SIXTH DAY

(CONTINUED)

TUESDAY, JULY 19, 2005

PROCEEDINGS

AFTER RECESS

The Senate met at 11:35 a.m. and was called to order by the President.

SENATORS ANNOUNCED PRESENT

Senators Carona and Wentworth, who had previously been recorded as "Absent-excused," were announced "Present."

LEAVE OF ABSENCE

On motion of Senator Whitmire, Senator Lucio was granted leave of absence for today on account of important business.

GUESTS PRESENTED

Senator Jackson was recognized and introduced to the Senate Lauren Lanning, Miss Texas USA 2006, and Taylor Lanning, Miss Bay Area Teen USA.

The Senate welcomed its guests.

SENATE RESOLUTION 117

Senator Barrientos offered the following resolution:

WHEREAS, The University of Texas at Austin women's track and field team captured its fourth National Collegiate Athletic Association Outdoor Track and Field Championship thanks to several superior individual performances and a total team effort; and

WHEREAS, Led by Head Coach Bev Kearney, who has now won five national championships at Texas, the Longhorns came from behind on the final day of the meet, scoring 55 points to claim the coveted national title; and

WHEREAS, The memory of this significant accomplishment will long remain with these talented student athletes and their dedicated coaching staff, and the team is most worthy of special legislative recognition for its superior efforts; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 79th Legislature, 1st Called Session, hereby congratulate Coach Bev Kearney and the members of The University of Texas at Austin women's track and field team for winning the 2005 National Collegiate Athletic Association Outdoor Track and Field Championship and extend best wishes to the many individuals who contributed to this achievement; and, be it further

RESOLVED, That a copy of this Resolution be prepared for the team as an expression of high regard from the Texas Senate.

SR 117 was read and was adopted without objection.

GUESTS PRESENTED

Senator Barrientos was recognized and introduced to the Senate The University of Texas at Austin women's track and field team: Michelle Carter from Ovilla; Jerrika Chapple from Lancaster; Sheretta Jones from Houston; La Tashia Kerr from Houston; and Marshevet Hooker from San Antonio; accompanied by their head coach, Bev Kearney, and assistant coach, Rose Brimer.

The Senate welcomed its guests.

RESOLUTIONS SIGNED

The President announced the signing of the following enrolled resolutions in the presence of the Senate:

HCR 13, HCR 15, HCR 16, HCR 17, HCR 20, HCR 24, HCR 25, HCR 27, HCR 28, HCR 29.

RECESS

On motion of Senator Whitmire, the Senate at 12:01 p.m. recessed until 4:00 p.m. today.

AFTER RECESS

The Senate met at 4:14 p.m. and was called to order by Senator Armbrister.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER Austin, Texas July 19, 2005

The Honorable President of the Senate Senate Chamber Austin, Texas

Mr. President:

I am directed by the House to inform the Senate that the House has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

HCR 19, In memory of Patricia Warren Innerarity of Midland.

HCR 23, In memory of Ralph H. Viney of Midland.

HCR 30, Honoring Steve McCullough of Irving on the occasion of his retirement as city manager.

THE HOUSE HAS TAKEN THE FOLLOWING OTHER ACTION:

SB 62, Motion to grant the request and appoint conferees fails by a record vote of 40 ayes, 91 nays, and 3 present not voting.

Respectfully,

/s/Robert Haney, Chief Clerk House of Representatives

AT EASE

Senator Zaffirini moved that the Senate at 4:15 p.m. stand At Ease subject to the call of the Chair.

The motion prevailed without objection.

IN LEGISLATIVE SESSION

The President at 5:25 p.m. called the Senate to order as In Legislative Session.

LEAVE OF ABSENCE

On motion of Senator Whitmire, Senator Hinojosa was granted leave of absence for the remainder of the day on account of important business.

COMMITTEE SUBSTITUTE HOUSE BILL 1 ON SECOND READING

On motion of Senator Ogden and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1** at this time on its second reading:

CSHB 1, Appropriating money for the support of state government.

The bill was read second time.

