

SENATE JOURNAL

EIGHTY-SEVENTH LEGISLATURE — REGULAR SESSION

AUSTIN, TEXAS

PROCEEDINGS

FORTY-SIXTH DAY

(Continued)

(Wednesday, May 26, 2021)

AFTER RECESS

The Senate met at 11:00 a.m. and was called to order by the President.

Senator Schwertner offered the invocation as follows:

Lord, as we gather here as friends, as colleagues, and as the representatives for the people of Texas, we pray that You would grant us Your wisdom, Your guidance, and Your patience. Grant us understanding and grace for each other in this time. Bless us, Lord, to do Your work in these final days. We thank You for Your many blessings in our lives, for our families, our friendships, our health, and the blessing and great honor of serving our neighbors. As we go about our work today, I pray this blessing over each of you: May the Lord bless you and keep you; may the Lord make His face shine on you and be gracious to you; may the Lord turn His face toward you and give you peace. In Your name we pray. Amen.

SENATE RESOLUTION 467

Senator Buckingham offered the following resolution:

SR 467, Recognizing the Westlake High School boys' golf team for winning a state championship.

The resolution was read and was adopted without objection.

GUESTS PRESENTED

Senator Buckingham, joined by Senator Lucio, was recognized and introduced to the Senate representatives of the Westlake High School boys' golf team including Coach Callan Nokes, Jacob Sosa, Sean-Karl Dobson, Zach Kingsland, J. Holland Humphries, and Kellan McGinnis.

The Senate welcomed its guests.

GUEST PRESENTED

Senator Hall was recognized and introduced to the Senate Edgar Pacheco Jr.

The Senate welcomed its guest.

SENATE RESOLUTION 154

Senator Lucio offered the following resolution:

WHEREAS, The Senate of the State of Texas is pleased to recognize Imelda Garcia for her outstanding work with the Texas Department of State Health Services; and

WHEREAS, Imelda Garcia is the associate commissioner of Laboratory and Infectious Disease Services at the Department of State Health Services; she joined the agency in 2007 after beginning her career in public health as an employee of the New York City Department of Health and Mental Hygiene; and

WHEREAS, She has held multiple leadership positions within the Department of State Health Services; she served as the director of the Infectious Disease Prevention Section, where she was responsible for overseeing prevention and control activities related to zoonotic and emerging and acute infectious diseases, health care safety, antibiotic stewardship, and immunization programs; and

WHEREAS, In 2018, she was promoted to the position of associate commissioner of Laboratory and Infectious Disease Services; in this role, she has effectively led the agency's response to the state's COVID-19 pandemic and has overseen such areas as disease surveillance, testing, and vaccination; and

WHEREAS, Imelda Garcia has served Texans with distinction over the course of her career with the Department of State Health Services, and it is truly fitting that she receive special recognition; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 87th Legislature, hereby commend Imelda Garcia on her invaluable leadership in meeting the challenges of the COVID-19 pandemic response in Texas and extend to her best wishes for continued success; and, be it further

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

SR 154 was read.

On motion of Senator Menéndez and by unanimous consent, the names of the Lieutenant Governor and Senators were added to the resolution as signers thereof.

On motion of Senator Lucio, the resolution was adopted by a rising vote of the Senate.

GUESTS PRESENTED

Senator Lucio, joined by Senators Kolkhorst, Perry, Menéndez, Gutierrez, and Miles, was recognized and introduced to the Senate Imelda Garcia and John Hellerstedt.

The Senate welcomed its guests.

(Senator Bettencourt in Chair)

GUESTS PRESENTED

Senator Paxton, joined by Senator Menéndez, was recognized and introduced to the Senate a delegation from the Ismaili Jamatkhana and Centre of Houston including Arman Rupani and Waheeda Kara.

The Senate welcomed its guests.

SENATE RESOLUTION 410

Senator Birdwell offered the following resolution:

SR 410, Recognizing Ralph H. Walton Jr. on the occasion of his retirement.

The resolution was read and was adopted without objection.

GUEST PRESENTED

Senator Birdwell was recognized and introduced to the Senate Ralph H. Walton Jr.

The Senate welcomed its guest.

SENATE RESOLUTION 465

Senator Johnson offered the following resolution:

SR 465, Recognizing Bob Phillips for 50 years of reporting on the *Texas Country Reporter*.

The resolution was read and was adopted without objection.

GUESTS PRESENTED

Senator Johnson was recognized and introduced to the Senate Bob Phillips and his wife, Kelli Phillips.

The Senate welcomed its guests.

