safety, or welfare of the public. A court usually will not substitute its judgment for that of the city council; but if an ordinance is not in compliance with lawful requirements, the courts may overturn it. An ordinance is considered valid if no lawsuit has been filed to invalidate the ordinance on or before the third anniversary of the effective date of the ordinance, unless the ordinance was invalid on the day it was enacted or it was preempted.

Form of the Ordinance

State law does not prescribe the form of an ordinance, other than to require that it contain an ordaining clause (Section 52.002 of the Local Government Code) and to require the publication, or sometimes posting of either the complete text or caption of every ordinance that establishes penalties for violations (Sections 52.011-52.013 of the Local Government Code). But a form for ordinances has evolved by custom and is now used by most cities.

Although the actual drafting of an ordinance is best left to the city attorney, councilmembers should be familiar with the basic form. This includes:

- 1) The number of the ordinance. This information is good to have for indexing

- and ready reference.
- 2) The caption, which briefly describes the subject of the ordinance and the penalties provided for its violation. Although an ordinance is valid without a caption, this is a useful feature because it provides a simple way of determining what is included in the ordinance without reading the entire document. Also, if the ordinance does not have a caption, Section 52.011 of the Local Government Code requires that the ordinance be published in its entirety if it provides a penalty for violations. Conversely, a penal ordinance may be published by caption only if the caption states the penalty for violations.
- 3) A preamble, which is optional, may be included in cases in which the council wants the courts to understand the reasons the ordinance was passed, factual findings made by the council, or the legislative authority for the ordinance.
- 4) The ordaining clause, which is required by law, in most instances.
- 5) The body of the ordinance, which usually is broken down into sections according to subjects. This contains the command of law as ordained by the council.
- 6) The effective date of the ordinance which may, in some circumstances, be governed by state law or city charter (if adopted by a home rule city).
- 7) A severability clause which clarifies that the invalidity of some portions of the ordinance should not render the entire ordinance invalid.
- 8) The penalty clause, which fixes the penalty for violating the ordinance. Under state law, the maximum penalty the council may establish for violating an ordinance dealing with fire safety, zoning, or public health (except for dumping refuse) is a fine of \$2,000 per day for each day the ordinance is violated. The maximum penalty the council may establish for violating an ordinance governing the dumping of refuse is \$4,000 per day. For ordinances dealing with other violations, the maximum fine is \$500 per day. Cities do not have the power to punish violators by sending them to jail.
- 9) The final part of the ordinance is a statement that the ordinance was passed

and approved, giving the date of passage, the signature of the mayor, and a space for the city clerk or secretary to sign and attest to the fact that the ordinance was adopted. Some cities also require the city attorney to approve the form of the ordinance. If required by state law or city charter, signatures must be present on the ordinance, or the ordinance may be declared void.

The following ordinance illustrates these eight components:

Ordinance No. 125

CAPTION

AN ORDINANCE OF THE CITY OF ANYWHERE, TEXAS, ESTABLISHING WATER CONSERVATION REQUIREMENTS AND PROVIDING A PENALTY FOR VIOLATIONS.

PREAMBLE

WHEREAS, because of the conditions prevailing in the City of Anywhere, the general welfare requires that the water resources available to the City be put to the maximum beneficial use and that the waste or unreasonable use be prevented; and WHEREAS, lack of rain has resulted in a severe reduction in the available water supply to the City, and it is therefore deemed essential to the public welfare that the City Council adopt the water conservation plan hereafter set forth.

ORDAINING CLAUSE

NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ANYWHERE, TEXAS:

BODY

SECTION 1. AUTHORIZATION.

The City Manager or his designee is hereby authorized and directed to implement the applicable provisions of this Ordinance upon his determination that such implementation is necessary to protect the public welfare and safety.

SECTION 2. APPLICATION.

The provisions of this Ordinance shall apply to all persons, customers, and property served with

City of Anywhere water wherever situated. No customer of the City of Anywhere water system shall knowingly make, cause, use, or permit the use of water received from the City for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this ordinance, or in an amount in excess of that use permitted by the conservation stage in effect pursuant to action taken by the City Manager or his designee in accordance with the provisions of this Ordinance.

SECTION 3. CONSERVATION REQUIREMENTS.

From May 1 to September 30 of each year and upon implementation by the City Manager and publication of notice, the following restrictions shall apply to all persons:

- (a) Irrigation utilizing individual sprinklers or sprinkler systems of lawns, gardens, landscaped areas, trees, shrubs, and other plants is prohibited except on a designated day which shall be once every five days, and only then during the hours of 8:00 p.m. and 12:00 noon. Provided, however, irrigation of lawns, gardens, landscaped areas, trees, shrubs or other plants is permitted at any time if:
 - (i) a hand-held hose is used;
 - (ii) a hand-held, faucet filled bucket of five (5) gallons or less is used; or
 - (iii) a drip irrigation system is used.
- (b) The washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment, the refilling or adding of water to swimming and/or wading pools and the use of water for irrigation of golf greens and tees is prohibited except on designated irrigation days between the hours of 8:00 p.m. and 12:00 noon.
- (c) The washing or sprinkling of foundations is prohibited except on designated irrigation days between the hours of 8:00 p.m. and 12:00 midnight.
- (d) The following uses of water are defined as "waste of water" and are absolutely prohibited: (i) allowing water to run off into a gutter, ditch, or drain; (ii) failure to repair a controllable leak; and (iii) washing sidewalks, driveways, parking areas, tennis courts, patios, or other paved areas except to alleviate immediate fire hazards.

SECTION 4. EFFECTIVE DATE

This Ordinance shall become effective immediately upon its passage and publication as required by law.

SECTION 5. SEVERABILITY

This Ordinance shall be considered severable, and the invalidity or unconstitutionality of any section, clause, provision or portion of the Ordinance shall not affect the validity or constitutionality of any other section, clause, provision or portion of this Ordinance.

SECTION 6. PENALTY

Any person, corporation or association violating any provision of this Ordinance shall be deemed guilty of an offense, and upon conviction shall be punished by a fine not to exceed Five Hundred Dollars (\$500.00). The violation thereof shall be deemed a separate offense, and shall be punished accordingly. Provided, however, compliance may be further sought through injunctive relief in the District Court.

CONCLUSION

PASSED AND APPROVED this ____ day of _____, 20__

/s/ _____
Mayor

ATTEST:

/s/ _____
City Secretary/ Clerk

APPROVED AS TO FORM:

/s/ _____
City Attorney

Chapter Eight: Conflicts of Interest

Mayors and councilmembers are expected to avoid involvements that put their personal interests at cross purposes with those of the public. In most cases, good judgment is enough to keep city officials within the bounds of propriety. There are, however, state laws governing the behavior of city officials.

At least three situations can impair the ability of mayors or councilmembers to properly perform their duties. All three involve conflicts of interest in which a member of the city council is placed in the position of owing loyalty to the interests of the city on one hand, and to some other interest on the other.

The first situation occurs when a member of council occupies two or more public offices at the same time. The second exists when the city council votes to take an action that will have a beneficial effect on a business or property in which a member of council or the member's close family member has a major interest. And the third exists in cases of nepotism, where hiring decisions are made on the basis of relationship. Each of these situations is described below.

Dual Office-Holding

Two or More Civil Offices

Mayors and councilmembers are prohibited from holding more than one public office at the same time if both are “offices of emolument.” An emolument is a benefit that is received as compensation for services and includes salaries, fees of office, or other compensation—not including the reimbursement of actual expenses.

Therefore, a mayor or councilmember who receives a salary, fees for attending council meetings, or any other emoluments from the city, may not simultaneously serve as a district judge, state senator or representative, county clerk, or in any other local or state office of emolument. The only exceptions to this prohibition are found in Article XVI of

the Texas Constitution, which allows certain state officers and employees to hold municipal offices of emolument and permit a person holding an office of emolument to also serve as a justice of the peace, county commissioner, notary public, as an officer of a soil and water conservation district, or in other specific offices.

Incompatibility

Second, with respect to dual civil offices, mayors and councilmembers are prohibited from holding a second public office having duties and loyalties incompatible with those that must be performed as an officer of the city. This rule—which applies to all public offices, whether paid or unpaid—heeds the mandate that no person can serve two masters; full allegiance is required to one or the other.

The general rule regarding incompatible offices was reviewed in *Thomas v. Abernathy County Line I.S.D.*, in which the Texas Supreme Court held that the offices of city councilmember and school board member were incompatible because if the same person could be a school board member and a member of the city council at the same time, school policies, in many important respects, would be subject to direction of the council instead of the school board.

The incompatibility doctrine also prohibits the council from appointing one of its own members to a public office (unless otherwise allowed by state law) or employing the member as a city employee. A mayor, for example, could not simultaneously serve as a police officer for the city.

Though it may be difficult at times to determine whether two offices or positions are incompatible, a misjudgment could be costly. The courts have held that when an individual who holds an office accepts and is sworn into a second office that conflicts with the first, the individual is deemed to have automatically resigned from the first office.

City Actions That Benefit Members of Council

City councils everywhere routinely make decisions on purchases, rezoning, utility extensions, road construction projects, and other matters that

benefit various private interests. Because of the broad scope of the council's powers, it is reasonable to expect that some of its decisions will directly or indirectly impact the individual members of the council making such decisions.

Anticipating that potential conflicts of interest will inevitably arise at the local level while acknowledging the practical impossibility of flatly prohibiting such conflicts, the Texas Legislature enacted at least three statutory schemes that require the public disclosure of conflicts between the public interest and a member of council's private interests (Chapters 171 and 176 of the Local Government Code and Chapter 553 of the Government Code).

The purpose of Chapter 171 of the Local Government Code, the conflicts of interest statute, is to prevent members of council and other local officials from using their positions for hidden personal gain. The law requires the filing of an affidavit by any member of council whose private financial interests—or those of close relatives—would be affected by an action of the council. Whenever any contract, zoning decision, or other matter is pending before the council, each member of council must take the following steps:

- (a) Examine the pending matter and determine whether the member or a related person has a substantial interest in the business or property where a decision of the city council on the matter would have a special economic effect on that business or property.

A member of council has a substantial interest in a business entity if:

- 1) the member or a close relative of the member owns 10 percent or more of the voting stock or shares or of the fair market value of the business entity or owns \$15,000 or more of the fair market value of the business entity; or
- 2) funds received by the member or a close relative of the member from the business

entity exceed 10 percent of the person's gross income for the previous year.

A member of council has a substantial interest in real property if the member's or a close relative of the member's interest is an equitable or legal ownership with a fair market value of \$2,500 or more.

- (b) If the answer to (a) is "yes," the member must file, before a vote or decision on any matter involving the business entity or real property, an affidavit disclosing the nature and extent of the interest in the matter if:
 - 1) in the case of a substantial interest in a business entity, the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or
 - 2) in the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

The affidavit must be filed with the official record keeper of the city, who is usually the city secretary.

- (c) In addition to filing the disclosure affidavit, the member of council must abstain from further participating in the discussion of the matter and abstain from voting on it. However, a member who is required to file an affidavit and does file the affidavit is not required to abstain in the matter in which he or she has an interest if a majority of the members of the city council are also required to file and do file affidavits on the same official action.

Nonetheless, the city council can vote to purchase goods or services from a business in which a member of the council has a substantial interest

if the member files a disclosure affidavit and then abstains from discussing and voting on the decision regarding the purchase.

Additionally, the city council must take a separate vote on any budget item specifically dedicated to a contract with an entity in which a member of the council has a substantial interest, and the affected member must abstain from that separate vote. The member who has complied in abstaining in such vote may vote on a final budget only after the matter in which there was an interest has been resolved.

An member of city council who knowingly violates Chapter 171 by failing to file an affidavit or abstaining from voting or participating in a matter in which the member has an interest commits a Class A misdemeanor which is punishable by confinement in jail for up to one year and a fine up to \$4,000.

Chapter 176, a second conflicts disclosure statute, requires that mayors, councilmembers, and certain other executive city officers or agents file a “conflicts disclosure statement” with a city’s records administrator within seven days of becoming aware of any of the following situations:

1. A city officer or the officer’s family member has an employment or business relationship that results in taxable income of more than \$2,500 with a person who has contracted with the city or with whom the city is considering doing business;
2. A city officer or the officer’s family member receives and accepts one or more gifts with an aggregate value of \$100 in the preceding 12 months from a person who conducts business or is being considered for business with the officer’s city; or
3. A city officer has a family relationship with a person who conducts business or is being considered for business with the officer’s city.

The chapter also requires a vendor who wishes to conduct business or be considered for business with a city to file a “conflict of interest questionnaire” if the vendor has a business relationship with the city and an employment or

other relationship with an officer or officer’s family member, gives a gift to either, or has a family relationship with a city officer.

An officer who knowingly fails to file the disclosure statement commits either a Class A, B, or C misdemeanor, depending on the amount of the contract.

A third conflicts disclosure statute, Chapter 553 of the Government Code, prevents members of council from using their positions for hidden personal gain related to the city’s purchase or condemnation of property in which the member has a legal or equitable interest.

Whenever a city is deciding whether to purchase or condemn a piece of real property or tangible personal property, the individual officer should determine whether they have a legal or equitable interest in the property that is to be purchased or condemned. If the individual has a legal or equitable interest in the property, then the individual needs to file an affidavit within 10 days before the date on which the property is to be acquired by purchase or condemnation. The affidavit is filed with the county clerk of the county in which the official resides as well as the county clerk of each county in which the property is located.

The affidavit must include: (1) the name of the official; (2) the official’s office, public title, or job designation; (3) a full description of the property; (4) a full description of the nature, type, and amount of interest in the property, including the percentage of ownership interest; (5) the date the official acquired an interest in the property; (6) the following verification: “I swear that the information in this affidavit is personally known by me to be correct and contains the information required by Section 553.002, Government Code;” and (7) an acknowledgement of the same type required for recording a deed in the deed records of the county.

A public official who violates the affidavit requirement after having notice of the purchase or condemnation commits a Class A misdemeanor, which is punishable by up to one year in jail and a fine up to \$4,000.

Nepotism

“Nepotism” is the award of employment or appointment on the basis of kinship. The practice is contrary to sound public policy, which is why prohibitions against nepotism are common in all states, including Texas.

The Texas nepotism statute, Chapter 573 of the Government Code, forbids the city council from hiring any person who is related to a member of the council within the second degree by affinity or within the third degree by consanguinity. This prohibition does not apply to a city with a population of 200 or less, or to close relatives of a member who were continuously employed by the city for: (1) at least 30 days, if the member is appointed; or (2) at least six months, if the member is elected. When a individual is allowed to continue employment with the city because the individual has been continuously employed for the requisite period of time, the member of council who is related to the individual shall not participate in the deliberation or voting on employment matters concerning the individual if such action applies only to the particular individual and is not taken with respect to a class or category of employees.

The nepotism statute does not apply to unpaid positions.

Since “affinity” and “consanguinity” are the controlling factors in determining nepotism, both terms need to be clearly understood. Affinity is kinship by marriage, as between a husband and wife, or between the husband and the blood relatives of the wife (or vice versa).

Two persons are related to each other by affinity if they are married to each other or the spouse of one of the persons is related by consanguinity to the other person.

Relatives related within the first degree of affinity include a public official’s spouse, father-in-law, mother-in-law, sons-in-law, daughters-in-law, stepsons, and stepdaughters.

Relatives related within the second degree of affinity include a public official’s sisters-in-law

(brother’s spouse or spouse’s sister), brothers-in-law (sister’s spouse or spouse’s brother), spouse’s grandmothers, spouse’s grandfathers, spouse’s granddaughters, and spouse’s grandsons.

Termination of a marriage by divorce or the death of a spouse terminates relationships by affinity created by that marriage unless a child of that marriage is living, in which case the marriage is treated as continuing to exist as long as a child of the marriage is living.

Consanguinity is kinship by blood, as between a mother and child or sister and brother.

Two persons are related to each other by consanguinity if one is a descendant of the other or if they share a common ancestor.

Purchasing

Section 2252.908 of the Government Code provides that, with certain exceptions: (1) a city is prohibited from entering into a contract with a business entity unless the business entity submits a disclosure of interested parties (i.e., discloses a person who has a controlling interest in the business or who actively participates in facilitating the contract for the business) if the contract: (a) requires an action or vote by the city council before the contract may be signed; (b) has a value of at least \$1 million; or (c) is for services that would require a person to register as a lobbyist; (2) the disclosure must be on a form prescribed by the Texas Ethics Commission; and (3) a city must acknowledge receipt of the disclosure with the Texas Ethics Commission not later than 30 days after receiving the disclosure.

Chapter Nine: Personal Liability of Members of City Council

A legal concept known as “governmental immunity” protects cities from being sued or held liable for various torts (a tort is a wrongful act resulting in injury to a person or property) and causes of action. But there are some exceptions to this general rule. For example, Chapter 101 of the Texas Civil Practice and Remedies Code (also known as the Texas Tort Claims Act) provides that a city may be liable for damages arising from the use of publicly-owned vehicles, premises defects, and injuries arising from conditions or use of property. Thus, a city (as an entity) is sometimes liable for limited damages resulting from the actions of its city officials and employees.

But what about mayors and councilmembers? Mayors and councilmembers across the state daily make decisions that impact the lives and property of thousands of people. Can these city officials be held personally responsible for damages resulting from decisions they make (or refuse to make) in their official capacity as members of the city’s governing body?

In most instances, mayors and councilmembers will not face personal liability. Like the city itself, mayors and councilmembers are often protected by different types of immunity, the purpose of which is to allow them to make decisions in the public interest with confidence and without fear. However, immunity is not available in all instances. For that reason, it is important for mayors and councilmembers to have a basic understanding of the areas in which they face potential liability.

Liability Under State Law

We start by examining a civil tort suit, a common instance in which the issue of the personal liability of a mayor or councilmember may arise. Generally speaking, Texas courts have held that mayors and councilmembers are not personally liable when a suit arises from the performance of discretionary acts that are taken in good faith and are within the scope of their authority. This type of protection is commonly referred to as official immunity. A

“discretionary act” involves personal judgment. The decision about where to place a traffic sign is one example of a discretionary act. An action taken in good faith is one that is taken without intent to do harm. Thus, councilmembers should ensure that discretionary actions are taken in good faith and pursuant to their authority as authorized by relevant state law, ordinances, or policies.

Generally speaking, mayors and councilmembers may be held personally liable for torts that arise from ministerial acts. A “ministerial act” is one performed as a matter of duty; an act which a mayor or councilmember must perform. Ministerial acts also include those performed in obedience to state law or federal laws which are so plain and explicit that nothing is left to discretion or judgment. For example, canvassing the results of a city election is a ministerial and non-discretionary duty. Failure to perform a ministerial act imperils a mayor or councilmember regardless of whether the failure to act is done in good faith. A ministerial act required by law, but that is not performed at all, could also lead to liability. In sum, a mayor or councilmember could potentially be individually liable for damages to individuals injured because of the failure to properly perform a ministerial duty or negligently failing to perform the duty at all. Personal liability of most city officials is capped at \$100,000 for actions brought in state court under the Texas Tort Claims Act.

Additionally, until recently, a mayor or councilmember could not be held personally liable for sexual harassment. In 2021, the Texas Legislature adopted Senate Bill 45, which expanded the definition of “employer” to include “any person who acts directly in the interests of an employer in relation to an employee.” Under this new definition, it is possible that elected officials may be subject to individual liability for sexual harassment if they: (1) know or should have known that the conduct constituting sexual harassment was occurring; and (2) fail to take immediate and appropriate corrective action.

In addition to personal civil liability, a mayor or councilmember fulfilling his or her duties for the city may be subject to criminal liability as the result of a violation of certain state laws. Some of the most common state laws under which a mayor or councilmember may face criminal liability include

the Open Meetings Act, the Public Information Act, conflicts of interest and financial disclosure laws, purchasing laws, and nepotism laws. In addition, prohibitions found in the Texas Penal Code may be implicated as a result of serving as a mayor or councilmember, including laws dealing with bribery, gifts, honorariums, falsification of government documents, the misuse of information, abuse of official capacity, official oppression, forgery, and theft.

Finally, as an elected official, mayors and councilmembers may face both civil and criminal liability for failure to comply with certain state laws, such as those governing political contributions, political advertising, and campaign contributions.

Liability Under Federal Law

A mayor or councilmember may also face personal liability for violations of a person's rights under federal law. This usually occurs: (1) as the result of claims alleging violations of constitutional rights; or (2) in an employment context (e.g., a claim brought under the Fair Labor Standards Act or the Family Medical Leave Act).

The law customarily used to take action against city officials for violations of constitutional rights or violations of federal law is Section 1983, Title 42, of the United States Code, which provides:

Every person who, under color any statute, ordinance, regulation, custom, or usage, of any State . . . subjects, or causes to be subjected, any citizen of the United states or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured

Various types of policy decisions related to both city employees and members of the public could render a mayor or councilmember liable under Section 1983. However, city officials are usually protected by qualified immunity. Similar to the official immunity defense under state law (described above), a mayor or councilmember

may be protected by qualified immunity when sued under federal law. To be covered by qualified immunity, the official must show that the action taken: (1) was discretionary; (2) was within the official's authority to take; and (3) did not violate any clearly established statutory or constitutional right of which a reasonable person would have known.

It is rare that a mayor or councilmember is held personally liable under federal law for the decisions he or she makes as a member of the governing body. Even so, city officials should make sure that they have a reasonable basis for decisions made, and that applicable state and federal law is reviewed before those decisions are made, especially when those decisions impact specific individuals.

In sum, because liability questions are notoriously fact-sensitive, councilmembers and mayors should always seek the advice of the city attorney for any specific liability question.

Chapter Ten: Sources of Information

There is no comprehensive guide to everything there is to know about Texas cities, but there are many sources of information that can be helpful. Several are listed below.

Local Sources

Depending on the amount of time available, information on the finances, services, and other aspects of the city can be obtained by:

1. Reading the city's code of ordinances;
2. Reviewing the minutes of council meetings held during the past several months;
3. Studying the current budget, the previous year's financial report, and other key financial documents;
4. Visiting the various city departments to learn how the city conducts its day-to-day operations; and
5. Conferring with past and present members of the council, the local newspaper editor, civic leaders, and others who have followed the city's affairs over the years.

Texas Municipal League

The Texas Municipal League is an association of cities that exists for one reason: to serve city officials. TML offers members of the city council and other city officials a broad range of services – including training seminars and conferences, technical assistance, legal information, and many other services. The League office welcomes all inquiries from its member officials, no matter how ordinary or unusual. The League is also willing to assist members of the press in understanding cities.

National Resources

American Planning Association, 205 N. Michigan Ave., Suite 1200, Chicago, IL 60601, 312-431-9100 (phone), 312-786-6700 (fax), www.planning.org. Major publications: *Planning*, *Journal of the APA*, and *Zoning Practice*. The APA also publishes

a number of guides to zoning, subdivision development, and other aspects of municipal planning.

