

# SENATE JOURNAL

EIGHTIETH LEGISLATURE — REGULAR SESSION

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AUSTIN, TEXAS

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PROCEEDINGS

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**TENTH DAY**

(Tuesday, February 6, 2007)

The Senate met at 10:00 a.m. pursuant to adjournment and was called to order by Dean Whitmire.

The roll was called and the following Senators were present: Averitt, Brimer, Deuell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Hinojosa, Janek, Lucio, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Shapleigh, Uresti, Van de Putte, Watson, Wentworth, West, Whitmire, Williams, Zaffirini.

Absent-excused: Carona, Ellis, Gallegos, Jackson.

The Presiding Officer announced that a quorum of the Senate was present.

Bishop Gregory Aymond, Catholic Diocese of Austin, offered the invocation as follows:

Loving and faithful God, in Your love and providence, You have given us another day of life. Help us never to take for granted the gift of life as well as the personal gifts You give us, but rather help us to live this day and our lives for others and to give praise to You. As we gather in this Senate Chamber, please give Your enlightenment to our Senators. Guide their discussions and help them to make decisions based on justice, charity, and the good of the people of the State of Texas. Also bless those who elected them and all those they represent. Lord God, continue to give blessing to our nation and to all our military men and women, especially those serving in countries where there is war and the rumor of war. Loving God, we ask this in faith, for You are God, living and reigning forever and ever. Amen.

Senator Wentworth moved that the reading of the Journal of the proceedings of yesterday be dispensed with and the Journal be approved as printed.

The motion prevailed without objection.

## LEAVES OF ABSENCE

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

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

On motion of Senator Wentworth, Senator Gallegos was granted leave of absence for today on account of illness.

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

#### **CO-AUTHORS OF SENATE BILL 65**

On motion of Senator Zaffirini, Senators Hinojosa and West will be shown as Co-authors of **SB 65**.

#### **CO-AUTHOR OF SENATE BILL 127**

On motion of Senator Shapleigh, Senator Zaffirini will be shown as Co-author of **SB 127**.

#### **CO-AUTHOR OF SENATE BILL 156**

On motion of Senator Shapiro, Senator Zaffirini will be shown as Co-author of **SB 156**.

#### **CO-AUTHOR OF SENATE BILL 233**

On motion of Senator Harris, Senator Zaffirini will be shown as Co-author of **SB 233**.

#### **CO-AUTHORS OF SENATE BILL 247**

On motion of Senator Ellis, Senators Watson and Zaffirini will be shown as Co-authors of **SB 247**.

#### **PHYSICIAN OF THE DAY**

Senator Wentworth was recognized and presented Dr. Beverly Nuckols of New Braunfels as the Physician of the Day.

The Senate welcomed Dr. Nuckols and thanked her for her participation in the Physician of the Day program sponsored by the Texas Academy of Family Physicians.

#### **SENATE RESOLUTION 144**

Senator Ogden offered the following resolution:

WHEREAS, The Senate of the State of Texas is pleased to welcome a visiting delegation from Catholic Charities and to salute the members for their many good works through the years; and

WHEREAS, With a presence in over 20 locations in Texas, Catholic Charities extends to persons of all races, religions, and socioeconomic backgrounds the inspiration of faith as well as tangible assistance, with the goal of helping them reach self-sufficiency; and

WHEREAS, Catholic Charities provides many programs and services to those who seek its aid, including adoption services, basic personal-living needs, counseling, disaster response, food banks, education and enrichment, housing, health services, refugee and immigration services, and social support; in 2006 alone, the organization helped more than 400,000 individuals; and

WHEREAS, In addition to its assistance programs, Catholic Charities is a steadfast advocate of social justice and seeks to empower communities through action

and education, with the guiding principle of ensuring basic human dignity for all people; and

WHEREAS, Catholic Charities, in collaboration with health and human services agencies across the state, has offered many Texans the support and direction they need to secure self-sufficiency and a brighter future; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 80th Legislature, hereby commend all those associated with Catholic Charities for its exemplary efforts to make a positive difference in the lives of others and extend a warm welcome to the members of its delegation who are visiting the State Capitol; and, be it further

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

**SR 144** was read and was adopted without objection.

### **GUESTS PRESENTED**

Senator Ogden was recognized and introduced to the Senate Bishop Gregory M. Aymond, Catholic Diocese of Austin; Cynthia Colbert, Executive Director, Catholic Charities of Central Texas; and Andrew Rivas, Executive Director, Texas Catholic Conference; accompanied by a delegation representing Catholic Charities and a group of students from Saint Mary's School.

The Senate welcomed its guests.

### **GUESTS PRESENTED**

Senator Nichols, joined by Senator Deuell, was recognized and introduced to the Senate a delegation of citizens from Cedar Creek Lake.

The Senate welcomed its guests.