SENATE RESOLUTION 458

Senator Miles offered the following resolution:

WHEREAS, The Mickey Leland Environmental Internship Program (MLEIP) is celebrating its 30th anniversary in 2021, and this represents a fine opportunity to pay tribute to the success of this unique initiative; and

WHEREAS, Administered by the Texas Commission on Environmental Quality (TCEQ), MLEIP is named in memory of U.S. Representative George "Mickey" Leland, in recognition of his dedication to sound environmental stewardship; Congressman Leland died in an airplane crash in 1989 while he was on a mission to Ethiopia as chair of the U.S. House of Representatives Select Committee on Hunger; and

WHEREAS, MLEIP was established by John Hall, the founding chair of TCEQ's predecessor agency, the Texas Natural Resource Conservation Commission, to provide college students with hands-on experience in science and conservation; more than 500 students, mostly STEM majors, apply to the program each year for the opportunity to gain work experience, expand their knowledge, and fulfill college requirements; participants are assigned to jobs at the TCEQ and other state agencies, as well as city and county governments, nonprofits, and private companies in Texas; and

WHEREAS, Over the past three decades, MLEIP has launched the careers of nearly 2,500 interns, including women and people of color as well as economically disadvantaged and first-generation students; former program members now work in leadership positions in science and technology across the nation, and many have sponsored their own Leland interns; and

WHEREAS, Through the years, MLEIP has helped create the next generation of leaders by providing exceptional students with the opportunity to deepen their understanding of the natural world while developing professional skills and networks; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 87th Legislature, hereby commemorate the 30th anniversary of the Mickey Leland Environmental Internship Program and extend to all those associated with the initiative sincere best wishes for continued success; and, be it further

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

SR 458 was read and was adopted without objection.

GUESTS PRESENTED

Senator Miles, joined by Senators Perry and Eckhardt, was recognized and introduced to the Senate members of the Mickey Leland Environmental Internship Program including John Hall, Bobby Janecka, L'Oreal Stepney, Ray Averitt, and Leonard Spearman.

The Senate welcomed its guests.

BILLS SIGNED

The Presiding Officer announced the signing of the following enrolled bills in the presence of the Senate after the captions had been read:

SB 48, SB 50, SB 56, SB 59, SB 179, SB 220, SB 263, SB 291, SB 480, SB 560, SB 776, SB 798, SB 873, SB 993, SB 1257, SB 1258, SB 1270, SB 1444, SB 1524, SB 1907, SB 1955, SB 2046.

HB 428, HB 531, HB 738, HB 1338, HB 1382, HB 1407, HB 1475, HB 1476, HB 1522, HB 1576, HB 1603, HB 1616, HB 1677, HB 1729, HB 1920, HB 1938, HB 1967, HB 2080, HB 2090, HB 2091, HB 2171, HB 2213, HB 2326, HB 2366, HB 2430, HB 2509, HB 2581, HB 2822, HB 2893, HB 3442, HB 3516, HB 3629, HB 3959, HB 4030, HB 4158.

GUEST PRESENTED

Senator Kolkhorst was recognized and introduced to the Senate North Dakota State Senator David Clemens.

The Senate welcomed its guest.

(Senator Springer in Chair)
COMMITTEE SUBSTITUTE
HOUSE BILL 2 ON SECOND READING

On motion of Senator Nelson and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2** at this time on its second reading:

CSHB 2, Relating to making supplemental appropriations and reductions in appropriations and giving direction and adjustment authority regarding appropriations.

The bill was read second time.

Senator Nelson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____ . FEDERAL FUNDS AND BLOCK GRANTS NOT APPROPRIATED. Section 13.01, Article IX, Page IX-62, Chapter 1353 (H.B. 1), Acts of the 86th Legislature, Regular Session, 2019 (the General Appropriations Act), is amended to read as follows:

Sec. 13.01. Federal Funds/Block Grants. (a) Funds received from the American Rescue Plan Act of 2021 (Pub. L. No. 117-2) through the Coronavirus State Fiscal Recovery Fund (except for funds appropriated through Section 603, Coronavirus Local Fiscal Recovery Fund, of that Act) and Section 604 of the American Rescue Plan Act of 2021 (Coronavirus Capital Projects Fund) and any federal funds made available under the American Jobs Act or similar federal legislation enacted after the 87th Legislature, Regular Session, 2021, adjourns are specifically excluded from the appropriations made by this Act.

(b) Funds received from the United States government by a state agency or institution named in this Act are appropriated to the agency or institution for the purposes for which the federal grant, allocation, aid, payment, or reimbursement was made subject to the provisions of this Act, specifically excluding funds received from the American Rescue Plan Act of 2021 (Pub. L. No. 117-2) through the Coronavirus State Fiscal Recovery Fund (except for funds appropriated through Section 603, Coronavirus Local Fiscal Recovery Fund, of that Act) and Section 604 of the American Rescue Plan Act of 2021 (Coronavirus Capital Projects Fund) and any federal funds made available under the American Jobs Act or similar federal legislation enacted after the 87th Legislature, Regular Session, 2021, adjourns.