American Public Works Association, 1200 Main Street, Suite 1400, Kansas City, Missouri 64105-2100, 816-472-6100. www.apwa.net
Monthly publication: *APWA Reporter*. APWA also publishes several public works-related manuals.

American Society for Public Administration, 1730 Rhode Island Ave. NW, Suite 500, Washington, D.C. 20036, 202-393-7878. Bi-Monthly publication: *Public Administration Review* features articles for councilmembers interested in municipal administrative and organizational processes and theory. *Public Integrity*, published bimonthly, addresses ethical issues affecting government and society. ASPA's quarterly newspaper, *PA TIMES*, covers developments in the academic and professional field of public administration. www.aspanet.org

Government Finance Officers Association, 203 N. LaSalle St., Suite 2700, Chicago, Illinois 60601-1210, 312-977-9700. Major publications include the weekly *GFOA Newsletter* and bimonthly *Government Finance Review*. GFOA also publishes a wealth of excellent operating manuals on the topics of budgeting, debt management, financial forecasting, and related items. www.gfoa.org

International Association of Chiefs of Police, 44 Canal Center Plaza, Suite 200, Alexandria, Virginia 22314, 703-836-6767. Major Publication: monthly *Police Chiefs Magazine*. www.theiacp.org

International Association of Fire Chiefs, 4795 Meadow Wood Lane, Suite 100, Chantilly, Virginia 20151, 703-273-0911. Major publication: *On Scene* newsletter. www.iafc.org

International City/County Management Association (ICMA), 777 North Capitol St. N.E., Suite 500, Washington, D.C. 20002-4201, 202-962-3680. Major publication: *Public Management*. Other publications: *LGR: Local Government Review* (biannual); *SmartBrief* (daily newsletter); and *Leadership Matters* (weekly newsletter). ICMA also publishes a series of manuals on different aspects of city government. www.icma.org

International Institute of Municipal Clerks, 8331 Utica Ave., Suite 200, Rancho Cucamonga, California 91730, 909-944-4162. Major Publications: *IIMC News Digest*, *Consent Agendas*, *IIMC Meeting Administration Handbook*, and *Language of Local Government*. IIMC provides training and information to city clerks and city secretaries. www.iimc.com

U.S. Conference of Mayors, 1620 I Street N.W., Washington, D.C. 20006, 202-293-7330. USCM provides current information on federal policy developments of interest to cities over the population of 30,000. www.usmayors.org

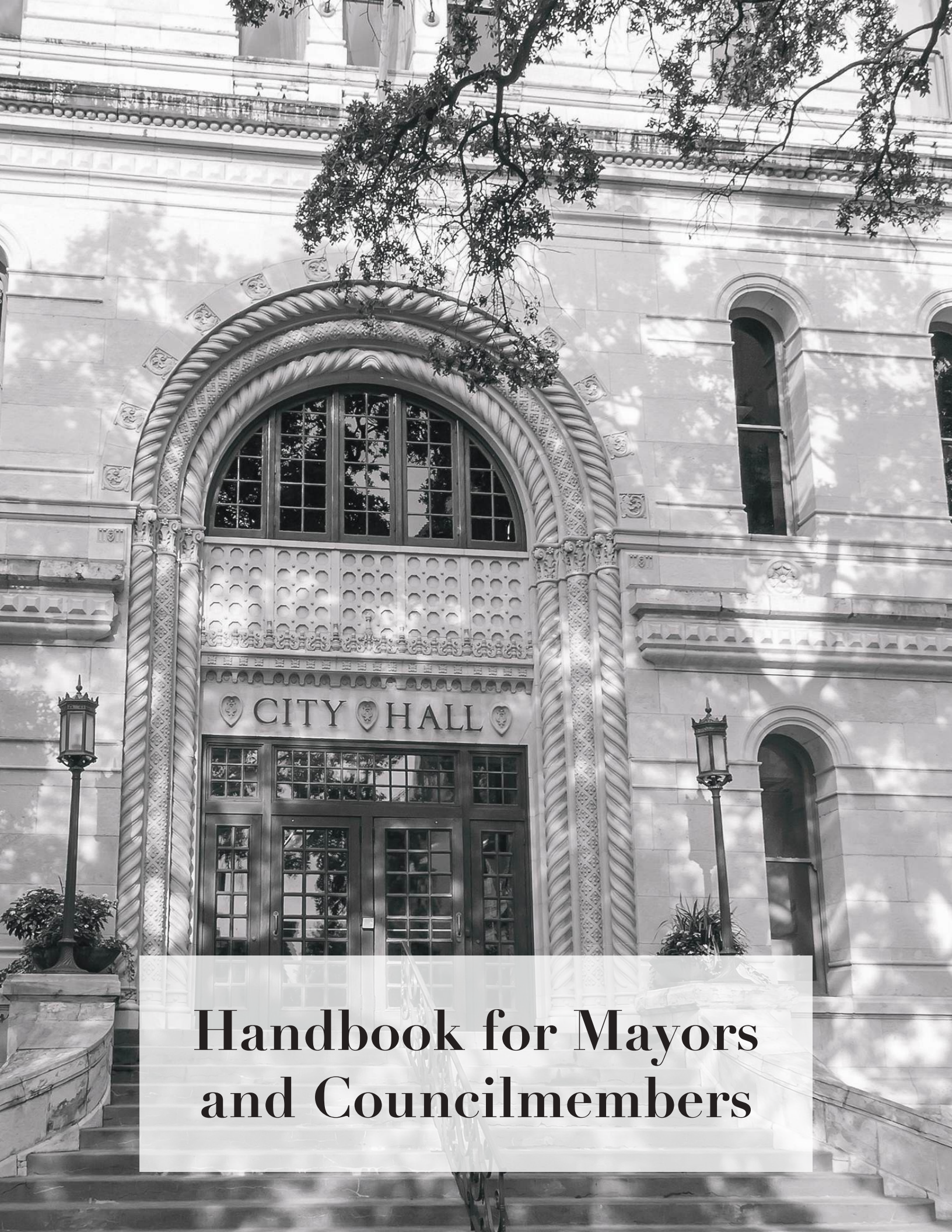
International Municipal Lawyers Association, 51 Monroe Street, Suite 404, Rockville, MD 20850 202-466-5424. Bimonthly publication: *Municipal Lawyer*. IMLA also publishes a variety of documents of special interest to city attorneys. www.imla.org

International Public Management Association for Human Resources, 1617 Duke St., Alexandria, Virginia 22314, 703-549-7100. Major publications: *Public Personnel Management*, *HR News*, and *HR Bulletin*. IPMA-HR is a source of excellent information on productivity, employee performance appraisal, and other aspects of municipal personnel administration. www.ipma-hr.org

National Association of Towns and Townships, 1901 Pennsylvania Avenue, NW, Suite 700, Washington, D.C., 20006, 202-331-8500. Major Publication: *Weekly Updates*. NATaT offers technical assistance, educational services, and public policy support to local government officials from small communities. www.natat.org

National Civic League, 190 E. 9th Ave, Suite 200, Denver, Colorado 80203, 303-571-4343. Major Publication: *National Civic Review*. NCL serves as a resource for information on citizen participation in state and local government and provides guides, model charters, and laws on specific subjects. NCL also sponsors the All-America City Award. www.ncl.org

National League of Cities, 660 North Capitol St. NW, Washington, D.C. 20001, 1-877-827-2385. Major Publication: *Cities Speak Blog*. Additionally, the organization conducts two national conventions of city officials, the first of which focuses on city-related federal programs, while the second emphasizes methods of improving municipal operations. www.nlc.org



Handbook for Mayors and Councilmembers

OFFICIAL PUBLICATION OF THE TEXAS MUNICIPAL LEAGUE

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NUMBER 01

TTC

TEXAS TOWN & CITY



HOW CITIES WORK

HAPPY ROADS



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Our Home, Our Decisions Local Governments Providing Essential Services for Our Diverse State

Cities, the government closest to the people, embody the idea that “We the People” should be able to continue making decisions based on the needs of each unique community in Texas. Cities provide the services that we cannot do without - services that reflect the will of the local taxpayers and recognize that not all laws are able to be “one size fits all.” **Because of the unique patchwork of cities in our state, we must be able to retain our ability to govern locally and continue making decisions that represent the needs of the community.**

For this purpose, Our Home, Our Decisions was created to emphasize the necessity for local decision making and ensuring that the diverse needs of our communities can continue to be met by local governments.

With the idea that no two areas in the state are alike, the legislature began creating cities upon statehood to work closely with the community to more effectively address local needs. The locally-elected city councils in those cities decide – based on the needs of their citizens – how to provide appropriate services. Each city is different and the needs of each community widely ranges. We often say, what works in the Piney Woods of East Texas won’t always work in the Great Plains of the Panhandle and that rings true all across the state. But that is what makes our state great – the diversity and unique needs that can be addressed by the government closest to the people.

Cities rarely seek funding from the state, and they typically receive very little from the state. Cities need to **be allowed to make their own decisions about how to keep their local communities thriving, benefiting the overall success of the state.** For these reasons, we have created the Our Home, Our Decisions campaign to amplify and celebrate the diversity of Texas.

1. Ensure that local decisions are made locally and oppose attempts to harm the ability of local governments to represent their constituents without state interference.
2. Preserve the ability for local governments to retain the experts needed to achieve the goals of their communities.
3. Allow local governments the flexibility to fund essential services for their community such as law enforcement and first responders, roads and bridges, clean water, broadband connectivity, and more.

**Join Us in Celebrating the Diversity of Texas:
Our Home, Our Decisions**

To learn more, visit www.ourhomeourdecisions.org or call 512-231-7400
Legislative direct contact: Monty Wynn monty@tml.org



The 88th Texas Legislature Keep Your Finger on the Pulse!

TMLLEGISLATIVESERIES.ORG



Texas cities are strongest when we work together. The 88th session of the Texas Legislature begins in January. It will be a session where state lawmakers and local government leaders sort out roles and determine how cities can be partners with the state in meeting local taxpayers' needs.

WEBINARS

Thursday, January 12, 10:30 a.m. (central)

Legislative Webinar #1: Preview – What's Ahead for Texas Cities

Thursday, March 16, 10:30 a.m. (central)

Legislative Webinar #2: Keep Your Finger on the Pulse

Thursday, April 13, 10:30 a.m. (central)

Legislative Webinar #3: Be Heard at the Capitol

Thursday, May 4, 10:30 a.m. (central)

Legislative Webinar #4: What to Expect in the Final Days

WORKSHOP (IN-PERSON)

Thursday, June 15, 7:30 a.m.-2:00 p.m. (Georgetown)

Legislative Wrap-Up Workshop: An Insider's Perspective

Official Publication of the
Texas Municipal League.

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3 Our Home, Our Decisions Local Governments Providing Essential Services for Our Diverse State	34 Putting the "Works" in Public Works	50 Keeping the Power On: Cities and Electricity
18 The Texas Legislative Process for House Bills and Resolutions	38 Water Conservation	52 Cities Refuse to Accept Utility Rate Hikes Without a Fight
20 City Property Taxes: Tremendous Bang for the Buck	40 Funding the State Water Plan	54 Thriving Libraries Reflect Thriving Cities
22 Where do Texas Cities Get Their Money?	42 The Connection Between Infrastructure and Property Tax Limitations	56 Texans Keep Healthy in City Parks
26 Cracking the Code: Citizen Safety and Protection of Property Values	44 The High Cost of Providing Public Safety	58 Investing in Tomorrow's Leaders: City Governments Involve Youth
28 City Economic Development	46 Annexation: A Dangerous Policy Experiment Is Underway	59 The Texas Municipal Retirement System: Proven Success
30 Cities Keep the Garbage from Piling Up	48 Zoning: A Primary Means to Protect Property Values and the Welfare of City Residents	60 Advocacy Is Vital
		62 About TML

CONTENTS ★ IN EACH ISSUE

7 Message from the President	10 Risk Pool News	14 Small Cities' Corner
8 TML News	12 Health Pool News	16 Legal Q&A
		65 Career Builder



ABOUT THE COVER

Learn what Texas cities do and how they do it in this biennial publication, *How Cities Work*.
Cover illustration: Lindy N. Jordaan

ABOUT ★ TML

The Texas Municipal League exists solely to provide services to Texas cities. Since its formation in 1913, the League's mission has remained the same: to serve the needs and advocate the interests of its members. Membership in the League is voluntary and is open to any city in Texas. From the original 14 members, TML's membership has grown to more than 1,150 cities. Over 16,000 mayors, councilmembers, city managers, city attorneys, and department heads are member officials of the League by virtue of their cities' participation.

The League provides a variety of services to its member cities. One of the principal purposes of the League is to advocate municipal interests at the state and federal levels. Among the thousands of bills introduced during each session of the Texas Legislature are hundreds of bills that would affect cities. The League, working through its Legislative Services Department, attempts to defeat detrimental city-related bills and to facilitate the passage of legislation designed to improve the ability of municipal governments to operate effectively.

The League employs full-time attorneys who are available to provide member cities with information on municipal legal matters. On a daily basis, the legal staff responds to member cities' written and oral questions on a wide variety of legal matters. The League annually conducts a variety of conferences and training seminars to enhance the knowledge and skills of municipal officials in the state. In addition, the League also publishes a variety of printed materials to assist member cities in performing their duties. The best known of these is the League's monthly magazine, *Texas Town & City*. Each issue focuses on a variety of contemporary municipal issues, including survey results to respond to member inquiries.

For additional information on any of these services, contact the

Texas Municipal League at 512-231-7400 or visit our website, www.tml.org.

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MESSAGE ★ FROM THE PRESIDENT



DAVID RUTLEDGE, CMO
Mayor, City of Bridge City
TML President

Dear Texas City Official,

It's almost that time. Our friends at the Texas Legislature go back into action at noon on January 10 and, as cities, we need to be ready. That's what this issue, titled *How Cities Work*, is all about. You can't really be in a position to file dozens or even hundreds of bills that will affect cities and towns without understanding how our local governments operate.

Think of this month's magazine as one-stop-shopping for everything essential about how cities function. Taxes, utilities, debt, franchise fees, right-of-way management, and much, much more are covered. Not only will this magazine help educate you on the essentials, but more importantly you'll be able to share the relevant sections with your state legislators. Give them the whole magazine if you think it will help!

Texas cities are unique. We don't ask for much from the state in terms of resources. What we do request instead is broad authority to do our jobs locally as our citizens demand. Under such a structure, it's important that legislators understand exactly how a bill could affect vital services and operations. When there's no state funding to compensate for new ideas that affect Texas cities, we need to be doubly careful not to affect that autonomy. Knowledge and communication are key to thriving in such a unique environment.

That Texas continues to lead most of the nation on the economy is no accident. Most of the action takes place in our 1,200 plus cities. We're the hub of the Texas Miracle, and the League will be working hard in 2023 to keep it that way!

A handwritten signature in black ink that reads "David Rutledge". The signature is written in a cursive, flowing style.

David Rutledge, CMO
Mayor, City of Bridge City
TML President



By **Bennett Sandlin**, TML Executive Director

As you read this issue of *Texas Town & City*, the 88th Texas Legislature has convened and is hard at work. The 2023 regular session will not end until Monday, May 29, 2023. Between now and then, lawmakers will consider thousands of bills. Unfortunately, many of those bills would, if enacted, erode municipal authority or otherwise limit the ability of Texas cities to carry out the important functions and provide the vital services expected by municipal residents.

Cities, the government closest to the people, embody the idea that “We the People” should be able to continue making decisions based on the needs of each unique community in Texas. Cities provide the services that we cannot do without - services that reflect the will of the local taxpayers and recognize that not all laws are able to be “one size fits all.” **Because of the unique patchwork of cities in our state, we must be able to retain our ability**

to govern locally and continue making decisions that represent the needs of the community.

With the idea that no two areas in the state are alike, the legislature began creating cities upon statehood to work closely with the community to address local needs more effectively. The locally-elected city councils in those cities decide – based on the needs of their citizens – how to provide appropriate services. Each city is different, and the needs of each community widely ranges. We often say, what works in the Piney Woods of East Texas won’t always work in the Great Plains of the Panhandle and that rings true all across the state. But that is what makes our state great – the diversity and unique needs that can be addressed by the government closest to the people.

Cities rarely seek funding from the state, and they typically receive very little from the state. Cities instead need to be allowed to make their own decisions about how to keep their local communities thriving, benefiting the overall success of the state. For these reasons, we created **the Our Home, Our Decisions** campaign to amplify and celebrate the diversity of Texas. I encourage every one of you to get involved with the campaign and use the resources we will continue making available during the legislative session, and after.

Further, this issue of our magazine is a tool to help city officials explain how Texas cities are powerful engines of economic growth, as well as safe and pleasant places for people to grow up, raise families, and retire.

In this issue of *Texas Town & City*, we highlight:

- The sources of municipal revenue and the ways in which the legislature can damage that revenue
- The value of building codes
- Municipal economic development efforts and the ways that property tax caps threaten those efforts
- The status of municipal solid waste programs
- Municipal transportation and public works and the importance of maintaining right-of-way authority, compensation for use of rights-of-way, and funding sources for drainage utilities
- Municipal participation in utility rate cases

- The provision of municipal water and wastewater services, including funding for the State Water Plan
- The connection between infrastructure and revenue caps
- The high cost of providing public safety services
- The importance of annexation authority to the future of Texas cities and to the state's economy
- The ways in which zoning authority protects citizens and their property values
- The importance of libraries and library funding
- The value of municipal parks and recreation programs

Also in this issue is a description of the 2022/2023 TML legislative program, the key feature of which is opposing any legislation that would harm the ability of cities to provide the services and facilities enumerated above.

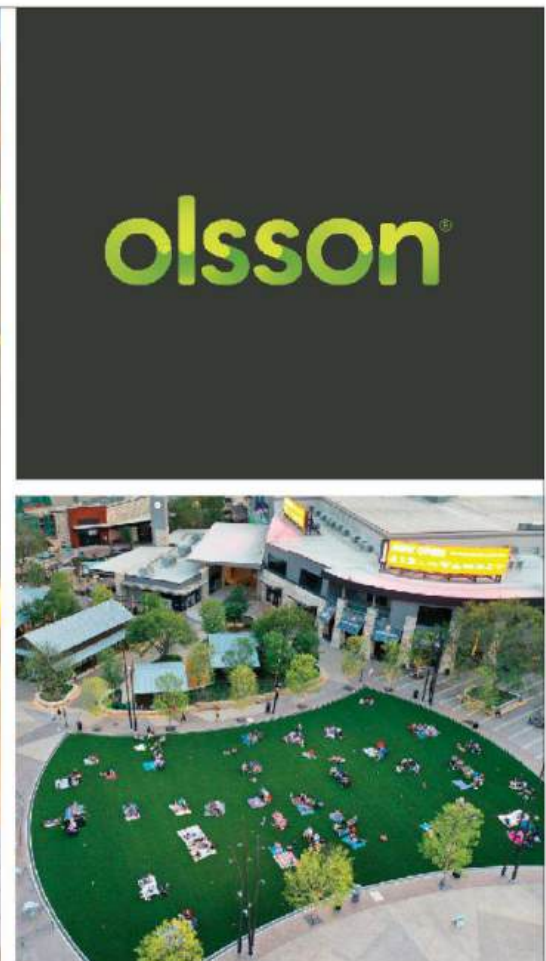
While some state leaders will try to reduce municipal revenue or chip away at municipal authority, the vast majority of Texans knows that their city leaders are trustworthy stewards and should be allowed to answer the needs of their citizens. To a very great extent, economic growth in Texas is the result of municipal efforts to ensure the availability of infrastructure, the public safety, and the quality of life necessary for job creation. State policymakers should be very reluctant indeed to harm cities, because as our cities go, so goes our entire beloved state.

We look forward to working with you in these important months ahead as we advocate for municipal government in Texas. We're counting on you, our members, to actively help in this mission.

If you have any questions, please feel free to contact a member of the TML legislative department.

To learn more about Our Home, Our Decisions, visit www.ourhomeourdecisions.org.

Thank you for your support and assistance.



RISK POOL ★ NEWS



MARY M. DENNIS

Mayor, City of Live Oak
2022-2024 TML Risk Pool Board of Trustees Chair

Dear Fellow City Official:

I'm Mary M. Dennis, and I serve as the chair of the TML Risk Pool's Board of Trustees. I've been the mayor of the City of Live Oak since 2010, I serve on the National League of Cities Board of Directors, and you may remember me as president of the Texas Municipal League during 2016-2017.

I'm thankful to each of you for putting your trust in me, and I promise to work hard and stay true to the Pool's mission statement of providing Texas cities "with a stable and economic source of risk financing and loss prevention services."

That mission has been put to the test in recent years. The Pool has incurred losses of over \$90 million each with Hurricane Harvey, Winter Storm Uri, the COVID-19 pandemic, and combined wind and hail damage. Past Chair Randy Criswell, city manager in Wolfforth, called those events a series of "gut punches." He's right, but he steadfastly led the Board, and because he did the Pool remains in an excellent financial position.

My goal for my two-year term (which culminates during the Pool's 50th anniversary in 2024) is to share with you the benefits of Pool membership. The Pool isn't about writing checks for losses. We are a partnership, and we help cities through some of the toughest times they ever face.

The Pool formed in 1974 to provide workers' compensation coverage when the private market couldn't. We later added property and liability, and we now provide coverage for more than 95 percent of Texas cities. Those \$90 million Pool "losses?" We see them as your city's gain because you use those funds to rebuild your facilities after a storm, help your employees recover from injuries, and more.

I plan to – in the spirit of the Pool's Core Values (Integrity, Public Service, Operational Excellence, Fiscal Responsibility) – canvas the state in support of our partnership. I also ask that you explore the Pool's loss prevention services, which include individual safety consultations and training. My husband served as a San Antonio firefighter for 35 years before his passing, so I'm well aware of the danger that city employees face. That's why we strive to prevent injuries before they become a claim.