### **MESSAGE FROM THE HOUSE**

#### **HOUSE CHAMBER**

Austin, Texas

February 6, 2007

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 63**, Honoring Tuerff-Davis EnviroMedia, Inc., of Austin on the 10th anniversary of its founding.

Respectfully,

/s/Robert Haney, Chief Clerk  
House of Representatives

**SENATE RESOLUTION 170**

Senator Hinojosa offered the following resolution:

WHEREAS, For more than three decades, the members of the Texas Probation Association have provided leadership through training, networking opportunities, and advocacy for probation professionals throughout the Lone Star State; and

WHEREAS, Established in 1974, the organization represents professionals in the nearly 300 adult and juvenile probation departments across the state who are responsible for enforcing court orders, collecting fees, providing offender treatment and counseling referrals, and collecting restitution for victims; and

WHEREAS, One of the primary goals of the Texas Probation Association and its membership is to improve public safety while maintaining efficiency for Texas taxpayers; and

WHEREAS, The probation system is the most cost-effective alternative to long-term incarceration, providing the courts with additional resources designed to reduce recidivism and provide treatment for the offender; and

WHEREAS, The Texas Probation Association offers a unified voice to probation professionals, empowering them to express their concerns, make public their successes, and articulate their vision for the future; and

WHEREAS, The men and women of the Texas Probation Association are dedicated to improving the state's criminal and juvenile justice systems, and their exemplary efforts are building a brighter and more promising future for all Texans; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 80th Legislature, hereby recognize February 6, 2007, as Texas Probation Association Day at the Capitol and extend to the members of the organization sincere best wishes for the future; and, be it further

RESOLVED, That a copy of this Resolution be prepared for the members of the Texas Probation Association as an expression of high regard by the Texas Senate.

**SR 170** was read and was adopted without objection.

**GUESTS PRESENTED**

Senator Hinojosa was recognized and introduced to the Senate Buddy Silva, President, Texas Probation Association Board of Directors; and Board Members, Aris Johnson, John McGuire, and Ed Cockrell; accompanied by a delegation of representatives of the Texas Probation Association.

The Senate welcomed its guests.

**SENATE RESOLUTION 178**

Senator Lucio offered the following resolution:

WHEREAS, The Senate of the State of Texas is pleased to recognize our state's school counselors and to proclaim February 5 through 9, 2007, National School Counseling Week in Texas; and

WHEREAS, School counselors are employed in public and private schools across our state and nation to help students reach their full potential; and

WHEREAS, By encouraging students to explore their abilities, strengths, interest, and talents, school counselors help them to find direction and develop career awareness; and

WHEREAS, School counselors also help parents to learn how to further the educational, personal, and social growth of their children; and

WHEREAS, These committed educators seek to identify and utilize community resources that can enhance and complement comprehensive school counseling programs and help students to become productive members of society; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 80th Legislature, hereby commend our school counselors for their invaluable work and extend to them best wishes during National School Counseling Week in Texas; and, be it further

RESOLVED, That a copy of this Resolution be prepared in honor of our state's school counselors and as an expression of high regard from the Texas Senate.

**SR 178** was read and was adopted without objection.

#### **GUESTS PRESENTED**

Senator Lucio was recognized and introduced to the Senate a delegation representing National School Counseling Week in Texas.

The Senate welcomed its guests.

#### **GUESTS PRESENTED**

Senator Zaffirini was recognized and introduced to the Senate members of Junior Achievement of South Texas, accompanied by Joseph C. Burke, President.

The Senate welcomed its guests.

#### **GUESTS PRESENTED**

Senator Wentworth was recognized and introduced to the Senate representatives of the United Daughters of the Confederacy.

The Senate welcomed its guests.

#### **GUESTS PRESENTED**

Senator Janek was recognized and introduced to the Senate a delegation representing the Texas Medical Association First Tuesday at the Capitol Program.

The Senate welcomed its guests.

#### **SENATE RESOLUTION 184**

Senator Hinojosa offered the following resolution:

WHEREAS, Residents of the city of McAllen are gathering at the State Capitol on February 6, 2007, to celebrate their community's contributions to the vitality of the Lone Star State; and

WHEREAS, Located in southern Hidalgo County, the site of present-day McAllen was developed by Spanish settler Jose Manuel Gomez, who founded the Santa Anita Ranch in 1797; the ranch grew in size and passed through the hands of several heirs of his great-granddaughter, Salome Balli, who married John McAllen; together they continued to add to the property and renamed it McAllen Ranch; and

WHEREAS, In 1904, Mr. McAllen and other early settlers established a town site called West McAllen, where the St. Louis, Brownsville & Mexico Railroad arrived a year later; additional developers founded East McAllen in 1907, and the two towns eventually merged and welcomed several businesses, churches, residences, and a newspaper; by 1920, the city's population exceeded 5,000 and continued to grow steadily; and