The amendment to **CSHB 2** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 2 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.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2 ON THIRD READING**

Senator Nelson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**SENATE RULE 12.08(b) SUSPENDED
(Suspension of Conference Committee Rules)
(Motion In Writing)**

Senator Nelson offered the following Motion In Writing:

Mr. President,

I move suspension of Senate Rule 12.08(b) to permit consideration of Senate Resolution 469, the Outside the Bounds resolution for the budget.

Thank you, Mr. President.

NELSON

The Motion In Writing was read and prevailed without objection.

**SENATE RULE 12.09(a) SUSPENDED
(Printing and Notice of Conference Committee Reports)
(Motion In Writing)**

Senator Nelson offered the following Motion In Writing:

Mr. President,

I move suspension of Senate Rule 12.09(a) to permit consideration of the Conference Committee Report on Senate Bill 1, the general appropriations bill.

Thank you, Mr. President.

NELSON

The Motion In Writing was read and prevailed without objection.

SENATE RESOLUTION 469

Senator Nelson offered the following resolution:

SR 469, Suspending the limitations on the conference committee jurisdiction for S.B. No. 1.

The resolution was read and was adopted by the following vote: Yeas 31, Nays 0.

STATEMENT OF LEGISLATIVE INTENT

Senators Nelson and Nichols submitted the following statement of legislative intent for **SR 469**:

May 26, 2021

Statement of Intent on SR 469

To correct a technical error, the intent of Article IX, Section 17.32, related to Rusk State Hospital is to authorize the demolition of 5 buildings, not building #5.

The five buildings intended for demolition at Rusk State Hospital are 613, 532, 535, 527 and 528.

NELSON
NICHOLS

(President in Chair)

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1 ADOPTED**

Senator Nelson called from the President's table the Conference Committee Report on **SB 1**. The Conference Committee Report was filed with the Senate on Tuesday, May 25, 2021.

On motion of Senator Nelson, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

HOUSE BILL 1252 ON SECOND READING

On motion of Senator Hall and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1252** at this time on its second reading:

HB 1252, Relating to the limitation period for filing a complaint and requesting a special education impartial due process hearing.

The bill was read second time.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1252** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. This Act may be cited as the Edgar Pacheco Jr. Act.

The amendment to **HB 1252** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 1252 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:

Nays: Bettencourt, Buckingham, Hancock, Perry, Schwertner, Seliger.

HOUSE BILL 1252 ON THIRD READING

Senator Hall moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1252** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 25, Nays 6.

Yeas: Alvarado, Birdwell, Blanco, Campbell, Creighton, Eckhardt, Gutierrez, Hall, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Powell, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Bettencourt, Buckingham, Hancock, Perry, Schwertner, Seliger.

REMARKS ORDERED PRINTED

On motion of Senator Hall and by unanimous consent, the remarks regarding **HB 1252** were ordered reduced to writing and printed in the *Senate Journal* as follows:

President: Senator Hall, you're recognized on House Bill 1252, suspend the regular order of business.

Senator Hall: Thank you, Mr. President and Members. And while it's not actually in the bill itself, this bill will always be remembered by myself and our staff as the Edgar Pacheco Act. In 2003, the federal Individuals with Disabilities Education Act was reauthorized and finally became law in 2004. As part of those negotiations, a two-year statute of limitation was added to provide a parent of a child with a disability the opportunity to bring a due process claim against the school district within two years of the date the parent or agency knew or should have known about the alleged action that forms the basis of the due process complaint or in time allocated by law. The TEA established a commissioner's rule limiting the statute of limitation to one year in Texas. HB 1252 simply seeks to align the limitation period in Texas with the period set by federal law. This bill is not retroactive, thus pending matters will not be upset by additional claim. Mr. President, I move suspension.

Senator Taylor: Mr. President, I'd like to do something a little unusual. But this is an outstanding individual from my district. He has been up here working tirelessly on this issue. He works in his community, and I would like to make a motion that we name this bill the Edgar Pacheco Act, if it's okay with my colleagues.

President: Members, any objection to naming this bill for Edgar? We will reduce this to writing. Any objection? As Floor Amendment No. 1. Any objection, hearing none, Senator Hall, you are now recognized on passage to third reading.

(Remarks after final passage)

President: Edgar, all of your work up here paid off. This bill is named for you. It will be your bill forever, 1252 passes 31 to nothing.

SENATE RULE 11.13 SUSPENDED
(Consideration of Bills in Committees)

On motion of Senator Schwertner and by unanimous consent, Senate Rule 11.13 was suspended to grant the Committee on Administration permission to meet while the Senate is meeting today.