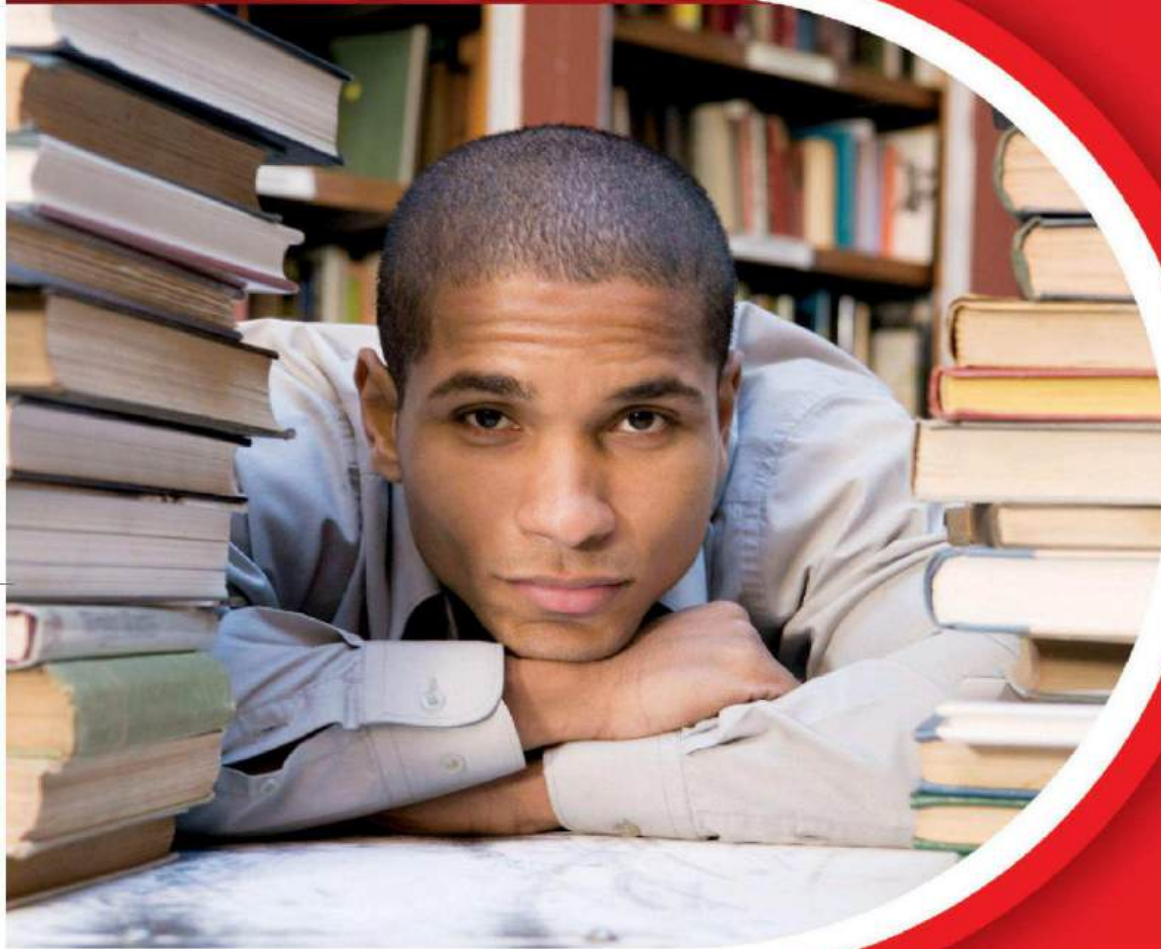
If I don't make it to your neck of the woods, I apologize in advance. But don't worry, we're trying new ways to get the word out. For example, check out the "*Local Officials: Stronger, Together Podcast*" to learn more about important legal issues, the Pool, and the services we provide (go to www.tmlirp.org and click on the STP Podcast button).

Please reach out to your member services manager with questions. I look forward to working with you, so that we stay *Stronger, Together!*

A handwritten signature in black ink that reads "Mary M. Dennis". The signature is written in a cursive, slightly slanted style.

Mary M. Dennis

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Employee Benefits as a Competitive Advantage in Attracting Talent for Municipal Employers

In a recent survey of more than 150 employers, eight in 10 employers said healthcare costs affect their ability to remain competitive in attracting talent. Nearly three quarters of respondents said rising healthcare prices prevented wage increases. Yet benefits are more important to attracting talent than ever. The Society of Human Resource Management's 2022 Employee Benefits Survey shows employers finding that benefits are even more important to employee recruitment than they were prior to the COVID-19 pandemic. In an environment like this, how can municipal employers use health and voluntary benefits to attract and retain employees?

Most Sought-After Employee Benefits

Healthcare is an important employee benefit, but employees also cite other benefits as important, including:

- Mental health benefits
- Remote work
- Paid time off
- Flexible hours
- Paid family leave

Employees and employers are both beginning to acknowledge the importance of mental health benefits, with one in four workers saying they are highly or extremely stressed, and workers under 35 years of age ranking mental health as their top concern according to a Mercer survey. Mental health benefits can extend beyond medical coverage, with Employee Assistance Programs, dedicated mental health telemedicine lines, and other new offerings to support employee mental health.

Forty-four percent of employees, nearly half, want to work remotely full time. While this isn't feasible for every employer or job, it ranks high on the list of employee desires where it's possible. Remote work, flexible hours, and paid time off are all part of the broader employee desire for work-life balance, and even if employees can't work remote, flexible hours or more paid time off can also support balancing work with everyday life.

Paid family leave is also a highly valued employee benefit. According to the Society for Human Resource Management, the number of employers that offer paid maternity leave is only 34 percent, with 30 percent offering paid paternity leave and 29 percent offering adoption leave. Employer-paid leave and short-term disability coverage can both be part of a work-life strategy for giving employees time to care for and grow their families.

Addressing High Medical Out-of-Pockets

Traditionally, in order to reduce monthly costs of health benefits, employers have to raise deductibles for employees, shifting more costs to them. To reduce the impact of this tradeoff, some employers are beginning to offer targeted supplemental benefits that help address the deductibles and out-of-pocket expenses.

Benefits such as 24/7 accident coverage (for on- and off-the-job accidents) and critical illness insurance to help cover out-of-pocket expenses for injuries and serious diseases like cancer are increasing in popularity, as they can help keep monthly costs for health benefits low by raising deductibles on paper but helping employees cover certain catastrophic expenses.

Benefits Are Still Key in Attracting and Retaining Employees

The right benefits package can help municipal employers stay competitive in hiring and retaining talent to build stronger cities. With good benefit design, creative health benefits packages and some often-overlooked benefits that are increasingly important to employees can be a significant part of this hiring strategy.

About TML Health Benefits Pool

TML Health Benefits Pool offers health benefits created by Texans exclusively for Texas cities and political subdivisions. TML Health brings together hundreds of Texas public entities to leverage collective purchasing power and risk sharing to stabilize the cost of health benefits and deliver the lowest long-term net costs, while offering additional services such as wellness programs, virtual health checkups, telemedicine, and online and phone enrollment. By sharing in the Pool, TML Health's members share the rewards of superior health coverage—lower costs, better health outcomes, and more personalized service. ★



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SMALL CITIES' ★ CORNER



WHAT CAN SMALL CITIES DO LEGISLATIVELY?

The goings-on at the Texas Capitol every two years may seem like a big-city process since the legislature meets in Austin and many of the lobbyists and their firms are based in big cities. But 80 percent of the Texas Municipal League's (TML) member cities are under 10,000 population, and a large number of legislators and their staff have roots in small cities.

The League routinely calls on mayors, councilmembers, and city managers from small cities to testify, make phone calls, or get the word out about all the issues that Texas cities face. With due respect to the larger cities, often times,

nothing shouts "credibility" more than a small city mayor engaged on an important issue like telecommunications law or water policy. Texans like to think of themselves as small town and rural at heart, and our legislature is no exception. It's important that city officials from small cities make their voices heard.

With this in mind, the League needs your help mobilizing our membership at key points during the 2023 legislative session. One tool that has proven to be highly effective is the Grassroots Involvement Program (GRIP). GRIP is an online survey that asks how well you know various state legislators, and if you are willing to communicate with those legislators during legislative session.

If you would like to support our advocacy work during the 2023 legislative session, please participate in the GRIP survey by visiting <https://bit.ly/GRIP2023>.

A heads-up about this program: If you're an official from a small city, it is highly likely that you will be among the first to be called! We mean what we say—small cities matter to TML and to the legislature, and we need you as a partner in our efforts to protect your ability to make decisions for your residents and community.

The best thing you can do as an elected official in a small city is to get to know your state legislators – not just during legislative sessions, but year-round. Give them a call, invite them to city hall, and share your town's concerns and successes. Ask how you can help them. Many of our legislators started out as mayors, councilmembers, commissioners, or school board members. They love to "talk shop."

For a complete list of contact information regarding your representatives, visit the state's "Who Represents Me" website at <https://wrm.capitol.texas.gov/home>. If you have any questions about the GRIP survey, contact JJ Rocha at jj@tml.org or 512-231-7400. ★

Maintain budget neutrality while implementing needed upgrades

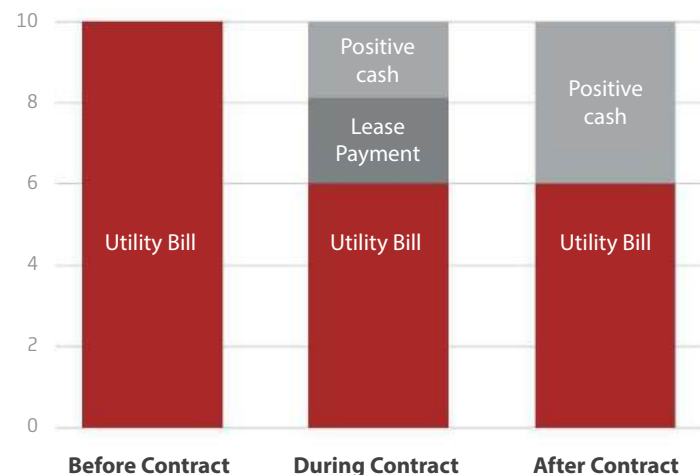


While energy and infrastructure upgrades reduce overhead costs, limited budgets and conflicting priorities can restrict spending that doesn't immediately impact frontline services. Centrica Business Solutions deploys flexible contracting options that enable local governments to maintain budget neutrality while implementing needed upgrades.

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www.centricabusinesssolutions.com/us/TML



Q. What is the Texas Municipal League's legal services department?

A. The League's legal services department provides general guidance to city officials on legal issues. The League hired its first lawyer in the 1950s. Since that time, the legal services department's staff has expanded to meet the growing needs of our member cities. Under the direction of the TML Director of Legal Services, the current staff of four attorneys, a part-time law clerk, and a legal assistant performs numerous functions for the League's member cities. The main role of the department is to answer inquiries from the elected and appointed officials of the League's member cities about legal issues within their official responsibilities.

Q. What is the background of the department's attorneys?

A. The attorneys have diverse backgrounds. One worked previously for the Texas attorney general's office, two have worked in-house for cities, one has also worked in private practice for a municipal law firm, another has worked as an attorney with the Texas Legislative Council, and one worked as a research attorney for a Texas membership association.

Q. What is the most important service that the department provides?

A. The legal services department's key service is responding to legal inquiries from member city officials. The legal staff responds to hundreds of phone calls, emails, and letters each week. In fact, over the last five years, the attorneys have provided legal advice to more than 75 percent of the League's more than 1,175 member cities. The inquiries range from simple questions to consultations on cutting-edge legal matters.

Q. How does the legal department support the League's legislative activities?

A. The legal staff provides support for the TML legislative services department on legislative matters throughout the legislative sessions, and during the interim. That support includes legal research, bill analysis, drafting of legislation, and testimony on city-related bills, among other things. During the 2021 regular session, TML attorneys reviewed and analyzed more than 6,900 bills and resolutions, and provided written testimony on bills before many committees of the Texas Legislature.

Q. What other services does the department provide?

A. The legal staff performs various other functions, including:

- Writing and updating numerous handbooks including the *TML Home Rule and General Law Handbooks*, the *TML Revenue Manual*, and the *Economic Development Handbook*. For the last update, the legal staff incorporated approximately 200 bills and dozens of other legal changes into the handbooks.
- In association with the Texas City Attorneys Association, providing "amicus curiae (friend of the court)" briefs in both state and federal appellate court cases and on attorney general opinion requests that could adversely affect our member cities. Over the past three years, TML has filed over 20 amicus curiae briefs.
- Preparing legal question-and-answer columns like this one and other articles for *Texas Town & City* magazine.
- Researching and writing articles for the *TML Legislative Update*.
- Conducting the "Agency Watch" program, which consists of monitoring 50 state agencies for any rulemakings or other actions that may adversely affect our member cities, and participating or filing comments when appropriate.
- Preparing materials for the TML website.
- Preparing materials for and presenting at numerous TML and TML affiliate workshops, small cities' problem-solving clinics, and other seminars, as well as providing speakers with expertise in city issues to other organizations. Over the past year, TML lawyers have spoken at many workshops and seminars.

Q. How do I contact the legal department?

A. The legal staff is available for phone consultation at 512-231-7400 from 8:00 a.m.-5:00 p.m. Monday through Friday. The most common way that city officials submit inquiries is through emails to legalinfo@tml.org. A great deal of information is also located on the "Legal Research" tab found under the "Policy" section of the League's website at www.tml.org.

Q. What else do I need to know about the legal department?

A. City officials should remember that the League's attorneys serve as a resource to provide general guidance on legal issues. We do not directly represent your city, and our legal guidance should never be substituted for that of your local counsel. ★

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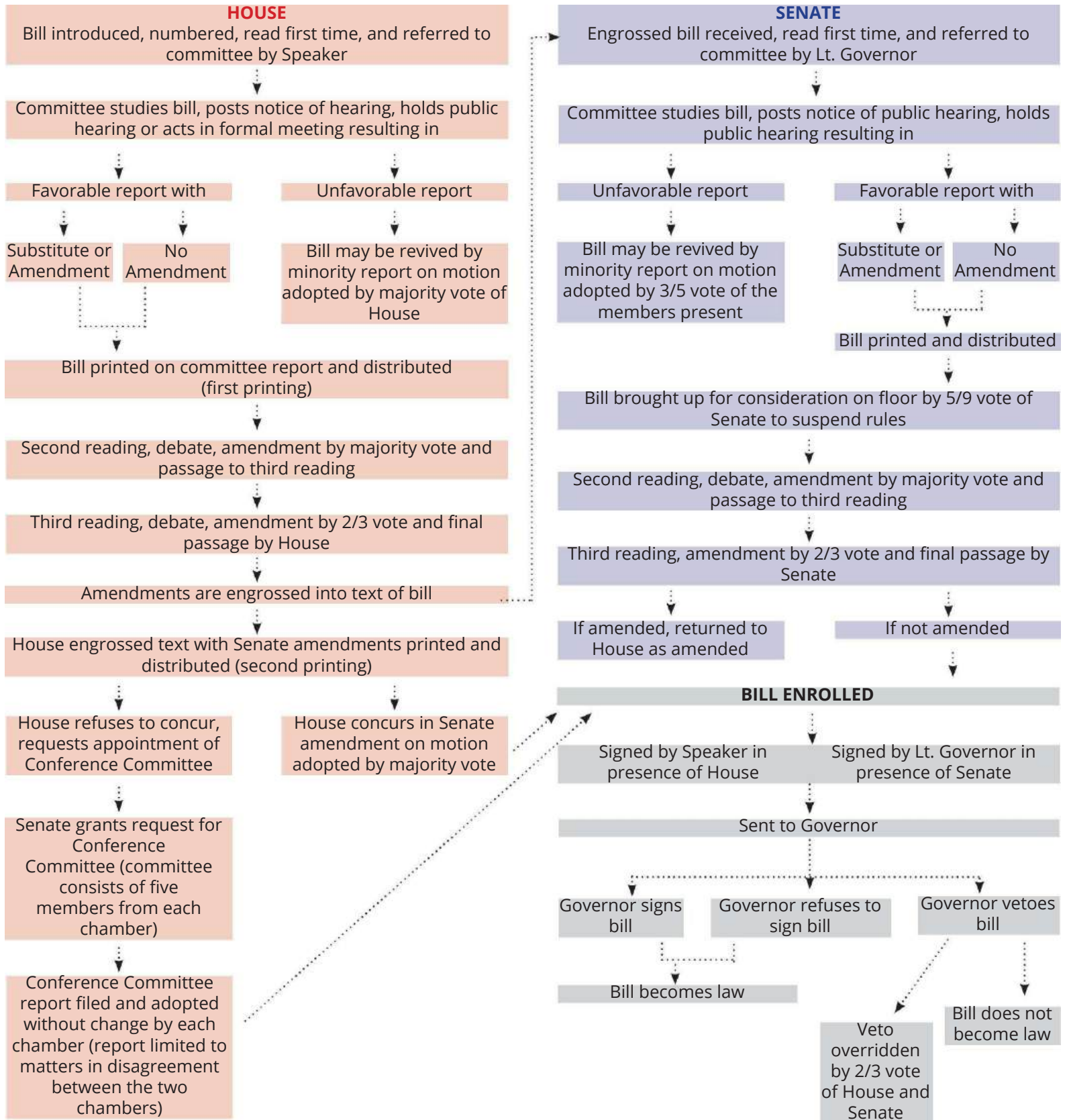


For more information about Linebarger Goggan Blair & Sampson, LLP, visit our website at www.lgbs.com or call 800.262.7229.

Principal Office: Austin, Texas. The attorney responsible for the contents of this advertisement is Carmen Perez.

THE TEXAS LEGISLATIVE PROCESS FOR HOUSE BILLS AND RESOLUTIONS

This diagram displays the sequential flow of a bill from the time it is introduced in the house of representatives to final passage and transmittal to the governor.





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CITY PROPERTY TAXES: TREMENDOUS BANG FOR THE BUCK

Texas cities depend heavily on property tax revenue. Property taxes help fund many of the services that residents demand including police, fire, streets, and parks. But as Chart 1 shows, city property taxes constitute a small portion of a typical homeowner's property tax bill.

How do Texas cities provide so many services with such a small share of a typical property tax bill? Is it with financial help from the state? Not quite.

Unlike other states, Texas provides no general-purpose state aid to cities to help pay for streets, public safety, or other city services. The state forces cities to generate their own revenue. That's why (as the chart below shows) per capita state tax revenue is relatively low, while per capita local tax revenue is comparatively high.

But Chart 2 focuses on "local governments" (cities, counties, schools, and districts). What about cities only? For this information, we turn to a publication of the National League of Cities (NLC), *Cities and State Fiscal Structure*.

One section of this report tabulates, for each state, a statistic the authors refer to as "own-source capacity." This is a measurement of the extent to which decisions made by city officials actually determine the city's fiscal direction. Since Texas cities take care of themselves without intergovernmental aid, it comes as no surprise that Texas ranks second in the nation in municipal own-source capacity.

Chart 1

Distribution of Property Tax Collections

Source: Texas Comptroller's Biennial Property Tax Report

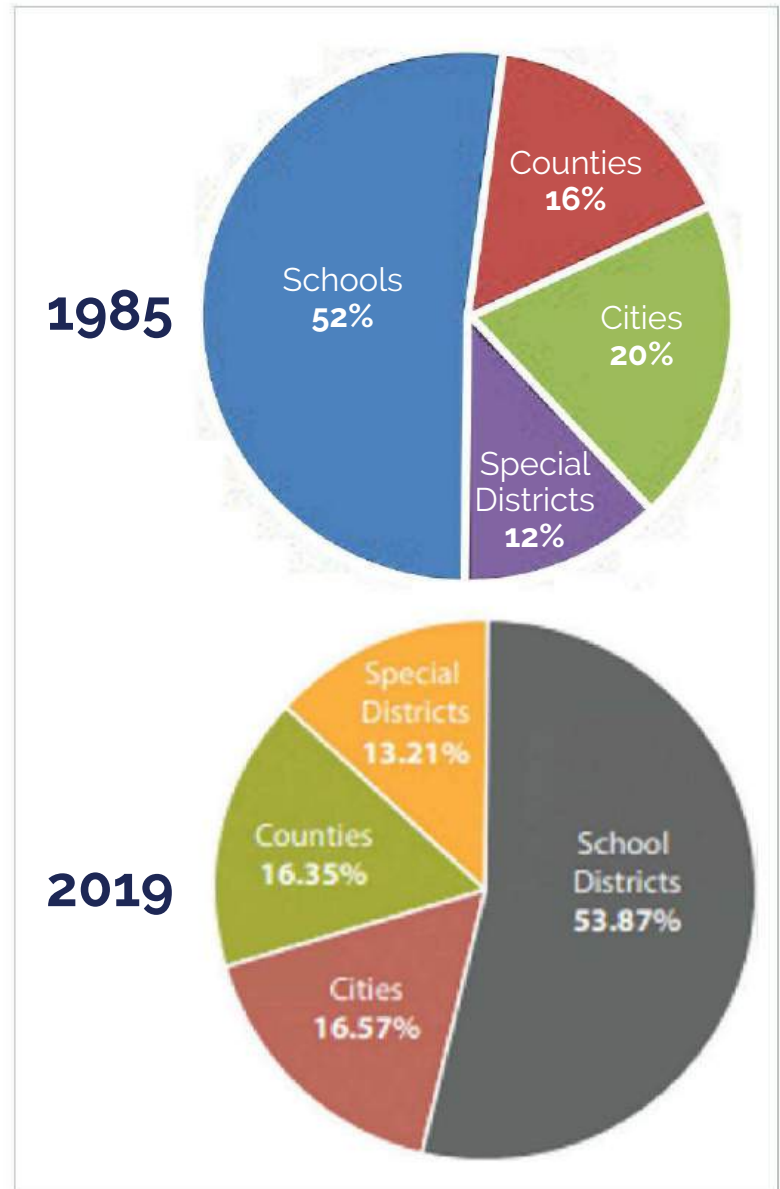


Chart 2

State and Local Government Tax Revenue, 2018

Source: U.S. Census Bureau

	U.S.	Texas
Per capita state and local	\$5,384	\$4,470 (29th)
Per capita state	\$3,126	\$2,102 (49th)
Per capita local	\$2,258	\$2,368 (13th)
Percent local	41.9%	53.0%

The flip side of that coin, however, is the report's measure of state aid to cities. Here again, the NLC report replicates previous research: Texas trails only Georgia, Oklahoma, and West Virginia in state aid—the share of municipal revenue that comes from state government sources.

These two findings of the NLC report once again establish these facts: (1) the State of Texas relies very heavily on Texas cities to generate the revenue necessary for municipal facilities and services; (2) the state gives cities the capacity to generate that revenue; but (3) the state gives cities virtually no state financial aid.

In addition to forcing local governments to generate comparatively large amounts of tax revenue, the State of Texas also forces those local governments to rely too heavily on property taxes. It does this by denying them other revenue sources. While this is especially true for public schools which rely almost exclusively on property tax, it is also true for cities and counties. In fact, of the \$2,368 shown in Chart 2 as per capita local government tax revenue in 2018 in Texas, a whopping \$1,968 (83.1 percent) came from the property tax.

These two fiscal conditions, which create the property tax mess in Texas, are unlikely to change unless the State of Texas takes one (or both) of two actions:

1. Inject more state money into public services and facilities, especially public schools. This means even more state revenue than was provided through past school funding efforts.
2. Open more revenue sources for counties and cities.

Additional attempts to reduce the property tax burden in Texas will either be ineffective or will create unintended, negative consequences.