WHEREAS, In the last three decades, McAllen has become a center for business, commerce, and government in the Valley, and according to the 2000 census, it is one of the fastest-growing metropolitan statistical areas in the country; it has been voted as one of the best places to do business in the United States by *Forbes* magazine, and it was named number one in midsize cities for growth and development in the South by *Southern Business Magazine*; and

WHEREAS, The unique landscape of the Rio Grande Valley provides promising soil for farming and produces a hospitable environment for cultivating citrus fruits, cotton, sugarcane, and many other crops and vegetables; a variety of ecosystems also nurtures many unusual flora and fauna specific to this region of the country; and

WHEREAS, A center for cultural activities, McAllen is home to the International Museum of Art and Science, which serves as a showcase for traveling exhibitors, loaned works from the Smithsonian Institution, and an extensive collection of Latin American folk art; tourists and residents alike enjoy festive annual events, including the Candlelight Posada, the Fourth of July Fajita Cook-off, the Texas Citrus Fiesta, Springfest, Borderfest, and the Texas Square Dance Jamboree; and

WHEREAS, The citizens of McAllen are justifiably proud of their city, which has played a significant role in the annals of Texas history, and it is a pleasure to pay tribute to them on this special day; now, therefore, be it

RESOLVED, That the Senate of the 80th Texas Legislature hereby recognize February 6, 2007, as McAllen Day at the State Capitol and extend to all those McAllen residents who are present on this day sincere best wishes for a memorable visit to Austin.

HINOJOSA  
LUCIO

**SR 184** was read and was adopted without objection.

**(President in Chair)**

**GUESTS PRESENTED**

Senator Hinojosa, joined by Senator Lucio, was recognized and introduced to the Senate Richard Cortez, Mayor of McAllen; Steve Ahlenius, President and Chief Executive Officer, McAllen Chamber of Commerce; Keith Partridge, President and

Chief Executive Officer, McAllen Economic Development Corporation; Ernie Williams, Chair, McAllen Economic Development Corporation; and Eva-Jean Radle, Chair, McAllen Chamber of Commerce Board of Directors.

The Senate welcomed its guests.

### **ESCORT COMMITTEE APPOINTED**

In accordance with the provisions of **SCR 12**, the President announced the appointment of the following as a Committee to Escort the Governor to the Joint Session: Senators Whitmire, Chair; Brimer, Hinojosa, Ogden, and Williams.

### **MOTION TO ADJOURN**

On motion of Senator Whitmire and by unanimous consent, the Senate at 10:35 a.m. agreed to adjourn, upon conclusion of the Joint Session, until 11:00 a.m. tomorrow.

### **AT EASE**

The President at 10:35 a.m. announced the Senate would stand At Ease for departure to the Joint Session pursuant to the provisions of **SCR 12**.

### **JOINT SESSION**

(To hear the State of the State Address by the Honorable Rick Perry, Governor of the State of Texas)

The President of the Senate and the Senators present, escorted by the Secretary of the Senate and the Sergeant-at-Arms, proceeded to the Hall of the House of Representatives at 10:35 a.m.

Speaker Craddick gaveled the House to order.

The President was announced and, on invitation of the Speaker, occupied a seat on the Speaker's Rostrum.

The Senators were announced and were admitted and escorted to seats prepared for them along the aisle.

### **AT EASE**

Speaker Craddick at 10:43 a.m. announced the House would stand At Ease pending the return of the Escort Committee and the arrival of the Governor.

Lieutenant Governor Dewhurst announced the Senate would stand At Ease pending the return of the Escort Committee and the arrival of the Governor.

### **IN JOINT SESSION**

Speaker Craddick at 10:47 a.m. gaveled the Joint Session to order.

The Honorable Rick Perry, Governor of the State of Texas, was announced by the Doorkeeper of the House of Representatives.

The Governor and his party were escorted to the Speaker's Rostrum by Senators Whitmire, Chair; Brimer, Hinojosa, Ogden, and Williams on the part of the Senate, and Representatives Bohac, Chair; Lucio, Macias, McReynolds, and Orr on the part of the House.

The Honorable David Dewhurst, President of the Senate, called the Senate to order and announced a quorum of the Senate present.

The Honorable Tom Craddick, Speaker of the House of Representatives, called the House to order, announced a quorum of the House present, and stated the purpose of the Joint Session.

Speaker Craddick introduced First Lady Anita Perry.

Lieutenant Governor Dewhurst introduced His Excellency Rick Perry, Governor of the State of Texas, who addressed the Joint Session as follows:

Members of the Legislature, distinguished guests, my fellow Texans: It is an honor to speak from this historic dais once again just three weeks since I took the oath to serve as your Governor for four more years. I am honored to appear before you today with my best friend by my side. She has been there through the good times and the bad for nearly 25 years of marriage, the love of my life, the First Lady of Texas, Anita Perry. Joining me today are two strong leaders. Three times the people of this state have elected the man who serves as your Lieutenant Governor. He is a bright and compassionate leader and the top cutting horse rider in the Texas Senate, my friend, David Dewhurst. And three times the Members of this House have elected their leader as Speaker. He has been my partner in the conservative cause for more than 20 years, my long-time personal friend and fellow West Texan, Tom Craddick.