SENATE RULES SUSPENDED
(Posting Rules)

On motion of Senator Schwertner and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on Administration might meet and consider **HCR 67** today in the press room, 2E.9.

AT EASE

The President at 2:03 p.m. announced the Senate would stand At Ease subject to the call of the Chair.

IN LEGISLATIVE SESSION

The President at 3:02 p.m. called the Senate to order as In Legislative Session.

COMMITTEE SUBSTITUTE
HOUSE BILL 1468 ON SECOND READING

On motion of Senator Taylor and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1468** at this time on its second reading:

CSHB 1468, Relating to a local remote learning program operated by a public school.

The bill was read second time.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1468** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 48.005(h), Education Code, is amended to read as follows:

(h) Subject to rules adopted by the commissioner under Section 48.007(b), time that a student participates in an off-campus instructional program approved under Section 48.007(a) or a course or program provided under Section 48.007(c) shall be counted as part of the minimum number of instructional hours required for a student to be considered a full-time student in average daily attendance for purposes of this section.

SECTION _____. The heading to Section 48.007, Education Code, is amended to read as follows:

Sec. 48.007. OFF-CAMPUS COURSES OR PROGRAMS COUNTED ~~[APPROVED]~~ FOR PURPOSES OF AVERAGE DAILY ATTENDANCE.

SECTION _____. Section 48.007, Education Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The commissioner shall adopt by rule verification and reporting procedures to report student participation ~~[concerning time spent by students participating]~~ in instructional programs approved under Subsection (a) or courses or programs provided under Subsection (c).

(c) A school district or open-enrollment charter school may provide one or more off-campus electronic courses, an off-campus electronic program, or an instructional program that combines in-person instruction and off-campus electronic instruction to students enrolled in the district or school who have reasonable access to in-person services at a district or school facility. Off-campus electronic instruction for a course or program provided under this subsection may be provided synchronously or asynchronously. A student enrolled in a course or program provided under this subsection shall be counted toward the district's or school's average daily attendance in the same manner as other district or school students, except that the total number of students counted under this subsection may not exceed 10 percent of the district's or school's total student enrollment. In adopting rules under Subsection (b), the commissioner shall provide for a method of taking attendance, once each school day, for students enrolled in a course or program provided under this subsection.

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 1468** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 48.007, Education Code, is amended by adding Subsections (c), (d), and (e) to read as follows:

(c) A school district or open-enrollment charter school that operated during the 2020-2021 school year a full-time virtual program outside the state virtual network under Chapter 30A may:

(1) continue to operate the virtual program on a full-time basis;
 (2) apply the same enrollment and transfer criteria used during the 2020-2021 school year; and

(3) offer the program to students in grades prekindergarten through 12 or to any grade level configuration that the district or charter school determines appropriate if the configuration contains at least one grade level for which an assessment instrument under Section 39.027 is administered.

(d) A full-time virtual program described by Subsection (c) may not exceed the program's enrollment level for the 2020-2021 school year during any subsequent school year.

(e) Subsections (c) and (d) and this subsection expire September 1, 2027.

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 3

Amend **CSHB 1468** (senate committee printing) as follows:

(1) Strike "2023" and substitute "2027" in each of the following places:

(A) SECTION 1 of the bill, in added Section 21.051(g), Education Code (page 1, line 35);

(B) SECTION 2 of the bill, in added Section 25.092(a-3), Education Code (page 1, line 42);

(C) SECTION 3 of the bill, in added Section 29.9091(r), Education Code (page 3, line 23);

(D) SECTION 4 of the bill, in added Section 39.301(c-1), Education Code (page 3, line 31);

(E) SECTION 5 of the bill, in added Section 48.005(m-2), Education Code (page 3, line 43); and

(F) SECTION 6 of the bill, in added Section 48.053(b-2), Education Code (page 3, line 55).

(2) In SECTION 3 of the bill, in added Section 29.9091(q), Education Code (page 3, line 21), strike "10 percent" and substitute "25 percent of the total number".

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 3 except as follows:

Nays: Perry, Schwertner, Seliger.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 4

Amend **CSHB 1468** (senate committee printing) in SECTION 1 of the bill, in added Section 21.051(g), Education Code (page 1, line 30), by striking "not prohibit a candidate from satisfying" and substituting "allow a candidate to satisfy".

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 4 except as follows:

Nays: Seliger.

Senator Bettencourt offered the following amendment to the bill:

Floor Amendment No. 5

Amend **CSHB 1468** (senate committee printing) in SECTION 3 of the bill, in added Section 29.9091(a), Education Code (page 1, line 48), between "year" and "may", by inserting "or the most recent school year in which a performance rating was assigned".

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 5.

