



## The Liberty City: A New Concept for Self-Governance

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What if it were possible to use government at the local level to protect, instead of infringe upon, the liberty of the people?

A new concept is emerging in Texas that could do just that. It's called the Liberty City. This simple, yet powerful idea has the potential to transform government's relation to the people it is supposed to serve, and empower average citizens with a robust mechanism for defending their Constitutional rights.

### Key Points

- Liberty Cities are a new movement in the fight to restore liberty at the local level in Texas.
- Liberty Cities employ policies that aim to limit the size of government, keep spending low, and protect the rights of their citizens, while still providing basic municipal services.
- The Texas Legislature can encourage the creation of Liberty Cities by creating a new type of general law municipality to codify the Liberty City.

### What is a Liberty City?

A Liberty City is a town that incorporates for the express purpose of maintaining limited government, pro-free market policies, and protecting the rights of its citizens. The Liberty City stands in stark contrast to many local governments that attempt to manage their economies and regulate the lives of their citizens.

Liberty Cities also protect their citizens from being annexed into higher-tax and higher-regulation larger cities, because in Texas, no municipality can forcefully annex another municipality.

### The Recent History of Liberty Cities in Texas

Although the concept of protecting citizens' rights at the local level is not new, its history in Texas certainly is. Von Ormy, Texas, a small suburb of San Antonio, is the first town in recent memory that could be fairly labeled a Liberty City. Von Ormy incorporated in 2008 to protect the rights of its citizens from the higher tax and regulatory burden of San Antonio.<sup>1</sup>

Von Ormy also incorporated to provide basic, but important city services to its citizens, such as police coverage and infrastructure maintenance. It decided to do this without instituting high taxes or excessive spending, and after years of tax reductions, completely eliminated its property tax in 2014. Von Ormy has avoided debt entirely.

The city also avoided instituting many of the regulations that are commonly seen in cities. For example, there is no permitting fee, or significant delays of any kind in the permitting process.

In 2014, the residents of Sandy Oaks, Texas, another small community south of San Antonio and located east of Von Ormy on Interstate 37, successfully incorporated. Remarkably, Sandy Oaks decided against instituting a property tax for tax year 2015, instead holding an election to institute a sales tax. Like Von Ormy, Sandy Oaks was not only interested in providing better local services for their community—they also wanted to avoid the possibility of annexation from San Antonio.<sup>2</sup>

As of early 2015, residents in numerous other unincorporated communities were exploring the possibility of incorporating their own Liberty Cities.

### The Policies of Liberty Cities

The Liberty City does not represent a rigid set of guidelines, but does hold to certain principles that mark it as distinct from other municipalities. To that end, there are several clear areas in which a Liberty City differs and stands out from other incorporated cities:

- Taxes are kept as low as possible, especially property taxes. Although the vast majority of cities in Texas rely upon the property tax, the Liberty City seeks other sources of revenue. Sales taxes and franchise fees are sufficient to cover the majority of public services and, if a commercial base exists, perhaps all of them. As a result, the Liberty City may desire to eliminate the property tax entirely. The net effect is twofold: not only do residents benefit from a much lower local tax burden, but it also clearly distinguishes the city as a lower-cost environment to do business. By removing the local property tax impediment, businesses have a strong incentive to locate within the municipality and benefit from city services, because there will be virtually no cost difference with locating in an unincorporated area of the county with fewer services.
- Spending is held low by innovative methods of cost-cutting and efficient means of service provision. This may include such methods as contracted services to competitively seek lower costs, or less expensive ways to provide proprietary public services. Von Ormy's police department, for example, saves costs by employing a large number of young officers on a reserve basis. The officers gain from the experience and the residents gain from the service, which is indistinguishable from a full-time police force.
- Debt is avoided if at all possible. Instead of taking on debt, the city pays for projects out of operating funds.
- Regulations are minimized to the bare essentials. Lifestyle regulations, such as plastic bag bans, are avoided entirely. Land use and development regulations are kept to a minimum so that there are few barriers to either a resident's use of his own property or commercial development within the city.
- The rights of citizens are protected. This means that the city purposefully seeks to protect the Constitutional rights of its citizens in how it governs. One means of doing so is a citizen bill of rights, guaranteeing that citizens will not face regulations on, for example, their freedom of speech or assembly, their second amendment rights, and so on.

These are the main categories into which the Liberty City's policies fall, but the unifying factor is that the city seeks to protect its citizens from undue government regulation, taxation, and spending, as opposed to enacting it.

## Legislative Action

The Texas Legislature can act to assist the Liberty City movement. The simplest and best means of doing this is through the creation of a new chapter relating to general law cities. Currently, Texas cities can incorporate as Chapter A, B, or C general law municipalities.<sup>3</sup>

The Legislature could create a new "Liberty City" chapter to cover cities that want to incorporate as Liberty Cities. In line with the Liberty City policies outlined above, this chapter would restrict the city from the beginning to only those policies that spend the people's money wisely and protect their rights. Ideally, such a chapter would also include a mandatory citizen bill of rights. Creating a new type of city enables the citizens of a new municipality to have more choice in the incorporation process, and to limit the new governing entity they have created if they so choose.

## Conclusion

The Liberty City concept is a breath of fresh air for municipal governance. By using the city government structure to prevent usurpation of individual rights by existing larger cities, as well as to ensure that basic services are provided in the most cost-effective manner possible, the Liberty City has the potential to revolutionize local governance in the State of Texas and beyond. The Texas Legislature should encourage the incorporation of these cities by creating a new chapter of general law city called a Liberty City, with restrictions on government power to protect the rights of the people the city would serve.

<sup>1</sup> Fields, Jess. "[Von Ormy Sets Pro-Growth Benchmark](#)." *San Antonio Express-News*. September 5, 2014.

<sup>2</sup> Fields, Jess. "[Sandy Oaks strikes blow against big government](#)." *San Antonio Express-News*. October 7, 2014.

<sup>3</sup> Texas Municipal League. "[Chapter One: Local Government in Texas](#)." Handbook for Mayors and Councilmembers (2013 Edition). Pgs. 9-10.