(Senator Armbrister in Chair)

(President in Chair)

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1** (Senate committee printing) as follows:

(1) In SECTION 1(b) of the bill, on page 3, line 36, Rider 97 is amended to read as follows:

Rider 97. Contingency Appropriation: House Bill 2 and House Bill 3. (a) Contingent on passage and enactment of House Bill 2 or similar legislation relating to public school finance, and House Bill 3 or similar Legislation relating to the reduction of local school district property taxes and increasing state revenues by the 79th Legislature, First Called Session, 2005, there is hereby appropriated out of the General Revenue Fund \$1,787,800,000 for the 2006-07 biennium to implement the provisions of the bills increasing total revenue for the operation of local school districts and for the provision of textbooks. Included in the contingency amount specified is \$25 million in each year of the biennium to increase allocations to school districts in the Instructional Facilities Allotment. Also contingent on passage and enactment of House Bill 3 or similar legislation by the 79th Legislature, First Called Session, 2005, all additional state revenue that is received during the 2006-07 biennium that as estimated by the comptroller is attributable to changes in law made by House Bill 3 or by similar legislation and that may be spent for purposes of the Foundation School Program is appropriated to the Texas Education Agency for the 2006-07 biennium; however, such appropriations shall not exceed amounts necessary to provide state aid to school districts in an amount commensurate, as determined by the Legislative Budget Board, with the loss in local revenue associated with tax rate reduction. The Legislative Budget Board is directed to make all necessary adjustments to public education agencies, strategies, methods of finance, measures and riders necessary to implement the legislation. The Texas Education Agency shall develop a plan subject to approval by the Legislative Budget Board and the Governor, as needed to implement the bill.

(b) Included in Strategy A.1.2 Equalized Facilities is \$50 million for the purpose of new issuances under the Instructional Facilities Allotment.

(2) In SECTION 1(b) of the bill, on page 3, line 61, Rider 98 is amended to read as follows:

Rider 98. Necessary Adjustments. For the purposes of delineating the appropriation authority and expenditure requirements for the Texas Education Agency for the 2006-07 biennium, the Legislative Budget Board is hereby directed to make necessary adjustments to the provisions above, <u>such as allocation of appropriated funds among strategies and methods of finance</u>, and to rider provisions contained in Senate Bill 1, 79th Legislature, Regular Session, 2005.

(3) In SECTION 1(b) of the bill, on page 3, after line 67, new Rider 99 is added to read as follows:

Rider 99. Funding for Technology Grants. The Texas Education Agency may expend funds on technology grants, pursuant to Texas Education Code § 32.008 as authorized by House Bill 2, or similar legislation by the 79th Legislature, only if additional funds are released to the corpus of the Permanent School Fund from the General Land Office and are made available to the Texas Education Agency for expenditure during the 2006-07 biennium. The amount of funds that may be spent on the technology grants in the 2006-07 biennium shall be limited to the lesser of the amount of funds made available by the increased General Land Office contribution or \$65 million.

(4) In SECTION 1 of the bill, on page 4, between lines 54 and 55, new subsections (d) and (e) are added to read as follows:

(d) Texas Education Agency Rider 69 in Article III, Senate Bill 1, Acts of the 79th Legislature, Regular Session, 2005 (the General Appropriations Act), is amended to read as follows:

Rider 69. [Guaranteed Yield and] Per Pupil Allotment. Funds allocated above in Strategy A.1.1, FSP - Equalized Operations, include funds sufficient to ensure the [an increase to the Guaranteed Yield Program and] maintenance[, for districts not eligible for the Guaranteed Yield Program,] of the \$110 per weighted student allocation authorized in Rider 82, page III-23, 2003 General Appropriations Act, as modified by House Bill 3459.

[a. Pursuant to Texas Education Code § 42.302, the Guaranteed Yield per weighted student per penny of tax effort is hereby set at \$29.12 in fiscal year 2006 and at \$29.85 in fiscal year 2007.]

[b. School districts not receiving state aid as provided in subsection (a) are hereby entitled to receive an allocation of General Revenue to maintain per pupil funding levels pursuant to the \$110 per WADA allocation authorized in Rider 82, page III 23, General Appropriations Act, 2003, as they received in the 2004-05 biennium.

e.] The total amount of payment under this section is subject to reduction to the extent that districts not otherwise entitled to state aid from the Foundation School Fund receive a benefit from the change in the distributions from the Available School Fund caused by the adoption of amendments to the Texas Constitution, Article VII, § 5, at the election held September 13, 2003.

The Texas Education Agency shall develop and promulgate rules as necessary to carry out this provision. Such rules are subject to prior approval by the Legislative Budget Board and the Governor.