In a nutshell:

- (1) Texas cities provide vital services that benefit their citizens;
- (2) Texas cities provide those services with less aid from the state, as compared to other states; and
- (3) Texas cities manage all of this despite a very small share of the total property tax levy and with reasonable annual increases in those taxes. ★

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WHERE DO TEXAS CITIES GET THEIR MONEY?

City government is where the rubber meets the road. Cities pave our streets, fight crime and fires, prepare us for disaster, bring water to our taps, take our trash away, build and maintain our parks—the list goes on and on. These services cost money. This article describes the sources of municipal revenue and expenditures.

A 2022 Texas Municipal League survey shows that municipal general fund revenue in Texas is made up of the following sources:

General Fund Revenue

Conspicuously absent from this list is financial assistance from the state. This is unusual—most states provide direct financial assistance to cities in recognition of the fact that cities provide basic services on which the entire state depends.

Instead of revenue, Texas cities receive something equally important from the state—broad authority to govern themselves, including the authority to raise their own revenue. This local authority has worked to the benefit of cities and the state for many decades and should continue into the future.

Here's more information on each source of municipal revenue:

Property Taxes

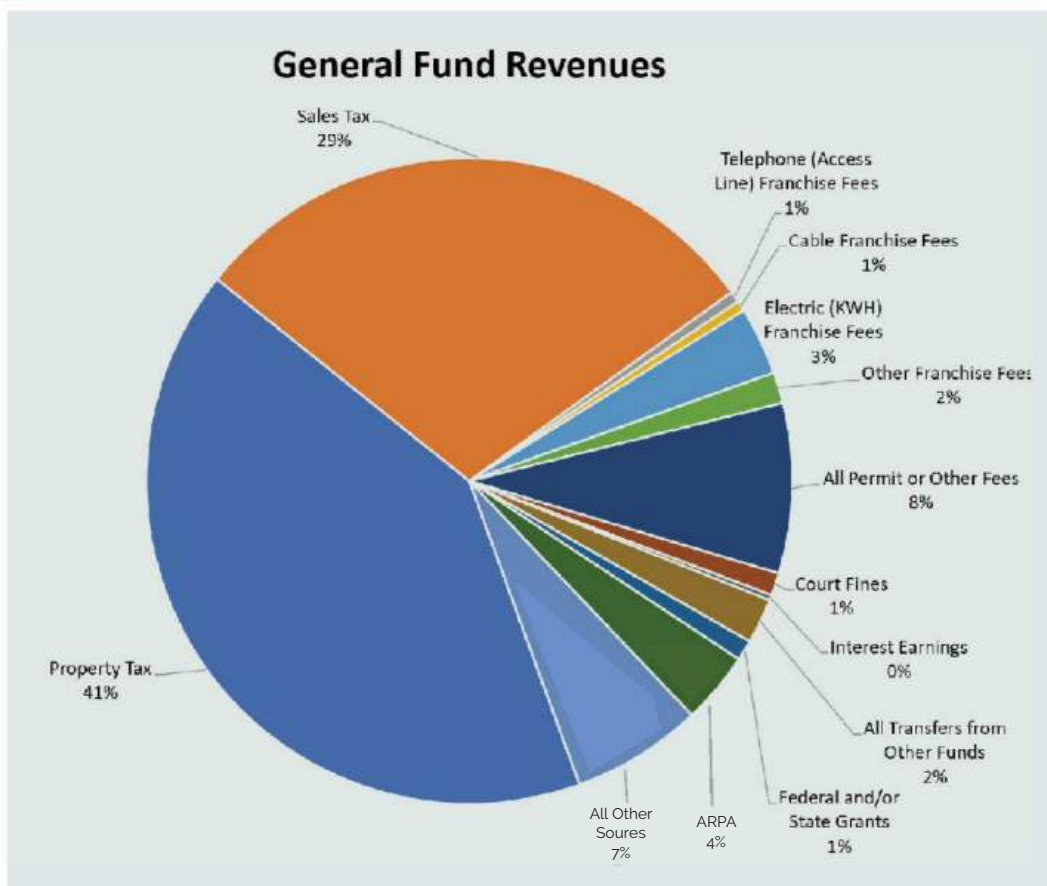
Property taxes are the leading source of city revenue. Though crucial to city budgets, city property taxes make up just a fraction of a property owner's total property tax bill.

Most cities under 5,000 population have statutory authority to levy property taxes at a rate of up to \$1.50 per \$100 of assessed value. Most cities over 5,000 population have statutory authority to levy property taxes at a rate of up to \$2.50 per \$100 of assessed value. Despite this broad authority, the average city property tax rate was only \$.53 for tax year 2018.

City property tax levies are tied by law to fluctuating property tax values. As values increase, the city must adjust its rate or face potential rollback elections. In reality, such tax rollback elections are rare. City rates have held relatively steady for years, both in terms of actual rates and in terms of total levy as adjusted for inflation and rising income.

Sales Taxes

Sales taxes are a major source of city revenue. Nearly 93 percent of Texas cities levy a basic one-cent city sales tax. The revenue can be used for any purpose other than payment of debt. Many cities, though not all, also impose additional sales taxes in varying amounts of up to one cent. These additional sales taxes are known as dedicated taxes, because their proceeds may be



spent only for certain purposes. Some popular dedicated sales taxes include mass transit, economic development, street maintenance, property tax relief, and sports venue taxes. All city sales taxes, including the basic one-cent sales tax, require a local-option election of the citizens. Collection of sales taxes is performed by the Texas comptroller, who "rebates" the city share on a monthly basis. The comptroller retains a small portion of the city tax revenue to cover the state's administrative costs.

Right-of-Way Rentals

When utilities and other industries use city property to distribute their services, cities are permitted by law to collect rental fees, also known as "franchise" fees, for the use of public property. Franchise fees are calculated by various methods, depending on industry type.

Permits and Fees

Cities may collect fees for issuing permits for building construction, environmental regulation, and other services. Because cities incur costs to regulate in these areas, the permit fees must be tied to the cost of providing the service.

Court Fines

A city that operates a municipal court may impose fines for violations of traffic laws and city ordinances. Maximum fines typically range from \$200 for traffic violations, and up to \$2,000 for city ordinance violations relating to health and safety. Much of a city's fine revenue offsets the costs of law enforcement and operation of the municipal court system.

Interest Earnings

When a city invests its funds, it must closely follow the mandates of the Public Funds Investment Act. Because of the twin concerns of safety and liquidity, investment income is a relatively small source of city revenue.

Transfers from Other Funds

Many cities operate utilities and other optional services that generate substantial gross revenues. By law, the fees for such services must closely offset the cost of providing the service. In addition to the cost factor, cities are permitted to retain a reasonable "return," which can then be transferred to the general fund. This return amounts to less than six percent of overall city revenue.

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Putting Local Debt in Context

The story about debt coming out of certain Austin think tanks goes something like this: the state has its fiscal house in order, but local governments are greedy, profligate spenders running up the taxpayers' credit card. It's a powerful narrative, but it isn't true.

A recent report issued by the Texas Bond Review Board shows total outstanding state and local debt for the past few years. From 2017-2021, total outstanding local debt increased from \$218.98 billion to \$266.38 billion, a 21.6 percent increase. Meanwhile, total outstanding city debt increased from roughly \$71 billion to \$84 billion, an 18 percent increase during the same time frame. For the same period, total outstanding state debt increased from \$53.01 billion to \$63.21 billion, a 19.24 percent increase. In other words, local debt (and city debt) is increasing at a similar pace as state debt in recent years.

At \$266.38 billion, the amount of total local debt is certainly significant. However, only a small portion of that—\$34 billion—is tax-supported city debt. Another \$42 billion is city debt supported by the revenues of city utilities and not by property taxes. The largest portion is tax-supported school district debt at \$87 billion.

School funding is a constitutional obligation of state government. The state has chosen to discharge that obligation by creating local school districts that levy the needed taxes. In reality, the \$87 billion of school district debt ought to be thought of as a state debt because that's how the state has chosen to fund schools. Shift that \$87 billion over to the state debt column and a vastly different picture about which governments may be falling dangerously into debt emerges. In any event, the numbers clearly show that it isn't Texas cities.

The recent focus on local debt (despite the fact that state debt is growing faster) likely relates to the reality that Texas state government, for better or worse, has gotten out of the business of building new state infrastructure with state dollars. Instead, locals are expected to pick up the slack for things like roads and reservoirs.

Consider the water funding proposition that passed in November 2014—it ultimately spends zero state dollars. Instead, through the use of a revolving fund, it *encourages cities to take on debt* to build our state's important reservoirs and other water projects. This is a perfect example of the state essentially forcing locals to take on debt to do the state's work, then blaming the same locals for having taken on the debt in the first place.

Texas cities are willing to partner with state government to build infrastructure in our great state, but should not be considered scapegoats in that partnership. ★

Did You Know?

Many people mistakenly believe that cities derive substantial general revenue from their courts. In reality, the first \$84 of most traffic tickets goes directly to the state. What's left over, if any, can be used by the city. Unfortunately, city courts are increasingly being used as a backdoor revenue source for the state.

Other Sources

City revenue can take various other forms, including user fees for some services, amusement taxes, and hotel occupancy taxes.

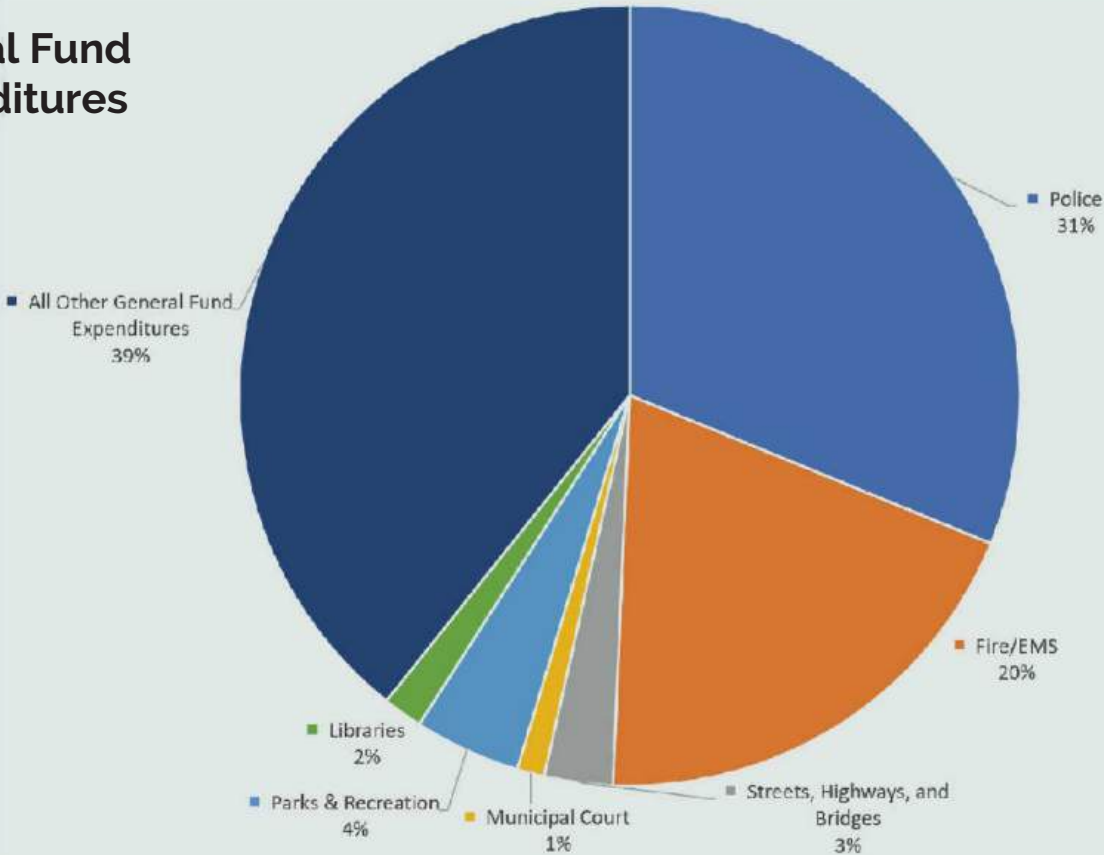
The Bottom Line

The state could put municipal revenue at risk in at least two ways. First, the state could increasingly look to cities for revenue to fund state programs. When a state provides direct financial assistance to its cities, such trading of revenue might be workable. Texas is not such a state. Texas cities receive virtually no direct funding from the state, and cannot afford to fund the state's obligations. Second, the state could erode the statutory authority under which cities raise their own revenue. While cities are indeed subservient to the state, city officials hope that the respectful nature of the fiscal relationship between Texas cities and the state will continue for years to come.

Expenditures

Core city services like police, fire, and EMS account for the majority of expenditures in a survey conducted by TML. In addition, cities spend revenue on streets, municipal courts, parks, and libraries. "Other Expenditures" in the survey include primarily administrative and personnel costs.

General Fund Expenditures



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CRACKING THE CODE: CITIZEN SAFETY AND PROTECTION OF PROPERTY VALUES

The building code of 4,000 years ago was simple but brutal. According to an ancient Hammurabi code, "If a builder builds a house and does not make its construction firm, and the house collapses and causes the death of the owner, that builder shall be put to death."

The first building codes in the United States, established in 1625, addressed fire safety and specified materials for roof coverings. In 1630, Boston outlawed wooden chimneys and thatch roof coverings. In the late 1770s, George Washington recommended height and area limitations on wood frame buildings in his plans for the District of Columbia. In 1788, the nation's first-known formal building code was written in Winston-Salem, North Carolina. Larger United States cities began establishing building codes in the early 1800s.

Today, most populous cities in Texas have adopted modern construction codes. The professionals enforcing current building codes in Texas maintain the vigilance of the ancient code of Hammurabi, but with a significantly more civilized approach that emphasizes knowledge and education. Building code regulations enforced in Texas cities ensure minimum standards for safe homes, schools, workplaces, and other buildings.

Scott McDonald, Denton's director of development services, points out that "during these tough economic times, the enforcement of construction codes is even more important." According to McDonald, "The active enforcement of construction codes not only provides a minimum standard for the structural and life safety components of the homes, schools, churches, and businesses, it can also provide energy efficiency standards."

"Buildings constructed to meet updated codes and energy efficient standards protect property values for years into the future, [and] they provide a sustainable stock of housing and commercial options in a community," he adds.

Prior to 2001, Texas had no statewide standard for any residential or commercial buildings. Each city chose which, if any, building codes to adopt for construction within the city limits, and each city amended its code to meet local concerns.

In 2001, the Texas Legislature adopted the International Residential Code (IRC) and the National Electrical Code (NEC) as the standard building codes for residential construction in Texas cities. However, cities were authorized to make amendments to these codes to meet local concerns. Also in 2001, the Legislature adopted energy efficiency standards for residential, commercial, and industrial construction.

More recently in 2021, the Texas Legislature enacted House Bill 738, which provides that the 2012 versions of the IRC and IBC are the official residential building code and commercial building code in this state. However, the bill authorizes a city to establish procedures to adopt local amendments "that may add, modify, or remove requirements" set by the codes in the IRC and IBC, 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. House Bill 738 also recodifies the provisions that prohibit a city from enacting a policy requiring the installation of a fire sprinkler protection system in a new or existing one- or two-family dwelling, but excepts from the prohibition mentioned above, a city that has enacted a policy requiring the installation of a fire protection sprinkler system in a new or existing one- or two-family dwelling on or before January 1, 2009.

In 2005, the Legislature adopted the International Building Code (IBC) as the municipal building code in Texas for commercial and multi-family construction. Nothing in the bill prohibited a city from adopting local amendments to the IBC. Later sessions included revisions to the International Energy Conservation Code.

Uniform building codes can make construction and inspection easier and more cost-effective. However, because Texas is a vast state with many different climates and topographical features, uniform codes serve only as standards, and each city should be allowed to amend its codes to meet that city's needs.

In 2019, the Texas Legislature adopted House Bill 2439, which impacts a city's ability to control building materials or construction methods of residential or commercial buildings within the city. Although cities can continue to adopt amendments to the building codes that do not conflict with House Bill 2439 and can have limited control over building materials or construction methods if done pursuant to a written agreement, the reality is that cities now have much less authority over building materials and aesthetic methods than they did prior to 2019.

In 2021, the legislature passed Senate Bill 1090, which among other things, created an exception for Dark Sky Communities from certain regulations regarding the use of building materials. Specifically, the bill allows those cities that have adopted a resolution stating the city's intent to become certified as a Dark Sky Community to regulate outdoor lighting in a manner required to become certified. In addition, the bill created an exemption for a city that implements a water conservation plan or program that requires a standard for a plumbing product, or if the Texas Water Development Board requires the use of a standard for a plumbing product as a condition for a TWDB program.

Under most cities' codes, a person who wishes to build a structure must apply for a permit. City officials review the necessary information and issue a permit if the structure complies with that city's regulations. The amount of time needed to review

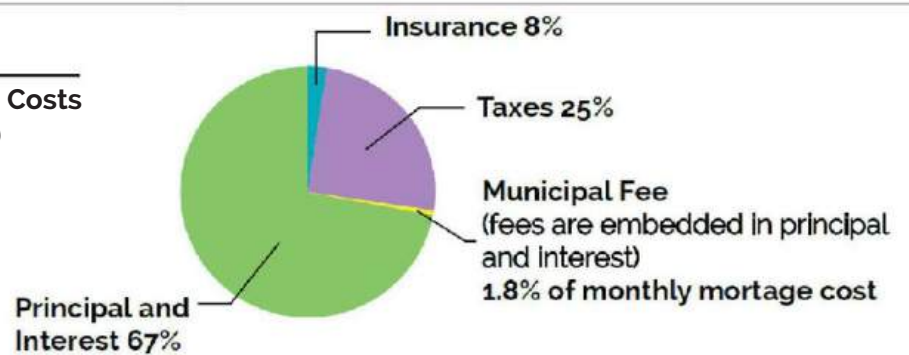
the permit application varies from city to city and from project to project based on several factors, including the complexity of the city's code and the project. Because of many issues affecting each individual city and building project, a blanket requirement that a permit be issued in a certain amount of time would place an untenable burden on city building officials.


Similarly, building permit fees vary widely based on several factors, including the number and type of inspections and the sophistication of the city's permitting process. While some have claimed that city fees are responsible for the rising costs of housing in Texas, a survey commissioned by the Texas Municipal League shows that building and inspection fees constitute only a tiny fraction of a homebuyer's mortgage payment (see Chart

1). A city is not limited by statute as to the amount the city can charge for building and related permits, but a city cannot charge more than is reasonably related or necessary to administer the permitting process as that could be deemed an unconstitutional tax. Additionally, House Bill 852, which was adopted by the Legislature in 2019, prohibits a city from basing its building permit fees on the cost of a proposed structure. Specifically, a city, in determining the amount of a building permit or inspection fee required in connection with the construction or improvement of a residential dwelling, may not consider: (1) the value of the dwelling; or (2) the cost of constructing or improving the dwelling. As a result, cities have opted to use square-foot based fees, a flat fee schedule, or other non-cost-based and reasonable calculations to determine reasonable permit fees. ★

Chart 1

The Role of Municipal Fees in Monthly Mortgage Costs
(Average of Eight Representative Texas Cities, 2003)






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CITY ECONOMIC DEVELOPMENT

Texas cities are the first—and often the only—engine of economic development in the state. Until the controversial Texas Enterprise Fund was created, cities were the only entity that routinely granted incentives necessary to attract new business to the state. With the Enterprise Fund up and running, larger cities have partnered with the state to attract such major developments as a Texas Instruments facility and a Toyota plant. Smaller cities are usually on their own to attract business.

Until the late 1980s, using city resources to attract business was arguably unconstitutional. However, in 1987, Article 3, Section 52-a of the Texas Constitution was added to make it clear that economic development serves a public purpose. From that point on, three major channels of city economic development began to open for cities: Chapter 380 agreements; the Type A/Type B economic development sales tax; and property tax incentives.

Chapter 380 Agreements

Chapter 380 of the Local Government Code authorizes cities to establish programs for grants and loans of city resources for economic development purposes. Although it is the broadest economic development tool for cities, Chapter 380 is often overlooked in favor of other incentives. Cities using 380 agreements must be careful not to simply present a blank check to business and industry prospects; a program providing for

checks and balances on a business's use of Chapter 380 money is required by law. Examples of these checks and balances might be performance agreements tying grant money to the creation of a certain number of jobs or requiring the business to stay in the city for a certain length of time.

Type A/Type B Economic Development Sales Tax

More than 500 Texas cities have adopted a Type A or Type B economic development sales tax. Some cities have both taxes. The tax was created in 1989 and authority to spend Type A/Type B tax money gradually expanded over the next decade to cover all forms of commercial, retail, and traditional industrial economic development. An important bill, House Bill 2912, passed in 2003. House Bill 2912 scaled back the authority of some Type A and Type B economic development corporations. Following the passage of House Bill 2912, the economic development sales tax could no longer be spent on retail, commercial, or service industries. Instead, the tax could be spent on basic industrial and manufacturing businesses, among a limited amount of other authorized expenditures. The authority for some, but not all, Type B corporations to engage in retail, commercial, and service economic development was restored in 2005.

The Type A/Type B sales tax remains an important economic development tool for many cities that have the available land and workforce to attract industry. Additionally, instead of a Type A or Type B economic development sales tax, some cities have adopted a municipal development district (MDD) sales tax that may be levied in a specified area in the city or in the city's extraterritorial jurisdiction. The MDD sales tax closely resembles the traditional economic development sales tax, and the scope of projects that may be funded with an MDD tax is slightly broader. There are some key differences in how an MDD is administered as compared to an EDC; however, including a bit less statutory clarity on the city's oversight of an MDD.