Senator Bettencourt offered the following amendment to the bill:

Floor Amendment No. 6

Amend **CSHB 1468** (senate committee printing) in SECTION 3 of the bill, in added Section 29.9091, Education Code, by striking Subsection (p) (page 3, lines 12 through 18) and substituting the following appropriately lettered subsection:

() In evaluating under Chapter 39 the performance of a school district or open-enrollment charter school that operates a full-time local remote learning program, the commissioner shall:

(1) evaluate the performance of students enrolled in the program separately from other district or school students; and

(2) compare the performance of students enrolled in the program to other district or school students.

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 6.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 7

Amend **CSHB 1468** (senate committee printing) in SECTION 3 of the bill, adding Section 29.9091, Education Code (page 2, between lines 17 and 18), by inserting the following appropriately lettered subsection and relettering subsequent subsections and cross-references to those subsections accordingly:

() A school district or open-enrollment charter school may not deny enrollment in a virtual course offered under a local remote learning program operated by the district or school to a student based on the student's disability or the student's status as a student of limited English proficiency, as defined by Section 29.052.

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 7.

Senator Eckhardt offered the following amendment to the bill:

Floor Amendment No. 8

Amend **CSHB 1468** (senate committee printing) in SECTION 6 of the bill, in added Section 48.053(b-1), Education Code (page 3, lines 48 and 49), by striking "and that operates a local remote learning program under Section 29.9091. For a local remote learning program of" and substituting ". For".

ECKHARDT
PERRY

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 8.

Senator Hughes offered the following amendment to the bill:

Floor Amendment No. 9

Amend **CSHB 1468** (senate committee report) in SECTION 3 of the bill, in added Section 29.9091, Education Code (page 2, between lines 58 and 59), by inserting the following appropriately lettered subsection and relettering subsequent subsections appropriately:

() A school district or open-enrollment charter school may not assign a teacher to a full-time local remote learning program unless the teacher agrees to the assignment and the assignment is specifically stated in the teacher's employment contract or agreement for the applicable school year. A provision of the teacher's employment contract or agreement for a school year that specifically states the teacher's assignment to a full-time local remote learning program may be changed for a subsequent school year only before the date on which the teacher must submit a written resignation to resign without penalty under Section 21.105, 21.160, or 21.210, as applicable. The application of this subsection may not be waived by the commissioner or under a provision of a teacher's employment contract or agreement.

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 9.

Senator Paxton offered the following amendment to the bill:

Floor Amendment No. 10

Amend **CSHB 1468** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS accordingly:

SECTION ____ . Section 21.001, Education Code, is amended by adding Subdivisions (4) and (5) to read as follows:

(4) "Virtual instruction" means instructional activities delivered to students primarily over the Internet.

(5) "Virtual learning" means digital learning facilitated by virtual instruction.

SECTION ____ . Section 21.044(c-2), Education Code, is amended to read as follows:

(c-2) Any minimum academic qualifications for a certificate specified under Subsection (a) that require a person to possess a bachelor's degree must also require that the person receive, as part of the training required to obtain that certificate, instruction in digital learning, virtual learning, and virtual instruction, including a digital literacy evaluation followed by a prescribed digital learning curriculum. The instruction required must:

(1) be aligned with the International Society for Technology in Education's standards for teachers;

(2) provide effective, evidence-based strategies to determine a person's degree of digital literacy; ~~and~~

(3) cover best practices in:

(A) assessing students receiving virtual instruction, based on academic progress; and

(B) developing a virtual learning curriculum; and

(4) include resources to address any deficiencies identified by the digital literacy evaluation.

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 10.

Senator Kolkhorst offered the following amendment to the bill:

Floor Amendment No. 11

Amend **CSHB 1468** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS accordingly:

SECTION __. Section 26.006(a), Education Code, is amended to read as follows:

(a) A parent is entitled to:

(1) review all teaching materials, instructional materials, and other teaching aids used in the classroom of the parent's child, including while the child is participating in virtual or remote learning; ~~and~~

(2) review each test administered to the parent's child after the test is administered; and

(3) observe virtual instruction while the parent's child is participating in virtual or remote learning to the same extent the parent would be entitled to observe in-person instruction of the child.

The amendment to **CSHB 1468** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 11.

CSHB 1468 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:

Nays: Creighton, Schwertner, Seliger.

COMMITTEE SUBSTITUTE HOUSE BILL 1468 ON THIRD READING

Senator Taylor moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1468** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 3.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Eckhardt, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Creighton, Schwertner, Seliger.

HOUSE BILL 2287 ON SECOND READING

On motion of Senator Powell and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2287** at this time on its second reading:

HB 2287, Relating to data collection and receipt of certain reports by and consultation with the Collaborative Task Force on Public School Mental Health Services.

The bill was read second time.