As we begin 2007, Texas is perched at the forefront of a new era of prosperity. The economy is growing and government revenues are on the rise. Our state surplus is larger than ever just four years removed from our largest shortfall ever. Frivolous lawsuits are down, as are insurance rates for homeowners and doctors. Thanks to medical liability reforms, hospitals are once again able to recruit specialists whose expertise can mean the difference between life and death. School funding, teacher pay, and classroom achievement are all up. More Texans have a job than ever before and more own a home, a trend that is unlikely to change, because you had the wisdom to cut school property taxes by 33 percent last year. The high-tech engine is once again generating jobs, innovation, and investment. Our state is building roads faster than any state in the nation. And a landmark telecommunications competition law has resulted in better choices for consumers while unleashing over \$1 billion in new investments.

For many, times are very good. But left out of the jubilation are nearly 4 million Texans who live in prosperity's shadow rather than its light. Many live in families without a college education or even a high school degree. Some are low-wage earners whose jobs are not a transition but a dead end. And too many are single parents that hold two jobs to pay the bills while feeling guilty that their children are home alone. No child chooses to be born into poverty. And no parent wishes to see their child go hungry. Yet, for too many, that is the harsh reality of their lives. And these dire economic conditions are often exacerbated by wrong choices, such as drug addiction, debt, and the decision to drop out of school early.



For the next four years, my goal is to spread opportunity far and wide for those willing to take personal responsibility for their lives and those they bring into this world. I do not believe government can solve every social ill, nor do I believe we can tax and spend our way to prosperity. I do believe, however, there are investments we can make today that will lift people out of poverty, bolster the middle class, and ensure the Texans of tomorrow are less dependent on government. This moment in time is a unique opportunity to address great challenges and build the foundation for a future of unparalleled prosperity.

One of the greatest obstacles to individual prosperity is the rising cost of health care. Years of hard work and savings can be wiped out with the onset of one life-threatening illness. Every day millions of our citizens play a dangerous game of health care roulette as they go without health insurance. Of the 5.5 million uninsured Texans, 2 million are adults with incomes below 200 percent of the federal poverty level. Most are working Texans whose jobs offer health care benefits they can't afford, or no benefits at all.

Today I am proposing a new initiative called "Healthier Texas" that will open the door to more affordable insurance options for 2 million working Texans. This initiative redirects hundreds of millions of federal dollars spent on uncompensated care for the uninsured to the creation of a funding pool to purchase insurance for working Texans below 200 percent of the federal poverty level. For every half million Texans that sign up for insurance under this plan it would cost the state a little more than \$200 million and help us draw down a federal match of more than \$300 million. And there would be no cost to state general revenue, which I will explain in detail in a few minutes.

Under Healthier Texas, the state would provide monthly premium assistance payments of as much as \$150 per individual, depending on family income. For some this would help with the purchase of a catastrophic plan. For others it could be part of the financing for a full-benefit plan that could include contributions from employers and individuals too. And for a low cost we could add children too. The financial cost would be modest, the social benefit extraordinary. That's because this plan recognizes the long-term benefits of providing Texans preventative care through insurance instead of paying for costly emergency room visits. Patients once stuck in overcrowded emergency rooms would start seeing primary care physicians. Preventable conditions would be treated with less pain and at a lower cost. And we will make the private insurance market more robust. This solution recognizes the wisdom of expanding the insurance market without a government takeover of your health care and without adding one more Texan to the government rolls. Like any plan, its success will depend upon the willingness of uninsured Texans to enroll at a modest cost. The foundation of personal empowerment is personal responsibility. Government can design programs, but adults must take the initiative to do what is best for their children and themselves.

Access to quality health care and affordable insurance is a challenge for all Texans, especially for the employees and owners of small businesses. I don't believe the answer is government-mandated insurance. Like payroll taxes, mandated employer contributions discourage the economic activity we want to promote, which is job creation. In Texas, we have begun to address this issue through the creation of health cooperatives and purchasing groups that allow various small employers to band together and seek more affordable insurance by creating a larger patient pool. We must also be careful during this important debate to not confuse access to insurance with access to quality health care. Even those with insurance coverage can be denied vital care when medical decisions are made by insurance companies instead of doctors. And government-run programs like Medicaid offer doctors a paper-thin margin while causing exploding costs in state budgets.

We must take innovative measures, with the help of Washington, to reform Medicaid. There is no reason for healthy children and pregnant women to have the exact same benefit plan as Medicaid recipients with long-term health care needs. Washington's "one size fits all" approach to Medicaid will bankrupt the states. To Washington I say this: Give us flexibility to design different plans for different populations, to introduce co-payments for emergency care in order to encourage preventative care, and let us give consumers greater choices.