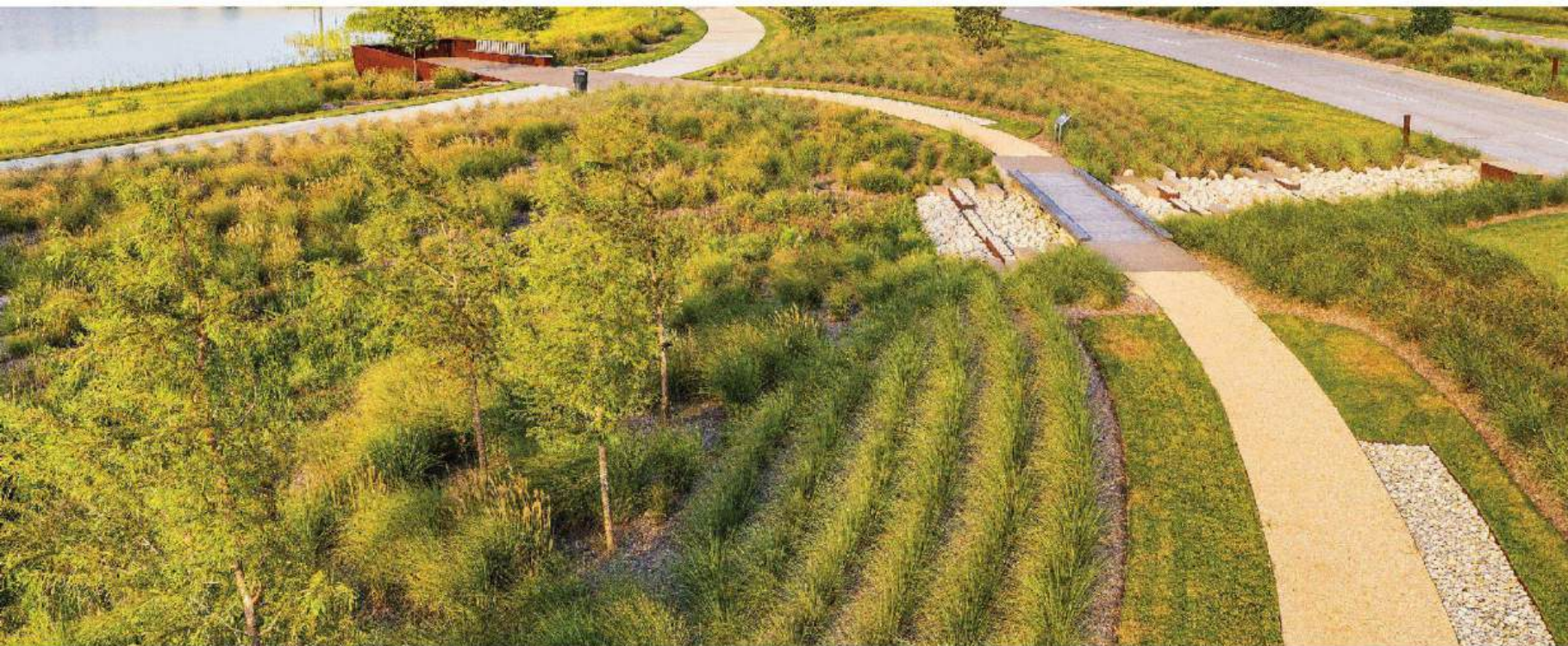
Property Tax Incentives

Property taxes may be directly tapped to promote economic development in two ways: tax abatement and tax increment financing. Both function by either forgiving (abatement) or dedicating to improvements (increment financing) any **net increase** in property tax revenue as a result of a business moving to town or upgrading existing facilities. Property tax incentives can never forgive or decrease the present taxable value of the land and facilities upon which they are granted. This key feature of the incentives—that all current taxes must continue to be paid—belies the common stereotype that tax incentives are “giveaways.” On the contrary, when done properly, tax incentives create new taxable value that never would have come to town absent the incentive, thus lowering the overall tax burden on other properties. ★



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CITIES KEEP THE GARBAGE FROM PILING UP

Did You Know?

Texas cities have been authorized to provide or contract with a private company to provide garbage collection services within city limits since 1971. Texas law recognizes that this authority is essential to preserve the public health and safety of all the residents of a city. Uncollected garbage can easily result in various health problems. This law routinely comes under attack from certain groups, but the bottom line is that timely, efficient, and effective garbage collection through city service prevents problems from occurring. Open piles of garbage attract disease-carrying rodents and insects, and often wash into drainage systems where they contribute to floods and waterborne disease.

Garbage collection and disposal is one of the most recognizable and widely used city services. This vital service protects the public health and the environment. A city can choose to operate its own garbage collection and disposal system or grant a franchise to a private company (or companies) to handle those tasks.

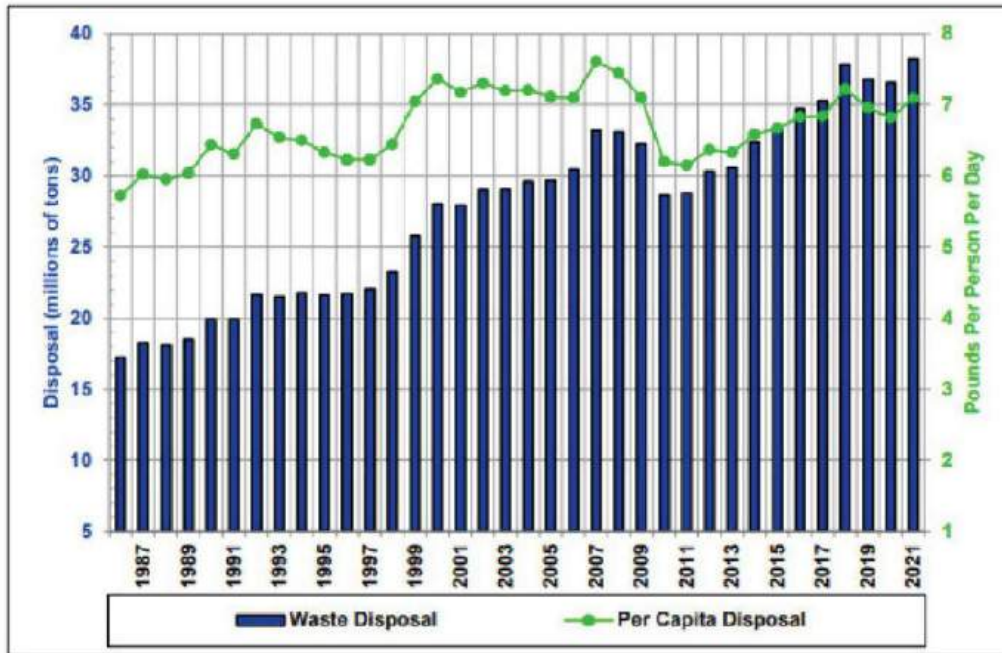
"If future generations are to remember us with gratitude rather than contempt, we must leave them something more than the miracles of technology. We must leave them a glimpse of the world as it was in the beginning, not just after we got through with it."

-President Lyndon B. Johnson

Waste generation is a function of two variables – population and economy – both of which are growing in Texas. In Texas, the definition of "municipal solid waste" includes waste resulting from or incidental to municipal, community, commercial, institutional, and recreational activities including garbage, rubbish, ashes, street cleanings, dead animals, abandoned autos, and all other solid waste other than industrial solid waste. According to the Texas Commission on Environmental Quality (TCEQ), Texans disposed of approximately 38.23 million tons of municipal solid waste in 2021. That's about 7.09 pounds per person per day, a slight increase from the 2020 rate of 6.82 pounds. During this period, the state's population increased by 0.57 percent.

Texas Total and Per Capita for MSW Landfill Disposal

Source: TCEQ, Municipal Solid Waste in Texas: A Year in Review - FY2020 Data Summary and Analysis (September 2021)



*"Unless someone like you
cares a whole awful lot,
nothing is going to get better
- It's not."
-The Lorax by Dr. Seuss*

Cities have statutory authority to offer recycling programs to their citizens. Recycling helps reduce the production of solid waste that a city must dispose of and reduces the costs of operating a municipal solid waste disposal system. In addition, recycling may also create more jobs than disposal programs do. Of course, statewide recycling mandates wouldn't take into account the various factors that make different parts of Texas unique, so recycling should be implemented locally in a way that is appropriate for each city. ★

Figure 3. Texas MSW Landfill Disposal Tons and Per Capita Disposal Rate

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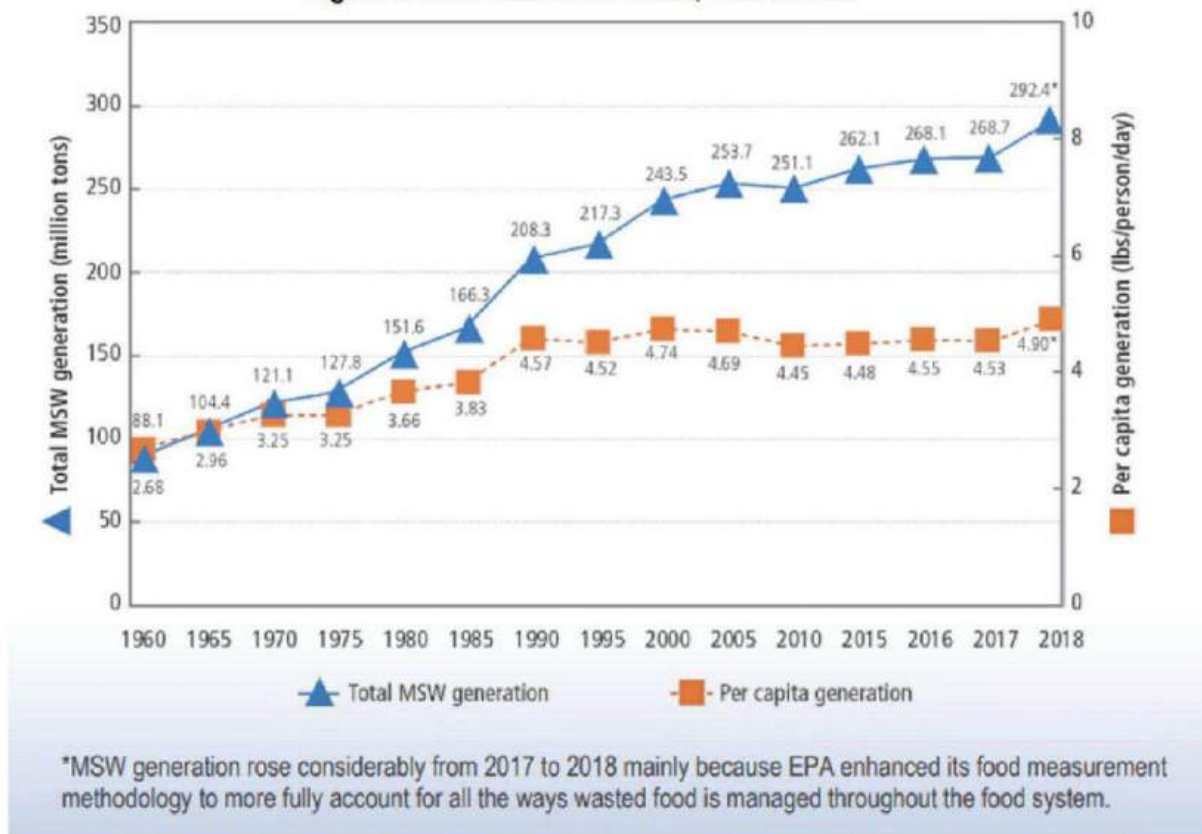
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Recycling of Municipal Solid Waste (MSW) in the United States 1960 – 2018

Figure 1. MSW Generation Rates, 1960 to 2018*



Where Does It Go After I Place It at the Curb? How Much Does This Service Cost?

After household garbage is collected, it often goes to a facility known as a transfer station where waste is consolidated into larger loads for shipment to its ultimate destination: a landfill or a waste-to-energy plant. Recyclable material goes to processing facilities where it becomes raw materials for new products.

In 2018, 50.0 percent of municipal solid waste generated in the United States was ultimately disposed of in landfills; 11.8 percent was disposed of through waste incineration with energy recovery; and 32.1 percent was recovered for recycling or composting.

According to data collected by the National Solid Wastes Management Association, the typical U.S. monthly household bill for waste collection in 2003-04 ranged between \$12 and \$20 per month. The cost of

governmental compliance and the rising costs of fuel and equipment has led to an increase in the costs of collection and disposal in some communities. However, even with such increases, residential trash collection and disposal is still inexpensive relative to other utilities and household services, such as cell phone bills and cable television.

Collection and disposal costs have gone up in some communities for various reasons including the rising costs of fuel and equipment, as well as the rising costs of complying with new environmental regulations. Despite these increases, residential trash collection and disposal is still a bargain for United States consumers when compared to other utilities and services like cellular phone and cable television service.

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MELISSA GONZALES
Taft’s City Manager



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NICK NEWELL
Manvel’s City Systems Administrator



“TML Health allows us to offer an incredibly competitive benefits package to employees. Seminole is able to cover at 100% and still be in our municipality’s budget.

MARY FURLOW
Seminole’s Finance Director



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ELENA QUINTANILLA
Ransom Canyon’s City Administrator



“MDLIVE is great. I’m a mom and I didn’t have to go anywhere.

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PUTTING THE "WORKS" IN PUBLIC WORKS

Streets and Traffic

Citizens expect to travel easily from one place to another and want their commute to be problem-free. A city's public works department makes that possible. Public works employees are constantly striving to keep driving conditions safe by building, maintaining, and repairing city streets. These efforts are not limited to streets, but also include streetlights, sidewalks, and other infrastructure that is crucial to cities. However, funding such maintenance efforts, which benefit the entire state economy, is a challenging task for Texas cities. Unlike many other states, Texas cities receive no state aid to offset the benefits that city streets provide. In those other states, a portion of vehicle registration fees or gasoline taxes are returned to cities for this purpose; not so in Texas. However, the Texas Legislature has granted Texas cities the authority to impose a street maintenance sales tax to be used to maintain city streets. Many cities have adopted this tax.

Traffic Signals: Coordinating Intersections Isn't Free.

According to the City of Austin, after a traffic signal request is granted for an intersection, it costs approximately **\$200,000** to construct and install a single traffic signal.

Right-of-Way Authority and Utilities

Many Texas cities are experiencing an unprecedented level of activity in their streets and rights-of-way (ROW). This is the result of an explosion in new communications technology, the growth of competition in the telecommunications industry, and the expansion of electric distribution lines to newly developing areas.

Sometimes, these activities can have a detrimental effect on public safety, traffic flow, city infrastructure, and efficient city administration. On occasion, excavations caused a breach in major water lines, and other ROW activities caused front-page incidents due to heavy traffic. Cities have had their utility lines cut, their streets barricaded and torn up, and suffered breaches in their major water lines. These actions significantly shorten the life expectancy for city streets, and make them unsuitable for traffic.

The new most recent ROW issues have arisen due to the planned proliferation of "small cell nodes." A small cell node is an antenna and related equipment that can provide very large bandwidth at a very short range. They are, by definition, deployed in densely-populated areas as a means to provide the broadband capacity that people and business want and need. One overarching principle relating to small cell deployment is clear: cities and businesses want better cellular/broadband service. Everyone wants the best technology for educational and business opportunities.

Senate Bill 1004, passed in 2017, attempted to help companies roll out their small cell facilities. The bill requires a city to allow access for cell nodes and related equipment in city rights-of-way, and it also entitles cell companies and others to place equipment on city light poles, traffic poles, street signs, and other facilities. That mandate can pose a public safety threat. More troubling, however, is that the bill limits cities to a rental fee of \$250 per node, far less than the amount companies must pay on the open market.

Similarly, Senate Bill 1152 passed in 2019, eliminated certain franchise fees. The bill authorized a cable or phone company to stop paying the lesser of its state cable franchise or telephone access line fees, whichever are less for the company statewide. Under the bill, compensation of the use of city's right-of-way is no longer based on the value of the right-of-way to the companies, rather its effect is to force city taxpayers to subsidize the cost of doing business for the companies.

As a result, a coalition of cities filed a lawsuit challenging S.B. 1004's unconstitutional cap on small cell rental fees and S.B. 1152's elimination of certain franchise fees. The lawsuits assert that the cap and the franchise fee elimination are a taxpayer subsidy to the cellular industry and telecommunication industry because they allow nearly free or discounted use of taxpayer-owned rights-of-way and facilities. Put simply, the bill takes the money every city resident pays in taxes and hands it directly to cell phone and telecommunications providers. Both lawsuits are pending.

Adding fuel to those flames, the Federal Communications Commission (FCC), in 2017, also adopted an order preempting

municipal authority over small cells and related equipment, further usurping local right-of-way authority and capping right-of-way rental fees for small cell deployment. In response, a national coalition of cities led by the City of Portland filed a lawsuit challenging the FCC order. In August 2020, a court of appeals court upheld the provision of the FCC's order that limits a city's right-of-way fees to a recurring fee of \$270 per site, per year, and expressly limits the ability of a city to recover any cost not directly related to rights-of-way maintenance, charging fees above cost recovery, or recovering "unreasonable" costs, such as excessive contractor or consultant fees.

Right-of-Way Compensation

The Texas Constitution prohibits a city from allowing the use of its rights-of-way for free. Thus, cities collect compensation in the form of rent (based on various state and federal statutes) from utility providers. Some have attempted to characterize this rent as a "tax." That characterization is incorrect. Instead, the rent is a cost of doing business for a utility that uses a city's property (just as a utility would have to rent property or obtain an easement from a private landowner). Utilities such as satellite providers do not pay the rent when they have no facilities on city property. In any case, the law authorizes compensation that provides significant revenue for cities.



The partners of Texas municipal law firm Messer, Fort & McDonald are proud to announce Arturo D. 'Art' Rodriguez Jr. and Bradford E. Bullock as the newest partners to the firm in their Austin location.

Mr. Rodriguez has close to 30 years' experience as general/special/litigation counsel to local governmental entities across Texas. Art's focus has been in water quality, water districts, oil and gas, administrative, and utility law specifically before the TCEQ and PUC.

Mr. Bullock defends local governments and their officials in complex state and federal litigation claims, including land-use matters, civil rights claims, employment matters and development agreements. He has a long-standing relationship with the Texas Municipal League Intergovernmental Risk Pool.

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Local Participation: Cities Help Pay for State Highways

Although amendments to the Texas Constitution in 2013 and 2015 boosted Texas Department of Transportation (TxDOT) funding significantly, TxDOT continues to ask for "local participation" in many of its projects. Local participation is sometimes referred to as a "pay-to-play" system imposed by TxDOT on local governments that wish to see highway projects in their area move forward. Moreover, TxDOT sent a letter in summer 2013 to cities with a population of more than 50,000 – as well as select smaller cities adjoining or surrounded by those larger cities – informing them that TxDOT intended to consider transferring all maintenance of certain non-controlled-access state highways to the cities in which they are located. TxDOT dubbed the proposal "Turnback." The agency later stated the program was always intended to be a "voluntary participation program." In any case, cities pitch in more than \$100 million annually in cash and much more in right-of-way donations and in-kind services. In addition, the state gasoline tax paid by cities accounts for many more millions of dollars paid by cities for the state transportation system.

Federal Storm Water Mandates and Municipal Drainage Utilities

Federal Storm Water Mandates

During rainfall, storm water runs off impervious areas such as paved streets, parking lots, and rooftops. The storm water contains pollutants that may adversely affect water quality. Thus, the federal Clean Water Act requires cities to obtain a permit from the United States Environmental Protection Agency (EPA) before allowing the discharge of storm water from a storm sewer system into rivers and lakes. In Texas, the EPA has delegated the administration of the storm water permitting program (known as the "National Pollution Discharge Elimination System" or "NPDES") to the Texas Commission on Environmental Quality (TCEQ).

Most medium and large cities in Texas, such as Dallas, Houston, San Antonio, Austin, Abilene, and others, currently operate under a "Phase I" permit. Since the early 1990s, "Phase I" cities were required to develop a storm water management program that would reduce storm water pollutants. Many other Texas cities are subject to the "Phase II" general permit. The Phase II program began in 1999 and requires more than 400 of the state's smaller cities to also develop storm water management programs. At a minimum, the programs must include public education and participation, detection of unwanted discharges into sewers, construction site storm water runoff controls, and pollution prevention measures.

In addition, cities operating under the Phase II permit must issue an annual report to the TCEQ that includes information regarding the status of compliance with permit conditions, an assessment of the appropriateness of best management practices, a description of progress toward reducing the discharge of pollutants to the maximum extent practicable, the measurable goals for each of the minimum control measures, and an evaluation of the program's progress. TCEQ, in compliance with federal law, reissued the Phase II general permit for small cities in 2013.

All Texas cities subject to the NPDES program are required to identify and apply management practices to reduce storm water pollution. Unsurprisingly, implementing such practices comes at a high monetary cost, especially in light of the fact that the mandate is not funded by the state.

In 2003, the Texas Legislature enacted a law that exempted state colleges and universities from paying municipal storm water utility fees. The rationale for that exemption (presumably) was that a taxpayer-funded entity shouldn't be required to pay a fee to another taxpayer-funded entity. In 2007, private universities sought and obtained the same exemption. The exemption of private colleges and universities has had detrimental effects on some cities. These private entities benefit from the flood prevention and storm water control provided by storm water utilities, and both public and private universities generally have very large areas of impervious cover that contribute to runoff. The exemptions have resulted in a cost shifting to residents and businesses. Further, a city council can consider exempting public school districts, public agencies, and religious groups. If a city council chooses to do so, the same cost shifting result may occur. ★

Municipal Drainage Utilities

As a means to protect citizens from the devastating effects of flooding and to offset the costs of unfunded federal storm water mandates, the Local Government Code authorizes Texas cities to establish municipal storm water drainage utilities. The utilities are generally funded by fees on properties that are benefited by the improvements. The fees must be nondiscriminatory and must be directly related to drainage.

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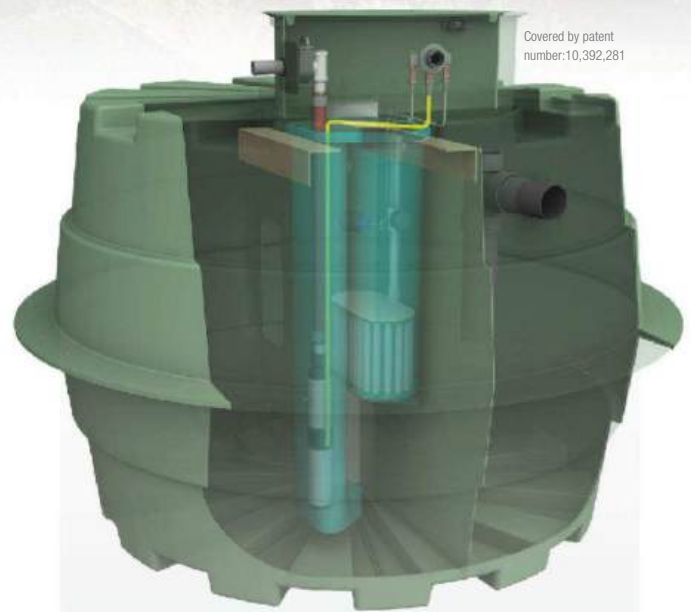
- Brundtland Report, United Nations, 1987

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*WERF Fact Sheets C1, C2, & C3, "Performance & Cost of Decentralized Unit Processes," 2010.



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WATER CONSERVATION

Conservation continues to play a pivotal role in meeting the future water demands of Texas' rapidly growing population. Municipal water conservation is one of the key recommended management strategies for addressing future water needs in the 2022 State Water Plan. The 2022 Water Plan recommends about 977,000 acre-feet in municipal conservation strategies in 2070, of which 320,000 acre-feet is associated with water loss reduction activities at a capital cost of approximately \$3.8 billion. Ultimately, each city is best suited to determine what conservation programs work for the city.

