



Mayor's Monthly Message

Mayor Elsie Thurman - July 2025

Legislative Session Update

As we all search for ways to beat the summer heat—whether cooling off indoors, relaxing under shade trees, or escaping to cooler mountain air—our state representatives in Austin have been hard at work on our behalf. The 89th biennial legislative session has concluded, and as of June 22, the Governor has either signed or vetoed the bills that reached his desk. Additionally, he has announced a special session scheduled to begin on July 21.

I'd like to update you on the outcomes from this year's legislative session. Back in March, we launched an initiative called "Speak Up" and invited Horseshoe Bay residents to join our advocacy database. 150 of you responded to that call and helped us submit letters to our legislators regarding bills that could directly affect our community. I'm pleased to report that most outcomes have been favorable, or at minimum, not detrimental to our interests. For detailed information about each of these bills, please visit the City's website at www.horseshoe-bay-tx.gov/speakup.

This article aims to provide you with a summary of how these bills fared and show you how our state senator and representatives voted after receiving your advocacy letters. Regarding the upcoming special session, none of the bills we monitored have been announced for inclusion yet, though it's possible that at least one may be elevated to that priority level. Should that occur, I'll contact you again for your letter-writing support. So please stay alert for updates.

Following is a summary of legislative activity we believe most significantly impacts our city:

- SB 4 and companion HB 2611 increase the Homestead Exemption for property taxes to \$140,000. We supported that bill and it passed. All of the HSB legislators voted in favor of SB 4. The governor signed the bill on June 16. Texas voters will have the final say during the November election. If you are in favor of the exemption increase, vote in favor of SJR 2 on the November ballot.
- Several bills were filed again this session which would remove the ability of the Texas Municipal League (TML) to advocate for our community's interests in Austin. Developers and big businesses will still be able to lobby on their own behalf, and the state will continue to use taxpayer dollars to advocate for Texas at the federal level, but Texas cities would no longer be able to advocate for their citizens. Aside from TML's invaluable advocacy at the capitol on behalf of cities, they also provide a number of resources such as training and legal advice for a cost to HSB of \$1,450 a year. SB 19 was the main bill on this topic, although a dozen bills were filed. An amendment to SB 19 was added in the Senate that made it a little less damaging, but we still oppose this bill. The bill died because time ran out. It is possible that

this issue will be added to the special session. SB 19 never made it to the House for a vote, but HSB's Senator Flores voted in favor of the bill. HSB Representative Virdell (Llano) has stated he is not opposed to the support provided by TML for cities, but HSB Representative Troxclair (Burnet) filed her own bill to remove our ability to work with TML. Troxclair's bill, HB 1189, never made it to a hearing.

- HB 5489 sought to impose a four-year moratorium on impact fees and therefore shift the cost of development away from developers and on to taxpayers. It would limit local control of growth. We opposed the bill, along with TML and other cities, and it did not pass. However, an equally damaging bill, SB 1883, did pass. SB 1883 states cities may only amend impact fees every three years. It also gives developers an equal seat at the table when the city determines impact fees. It also added an unfunded mandate requiring the city to pay an independent auditor to conduct an audit of the city's impact fees prior to any changes, among other things. Senator Flores and Representative Troxclair voted in favor of SB 1883. Representative Virdell voted against SB 1883. The governor signed the bill.
- SB 673 would allow accessory dwelling units (ADUs) to be built on any lot in any location on the lot. The ADU could be built even if no home is on the lot. These could be used as short or long-term rentals, be sold independently of the main house, and would not address issues such as parking, water/wastewater system impacts, or drainage concerns that these additional residential structures would create. We opposed the bill, along with TML and other cities. The bill died simply because they ran out of time to pass it. The same bill died last session by only two votes, so we fully expect it to be brought back for approval either in the special session or next regular session. Senator Flores voted in favor of SB 673. The bill never reached the House floor for a vote.
- SB 785 and companion HB 1835 would require a city to allow mobile/manufactured homes to be placed on any residential lot, regardless of zoning and CC&Rs that exist for the lot. After many letters and phone calls were made by the Speak Up group, the bill was amended to state that if a city has a zone that allows for these structures, that city would be exempt from the law. HSB has that zone, so after the amendment, we are neutral. However, this is another example of the state preempting local authority. The amended version of the bill passed. Senator Flores and Representative Troxclair voted in favor of the bill. Representative Virdell voted against SB 785 at the urging of our community.

There were 8,719 bills filed this session. Of those, 2,189 were written to impact cities (primarily to remove local community control). 1,231 bills passed and were sent to the governor. 262 of those bills will directly impact cities. Luckily, many of the seriously damaging bills, such as SB 15, which originally would have blocked any city regulation that restricts residential density to fewer than 31.1 dwelling units per acre, among other things, were amended so they only applied to large cities. However, we had to work very hard to get amendments made to many other bills that would have critically damaged HSB's ability to maintain its unique character.

TML has stated “the 89th Legislature may be remembered as one of unprecedented engagement by city officials across the state.” In previous sessions, cities have not expended the time and resources to fight the growing number of bills seeking to remove our ability to manage our own community and way of life. But after the session in 2023, which resulted in one of the worst bills ever written (HB 2127, aka the “Death Star” bill), cities ramped up their efforts and engaged citizens in the process of defending our communities. What an impact we had! Thank you to everyone in the HSB Speak Up group for the time and effort you spent working for HSB and congratulations on our successes! We are already working to prepare for the next session, so stay tuned!

Celebrating Independence Day

Before closing this July newsletter, I want to acknowledge our upcoming Independence Day celebration. As we observe events unfolding around the globe, I'm confident you share my sentiment that we live in the greatest nation on earth, and we deeply cherish our American citizenship. This year on July 4, Horseshoe Bay will pay special tribute to all first responders who work tirelessly to keep us safe each day. Please join us for the parade and the celebrations afterward at Quail Point as we come together to honor the first responders. We are truly fortunate to call both this wonderful city and this magnificent country home. Happy Independence Day!