Senator Powell offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2287** (senate committee report) in SECTION 5 of the bill, in added Section 38.308(a)(1)(G), Education Code (page 2, line 59), by striking "annually".

The amendment to **HB 2287** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 2287 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.

HOUSE BILL 2287 ON THIRD READING

Senator Powell moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2287** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 2827 ON SECOND READING

On motion of Senator Zaffirini and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2827** at this time on its second reading:

HB 2827, Relating to the transfer to the Texas Higher Education Coordinating Board of certain responsibilities relating to postsecondary education and career counseling.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 2827 ON THIRD READING

Senator Zaffirini moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2827** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 3948 ON SECOND READING**

On motion of Senator Perry and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 3948** at this time on its second reading:

CSHB 3948, Relating to the production and regulation of hemp and consumable hemp products; providing administrative penalties; creating a criminal offense.

The bill was read second time.

Senator Perry offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3948** (senate committee report) as follows:

(1) In SECTION 15 of the bill, in added Section 443.006(a), Health and Safety Code, strike Subdivision (3) (page 5, lines 32 through 34) and renumber the subdivisions of the added subsection accordingly.

(2) In SECTION 21 of the bill, strike added Section 443.203(c), Health and Safety Code (page 6, lines 48 through 61), and substitute the following:

(c) A person who sells, offers for sale, or distributes a consumable hemp product commits a false, misleading, or deceptive act or practice actionable under Subchapter E, Chapter 17, Business & Commerce Code, if the person claims the product is made in this state and less than 75 percent of the hemp contained in the product was grown in this state by a person who holds a license under Chapter 122, Agriculture Code.

The amendment to **CSHB 3948** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Perry offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 3948** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION _____. Section 41.002(1), Agriculture Code, is amended to read as follows:

(1) "Agricultural commodity" means an agricultural, horticultural, viticultural, or vegetable product, bees and honey, planting seed, rice, hemp, livestock or livestock product, or poultry or poultry product, produced in this state, either in its natural state or as processed by the producer. The term does not include flax.

SECTION _____. Section 141.008, Agriculture Code, is amended to read as follows:

Sec. 141.008. HEMP IN COMMERCIAL FEED. (a) The service shall ~~may~~ adopt rules authorizing, defining, and controlling the use of hemp and hemp products in commercial feed.

(b) Rules adopted under this section must authorize the use of hemp as commercial feed or an ingredient or component of commercial feed for:

(1) pets, specialty and exotic pets, horses, and other animals that are not intended for human consumption or for the production of animal byproducts intended for human consumption; and

(2) only to the extent authorized by the United States Food and Drug Administration, animals that are intended for human consumption or for the production of animal byproducts intended for human consumption.

The amendment to **CSHB 3948** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

CSHB 3948 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:

Nays: Johnson.

COMMITTEE SUBSTITUTE HOUSE BILL 3948 ON THIRD READING

Senator Perry moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 3948** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 1.

Nays: Johnson.

COMMITTEE SUBSTITUTE HOUSE BILL 4368 ON SECOND READING

On motion of Senator Buckingham and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4368** at this time on its second reading:

CSHB 4368, Relating to participation in, contributions to, and the benefits and administration of retirement systems for police officers in certain municipalities.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4368 ON THIRD READING**

Senator Buckingham moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4368** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**SENATE RULE 2.02 SUSPENDED
(Restrictions on Admission)**

On motion of Senator Schwertner and by unanimous consent, Senate Rule 2.02 was suspended to grant floor privileges to two Texas Education Agency representatives during consideration of **HB 1525**.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1525 ON SECOND READING**

Senator Taylor moved to suspend the regular order of business to take up for consideration **CSHB 1525** at this time on its second reading:

CSHB 1525, Relating to the public school finance system and public education.

The motion prevailed by the following vote: Yeas 19, Nays 12.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Hall, Hancock, Hinojosa, Huffman, Kolkhorst, Lucio, Nelson, Nichols, Paxton, Perry, Schwertner, Springer, Taylor, West.

Nays: Alvarado, Blanco, Eckhardt, Gutierrez, Hughes, Johnson, Menéndez, Miles, Powell, Seliger, Whitmire, Zaffirini.

The bill was read second time.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1525** (senate committee report) as follows:

(1) In the recital to SECTION 25 of the bill, adding Sections 48.281 and 48.282, Education Code (page 10, line 35), strike "Sections 48.281 and 48.282" and substitute "Section 48.281".

(2) In SECTION 25 of the bill, strike added Section 48.282, Education Code (page 10, line 61 through page 11, line 53).

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 1525** (senate committee printing) as follows:

(1) In SECTION 17 of the bill, in added Section 48.111(a), Education Code (page 7, line 44), strike "0.35" and substitute "the applicable weight under Subsection (a-1)".