Health care is the only significant sector of our economy where consumers don't know the price of products and procedures, and often don't care. For those that are insured, little thought goes into effective health care utilization because someone else pays the bill once co-payments and deductibles are met. For some, the best way to lower the cost of health care is through market-driven incentives like health savings accounts. These accounts put health care decisions back in the hands of consumers who have a renewed incentive to control costs. Health care is also one of the last sectors of the economy yet to embrace the information technology revolution, including electronic medical records. Electronic records are critical to reducing medical errors and stopping health care fraud. And ensuring patients have the best care possible requires more than the lawsuit reforms we passed in 2003, it requires better Medicaid reimbursements. That's why my budget invests more than \$.5 billion to increase Medicaid reimbursement rates for hospitals and physicians.

Let me say a few words about the human side of the health care issue. A man of faith once told me that the statistics of death are one out of one. Though his point had to do with the hereafter, it got me to thinking about how quickly our lives can change in the here and now. One day you're as healthy as can be, the next you are in the fight for your life against a deadly disease like cancer. Cancer does not discriminate based on age, gender, race, or income. It can strike the fittest of athletes and the smallest of children.

Rick and Lori McGrath watched their daughter, Marin, battle brain cancer at the age of two. The doctors thought she had won the battle, but two years later she had a recurrence of the same cancer. At the age of four her precious little life was lost, and all its great potential. For all the little Marins of this world, we must do everything in our power to defeat cancer. Rick and Lori, we are sorry for your great loss. Thank you for your courage.

I don't know when the day will come that we find a cure for cancer, but I do know it is my dream to accelerate its arrival with a multi-billion dollar cancer research initiative that can save lives and provide millions renewed hope. Recent progress gives us hope of ultimate victory against this disease. For the first time ever we have a vaccine that can prevent a cancer, a vaccine that prevents the spread of human papillomavirus, the leading cause of cervical cancer in women. I understand the concern some of my good friends have about requiring this vaccine, which is why parents can opt out if they so choose. But I refuse to look a young woman in the eye 10 years from now who suffers from this form of cancer and tell her we could have stopped it, but we didn't. Others may focus on the cause of this cancer. I will stay focused on the cure. And if I err, I will err on the side of protecting life.

Sadly, there is still so much we don't know about cancer. The proposal I offer is large enough in scale that it will attract world-renowned researchers to Texas to find the cure for cancer. It is also large enough that it will bring our university scientists together in a tremendous collaborative effort to find a cure. And aggressively pursuing this kind of research does not require the use of embryonic stem cells. I am also proposing a source of funding that does not dry up with time or cost the state general revenue, unlike a bond proposal.

Conservative estimates tell us that the state lottery could be sold to the private sector for \$14 billion. Using these resources, we could create a \$2.7 billion endowment for the uninsured that generates close to \$.25 billion in interest payments every year. We could also create a \$3 billion cancer research trust fund that would annually generate more than \$.25 billion each year to the fight against cancer. And the rest of the money, more than \$8 billion, could be dedicated to a public education endowment that would provide about \$800 million a year for public education. Imagine the possibilities if we create a permanent endowment for public education, a permanent source of funding for making health insurance more affordable and available, and a long-term source of substantial funding to fight a disease that touches the lives of virtually every Texan. If you are thinking about how all the numbers work, don't forget these numbers too: There are 400,000 Texans who have survived this deadly disease but who know its great emotional cost. There will be 95,000 Texans diagnosed with cancer this year. And 34,000 Texans will lose the fight and die too young. These people are our neighbors and our co-workers, our husbands and wives, our precious children.

Why take such a bold action, such as selling the lottery, in a time of record surpluses? Let me tell you why. Two states are currently trying to sell their lotteries and several more are likely to follow. If we delay, the market price is likely to be less in the years to come. But if we act now, we can invest in our classrooms, laboratories, and hospitals, giving hope to those who need it most.

Expanding cancer research is a worthy goal for this Legislature, but it is an absolute passion for those on the frontlines of this fight, people like the renowned medical pioneer and President of M.D. Anderson, Dr. John Mendelsohn. Please join me in welcoming Dr. Mendelsohn and his wife, Anne. Let's give our best doctors every possible tool in the fight to save lives.

It is a tragedy whenever we lose someone to a deadly disease, and it breaks my heart when people die prematurely from conditions that are completely preventable. We are experiencing an epidemic of obesity among our children that, if not confronted, will ensure this youngest generation will be the first in American history to live shorter lives than their parents. Poor nutrition and bad exercise habits result in higher numbers of diabetes cases and future coronary problems. That's why I have asked the Texas Education Agency to work with every school in Texas to perform a youth fitness evaluation. We will evaluate every student's fitness level and look at corollary data such as student absenteeism, discipline problems, and academic success. The goal will be to use this data to develop a fitness regime in our schools and neighborhoods that will get more children in shape, improve academic performance, and set them on course to a lifetime of health and happiness.

