

## **CITY OF COPPELL LEGISLATIVE PRIORITIES 2015**

Local Control – The City of Coppel expressly opposes any measures that would limit, reduce, or remove the local control that municipalities have today regarding their respective abilities to govern, finance, or otherwise make decisions on behalf of the communities we serve. It is often said that the best politics is that which is closest to the people. There is no level of political effort closer to the public than locally elected officials who represent municipalities and other local political subdivisions. What works for one municipality does not necessarily work in another. The locally elected mayors and city council members are best suited to make decisions on behalf of their respective communities.

Property Tax Caps – The City of Coppel opposes any and all efforts to implement ad valorem property tax caps.

The well documented and undeniable property tax inequities that occur as a result of these types of measures alone should be reason enough to oppose this type of legislation that has been thoroughly debated in recent legislative sessions. In addition, these types of measures that have been adopted in other states have severely limited the ability of municipalities and counties to maintain infrastructure, programs and services, the very things that the public expects from its government.

Revenue Caps – The City of Coppel opposes any legislation or attempt to alter the manner in which municipalities in the State of Texas currently generate revenues or to require voter approval of revenue increases.

Voter approval of the budget actions of the Mayor and City Council is accomplished each time a member of the Council seeks re-election. The above discussion regarding how this type of measure limits the ability to maintain needed infrastructure, programs and services applies to the issue.

Expenditure Limitations – The City of Coppel opposes any legislation that would limit the elected Mayors and City Councils of Texas municipalities from adopting budgets that they deem appropriate for their respective communities or that would require voter approval for increases in expenditures.

The City of Coppel employs a very open budgeting process during which there are several opportunities for the citizens to participate. Texas citizens are protected by the current truth-in-taxation and tax rate roll-back provisions. Once again, voter approval of the actions of the Mayor and City Council is accomplished each time they seek re-election.

Sales Tax Sourcing Legislation – The City of Coppel opposes any further changes in the sourcing of sales tax remittance from the current origin of sale method to any method that would include destination as the manner in which sales tax remittance is calculated. The City of Coppel participated in a compromise position developed by a number of cities in a previous

legislative session that was ultimately adopted by the legislature regarding storefront sales verses warehouse sales.

The City of Coppell has long had an economic development policy designed to attract business-to-business and warehouse users. The shift from origin to destination based sales tax sourcing would result in the loss of millions of dollars in revenue annually from Coppell and send those dollars to municipalities that put forth no effort in the support of the very business that generated the tax. Several cities on both sides of this issue proposed compromise language during a previous legislative session that protects the business-to-business sales tax that is important to cities situated as we are while also protecting the sales tax generated at traditional storefronts that is important to other cities. This language was ultimately adopted by the legislature.

Streamline Sales Tax Initiative - The City of Coppell opposes any attempt to adopt the Streamlined Sales Tax (SST) measure as has been discussed in past sessions unless the State of Texas maintains origin sourcing.

The potential revenue the state would receive should Congress choose to tax the internet fully is just that, potential revenue. It remains to be seen whether the elected members of the Senate and House of Representatives will choose to tax the internet. In fact, the latest news out of Washington suggests that Congress is not likely to approve the Marketplace Fairness Act or any other legislation that would enable full sales taxation of internet sales. Without that action, the state will not have access to appreciably more revenue from this particular sales tax source.

Changing the sourcing laws prematurely in expectation of such a move at the federal level will only redistribute sales tax revenues from one Texas city to another. The compromise on retail storefront sourcing that was enacted four years ago should be given time to work. Before any additional measure are considered, a formal and thorough impact analysis should be conducted that fully discloses the impact that a broader SST adoption would have on the municipalities and other taxing jurisdictions, such as transit agencies.

We have estimated that up to 20% of total General Fund and other revenues would be lost if a more comprehensive SST adoption similar to what has been discussed in recent years were to pass.

State Water Resources – The City of Coppell supports efforts to ensure a safe and dependable water supply for years to come. This is possibly one of the most important issues for the legislature to resolve. Anticipated growth will certainly challenge the adequacy of current water resources. The City of Coppell opposes additional tap fees that would be collected by municipalities to be forwarded to the state as additional state revenue without providing a direct benefit to the citizens of the municipality in which the fee was collected.

Transportation – The City of Coppell supports the Regional Transportation Council's legislative agenda.

Our region continues to grow at a rate that is simply overwhelming the transportation system. The building of additional highway capacity is absolutely essential if the region is to continue to

thrive as a very important economic engine for the entire State of Texas. Mass transit via rail must also become a reality in a much larger scale than currently exists as the continuation of sprawl becomes at some point unsustainable. This issue along with the water resource issue are two of the absolute most important issues for the legislature to resolve.

Collective Bargaining – Oppose any and all efforts to mandate collective bargaining of any segment of municipal employees, be they public safety or otherwise.

A “one size fits all” approach to labor management does not work. There is little doubt that the public safety and general quality of life our citizens enjoy will be harmed rather than enhanced by any mandated collective bargaining as municipalities will be forced to cut services, potentially even public safety services, to cover the expected increases in costs that are always associated with the collective bargaining process and the resulting more expensive labor agreements.

While our community wholeheartedly supports our public safety efforts, our citizens also enjoy the quality of life offerings that make our community what it is today. Forcing more and more expenditures to public safety efforts reduces the ability to maintain the overall quality of life our citizens now enjoy and demand.

Alcoholic Beverage Sales – Oppose any further loosening of the restrictions regarding the proximity to schools, parks, and churches where alcoholic beverages can be sold.

The community of Coppel has been built with families in mind. Our school system is one of the best in Texas. We have a very strong faith-based community and our municipal programs offer great kid-centric services to our families. Our ability to ensure safe and appropriate environments for these segments of our community is vital.

Oil and Gas Wells – Support any efforts that would provide municipalities more ability to control the site of oil and gas wells as they relate to residential developments, any occupied buildings, and environmental sensitive areas such as creeks, rivers and drainage ways.

The proliferation of gas wells in the north Texas area has created concern regarding their proximity to residences, schools, parks, other occupied buildings and environmentally sensitive areas. The City of Coppel would support the expansion of our ability to apply greater distance requirements, noise mitigation standards and other control measures deemed necessary to protect our citizens from the problems caused by the gas exploration and production process. The associated air quality that has been well documented is also very important.

Red Light Cameras – Continue to support the current legislation allowing a municipality to operate red light traffic cameras for the purposes of enhancing public safety at major intersections. The city of Coppel also encourages the state to utilize the funding received by the state from Red Light Camera citations for the purposes for which it was collected by the state, that being Trauma funding. Otherwise, the state should cease collecting revenue from cities generated by this mechanism.

Additional State Court or Other Fees – The City of Coppell opposes further fees being added to municipal court fines that require the municipalities to collect fees to be remitted to the state. The percent of the total fine and fee collected by municipal courts and remitted to the state is already at a very high level.

Special District Sales Tax Initiative Sunset Provisions – The City of Coppell supports measures that would standardize the terms of various voter approved sales tax initiatives such as 4A/4B, Crime Control and Street Maintenance sale taxes. Providing municipalities with the option to ask voters to remove sunset provisions altogether, or in the alternative, allowing each of these types of sales tax entities to employ the same sunset term would prove beneficial and more efficient compared to the current system where no uniformity exists. Cities and other sales tax entities could be allowed to hold elections on multiple sales tax questions on the same ballot in a given year rather than holding multiple elections in varying years due to the non-uniformity of the sunset provisions required by each type of sales tax.