(2) In SECTION 17 of the bill, in amended Section 48.111, Education Code (page 7, lines 51-55), strike added Subsection (a-1) and substitute the following:

(a-1) For purposes of Subsection (a), the agency shall assign the following weights:

(1) 0.48 for each student enrolled at a district in the top third of districts, as determined based on the number of students calculated under Subsection (a);

(2) 0.33 for each student enrolled at a district in the middle third of districts, as determined based on the number of students calculated under Subsection (a); and

(3) 0.18 for each student enrolled at a district in the bottom third of districts, as determined based on the number of students calculated under Subsection (a).

(a-2) Notwithstanding Subsection (a-1), instead of using the weights under that subsection, the agency shall substitute the following weights:

(1) 0.45 for each student enrolled at a district in the top third of districts, as determined based on the number of students calculated under Subsection (a);

(2) 0.30 for each student enrolled at a district in the middle third of districts, as determined based on the number of students calculated under Subsection (a); and

(3) 0.15 for each student enrolled at a district in the bottom third of districts, as determined based on the number of students calculated under Subsection (a).

(3) In SECTION 17 of the bill, in added Section 48.111(a-2), Education Code (page 7, line 56), strike "(a-2) Subsection (a-1)" and substitute "(a-3) Subsection (a-2)".

(4) In SECTION 17 of the bill, in added Section 48.111(c), Education Code (page 7, lines 68-69), strike "reduce each district's allotment under this section in the manner provided by Section 48.266(f)" and substitute "proportionately reduce each district's allotment under this section".

(5) In SECTION 17 of the bill, in added Section 48.111(d-1), Education Code (page 8, lines 19-20), strike "reduce each district's amount under Subsection (d) in the manner provided by Section 48.266(f)" and substitute "proportionately reduce each district's amount under Subsection (d)".

(6) In SECTION 24 of the bill, in added Section 48.277(c-1), Education Code (page 10, lines 29-31), strike "reduce each district's or school's allotment under this section in the manner provided by Section 48.266(f)" and substitute "proportionately reduce each district's or charter school's allotment under this section".

(7) In SECTION 25 of the bill, in added Section 48.281(a), Education Code (page 10, line 38), strike "may adjust" and substitute "shall increase".

(8) In SECTION 25 of the bill, in added Section 48.281, Education Code, strike "adjustment" and substitute "increase" in each of the following places:

(A) each place it appears in Subsection (b) (page 10, lines 46, 48, and 50);
and

(B) each place it appears in Subsection (c) (page 10, lines 55 and 58).

(9) In SECTION 25 of the bill, in added Section 48.281(c), Education Code (page 10, line 54), strike "adjustments" and substitute "increases".

(10) In SECTION 25 of the bill, in the heading to added Section 48.282, Education Code (page 10, lines 61-62), strike "SPENDING LIMITATIONS TO EXTEND INTERVENTIONS PREVENTING" and substitute "EXTENDING INTERVENTIONS TO PREVENT".

(11) In SECTION 25 of the bill, in added Section 48.282(a), Education Code (page 10, lines 65-66), strike "in an amount determined by the agency under Subsection (b),".

(12) In SECTION 25 of the bill, in added Section 48.282, Education Code, strike "or school" and substitute "or charter school" in each of the following places it appears:

(A) in Subsection (a) (page 10, line 67);

(B) in Subsection (c) (page 11, lines 14-15);

(C) in Subsection (e) (page 11, lines 22 and 24); and

(D) in Subsection (f) (page 11, lines 33-34, 35, and 38).

(13) In SECTION 25 of the bill, in added Section 48.282(a), Education Code (page 10, line 68), between "49" and the underlined period, insert the following: in an amount equal to 40 percent of the amount that results after subtracting \$500,000 from the amount the district or charter school received under Section 2001(f), American Rescue Plan Act of 2021 (Pub. L. No. 117-2, reprinted in note, 20 U.S.C. Section 3401)

(14) In SECTION 25 of the bill, strike added Section 48.282(b), Education Code (page 10, line 69 through page 11, line 9), and reletter subsequent subsections of Section 48.282 and fix any cross-references to those subsections accordingly.

The amendment to **CSHB 1525** was read.

Senator Taylor offered the following amendment to Floor Amendment No. 2:

Floor Amendment No. 3

Amend Amendment No. 2 by Taylor (87R28270) to **CSHB 1525** (page 3, prefiled amendments packet) by striking Items (10), (11), (12), (13), and (14) of the amendment.

The amendment to Floor Amendment No. 2 to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 3 except as follows:

Nays: Powell.

Question recurring on the adoption of Floor Amendment No. 2 to **CSHB 1525**, the amendment as amended was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2 as amended except as follows:

Nays: Powell.