For the children of disadvantaged families, there is one singular hope for removing them from a cycle of poverty and despair and that is a quality education. Texas faces unique challenges in this regard. There are more than 600,000 schoolchildren who speak English as a second language, many of whom arrive in the classroom grades behind. Other children not only have the disadvantage of a poor educational foundation but they have no guiding influence at home. This is why there is no profession more important to our future than the teaching profession.

Last summer, we worked together to pass a \$2,000 pay raise for every teacher in Texas. But we didn't stop there, because teachers deserve to be treated as individual professionals and not merely as a monolithic profession. Starting this fall Texas will have the largest performance pay program in the nation to reward teaching excellence, and I will do everything in my power to see that it stays that way. Just as we should reward the best, we must also do more to equip more teachers to succeed, especially those who are new to the classroom. I support recent recommendations to improve teacher performance, including greater professional development, a renewed focus on best practices, and removing from our classrooms that small percentage of teachers that chronically underperform.

In education, we have done some groundbreaking work. We were the first state to implement a college-prep curriculum as the standard coursework, the first to tailor individualized graduation plans for at-risk students, the first to create customized study guides for students that fail state assessments. But we still have achievement gaps, and the best place to rectify those gaps is during the earliest learning years. That's why my budget invests an additional \$80 million to expand the "Early Start" pre-K program that uses pioneering techniques to improve learning among our youngest at-risk students.

Perhaps no student population is at greater risk than the children of prisoners. Seventy percent are destined to follow a parent's path behind bars if no one intervenes. This is a national tragedy. We must break up the generational cycle of incarceration. That is why Texas was the first state to offer a statewide grant for the Amachi program administered by Big Brothers Big Sisters, which mentors the children of prisoners. For the sake of these children, I ask you to continue funding this important program which changes lives. When it comes to education, we must recognize its value in an interdependent world. Today, knowledge is more valuable than raw labor, and those nations that prosper by pushing the envelope of innovation are those that invest in vibrant colleges and universities. That's why I have proposed expanding financial aid by \$360 million, so Texas can compete in a global economy.

The budget I submit today consolidates numerous financial aid programs into one and leverages Lieutenant Governor Dewhurst's concept with the "B on Time" program by requiring students to take a certain number of hours per semester, maintain a grade point average of 3.0 or higher, and graduate on time. Some have complained these high standards will hurt certain students. But I believe all children have the capacity to excel, and we should have high expectations for students of every background. I am also advocating that we set aside \$40 million for a new Texas Technology Grant program. Texas produces 5,500 graduates a year in electrical engineering, engineering technology, and computer science while our economy produces 11,000 annual job openings in those fields.

Visiting the Texas Capitol today is astronaut Joan Higginbotham, the nation's third African American to fly into space. A member of The Links program, a public service organization of 10,000 women dedicated to expanding opportunities for African American women, Joan is an inspiration to many and living proof that children of all backgrounds can reach for the stars. Let's invest in technology scholarships so that Texans are on the forefront of technology innovation whether it is here at home or in outer space.

There is another industry shortage we must address because lives are at stake, and that is in our state's nursing profession. I am proposing a \$50 million nursing initiative that addresses this shortage in two ways: First, it

provides new incentives for recruiting more students and faculty; second, it allows aspiring nurses to become licensed through a pilot program at our hospitals.

In total, the investment I am seeking for higher education is \$1.7 billion in new money. Included in my proposal is full funding of the Irma Rangel Pharmacy School and the El Paso Medical School. Under my plan, \$300 million in new funding is tied to schools meeting performance targets. Funding would increase for degrees awarded in critical fields, graduation rates, and success with at-risk students. One of the fundamental changes envisioned by this plan is ensuring more funding follows the students. Ultimately, higher education is not about the buildings we fund but the lives we improve, and we will improve a lot of lives if you increase financial aid by \$360 million. Joining us today are outstanding examples of how an investment in higher education can pay great dividends. Please join me in welcoming some of our newest student Regents.

I am also asking Members of the Legislature to join me in making higher education budgets more transparent by breaking out spending into more detailed line items instead of the current practice of listing entire university budgets in one lump sum. Just because custodial services or building expenditures are listed in a line item does not mean they are more likely to be vetoed, but it does mean Texans will have a better idea of how their money is spent. Just last week my office, like Comptroller Combs', began disclosing office expenditures on the Internet. I believe every agency ought to publish its spending online. The Texas Education Agency has already taken this to heart. Government that is open and honest will always be able to withstand the light of day. Honest budgeting also requires us to end the practice of raising a fee for one purpose and diverting the funds to another purpose. Trauma funds, utility discount dollars, and clean air funds have all been diverted to other purposes, often to balance the budget. The solution to this is simple. Either we spend fees for the purpose they are collected or we give the money back. I agree with Speaker Craddick that this practice has done damage to a vibrant parks system. This session, let's spend the sporting goods tax on what it was collected for: to create first-class parks that give our people open spaces and fresh air for needed recreation.