In past years, the Texas legislature enacted numerous bills related to statewide water conservation standards, including a recent requirement that cities draft, implement, and submit drought contingency and water conservation plans. The legislature also created the Water Conservation Advisory Council (WCAC) tasked with, among other responsibilities, developing numerous Best Management Practices (BMPs) (a voluntary efficiency measure intended to save a quantifiable amount of water, either directly or indirectly, when implemented within a specified timeframe). BMPs, including municipal BMPs, are available at www.twdb.texas.gov/conservation/BMPs/index.asp.

In addition, the Texas legislature, in recent years, passed bills which require the Texas Water Development Board and the Texas Commission on Environmental Quality to develop a uniform, consistent methodology and guidance for calculating water use and conservation to be used, by a city, in developing water conservation plans and preparing certain reports required by state law. The methodology and guidance include: (1) a method of calculating total water use, including water billed and nonrevenue water used; (2) a method of calculating water use for each sector of water users; (3) a method of calculating total water use by a city in gallons per capita per day; (4) a method of classifying water users within sectors; (5) a method of calculating water use in the residential sector that includes both single-family and multifamily residences, in gallons per capita per day; (6) a method of calculating water use in the industrial, agricultural, commercial, and institutional sectors that is not dependent on a city's population; and (7) guidelines on the use of service populations by a city in developing a per-capita-based method of calculation, including guidance on the use of permanent and temporary populations in making calculations.

The resulting "Guidance and Methodology for Reporting on Water Conservation and Water Use" is intended to guide water providers through the process. This guidance is available at <https://www.twdb.texas.gov/conservation/doc/SB181Guidance.pdf>.

Another water conservation issue is that of mandatory water conservation rates. The legislature, in the past, proposed legislation that would take away a city's exclusive authority to set water rates within its city limits, but no such legislation has passed. As a result, the ability to set water rates within the city limits remains with each city's governing body, which comports with the Texas Municipal League's members' view that local control is best.

While water was one of the main topics of the 2013 legislative session, only a handful of water conservation bills have passed since then. In the 2022 interim, the House and Senate were charged with making recommendations to promote conservation and waste prevention and to evaluate the state's groundwater management process, including data to support regional water planning and conservation goals, respectively.

Water restrictions, conservation education, and higher prices have played a role in Texans using less water. According to a League survey, the average monthly residential water consumption is decreasing each year (with a few outliers), averaging a total of 5,481 gallons in 2022 compared to 8,581 in 2002. Which method of addressing water shortages—restricting usage, repairing/replacing inefficient infrastructure, or scarcity pricing—is the best? Whatever a city council decides is right for its city is usually the correct method. In other words, local control is the best method.

Interestingly, one side effect of lower water use is a loss of millions of dollars in anticipated revenue to some cities. For example, the City of Wichita Falls has reported that conservation efforts have resulted in a water revenue reduction of nine million dollars from fiscal year 2012-2013 to fiscal year 2013-2014. Anticipated water revenue is generally budgeted to pay for fixed or capital infrastructure costs and in certain cases, to pay off debt, including debt issued to finance new wastewater plants or water-related projects.

Each city has a unique perspective and resulting priorities for expending resources to conserve water. Climate,

population density, availability of water resources, and the ratio of industrial to residential water use in the city are a few of the various factors that affect conservation decisions across the state. Water conservation continues to be a major issue in many cities in Texas, and cities should continue implementing water conservation strategies that are appropriate for their specific community. ★

Cities offer a variety of different programs to encourage water conservation.

For example,
the City of San Marcos offers:

- Tiered Water Rate System
Water rates increase as consumption increases.
- Rebate/Incentive Programs
The City of San Marcos provides rebates to those customers who purchase and install qualifying water conserving items.
- Irrigation System Evaluations
Free irrigation system check-ups for both residential and commercial water customers.
- Indoor Water Surveys
Free indoor water surveys to customers who would like to save water and money. City staff will evaluate your home or business to make sure you are using water as efficiently as possible.
- Public and School Education Programs





The Texas State Water Plan provides for the orderly development, management, and conservation of water resources in the state. The plan's goal is to ensure that sufficient water will be available at a reasonable cost to protect the public health, further economic development, and protect the agricultural and natural resources of the entire state.

The State Water Plan is the culmination of a regional planning process that the Texas Legislature established in 1997. Every five years, 16 planning groups—one for each regional water planning area—assess the projected population, water demands, and water supplies in their area for the next 50 years. Each planning group holds public hearings and meetings to develop its regional water plan, which lists the water supply projects needed to meet their water shortages. Once a regional water planning group adopts its regional water plan, the plan is then sent to the Texas Water Development Board (TWDB) for approval. The TWDB ultimately compiles the information to make the State Water Plan. The most recent iteration is the 2022 State Water Plan, adopted on July 7, 2021.

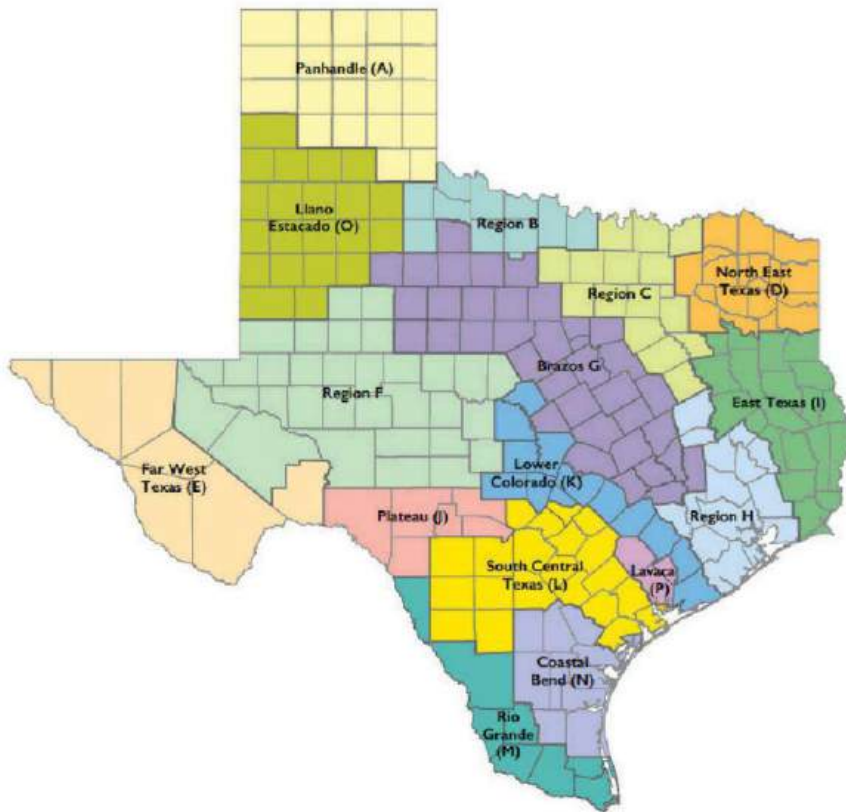
The 2022 State Water Plan tells us that our population will continue its rapid growth. Texas' population is expected to increase more than 70 percent between 2020 and 2070, from 29.7 million to 51.5 million, with over half of this growth occurring in Regions C and H. Water demands are projected to increase less significantly, by approximately 9 percent between 2020 and 2070, from 17.7 million to 19.2 million acre-feet per year. This projected increase is smaller than the 2017 State Water Plan, primarily due to revised methodologies for the irrigation, manufacturing,

and steam-electric power generation sectors of water use. Notably, municipal demands are anticipated to grow by the greatest total amount, from 5.2 million acre-feet per year in 2020 to 8.5 million in 2070. Agricultural irrigation demand is expected to decrease, from 9.4 million acre-feet per year in 2020 to about 7.6 million in 2070, due to more efficient irrigation systems, reduced groundwater supplies, and the transfer of water rights from agricultural to municipal users. Manufacturing and livestock demands are expected to increase, while mining demand is expected to decline over the next 50 years. Steam-electric (power generation) demand is expected to remain constant.

Texas' existing water supplies—those that can already be relied on in the event of drought—are expected to decline by approximately 18 percent between 2020 and 2070, from 16.8 million to 13.8 million acre-feet per year. Water user groups face a potential water shortage of 3.1 million acre-feet per year in 2020 and 6.9 million acre-feet per year in 2070 in "drought of record" conditions.

The 2022 State Water Plan provides a roadmap for how to address the water needs that accompany our expected growth by identifying water management strategies and their associated costs for communities across Texas. Approximately 5,800 water management strategies recommended in the plan would provide 7.7 million acre-feet per year in additional water supplies to water user groups in 2070. The estimated capital cost to design, construct, and implement the more than 2,400 recommended water management strategy projects by 2070 is \$80 billion in 2018 dollars, without accounting for inflation. Water management

Regional Water Planning Areas



strategies can include conservation, drought management, reservoirs, wells, water reuse, desalination plants, and others.

The information in this plan is critical to ensuring that Texas has adequate and affordable water supplies now and in the future. Without employing water management strategies, approximately one-quarter of Texas' population would have less than half of the municipal water supplies they will require during a "drought of record" in 2070. If Texas does not implement the State Water Plan, estimated annual economic losses resulting from water shortages will range from approximately \$110 billion in 2020 to \$153 billion in 2070.

For more information on the 2022 State Water Plan, as well as resources on how to get involved with your regional planning group and financial assistance for cities, visit the Texas Water Development Board at www.twdb.texas.gov. ★

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THE CONNECTION BETWEEN INFRASTRUCTURE AND PROPERTY TAX LIMITATIONS

Except for construction, repair, and maintenance of the state highway system, infrastructure in Texas is primarily the responsibility of local governments. Streets, bridges, drinking water systems, and wastewater facilities are funded by local entities. Although some loans and very limited grant funds are available for some water projects, the fact remains that city streets, water systems, and wastewater utilities are built and maintained with city-generated revenue.

Texas cities are virtually on their own when it comes to paying for these infrastructure projects. While recent federal programs such as the American Rescue Plan Act and the Infrastructure Investment and Jobs Act have made additional federal funding available to cities in the recent years, the paucity of state aid to Texas cities is well-documented. While most states (including virtually all the most populous states) provide substantial financial assistance to cities to help pay for infrastructure, such grant programs generally do not exist in Texas.

Chart

Cost-Saving Measures

Percent of All Cities

	2015	2016	2017	2018	2019	2020	2021	2022
Hiring freeze	3.8%	2.9%	3.2%	4.9%	2.9%	2.1%	13.9%	5.0%
Wage freeze	3.4%	3.5%	4.5%	2.9%	2.6%	1.6%	10.5%	5.9%
Reduced services	1.3%	2.5%	2.1%	2.0%	1.3%	2.0%	7.5%	0.1%
Eliminated services	1.3%	0.6%	0.8%	1.3%	2.0%	1.6%	3.6%	1.2%
Reduced salaries	0.4%	0.4%	0.4%	0.2%	0.0%	0.0%	1.1%	0.8%
Laid off employees	3.0%	1.4%	3.2%	3.1%	1.9%	1.2%	5.2%	3.1%
Postponed capital spending	36.0%	28.7%	26.4%	24.4%	22.0%	22.2%	20.6%	21.6%

It can be argued that funds flow in the opposite direction—from local entities to the state. In recent years, the Texas Department of Transportation received almost \$100 million annually in *Local Participation* revenue from cities alone. (Other entities provide local participation funds as well.) This is city money that helps pay for improvements to the state highway system.

This means that much of the local revenue that is used to fund infrastructure projects comes from local property owners through their property taxes, which raises an interesting question: if the Texas Legislature passes additional legislation that limits municipal property tax revenue, will municipal investment in infrastructure decrease?

The Texas Municipal League's *Fiscal Conditions Survey* shows that the answer is yes. When asked which cost-cutting measures were employed to balance the current-

year budgets, cities consistently identified *postponed capital spending* as the most used tactic. (Please see Cost-Saving Measures chart on page 42.)

Similarly, when asked to identify how they would respond to diminishing revenue in future years, more than half of the respondents identified *postpone or defer capital improvements* and/or *reduce or eliminate expenditures or right-of-way contributions to TxDOT* as their top two identified areas for future spending reduction.

Any legislation that further restricts the ability of cities to generate property tax revenue will result in reduced spending on infrastructure, which could harm regional economies and the state's economy. Without continued municipal investment in the infrastructure needed for industrial and commercial activity, the *Texas Miracle* of continued job creation and economic growth will be difficult to maintain. ★

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THE HIGH COST OF PROVIDING PUBLIC SAFETY

Ensuring that citizens have a safe city in which to live and work is of the utmost importance to the state. Cities strive to promote the health, safety, and welfare of all their citizens. Unfortunately, providing a high level of public safety does not come cheap.

Most citizens automatically turn to the government in times of need. In cities, that translates to spending tax dollars on public safety services. Of these public safety services, cities expend a considerable amount of their resources in anticipation of emergencies, occurrences that the public at large generally doesn't want to think about. Traditionally, public safety includes fire protection (fighting house fires), police protection (patrolling streets for traffic violations and criminal activity), and responding to numerous 911 calls.

However, in today's world, "public safety" has expanded to encompass:

- responding to hurricanes and other natural disasters
- preventing and responding to terrorist threats and attacks
- enforcing federal homeland security mandates
- providing emergency medical services (EMS) and ambulance services

- providing border security
- responding to hazardous materials issues
- responding to pandemic disease and other public health disasters
- participating in drug task forces
- conducting search and rescue operations, along with a host of other activities

Police, fire, and EMS now must protect our homeland and be ready to respond to terrorist attacks with chemical, biological, and weapons of mass destruction. That's a tall order, considering the cost of standard public safety training and equipment.

For example, it costs approximately \$2,000 to provide basic protective equipment for a single structural firefighter. Of course, the equipment needed to enter a burning building is specialized and much more costly than the standard issue equipment. (See firefighter diagram.) In addition to the expensive equipment necessary for firefighters to safely carry out their jobs, they must also receive continuous training. This training often comes with a high price tag and must be supplemented on an ongoing basis.

TEXAS CITIES ASSIST WITH DISASTER RESPONSE AND RELIEF

Over the past several years, cities played a major role in disaster response, relief, and rebuilding efforts as various natural disasters hit Texas. According to the City of Houston, the City was responsible for \$500 million in the recovery effort after Hurricane Harvey. Houston rushed to repair vital infrastructure, dedicating countless resources to restoring necessary services to citizens. The City of Galveston, hard-hit by Hurricane Ike in 2008, expended \$500 million to repair and replace housing, city buildings, and utility infrastructure, not to mention millions more to repair roads and revitalize the business community. Even though the federal government ultimately reimbursed some of these expenditures, the ability of cities to react quickly and decisively during and after a natural disaster is an invaluable service. In 2013, the City of West responded to a fertilizer plant explosion that devastated its city. The City paid the price of emergency response in dollars, and lost many of its volunteer firefighters, one of whom was the city secretary. Disasters like the West explosion can lead to legislation that seeks to impose additional mandates on cities but does not provide the necessary funding.

The COVID-19 pandemic also emphasized Texas cities' important role during public health emergencies. In response to the pandemic, city police departments were tasked with enforcing the governor's orders, including the mask mandate and business capacity limitations, as well as local orders like curfews. The costs for public health emergencies will continue to fall on cities because urban populations are often the most affected. ★



Median Salary for Police Officer and Firefighter

Police Patrol Officer:

\$64,610.00 plus benefits annually

Firefighter:

\$50,700.00 plus benefits annually

Source: United States Bureau of Labor Statistics

Helmet and hood: **\$381**

"Pass" alarm to monitor firefighter while deployed: **\$495**

Self-contained breathing apparatus: **\$2928**

Firefighter pager: **\$459**

Heat-reflective, fire-resistant coat: **\$1,200**

Gloves: **\$87**

Heat-reflective, fire-resistant pants: **\$600**

Puncture-proof, heat-resistant boots: **\$370**

Total: \$6,520



ANNEXATION: A DANGEROUS POLICY EXPERIMENT IS UNDERWAY

Following incorporation, the authority of a city to annex neighboring property has been the only way for Texas cities to expand their city limits. On May 24, 2019, House Bill 347 became effective, and municipal annexation as it had existed for over a century was over. The bill requires landowner or voter approval of most annexations by any city in Texas. In instances where the landowner does not request to be annexed, annexation of that property can become impossible. Prior to 2019, the legislature rarely acted to broadly limit municipal annexation. Even when major reforms passed, the core authority remained largely intact, because key legislators understood that cities support the state's economy through the services and growth management they provide. As cities grew and prospered, so did the state. With the passage of House Bill 347, it is clear the legislature has lost sight of this connection.

According to many national authorities, the annexation power of Texas cities had been a key difference between

the flourishing cities of Texas and the declining urban areas in other parts of the nation. A 2003 report issued by The Perryman Group predicts that overly restrictive annexation policies will harm the Texas economy by reducing gross state product, personal income, sales, employment, and population. The Perryman report concludes that restrictions on annexation will mean that "the entire character of the Texas economy will be changed in a way which notably limits its capacity to support future growth and prosperity." If you think those numbers are exaggerated, just look at what happened to four once-great American cities that were prevented from growing. In 1950, Detroit, Baltimore, Cleveland, and St. Louis were the fifth, sixth, seventh, and eighth largest cities in the nation in population. All four of them were prevented from expanding their city limits. By 2010, all four cities had about the same number of square miles they had sixty years before but had double-digit declines in population.

	Land Area Sq. Mi.		Population Rank		City Population		Population Change	Median household Income in 2013
	1950	2010	1950	2010	1950	2010		
Detroit	140	140	5	20	1,849,568	713,777	-61%	\$26,325
Baltimore	79	81	6	24	949,708	620,961	-35%	\$41,385
Cleveland	75	78	7	48	914,808	396,815	-57%	\$26,217
St. Louis	61	62	8	61	856,796	319,294	-63%	\$34,582

Contrast those four cities with Austin, Houston, San Antonio and Dallas over the same sixty-year period, when Texas cities could unilaterally annex property to expand their city limits.

	Land Area Sq. Mi.		Population Rank		City Population		Population Change	Median household Income in 2013
	1950	2010	1950	2010	1950	2010		
Houston	160	600	14	4	596,163	2,099,451	252%	\$45,010
San Antonio	70	461	25	7	408,442	1,327,407	225%	\$45,722
Dallas	112	341	22	9	434,462	1,197,816	176%	\$42,846
Austin	32	297	73	14	132,459	790,390	497%	\$53,946

To say that the first four cities' collective decline is the direct result of the lack of annexation authority clearly paints with too broad a brush; other powerful forces certainly were at play. But annexation authority plays a big role in the growth and continued success of Texas cities (and therefore the state). Without the ability to expand their borders between 1950 and 2010, none of these Texas cities would have the ability to support their current populations, which has fueled the state economy.

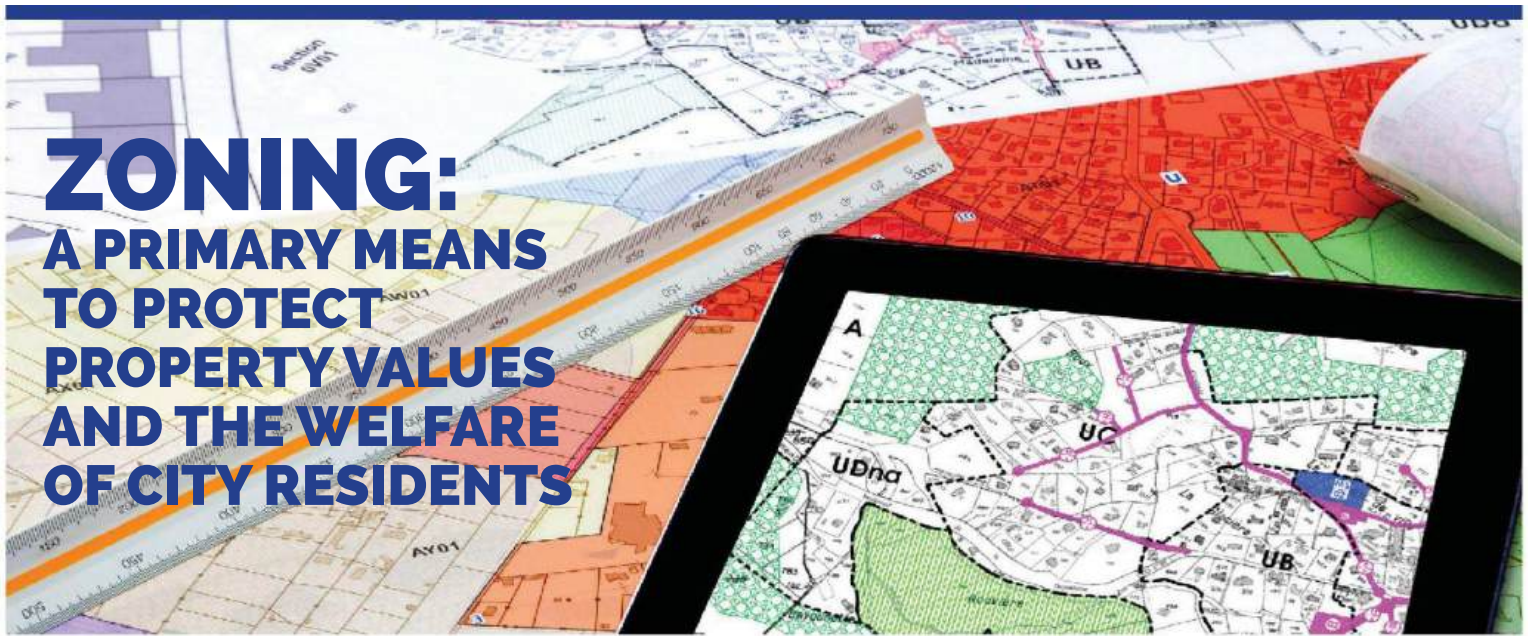
More recently, the League commissioned a study of southern states with similar demographics to Texas. That study found that, among a comparison set of 13 states, three key findings emerge:

1. States in which city councils decide whether to annex have seen their cities grow faster over the past 25 years, both economically and demographically, than other states that limit annexation.
2. In terms of annexation activity (as measured by change in city size), states in which city councils decide whether to annex have seen their cities physically grow more slowly from 1990 to 2010 than other states that limit annexation.
3. When measured by bond ratings tied to the issuance of general obligation bonds, states in which city councils decide whether to annex have better ratings than other states that limit annexation.

In short, municipal annexation has been an engine driving the Texas economy and slowing that engine will likely be detrimental to the state's financial future. With House Bill 347, the legislature has started a dangerous policy experiment.