(e) Texas Education Agency Rider 69 in Article III, Senate Bill 1, Acts of the 79th Legislature, Regular Session, 2005 (the General Appropriations Act), is amended to read as follows:

Rider 78. Textbook Proclamations. It is the intent of the Legislature that the State Board of Education forego the issuance of all Proclamations of textbook purchases until such time as the Legislature has implemented reforms to the system by which the state and school districts procure and purchase textbooks.

Contingent upon passage and enactment of House Bill 2, or similar legislation relating to public school finance by the 79th Legislature, First Called Session, 2005, it is the intent of the Legislature that the State Board of Education rescind Proclamation 2004 and conduct activities related to instructional materials in accordance with the provisions of House Bill 2.

(5) On page 5 of the bill, Amend SECTION 2(b)(1) to make reference to Section 2(a)(1) instead of 3(a)(1).

(6) On page 5 of the bill, SECTION 3 is amended to read as follows:

SECTION 3. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution, and appropriations are available to meet funding needs of the Texas Education Agency in fiscal years 2005, 2006, and 2007 as determined by the Legislative Budget Board. If this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.

The amendment to **CSHB 1** was read and was adopted by the following vote: Yeas 22, Nays 7.

Yeas: Armbrister, Averitt, Brimer, Carona, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Harris, Jackson, Janek, Lindsay, Nelson, Ogden, Seliger, Shapiro, Staples, Wentworth, West, Williams.

Nays: Barrientos, Gallegos, Madla, Shapleigh, Van de Putte, Whitmire, Zaffirini.

Absent-excused: Hinojosa, Lucio.

On motion of Senator Ogden and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

CSHB 1 as amended was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading except as follows:

Absent-excused: Hinojosa, Lucio.

COMMITTEE SUBSTITUTE HOUSE BILL 1 ON THIRD READING

Senator Ogden moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 0.

Absent-excused: Hinojosa, Lucio.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 0. (Same as previous roll call)

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2

Senator Shapiro submitted the following Conference Committee Report:

Austin, Texas July 19, 2005

Honorable David Dewhurst President of the Senate

Honorable Tom Craddick Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

SHAPIRO	GRUSENDORF
DUNCAN	EISSLER
JANEK	DELISI
	BRANCH
	B. KEFFER
On the part of the Senate	On the part of the House

The Conference Committee Report was filed with the Secretary of the Senate.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolutions

HCR 19 (Seliger), In memory of Patricia Warren Innerarity of Midland.

HCR 23 (Seliger), In memory of Ralph H. Viney of Midland.

Congratulatory Resolutions

SR 114 by Staples, Recognizing William Bernard Duke of Nacogdoches on the occasion of his 90th birthday.

SR 115 by Madla, Commending Santos L. Lujan, Jr., for his contributions to the field of education.

SR 116 by Madla, Recognizing Lela Williamson Rosenberg on the occasion of her 98th birthday.

SR 118 by Barrientos, Recognizing Angelina and Raul Mendez on the occasion of their 50th wedding anniversary.

SR 119 by Carona, Commending Richard L. Clements of Dallas for his service to his community.

SR 120 by Carona, Commending Vikki J. Martin for her contributions to the City of Dallas.

SR 121 by Ellis, Commending Coco Williard for being awarded the Goldbeck Scholarship by the College of Liberal Arts of The University of Texas at Austin.

SR 122 by Ellis, Commending Van-Anh Nguyen for being awarded the Hibbs Scholarship by the College of Liberal Arts of The University of Texas at Austin.

SR 123 by Ellis, Commending Alia Avidan for being awarded the Zale Endowed Presidential Scholarship by the College of Liberal Arts of The University of Texas at Austin.

SR 124 by Ellis, Commending Laura Hughes for being awarded the Ekland-Olson Endowed Study Abroad Scholarship by the College of Liberal Arts of The University of Texas at Austin.

SR 125 by West, Recognizing members of the Southeast Dallas Coalition and the Pleasant Grove Weed and Seed community on the occasion of their Third Annual National Night Out.

SR 126 by West, Recognizing Janet D. Washington Collins for her contributions to her community.

HCR 30 (Shapiro), Honoring Steve McCullough of Irving on the occasion of his retirement as city manager.

RECESS

On motion of Senator Whitmire, the Senate at 6:00 p.m. recessed until 10:00 a.m. tomorrow.