Today, I have proposed a budget that invests in health care and higher education, a budget that cuts property taxes and eliminates accounting gimmicks, and that grows the Rainy Day Fund to more than \$4 billion. Not only that, it expands upon the record property tax cut of last year by setting aside an additional \$2.5 billion for tax relief.

One way to provide tax relief is in the form of a rebate. The appeal of a one-time rebate is that future Legislatures don't have to find the money to sustain it. However, the will of the Legislature may be to provide rate relief instead. Either way is better than the alternative, which is having the money

spent on more government. And for the record, I don't believe cutting taxes is the same thing as spending. A spending cap is meant to stop runaway spending, not runaway tax relief.

The fight for lower property taxes requires not only a reduction in tax rates but greater control over appraised values. I believe Texans deserve more than property tax relief, they deserve appraisal relief. It is not good enough to only make appraisals more accurate through sales price disclosure. By itself, this action will only lead to higher taxes. We must also restrain appraisal windfalls. I believe local governments should be able to raise all the revenue they need, just do it with a vote and not through the appraiser's note. And if you want to spend more than 5 percent a year, there is no need to be shy about allowing the people to vote. For years they have supported worthy bond proposals, and they will do the same for good investments in local priorities.

I believe the state should live under a similar spending cap. In a time of record revenues, there is a temptation to spend more than we can sustain in the years to come. That's why I am proposing a stricter spending cap that is tied to the average inflation and population growth of the last six years. This session, such a spending limit would be 3.5 percent lower than the current spending limit and would amount to a state spending increase of less than 5 percent a year. When you exclude tax relief from spending calculations, the budget I have proposed grows state spending less than an average of 5 percent a year, and more than half of that money, \$5 billion, is the cost of getting right with the people after years of accounting sleights of hand. Payments delays and other accounting gimmicks remind me of that character from Popeye, old Wimpy, who liked to say, "I will gladly pay you Tuesday for a hamburger today." My friends, Tuesday is here. No more Wimpy budgeting.

I am also proposing a \$100 million investment in a more secure border. There is no such thing as homeland security without border security. It is not hyperbole to say terrorists view our international border with Mexico as a prime point of entry. That is the conclusion of the United States intelligence community. While the vast majority of people who come here illegally are economic migrants simply seeking a better life, the small percentage seeking to cause us harm don't dress differently, nor do they put out press advisories in advance of their arrival. They don't want us to know they are here until they have done mortal damage to our people.

The best plan to secure our border involves intensive operations with federal, state, and local officials working together to seal off common illegal crossings. So far, we have used all available resources to fund additional patrol hours, new vehicles, and new technology for local law enforcement. We have caught drug traffickers and human smugglers off guard and reduced crime in remote border regions so often exploited by criminal operatives. The key element to our success has been the work of local law

enforcement officials, such as border sheriffs. Today, we are fortunate enough to have some of these heroes in our midst. Please join me in welcoming the members of the Texas Border Sheriff's Coalition.

I support strategic fencing in urban areas along the border. But I also believe, like border sheriffs, that the best solution involves added manpower, not unmanned walls. That is why I ask you to fund a \$100 million effort that will expand patrols, purchase new technology, and protect the border from drug traffickers, human smugglers, and other criminal thugs that seek to destroy our way of life.

Immigration reform is a federal issue. That's why I urge Congress to pass reform that respects the rule of law. That means two things: Those who come here illegally should not be rewarded with amnesty, and it also means those who hire illegal aliens should face tough penalties. Ultimately, the best way to crack down on illegal hiring practices is for Congress to finally pass a guest worker program. A guest worker program recognizes the contributions of foreign workers and captures their income in our tax system, ensuring they contribute to the public services we provide them. And a guest worker program will help us know who crosses our border legally, rather than not knowing who crosses our border illegally.

Illegal immigration is a problem felt deeply by Texas, while too often ignored by Washington. So in the spirit of that mythical holiday, Festivus, let me begin the airing of grievances with Washington. It is time Washington met its obligations in paying for the costs of illegal immigration. Our hospitals, schools, and law enforcement agencies deserve more than praise, they deserve the appropriate level of federal reimbursement. We also believe that the state should not be penalized for savings it has generated by the onerous and unconstitutional Medicare clawback provision, nor should Washington commandeer Children's Health Insurance Program funds that are allotted to Texas and needed for our children. And we are tired of environmental extremists entrenched in the federal bureaucracy undermining our regional water planning process. We support wildlife sanctuaries, but please stop declaring them on land local officials have identified as viable for water reservoirs, especially when, as in the case of the Fastrill Reservoir in East Texas, even better land has been identified for that purpose. In short, our message to Washington is this: Let Texans run Texas.