Texas is now one of the only states in the nation that denies both state financial assistance and unilateral annexation authority to its cities, which is an additional reason why this experiment in annexation is particularly dangerous in Texas. Unlike other states, Texas cities do not receive general state financial assistance or state revenue-sharing. Prior to House Bill 347, the potential for the future annexation of residents and businesses just outside a city's corporate limits pressured those landowners and cities to work together as partners or future partners. Cities would extend services beyond the city limits, knowing that the folks who would benefit from access to those city's facilities and services could be called on to share their associated costs. Now, with limited annexation authority and without state-level financial support, all the financial risk of extending city services beyond city limits falls on city taxpayers. This will likely result in lower levels of service to Texans living just outside cities, which can mean lower levels of economic productivity outside the city and lower standards of living.

Nearly 85 percent of Texas' population lives in urban areas, meaning that most Texans currently depend on city services to support their daily needs. Given that Texas is adding an additional 1,400 plus people each day to its population – and mostly in the cities – the result of this annexation experiment becomes more critical every day. ★



What is zoning?

Zoning is the division of a city into districts that permit compatible land uses, such as residential, commercial, industrial, or agricultural, and is arguably one of the most important functions of local government. Zoning authority empowers a city to protect residential neighborhoods, promote economic development, and restrict hazardous land uses to appropriate areas of the city. It is used to lessen street congestion; promote safety from fires and other dangers; promote health; provide adequate light and air; prevent overcrowding of land; and facilitate the provision of public facilities.

How does zoning occur?

Chapter 211 of the Texas Local Government Code contains the procedural requirements that must be followed when a city zones or rezones property, including strict notice and hearing provisions. The requirements ensure that city and neighborhood residents have a strong voice anytime a zoning change is considered. In addition, Chapter 211 provides for the creation of a planning and zoning commission to make recommendations on the adoption of the original regulations, as well as to hear proposed amendments. Finally, a board of adjustment may be appointed to hear requests for appeals of decisions, special exceptions, and variances from the regulations.

Why is there zoning?

Zoning authority is often demanded by the residents of cities. Citizens, acting through neighborhood

and preservation groups, generally support zoning wholeheartedly because zoning minimizes conflicts between land uses and maintains property values. "For example, assume a beautiful home on a half-acre lot has just been built. Six months after construction and move-in, the property owner next door decides to put in a restaurant. This means parking problems and late-night noise. Without a zoning ordinance, there may be nothing to prohibit the adjacent landowner from building the restaurant or a manufacturing facility, for that matter." Jennifer Evans, *A Citizen's Guide to Texas Zoning*, Texas A&M Real Estate Center, Report 1294 (April 1999).

Who decides zoning?

Because zoning is dependent on knowledge of local conditions and the needs of individual communities, the power to zone is best exercised by local officials – the level of government that is closest to the people. "The same [zoning] ordinance that protects property from what occurs next door also limits the development of property." *Id.* This sometimes creates a conflict between neighboring landowners, which is then resolved through an open, local process, governed by the local zoning ordinance within the framework created by the Local Government Code.

Appropriate Use of Manufactured and Modular Housing

The Texas Manufactured Housing Standards Act allows cities to regulate the location of "manufactured homes," which meet federal construction regulations. Other state

law regulates industrialized housing and buildings, and allows cities to require that “modular homes,” which meet the more stringent requirements of the International Residential Code, have an appearance and value similar to nearby homes. Many cities take advantage of these provisions to protect property values and the safety of residents, while at the same time allowing for different housing products for different segments of the market. The Texas Municipal League is not opposed to this type of housing, and strongly advocates the authority of cities to retain local control over when, where, and how this type of dwelling is installed. ★

ZONING CHANGES AND PROPERTY VALUES

State laws that require compensation when a property’s value is affected by a zoning change are extremely rare in the United States. Rather, the United States Supreme Court and various state courts have set forth tests that are used to determine whether a zoning regulation requires compensation to a property owner.

In fact, the Supreme Court of Texas has upheld city authority to make reasonable zoning changes. In one case, a city rezoned a residential area to provide for larger lot sizes. The rezoning was designed to create more open space, less traffic, greater setbacks, less noise, and similar results. The Court concluded that a city has a legitimate governmental interest in such results and in preserving the rate and character of community growth. The Court also found that no “taking” of the owner’s property occurred, because the regulation did not impose a great economic impact on the owner.

Any legislative requirement that compensation should be paid every time a zoning change reduces the value of a property would create an unworkable situation where cities would either be forced to relinquish their zoning power or go bankrupt paying claims. Moreover, the reality is that most zoning changes are initiated by a property owner and *increase* the value of land.

WHY ZONING MATTERS

A 2008 survey found social offerings, such as entertainment venues and places to meet; openness (how welcoming a place is); and the area’s aesthetics (physical beauty and green spaces) are the three main qualities that “attach” people to their communities. Zoning facilitates the development of those attributes by allowing cities to create and maintain healthy, attractive, livable, and prosperous communities.

Zoning Is Linked to Economic Development

A 2006 study on the effect of zoning on economic development in rural areas concluded that zoning facilitated economic development. According to the authors, the economic benefits of zoning include: (1) predictability in land use for both business and residents; (2) the assurance that personal and commercial investments will be protected; (3) the ability to guide future development to prevent haphazard or harmful development; and (4) the minimization of potential conflict between industry and residents.


Zoning Is Linked to Tourism

Tourism generates billions of dollars in Texas. In discussing the role that a community’s image plays in tourism, one author explains that the more communities “come to look and feel just like everywhere else, the less reason there is to visit. On the other hand, the more a community does to enhance its uniqueness, the more people will want to visit. This is the reason why local land use planning and urban design standards are so important.”

Sources: Gallup & John S. and James L. Knight Foundation, *Soul of the Community Survey* (2008), available at: <https://knightfoundation.org/sotc>.

Joy Wilkins et al., *Does Rural Land-use Planning and Zoning Enhance Local Economic Development?*, *Economic Development Journal* (Fall 2006), available at https://www.iedconline.org/clientuploads/Economic%20Development%20Journal/EDJ_06_Fall_Nelson.pdf

Edward T. McMahon, *Responsible Tourism: How to Preserve the Goose that Lays the Golden Egg*, *Virginia Town & City*, 9 (May 2015), available at: <https://www.vml.org/vol-50-no-4-may-2015>.



KEEPING THE POWER ON: Cities and Electricity

Cities have various interests relating to how they and their residents get electric service, how cities with municipally-owned electric utilities provide service, and the prices that everyone pays for electricity. Cities also receive franchise fees from utilities that use their rights-of-way, and they have original jurisdiction over the rates of investor-owned utilities located within the cities.

How electricity is provided in Texas is complex and based on many moving parts in an always-changing puzzle. The following questions and answers provide a “primer” on the issues facing cities in this area.

Note: See the section in this magazine issue titled “Cities Refuse to Accept Utility Rate Hikes Without a Fight” to learn more about how cities without their own electric utility keep rates reasonable for their citizens.

What are the different ways that cities and their citizens get their electricity?

Cities and their residents generally get their electricity in one of three ways: (1) from a municipally-owned utility (MOU); (2) from an investor-owned utility (IOU); or (3) from a rural electric cooperative (Coop). Each of those providers usually has a monopoly in the areas they serve, based on a certificate from the Texas Public Utility Commission (PUC). (Note: a few areas of the state are served by river authorities and municipal power agencies. Also, regarding an IOU, only the transmission and distribution component discussed below has a geographical monopoly in the deregulated market.)

After deregulation, MOUs and Coops retain that monopoly status, unless they choose—by a vote of their governing body—to adopt customer choice. The reasons for allowing MOUs and Coops discretion to retain their monopoly status are many, but one of the most important is that MOU and Coop rates are governed by a city council or board of directors—the members of which are elected by the customers. The city council or board of directors is therefore directly accountable to the customers they serve.

IOUs are also governed by a board of directors, but they are accountable to their shareholders, rather than their customers. The rates of investor-owned transmission and distribution utility (discussed below) are regulated by the PUC in a way that should—in theory—cover costs of operation and allow for a reasonable profit.

What is electric deregulation, and why should city officials care?

In 1999, Texas adopted legislation to deregulate the portion of the state that is served by IOUs. MOUs and Coops have the option to participate in the deregulated market by “opting in” to competition. However, to date, no MOU has opted in.

Prior to deregulation being fully implemented in 2002, a single IOU performed all the things necessary to provide service to customers within the IOUs designated service area. In simple terms, the legislation “broke up” or “unbundled” IOU monopolies. Those utilities were divided up into different components: generation, transmission and distribution, and retail service. Some utilities sold one or two of those parts of their business, while others created subsidiary companies to run them.

Generation companies make power with power plants, wind farms, solar panels, and other means. Transmission and distribution companies move power from the generators to other parts of the state through huge transmission lines, and ultimately distribute power to customers through smaller distribution lines.

While the generation and retail portions of the market are now deregulated, the rates of transmission and distribution utilities are still regulated by cities and the PUC. That is necessary because the companies that generate power must have a reliable way to get that power to the retail companies that sell the power to customers.

The numerous retail companies essentially speculate how much generation will cost them. They then offer price plans to consumers accordingly. They are the utilities with which customers in a deregulated area interact. Customers can switch retail companies to try to get the best possible rate.

Certain areas of the state—including the Panhandle, El Paso, and certain areas in the northeast and southeast portions of the state—are served by IOUs but have not been deregulated. Those areas are not a part of the main transmission grid in Texas, so deregulation is impractical.

Whether deregulation has been beneficial to cities and their citizens remains the subject of heated debate. One thing is certain: deregulation has changed the way cities in the deregulated market purchase power for city facilities. One of the ways cities and other political subdivisions do that is by a process called aggregation. Aggregation means just what it says: cities come together or "aggregate" to purchase energy at a better price than they could obtain themselves. (Note: state law also authorizes citizens to aggregate, but the logistics of that process have made it all but useless. Previous legislative efforts to allow cities to automatically bundle-up their citizens and negotiate on the citizens' behalf have failed.) The most well-known aggregation group is called the Texas Coalition for Affordable Power, which represents more than 100 cities.

Why aren't MOUs opting into the deregulated market?

Even though they are not required to do so, MOUs have the discretion to opt into the deregulated market. Many state leaders continue to applaud the Texas deregulated market as one that has created lower prices. That is questionable for several reasons. It would also appear that MOUs aren't

convinced, and that their citizens prefer the consistently lower prices and better service that they provide. It's a case of "if it ain't broke, don't fix it." MOUs can wait and see if opting into deregulation would really benefit their customers. Also, an MOU that opts in is essentially stuck with that decision. Further, opting into competition would require an MOU to undertake the complex and expensive process of breaking up its service into the three components of the deregulated market (generation, transmission and distribution, and retail).

What are recent criticisms levied against MOUs?

Some MOUs have been recently criticized for transferring some of their profits to the city's general fund. Interestingly, even larger cities that transfer large amounts of revenue have electric rates that are comparable to, or lower than, IOUs serving the deregulated market.

In addition, cities may or may not charge their MOUs franchise fees for the use of the city's rights-of-way. Thus, the transfer is often analogous to a franchise payment that the city would receive from an IOU that uses the city's rights-of-way. In any case, it is currently up to each city's council to decide how to handle transfers. Another way to look at transfers is that they are very similar to the return on investment that IOUs give back to their shareholders. But in the case of an MOU, the "shareholders" are the taxpayers of the city. Transferred revenue is used to pay for services (police, fire, EMS, and streets) that are used by the customers of the MOU. The transferred revenue is used to keep property tax rates low, which benefits the taxpayers served by the MOU.

What are electric franchise fees?

Electric franchise fees are fees paid by IOUs or Coops (and in some cases, MOUs that provide service in other cities) that use a city's rights-of-way to provide service. Some argue that franchise fees of any type are a "hidden tax" on utility service. Of course, the municipal position is that the fees are authorized by state law. In fact, the Texas Constitution prohibits a city from giving away anything of value (for example, the use of city property) to a private entity. Thus, the city's position is that the fees are nothing more than "rental" payments for the use of city property. ★



CITIES REFUSE TO ACCEPT UTILITY RATE HIKES WITHOUT A FIGHT

Texas cities have a long history of participating in the ratemaking process for both gas and electric utilities before State of Texas regulatory agencies. Prior to the enactment of the Public Utility Regulatory Act (PURA) in 1975 and the Gas Utility Regulatory Act (GURA) in 1983, utility rates were set exclusively at the city level, with any appeals of municipal rate ordinances decided in the courts.

Currently, under PURA and GURA, cities have original jurisdiction over gas and electric utility rates within their city limits. Conversely, this means that the Railroad Commission (RRC) and the Public Utility Commission (PUC) have original jurisdiction over gas and electric rates in service areas outside city limits and within the city limits of those cities that have ceded their original jurisdiction to the applicable agency. In addition, the PUC and RRC have jurisdiction to hear appeals over rate ordinances and orders of cities concerning electric and gas utility service within the city limits.

Recognizing the important role that cities play in the regulation of utilities, hundreds of cities across the state participate in ratemaking proceedings at both the PUC and RRC to ensure fair, just, and reasonable rates, as well as adequate and efficient services for the city and its residents.

Historically, cities have formed coalitions to represent the collective interests of cities and their citizens before the regulatory agencies and courts. By forming coalitions, cities

have been able to present a strong voice for consumers for more than 30 years. This has served to reduce the costs that cities and their residents pay for electric and gas service. Cities' active participation in rate cases demonstrates their concern for reliability, quality of service, and the prices their citizens pay for gas and electricity. In numerous instances, without city participation, rate increases would have gone into effect without any party scrutinizing the utility's application.

Both PURA and GURA allow cities to be reimbursed by the utility company for their reasonable rate case expenses associated with participating in ratemaking proceedings. In providing for the reimbursement of rate case expenses in the statutes, the Texas Legislature has acknowledged the important role that cities play in protecting citizens from unreasonable utility costs. Because utility companies ultimately pass these costs on to consumers, cities are always cost-conscious. Cities must balance the cost of participating in ratemaking proceedings against the need to protect their residents' interests. In prior cases, however, municipal participation has resulted in net savings for ratepayers because the utility's rate increase was reduced by an amount far in excess of the expenses incurred by the cities. Cities' participation in utility ratemaking proceedings has proven time and again to be a good value for consumers.

★

City coalitions have found the following expenses that utilities tried to pass on to customers:

- Hotel expenses of nearly \$1,000 per night for executives to stay at a New York City hotel
- Tens of thousands of dollars' worth of art for a utility's office
- Dinners in New York, Dallas, and Philadelphia restaurants costing more than \$200 per person
- More than \$1.5 million in employee "financial incentives"

A private, investor-owned utility is allowed to incur expenses like those listed above, but the company itself (i.e. its shareholders), not the utility customers it serves, should pay for those costs. It's unreasonable to ask to raise customer rates to cover these kinds of expenses, and cities are the first line of defense against such requests.



MARY M. DENNIS

Mayor, City of Live Oak

2022–2024 Chair

TML Risk Pool's Board of Trustees

I'm so excited that my term culminates during the Pool's 50th Anniversary in 2024. The Pool has been partnering with Texas cities since 1974, and — since that time — we haven't just been writing checks. We've been helping cities prepare for and come through some of the toughest times they've ever faced, and we remain STRONGER, TOGETHER!

Mary M. Dennis

THRIVING LIBRARIES REFLECT THRIVING CITIES

Libraries allow children to ask questions about the world and find the answers. And the wonderful thing is that once a child learns to use a library, the doors to learning are always open.

– Laura Bush

The Texas State Library and Archives Commission's (TSLAC) Current Library Directory lists 550 public libraries and 340 branches and bookmobiles in Texas. Taxpayers consistently give public libraries – both city and county – a high rank among community services.

Libraries impact the local economy and workforce development. In a 2008 public opinion survey conducted on behalf of the Texas Library Association (TLA), 83 percent of Texas voters believed that public libraries support the economy through job skills training, career and job information, and resources for local businesses. A recent study conducted for the TSLAC documented various specific examples of libraries (1) enabling businesses and self-employed individuals to improve their economic activities; (2) assisting individuals to obtain employment; and (3) providing educational and occupational programs that meet the needs of Texas communities and regions. Additionally, some businesses—particularly those requiring a highly skilled workforce—look to the city's library as a barometer of local commitment to workforce readiness.

Did you know Americans are happier in states that spend more on “public goods” such as libraries?

In a study published in 2019 in the journal *Social Science Research*, Dr. Patrick Flavin of Baylor University found that Americans are happier in states where governments spend more on things that you can't exclude people

from using (“public goods”). He found another benefit of spending money on public goods is that such amenities generally boost home values.

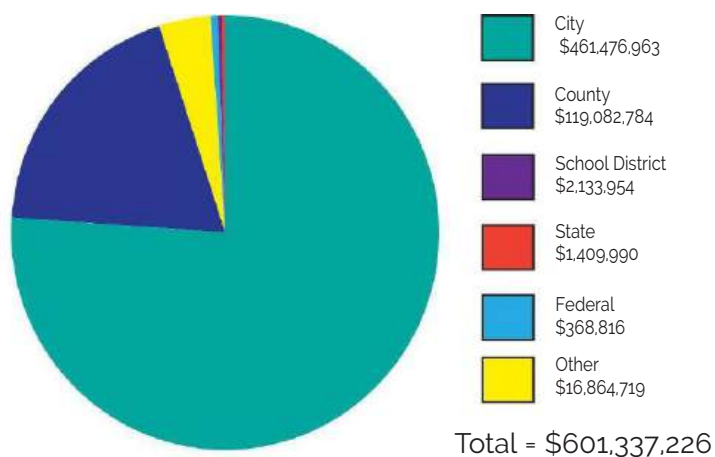
Baylor University. “Americans are happier in states that spend more on libraries, parks and highways: Such ‘public goods’ also are less likely to spark political conflict.” *ScienceDaily*, ScienceDaily, 7 January 2019. www.sciencedaily.com/releases/2019/01/190107075713.htm.

Libraries impact literacy and education. Public library patrons include preschoolers, afterschoolers, homeschoolers, distance learners, and researchers. Through story time hours, reading programs, ESL classes, and other local services, libraries represent the public's bridge to structured educational campuses. The 2008 TLA public opinion poll found that Texas voters were nearly unanimous in their belief that public libraries create educational opportunities for all citizens (97 percent agreed).

Libraries impact communities. Communities value their city libraries as centers of information and learning and a gathering point for ideas and discussion. The 2008 TLA public opinion survey found that 95 percent of Texas voters believed that public libraries improve the quality of life in their community. Approximately 75 percent of public libraries serve communities smaller than 25,000 in population. In small Texas cities, the library may be the only community gathering place.

As shown in the accompanying chart, cities are the largest source of income for public libraries in Texas.

Texas Public Libraries: 2021 Revenue by Source



Source: Texas State Library and Archives Commission, Texas Statewide Public Library Statistics, Statewide Summary: 2021 <https://www.tsl.texas.gov/ldn/statistics> ★

Texas Public Libraries: A Great Investment

A study found that, in 2015, Texas public libraries collectively provided \$2.628 billion in economic benefits while costing \$566 million. That is a return of \$4.64 for each dollar invested. This chart from the study shows how Texas compares to some other cities, counties, and states:

Jurisdiction	Year	Return on the Dollar
STATES		
Minnesota	Fy2010	\$4.62
COUNTIES		
Salt Lake County, UT	2012	\$5.47-\$6.07
Santa Clara County, CA	2012	\$2.50-\$5.17
Toledo Lucas County, OH	2015	\$3.87
CITIES		
Toronto	2012	\$4.63
Texas	FY2015	\$4.64

Table 4.2. Return on Investment in Recent Reports

Texas voters get it! In a 2008 public opinion survey, 94 percent of Texas voters agreed that public libraries are a good value for the tax dollar.

Sources: Jan. 2017, Texas Public Libraries: Economic Benefits and Return on Investment, Prepared for TSLAC by Bureau of Business Research, IC2 Institute, Univ. of Tex. at Austin.
 Fall 2008, KRC Public Opinion Survey conducted on behalf of the Texas Library Association



TEXANS KEEP HEALTHY IN CITY PARKS

THE TEXAS ECONOMY KEEPS HEALTHY IN LOCAL PARKS – FIGURES FROM 2019

- Local parks across the state supported 77,149 jobs (third in the United States).
- By adding the effects of operations and maintenance, capital spending, and tourism, a total gross impact can be derived. Across the state, the total impact of local parks leads to an addition to business activity including \$12 billion in economic activity (fourth in the United States).
- The labor income to the state from local parks activity is approximately \$3.8 billion per year (fourth in the United States).

Source: National Recreation and Park Association; NRPA 2022 Agency Performance Review.

City parks are the front line in the battle of the bulge, and they help keep Texans feeling their best at home and while away. Texas cities face obstacles in promoting fitness, such as extreme weather, modern lifestyles, and funding challenges. In 2022, *WalletHub* included several Texas cities on the nation's fattest cities list. The magazine ranked the nation's 100 largest cities by considering various factors—such as percentage of obese adults, availability of parks and recreation facilities, fruit and vegetable consumption, and high cholesterol percentages—when ranking city health and fitness.

Texas cities provide programs that improve the quality of life for individual participants and the overall community. All Texans, including youth and seniors, benefit from the opportunity to increase their health and reduce stress. Opportunities to build partnerships, enhance diversity, and learn tolerance through teamwork strengthen communities.

Several studies emphasize the importance of park access. Youth with access to places for physical activity are less likely to be overweight or obese, and individuals who live

closer to parks use them more frequently than those who live farther away. Further, evidence also suggests that using recreation facilities and parks may lead to healthy lifestyle choices such as alternative modes of transportation like biking or walking.

According to the American Planning Association, there is evidence that when cities provide parks, it can make communities safer. City parks encourage youth to step away from their televisions and computer games for real social interaction while playing basketball, softball, soccer, gymnastics, or simply enjoying sunshine and wildflowers.

City parks provide outdoor recreation resources such as pools, softball fields, and Frisbee golf courses. Cities also provide indoor recreation activities for sports, arts, and nature programs. While most cities have hiking trails, some cities are investing in new interests such as dog parks and skate parks. Many cities even provide classes to encourage hobbies and various self-help classes such as income tax and language skills. ★

THE ROLE OF PARKS AND MENTAL HEALTH

Parks and trails have always been a place for enjoyment and relaxation. However, they also play an essential role in supporting not only physical, but mental health. According to the National Recreation and Park Association (NRPA), several studies have shown that spending more time in parks and green spaces can help combat mental health issues such as depression, anxiety, and stress. In fact, mental health was of particular concern to the Center for Disease Control and Prevention during the COVID-19 outbreak.

During the first three months of the

pandemic, 190 million people in the United States went to parks, trails, or open spaces. In addition, two in three park and recreation leaders reported increased usage of their agency's parks compared to previous year (with a median rise of 25 percent), while more than 80 percent reported an increased usage of their trails (with a median rise of 35 percent).

