



City of Tomball

Lori Klein-Quinn
Mayor

David Esquivel
City Manager

Professionalism - Integrity - Respect

May 23, 2025

The Honorable Dr. Tom Oliverson
Texas House of Representatives
PO Box 2910
Austin, TX 78768-2910

Re: Opposition to HB 2858

Dear Representative Oliverson,

On behalf of the City of Tomball, I write to respectfully express our deep concerns regarding Senate Bill 2858, currently pending in the House Committee on Calendars. While the City understands the Legislature's interest in ensuring consistency across the state, we are alarmed by the severe and unprecedented penalty structure proposed in this legislation, which would undermine local governance and fiscal stability.

S.B. 2858 significantly expands the state's preemption authority by incorporating the Election, Penal, and Health & Safety Codes into the areas subject to override. Most concerning, however, are the enforcement mechanisms the bill grants to the Office of the Attorney General. These include:

- Immediate withholding of a city's sales tax revenue upon the filing of a lawsuit by the Attorney General—prior to any court determination;
- Restrictions on basic municipal governance functions, such as adopting a tax rate above the no-new-revenue rate or approving a budget with any increase over the prior year;
- Prohibition from receiving state grant funding during the pendency of litigation;
- Permanent forfeiture of withheld sales tax funds if the city does not prevail in court.

This approach creates a punitive and unbalanced system where cities are penalized before a judge has even ruled on the matter. It opens the door to significant financial instability for municipalities across Texas, especially smaller cities like Tomball that depend on timely access to sales tax revenues to provide essential services such as public safety, water, infrastructure, and emergency response. Without these revenues, cities like Tomball could be forced to access reserves, suspend projects, or experience significant and harmful cash flow issues.

The enforcement mechanisms proposed in S.B. 2858 are not only disproportionate, they are a dangerous precedent. Cities should not be subjected to sweeping fiscal penalties without due process. The threat of immediate financial loss could discourage cities from defending even legitimate ordinances, chilling local legislative authority and jeopardizing the very principle of local control.

We urge you to vote **no** on S.B. 2858 and oppose any legislation that imposes irreversible penalties on cities before they have the opportunity to be heard in court. The City of Tomball supports fair, reasonable governance that respects both state and local roles in serving our communities. We appreciate your service and thank you for considering our position.

Sincerely,

Lori Klein Quinn
Mayor

Randall Parr
Mayor Pro Tem

Lisa A. Covington
Councilmember

Cc: The Honorable Sam Harless
The Honorable Valoree Swanson