I support legislation that establishes more than 20 reservoir sites in statute because securing viable water supplies is vital to the future of this state. Let's continue to invest in clean air by increasing our funding for the Texas Emissions Reduction Program by \$180 million. Mobile sources contribute the majority of pollution in Texas. This program cleans up dirty engines and reduces emissions by one ton for every \$5,000 invested. Cleaning the air while increasing our power supply is a difficult challenge. Conservation alone will not prevent an energy crunch when our population is expected to double in just over 30 years. Power outages are just a few years away if we don't take action. And while the clean technology known



as Integrated Gasification Combined Cycle has tremendous promise for the future, it remains unproven, especially for Texas lignite and Wyoming coal. With current technologies allowing coal to burn at least twice as clean as all of the old natural gas plants we are trying to replace in Texas today, we can meet our power needs while reducing total emissions. In fact, one company's plan reduces their total emissions by 20 percent while increasing their total energy capacity by over 50 percent. At the same time energy producers have announced a new \$10 billion investment in wind energy infrastructure, which will keep our ranking as the top wind power producer in the nation. We are also taking the lead in building liquefied natural gas terminals and developing biofuels. And I strongly support new investments in nuclear power.

Let me mention a few other priorities. When it comes to criminal justice, I believe we can take an approach to crime that is both tough and smart. I agree with our Lieutenant Governor that sexual offenders who harm our children must face tougher penalties. At the same time, there are thousands of nonviolent offenders in the system whose future we cannot ignore. Let's focus more resources on rehabilitating those offenders so we can ultimately spend less money locking them up again.

We must also put aside regional differences in order to be prepared for a hurricane of historic proportions. Our windstorm insurance system is out of date, and had Rita made landfall in the Houston Ship Channel, it would have done great damage to the entire Texas economy, as well as the state budget. We must work together to bolster the state's windstorm insurance fund.

I also believe the example we set in Texas can have international ramifications. I join Railroad Commissioner Michael Williams and a bipartisan group of legislators in protesting the ethnic genocide occurring in Darfur by calling on the State of Texas to divest of companies doing business in Sudan.

At home, we must continue to invest in jobs by expanding workforce training through the skills development fund, by continuing to fund job creation through the Enterprise Fund, and by increasing funding for the Emerging Technology Fund, which will help us attract the new growth industries of this new century. From our investments at The University of Texas at Dallas and Sematech to our funding for the Texas Institute of Genomic Medicine, we are creating a foundation of prosperity that will last long beyond our years.

Moving Texans from the conditions of dependency to the freedom of self-sufficiency requires us to invest in education, health care, and the jobs of the future. They are the pillars of prosperity. Before us is a unique opportunity to address great challenges. We can either dissolve into partisan disputes that leave Texas no better off for the 140 days that we are here, or we can join together in a spirit of bipartisan unity for causes greater than self, greater than political party. From providing access to insurance for

millions of working Texans to investing in great colleges and universities to funding a cancer research initiative that can save countless lives, there is much we can do together.

I ask that past disputes be left in the past in order to pursue our future promise, that you choose the high road of unity rather than the easy course of cynicism, and that you join me in leaving the critics on the sidelines to fight the good fight on the frontlines. There will be critics of what we attempt. Some will fight for the status quo, even when change is needed for the greater good. Our task is not easy, but none of us were sent here to do what is easy but to do what is right. And how historic this session can be if we fight for the right, if we empower the powerless and lift up the lowly, if we make this Texas a land of tremendous opportunities and attainable prosperity.

The state of our state is good for many. Before us is the challenge to make it good for many more by spreading opportunity far and wide. Let's fight for the Texas we aspire to, the Texas that can be, the Texas that can lead the world. Thank you, and God bless you all.

*(NOTE: Governor Perry frequently deviates from prepared text)*

### **HOUSE OF REPRESENTATIVES AT EASE**

The Speaker of the House of Representatives at 11:45 a.m. announced that the purpose for which the Joint Session was called having been completed, the House would stand At Ease pending the departure of its guests.

### **INTERPRETERS FOR THE DEAF**

The interpretation for the Joint Session was provided by Donna Alexander and Alena Newberry.

### **RESOLUTIONS OF RECOGNITION**

The following resolutions were adopted by the Senate:

#### **Congratulatory Resolutions**

**SR 172** by West, Commending Joan Higginbotham for her service to the National Aeronautics and Space Administration.

**SR 181** by Deuell, Recognizing Newton and Beth Bond on the occasion of their 65th wedding anniversary.

**SR 182** by Nichols, Commending Zachary Lynn Zachary for achieving the rank of Eagle Scout.

#### **Official Designation Resolutions**

**SR 171** by Williams, Designating February 6, 2007, as Alliance of North Houston Chambers of Commerce Day at the State Capitol.

**SR 183** by Nichols, Recognizing Cedar Creek Lake Area Day at the State Capitol.

**ADJOURNMENT**

Pursuant to a previously adopted motion, the Senate at 11:47 a.m. adjourned until 11:00 a.m. tomorrow.