In response to the pandemic and statistics showing that one in five adults and one in six youth (ages 6 to 17) suffer from some form of mental illness each year, parks and recreation agencies have found

ways to address this emerging public health issue through programming focused on mental health. These programs continue to be a primary focus of park and recreation agencies, too. A recent NRPA survey indicates that more than half of all park and recreation agencies will continue mental health programs that were developed in response to COVID-19. Some of these programs include yoga, tai chi, mindfulness, social connection opportunities for older adults, and virtual health and wellness programming for older adults.

Sources: Joint Statement on Using Parks and Open Space While Maintaining Physical Distancing (March 18, 2020); 2022 NRPA Engagement with Parks Report; NRPA Parks Snapshot May 2020; NRPA Parks and Improved Mental Health and Quality of Life Fact Sheet; 2021 NRPA Parks and Recreation: Advancing Community Health and Well-Being



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INVESTING IN TOMORROW'S LEADERS: CITY GOVERNMENTS INVOLVE YOUTH



Many Texas cities have created special programs to engage and involve youth. These programs can take many different forms—presentations at local schools, special recognition programs, mentoring or internship programs, and formal youth advisory commissions. At the heart of these programs is a desire to educate youth on the mechanics of city government, provide an outlet for youth to voice their ideas and concerns, and make sure that the city is nurturing their future leaders.

Some of the most comprehensive youth programs are formal youth advisory commissions (YACs). YACs are often

authorized by city ordinance; have a well-defined mission statement, bylaws, and application process; and meet regularly. YAC commissioners participate in community service projects, provide input to city staff and elected officials on city policy matters, develop and organize youth activities, and serve as role models to their peers.

City officials know that, whatever the format, developing relationships with the city's youth is an investment in tomorrow's leaders and in the city's future. ★

THE TEXAS MUNICIPAL RETIREMENT SYSTEM: PROVEN SUCCESS

Many states around the country are faced with huge deficits in public worker pension plans. That has prompted lawmakers in those states to seek large-scale reforms in their retirement systems. Over the last few years, many states have undertaken major efforts to address those deficits by converting public pensions from defined benefit to defined contribution plans, which are similar to a 401(k). As those funding crises across the country continue, the drumbeat for "reform" in Texas pensions will continue to grow louder.

In Texas, the Texas Municipal Retirement System (TMRS) is responsible for the administration of a majority of city retirement plans covering both public safety and civilian city employees. The system is made up of 912 member cities, 140,000 contributing members, and 70,000 annuitants.

TMRS has taken great strides in recent sessions to make improvements in the system that provide retirement

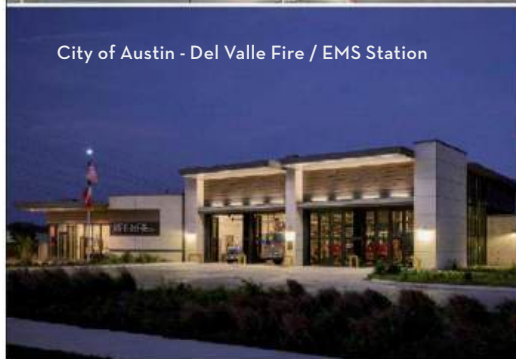
benefits to a majority of Texas city employees. The reforms have stabilized benefits and lowered city contribution rates, while ultimately using fewer tax dollars to fund pensions. They will also require training by pension system employees.

There are numerous reasons why TMRS has been so successful. TMRS relies on an advisory board of 10 members, including TMRS retirees, elected officials, pension experts, as well as representatives from both labor and employer groups. This advisory group thoroughly vets all legislative proposals while moving forward only with those that have consensus. The unified front during session provides for easy passage of the needed reforms.

TMRS has proven to be a well-funded model for pensions around the country. It should not be included in discussion about other, improperly funded pensions. ★



City of Frisco - Municipal Court Adaptive Reuse



City of Austin - Del Valle Fire / EMS Station



City of Pearland - West Pearland Library

- | | | |
|--------------|-------------------|----------------|
| ARCHITECTURE | ALEXANDRIA | HOBOKEN |
| ENGINEERING | ATLANTA | HOUSTON |
| INTERIORS | AUSTIN | LAS VEGAS |
| PLANNING | BOCA RATON | LOS ANGELES |
| | CHICAGO | SALT LAKE CITY |
| | DALLAS/FORT WORTH | SAN DIEGO |
| | DENVER | |

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ADVOCACY IS VITAL

The Texas 88th Legislative Session began on January 10, 2023. Before, during, and after the session, League staff works directly with legislators on items of municipal interest. However, our influence is directly affected by your city's efforts to be heard. Help your city plan an active and consistent role in the League's legislative effort.

Stay Well Informed

The League provides several ways for members to stay informed about legislative issues. The *Legislative Update* is the primary legislative communication between the League and its members. It is sent electronically as part of the *TML Exchange* email to member city officials on Fridays.

The legislative portion of the League website (www.tml.org; click on "Policy" and then "Legislative Information") is another important information source. There you will find a link to the current issue of the *Legislative Update* newsletter, as well as an index to past issues of the newsletter, summaries of legislative hot topics, and the League's legislative program.

The 2023 legislative session will address many issues that will involve Texas cities and their ability to meet citizen demands for services. The League's best advocates for protection of municipal authority are its members—elected and appointed officials from cities of all sizes and geographic areas. TML needs your participation.

Contact Legislators Early and Often

Your legislators need to hear from you, or they're forced to make decisions on local government issues without fully appreciating the impact they will have on cities in their district. Meet formally at least once a year prior to the session to review key issues. Ask if phone calls, emails, letters, or personal contact works best for them during the session. Encourage your legislators to work with League staff, too.

Keep the League Informed

The League lobbying team includes Director of Grassroots and Legislative Services Monty Wynn, General Counsel Bill Longley, Grassroots and Legislative Services Manager JJ Rocha, and **you**. Always send copies of your correspondence to and from legislators to the League. League staff can work more effectively with your legislators when we know what you've said and received in return. It also allows us to incorporate your local circumstances into our commentary. Emails can be forwarded to legislative@tml.org.

Stick to It

It's a fact of life in public policy that things take time. Your consistent participation in the legislative process is essential to long-term success. ★

CALENDAR OF 2023 LEGISLATIVE SESSION

January 10

First day of 88th Regular Session

January 12

Legislative Webinar #1: Legislative Preview – What's Ahead for Texas Cities*

March 10

Deadline for filing bills

March 16

Legislative Webinar #2: Keep Your Finger on the Pulse*

April 13

Legislative Webinar #3: Be Heard at the Capitol*

May 4

Legislative Webinar #4: What to Expect in the Final Days*

May 29

Last day of 88th Regular Session

June 15

Onsite Workshop: Legislative Wrap-Up—Austin*

* Register your city to participate in these essential updates on key legislative actions at <https://tmllegislativeseries.org>

THE LEAGUE LEADS ADVOCACY EFFORTS.

One of the primary functions of the League is to unify cities and speak as the voice for city government in Texas. Each legislative session, the League staff works with city officials to educate state legislators about the needs of Texas cities. The League has developed a toolkit to help city officials successfully advocate at the Capitol. The toolkit can be found <https://bit.ly/TMLToolkit>.



Powering Communities Throughout Texas



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ABOUT TML

EMPOWERING TEXAS CITIES TO SERVE THEIR CITIZENS

Whether you are a city government novice or veteran, the Texas Municipal League (TML) has the resources, tools, and training to help you succeed in your leadership role.

Since its formation in 1913 by 14 cities, the League's mission has remained constant – to serve the needs and advocate the interests of its member cities.

Today, TML serves more than 1,178 member cities. That means about 16,000 mayors, councilmembers, city managers, city attorneys, and city department heads are member officials through their cities' participation.

How Is TML Organized?

TML has 15 regions that were formed in 1958 and are the League's grassroots. Regions work to foster the exchange of information among cities and help the TML Board of Directors develop policy that represents the state's diverse interests. Each region elects officers, including a representative who serves on the TML Board, and conducts meetings at least twice each year.

The League also has 21 affiliate organizations that represent specific professional disciplines in municipal government. For example, the Texas City Management Association (TCMA) is the professional association for city managers in Texas. TCMA is its own association, as well as a TML affiliate with a representative on the TML Board. Each affiliate group has its own membership criteria and dues structure that is separate from the League's.

TML is governed by a board of directors composed of a representative from each of the 15 regions, a representative from each of the 21 affiliate organizations, eight at-large directors (one from each of the state's largest cities), past TML presidents still in municipal office, a president and a president-elect, and two ex officio directors from the TML health and risk pools.

The Board appoints an executive director to manage the affairs of the League under the Board's general direction. Bennett Sandlin is the current executive director and has been serving in this role since October 2010.

TML employs a staff of 32 full-time employees and has seven departments: Administrative Services, Affiliate Services, Business Development, Communications and Training, Legal Services, Legislative Services, and Member Services.

What Does TML Do?

Legislative Advocacy

One of the principal purposes of the League is to advance and represent the interests of Texas cities at the state and federal levels.

The Texas Legislature meets for 140 days each odd-numbered year and meets frequently in special "called" sessions. There are hundreds of bills that adversely impact cities among the thousands of bills introduced each legislative session. Most would erode the authority of Texas cities to govern their own affairs or impose mandates that do not provide a commensurate level of compensation.

The League, working through its Grassroots and Legislative Services Department, makes every effort to assure that bad-for-city bills are defeated and bills that help cities operate more effectively are passed.

Through the years, thousands of proposals that would have undermined city government have been defeated. The League's legislative track record is one of unparalleled success.

Policy Development Process

Protecting the interest of Texas cities during each legislative session requires considerable planning to establish legislative priorities. While the TML legislative philosophy is based on protecting the ability of cities to govern their own local affairs, positions must be taken on dozens of issues that affect cities.

The process of adopting positions on legislation begins a full year before the regular legislative session convenes. In non-legislative years, the TML president appoints delegates to a two-day Legislative Policy Summit, where attendees deliberate and make policy recommendations.

The final report of the policy summit and any resolutions submitted by the general membership are then considered by the TML general membership at the annual business meeting held during the annual conference. Finally, the TML Board adopts a legislative program based on these approved resolutions.

The League uses this process to determine which issues are most important to Texas cities and how best to allocate its legislative resources.

Legal Services

The League employs full-time attorneys who are available to provide legal information on municipal issues to member cities, as well as example documents to assist cities in drafting ordinances and other required legal notices. The legal staff provides cities with information on changes in federal and state laws and regulations, as well as city-related developments in the courts.

In addition, the legal staff is available to deliver workshops on a variety of legal subjects to small cities' problem-solving clinics, affiliate organizations, and regional groups.

Information and Research

One of the main reasons that TML was formed back in 1913 was to provide information to member cities. Today, this remains an important service. TML staff has information on virtually every topic affecting Texas cities and can be reached by email, telephone, or regular mail.

The League offers several publications, most notably *Texas Town & City* magazine, *Legislative Update*, and the *Handbook for Mayors and Councilmembers*, to keep members informed on

emerging municipal issues. In addition, the League provides issue papers on a variety of municipal issues and maintains research files that facilitate services to member officials.

TML also sends out several annual surveys that collect information on salaries, water and wastewater rates, taxation and debt levels, and general fiscal conditions.

Conferences and Training

TML conducts a variety of conferences, workshops, and webinars to enhance the knowledge and skills of municipal officials.

The TML Annual Conference and Exhibition is one of the nation's largest gatherings of city officials. The 2023 Annual Conference will be held October 4-6 in Dallas. In addition to keynote sessions, workshops, and the annual business meeting, the conference features an impressive exhibit hall with more than 350 companies representing products and services that benefit Texas cities.

The League also offers training opportunities designed specifically for elected officials. TML holds several Newly Elected City Officials' Orientations each year. A winter workshop will take place on January 20, 2023 in San Antonio, and the summer orientations



will be held July 20-21 in Round Rock and August 17-18 in San Antonio. These events offer training on the basics of serving on the governing body, and provide an overview on city regulation, land use, ethical governance, economic development, the Texas Open Meetings Act, advocacy, and more.

TML conducts other timely workshops and webinars for both elected and appointed officials throughout the year, including the Economic Development Conference, Public Funds Investment Act Training, Budget and Tax Rate Workshops, Leadership Academy, Small Cities' Problem-Solving Clinics, and the Legislative Series.

Business Development

Working through the League's Business Development Department, TML connects cities with products, services, and solutions offered by the private sector. Engaging the participation of event sponsors, exhibitors, and advertisers, also helps TML provide essential and affordable programs and services to member city officials.

Federal Representation

Through its membership in the National League of Cities, the Southern Municipal Conference, and other similar organizations, TML has a voice in Washington, D.C. working with these groups to ensure that Texas cities are heard in congressional offices and in the headquarters of various federal agencies.

Health and Risk Pools

For more than 40 years, the TML health and risk pools have provided Texas cities with quality coverage specifically designed to meet municipal needs. These pools are separate entities, but maintain a close working relationship with TML.

Benefit coverage for municipal employees and their families has become a major expense item in virtually every city budget. Cities throughout the state are holding the line on these costs by participating in the TML Health Benefits Pool (TML Health).

The TML Intergovernmental Risk Pool (TMLIRP) works to reduce the cost of property and casualty risks in Texas cities. In addition to providing a stable risk financing system, the TMLIRP offers education to its members to avoid and reduce risks, control losses, and stay informed on other aspects of risk management.

The League Today

TML is committed to helping city leaders in Texas meet today's governing challenges. The League prides itself on 110 years of service to Texas cities, and looks forward to providing the resources, knowledge, and advocacy to support city officials into the future. ★

TML Affiliates

- American Planning Association Texas Chapter (APATX)
- Association of Hispanic Municipal Officials (AHMO)
- Building Officials Association of Texas (BOAT)
- Government Finance Officers Association of Texas (GFOAT)
- Texas Association of Black City Council Members (TABCCM)
- Texas Association of Governmental Information Technology Managers (TAGITM)
- Texas Association of Mayors, Councilmembers and Commissioners (TAMCC)
- Texas Association of Municipal Health Officials (TAMHO)
- Texas Association of Municipal Information Officers (TAMIO)
- Texas Chapter of American Public Works Association (Texas Chapter of APWA)
- Texas City Attorneys Association (TCAA)
- Texas City Management Association (TCMA)
- Texas Court Clerks Association (TCCA)
- Texas Fire Chiefs Association (TFCA)
- Texas Municipal Clerks Association, Inc. (TMCA)
- Texas Municipal Human Resources Association (TMHRA)
- Texas Municipal Library Directors Association (TMLDA)
- Texas Municipal Utilities Association (TMUA)
- Texas Police Chiefs Association (TPCA)
- Texas Public Purchasing Association (TxPPA)
- Texas Recreation and Park Society (TRAPS)

TML Regions

- Region 2 Amarillo Area
- Region 3 Caprock – Lubbock Area
- Region 4 Permian Basin Region – Odessa Area
- Region 5 Red River Valley – Wichita Falls Area
- Region 6 Hub of Texas – Abilene Area
- Region 7 Alamo Region – San Antonio Area
- Region 8 Where the West Begins – Fort Worth Area
- Region 9 Heart of Texas Region – Waco Area
- Region 10 Highland Lakes Region – Austin Area
- Region 11 Coastal Bend Region – Corpus Christi Area
- Region 12 Lower Rio Grande Valley – Rio Grande Valley Area
- Region 13 North Central Texas Region – Dallas Area
- Region 14 San Jacinto Region – Houston Area
- Region 15 Tyler-Longview Area
- Region 16 Golden Pine and Oil Region – Beaumont-Lufkin Area

PUTTING THE FUN BACK IN STRATEGIC PLANNING

“LOOKING BACK BEFORE WE LOOK AHEAD”

By **Laurie Hall**, Founder and CEO, New Horizon Strategies, LLC

Most of us wouldn't associate the words “fun” and “strategic planning.” Perhaps that's why our strategic plans aren't paying off the way we'd envisioned.

Failing to plan is planning to fail, especially for city leaders. We need a baseline approach to communicate our vision, bring people together, and create budgets, risks, and implementation plans for the year.

But if we start these visionary planning efforts with the wrong mindset, we're dooming their effectiveness from the start. Do your strategic plans feel more like a task list, or are they inspiring, visionary, and motivating?

Why Looking Back Matters

The first and most important tool in strategic planning is “looking back before we look ahead.” This is critical in understanding what we want to achieve in the coming year. Unfortunately, it is the piece most of us leave out when trying to determine goals for the new year.

Why is this critical? What happens when we jump into new goal setting without appreciating the many events and experiences contributing to our current state? You already know.

We carry an emotional weight into the new year which sabotages our progress moving forward.

For example, that might look or sound like...

“Maybe I should just list all the things I didn't get done last year.”

“What good is strategic planning anyway when there's so much happening we can't control?”

“I'm scared to write down what I really, really want because I'll feel bad if it doesn't happen.”

“What if I say I'm going to do this out loud, and then others hold me accountable for it? I don't want to be punished for not getting it done.”

All these thoughts and feelings are real. When we look back before we look ahead, we can appreciate everything we didn't write down as a goal last year but accomplished, nonetheless. Take a moment to consider what percentage of things your city accomplished were not specifically written down on your strategic plan at the beginning of the year (or whenever you last wrote one). It's probably less than 25 percent, and maybe even less than 10 percent. In our lives, most of what we accomplish was not on a goal list anywhere. We forget to take credit when we think about how successful we are. Imposter syndrome is real, and not taking credit for the unique learning at every step contributes to feeling like we're not doing enough.

Looking back before we look ahead enables us to see our successes, and helps us see why we are motivated to do what we're so intrinsically drawn to accomplish in the short time we have on the planet. Looking back often changes the goals we thought we “should” do this year and helps us realize what we really want to do.

Strategic Planning Isn't Just for Business

Before we get started, there's one more paradigm to shift to mine that fun. Strategic Planning is only for business, right?

Focusing on ourselves first is critical before we jump into what our teams, organizations, and cities can do next year. Strategic planning often isn't fun because it feels like it's just another list of things we have to do. We don't see our own hopes, dreams, and goals aligned with our organization or team. This makes us feel like we're on an endless cycle of work, work, and more work, eventually wondering, “what's the point?”

When we don't see ourselves in what we're doing, it steals our joy.

One of the top five most watched TED talks of all time is presented by Simon Sinek on “How Great Leaders Inspire Action”. He helps us see when we connect to each other's WHY it sparks the passion within us, too. We become rooted in the mission when it aligns with our own values, hopes, and goals. *(If you haven't watched this TED talks, Google Simon Sinek and TED. Consider what your WHY is.)*

These instructions are geared for you to consider your own accomplishments but can easily be converted to group activities.

Looking Back Before We Look Ahead Instructions

1. If you did write down goals last year, pull those up to briefly review what happened. Consider grading your goals this way.

- ✓ Accomplished
- ✓ Partially Accomplished
- ✓ Not Accomplished
- ✓ Overcome by Events (or Not Applicable Anymore)

Don't overthink this part; just see what your best intentions were a year ago. What did you learn from each of your goals regardless of how completely you accomplished them?

2. Next use your favorite modality to create 12 columns representing each month of last year (January through December, or whatever timeframe aligns best to your planning). Within each column of last year, review your calendars (personal and professional) to see what you did, tried, hoped for, and brain write what actually happened in that month. Brainwriting means that we freely write without worrying about any editing or rationalizing. Consider the emotions and thoughts you had at the time versus writing about it when it ended up working out. You may want to go through emails or your social media posts to determine what else happened that month. Use the resources that work for you.

For example, this is what I captured in May 2020 *"Asked to speak at a leadership summit (lots of last-minute planning), marketing change leadership vs. management, asked to speak at HR full day workshop on Navigating Change Leadership (again at two huge companies), replaced the garbage disposal, jet flyovers to commemorate 2020 COVID shut down, our dog not walking well, experienced grace on a walk in my neighborhood (saw two greyhounds right when I was feeling sad about losing ours in January), chased the sun to the beach and toured a house for sale on the Bayside (maybe we'll buy a beach house someday?). Awarded two more huge contracts! Went to my favorite restaurant to celebrate and had a small Birthday party with keto cake (is the world is starting to open up?). SpaceX successfully launched US astronauts from US soil after 9 years. Pretty sure we need to put our last dog down (frustration with the vet over not listening to us)...on my birthday? No, it was 2 days later, on May 28th. Sad month but also filled with lots of big breakthroughs."*

3. After you've taken the time to do this notice your feelings from each month's reflection and the overall year. We tend to forget the details of what we did within a month unless it had a deeply significant emotional impact. Putting it all together allows us to make connections in how things flowed together that we could not see until we look back on it.

The seemingly disconnected events of our lives tend to make sense when we look at them in the rear-view mirror.

We can see how things happened that enabled us to be right where we needed to be for an opportunity we had not expected.

This is true for both good and painful experiences. Sometimes it is the painful times that help us grow the most. Innovation doesn't happen in harmony. Few things in life are fully good or bad, they're just necessary to get us to the next step of our lives.

As you review your looking back creation, consider some questions.

- When was I the happiest last year? What made me happy?
- When was I the most stressed last year? What stressed me?
- When was I the busiest? When was it the slowest? Is there a correlation to happiness or stress for me in how busy or slow it was?
- What felt so important last year before I accomplished it, but I almost forgot to list it looking back? Why did I think that was so important?
- What feels really important looking back on it now that at the time didn't register as being significant?
- Are there any correlations to the order of events when I look back on last year in hindsight?
- What would I like to repeat? What do I definitely not want to repeat?

Now you're in the open, appreciative, creative mindset to consider what you really want next year. You may not have the same goals as before you looked back. Or maybe you do, but with a more deeply rooted sense of purpose and aspiration.

We highly recommend this activity with organizations to connect teams together beyond tasks and budgets. Consider how much time alignment with your needs, wants, and motivations is worth to those huge goals you have both personally and professionally.

Happy Planning!

Laurie Hall – a certified coach, certified facilitator and seasoned speaker – founded *New Horizon Strategies, LLC* in 2011 to inspire sustainable change in the professional world. *New Horizon Strategies* guides leaders who are facing a change by themselves – and feeling stuck. *Through our executive coaching, facilitation, and consulting, leaders move from transition to transformation using philosophies such as Lean Six Sigma and Strategic Planning to Cultural Values Assessments and Team Building.* ★

OPPORTUNITIES ABOUND IN THE STATE OF TEXAS

Founded in 1828, Bureau Veritas is a global leader in building, civil, and fire and life safety code compliance solutions. Our expanding team of exceptional code experts are here to partner with you as Texas enters into a prosperous future.

BUREAU VERITAS is welcoming strong professionals to our team as our flourishing state continues to attract numerous high profile projects and benefits from sustained economic development. Recent projects the firm has been a part of include:

- Texas Instruments Facility (City of Sherman)
- Google Data Center (City of Midlothian)
- SpaceX Raptor Engine Facility (City of McGregor)
- Globe Life Field (City of Arlington)
- Amazon Distribution and Fulfillment Centers (Houston and Waco)
- And more...



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