Senator Campbell offered the following amendment to the bill:

Floor Amendment No. 4

Amend **CSHB 1525** (senate committee printing) as follows:

(1) Strike SECTION 4 of the bill, amending Section 25.001(h), Education Code (page 2, lines 30 through 42).

(2) In SECTION 31(a) of the bill, repealing provisions of the Education Code, strike Subdivisions (2) and (3) (page 13, lines 12 and 13).

(3) In SECTION 31(a) of the bill, repealing provisions of the Education Code, strike Subdivision (5) (page 13, line 15) and substitute "and".

(4) Renumber subdivisions of SECTION 31(a) of the bill accordingly.

(5) Renumber SECTIONS of the bill appropriately.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 4.

Senator Campbell offered the following amendment to the bill:

Floor Amendment No. 5

Amend **CSHB 1525** (senate committee printing) in SECTION 13 of the bill, in amended Section 48.104(j-1), Education Code, as follows:

(1) In Subdivision (2) (page 6, line 4), strike "or".

(2) In Subdivision (3) (page 6, line 7), between "enrolled" and the period, insert the following:

; or

(4) pay expenses related to reducing the dropout rate and increasing the rate of high school completion, including expenses related to duties performed by attendance officers to support educationally disadvantaged students

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 5.

Senator Hughes offered the following amendment to the bill:

Floor Amendment No. 6

Amend **CSHB 1525** (senate committee report) in SECTION 17 of the bill as follows:

(1) In amended Section 48.111(a), Education Code, strike page 7, lines 45-50 and substitute the following:

equal to the greater of:

(1) the difference, if the difference is greater than zero, that results from subtracting 250 from the difference between the number of students enrolled in the district during the school year immediately preceding the current school year and the number of students enrolled in the district during the school year six years preceding the current school year; or

(2) the average annual growth in student enrollment in the district for the preceding three school years, if the growth in student enrollment in the district for the preceding three school years is in the top quartile of student enrollment growth in school districts in the state for that period, as determined by the commissioner [~~the~~ average daily attendance].

(2) Strike added Section 48.111(d), Education Code (page 8, lines 9-14), and substitute the following:

(d) Subject to the limitation under Subsection (d-1), for the 2021-2022 school year, the agency shall provide to each school district that is entitled to an allotment under this section that is less than the amount of the allotment to which the district was entitled for the 2019-2020 or 2020-2021 school year, whichever was greater, an allotment amount equal to the difference between the greater amount for the 2019-2020 or 2020-2021 school year and the amount to which the district is entitled for the 2021-2022 school year.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 6.

Senator West offered the following amendment to the bill:

Floor Amendment No. 7

Amend **CSHB 1525** (senate committee report) by striking SECTION 24 of the bill, adding Section 48.277(c-1), Education Code (page 10, lines 23-33) and renumbering subsequent SECTIONS of the bill accordingly.

The amendment to **CSHB 1525** was read.

Senator West withdrew Floor Amendment No. 7.

Senator Nichols offered the following amendment to the bill:

Floor Amendment No. 8

Amend **CSHB 1525** (senate committee printing) as follows:

(1) In the recital to SECTION 24 of the bill (page 10, lines 23 and 24), between "by" and "adding", insert "amending Subsection (b) and".

(2) In SECTION 24 of the bill, immediately preceding added Section 48.277(c-1), Education Code (page 10, between lines 24 and 25), insert the following:

(b) For purposes of calculating maintenance and operations revenue under Subsection (a), the commissioner shall:

(1) for purposes of Subsections (a)(1) and (2), use the following applicable school year:

(A) in a school year ending in an even-numbered year, the 2019-2020 school year; and

(B) in a school year ending in an odd-numbered year, the 2019-2020 or 2020-2021 school year, whichever is greater;

(2) include all state and local funding, except for any funding resulting from:

(A) reimbursement for disaster remediation costs under former Sections 41.0931 and 42.2524;

(B) an adjustment for rapid decline in taxable value of property under former Section 42.2521; and

(C) an adjustment for property value affected by a state of disaster under former Section 42.2523;

(3) adjust the calculation to reflect a reduction in tax effort by a school district;

(4) adjust the calculation to include the portion of delinquent taxes owed by a taxpayer that were scheduled to be paid under an installment agreement during the 2019-2020 or 2020-2021 school year but that will be paid during a later school year than the school year in which they were originally due, if the taxpayer subject to the installment agreement owns properties in a school district that, in total, account for more than 7.5 percent of the district's total taxable property value; and

(5) [(4)] if a school district or open-enrollment charter school receives a waiver relating to eligibility requirements for the national free or reduced-price lunch program under 42 U.S.C. Section 1751 et seq., use the numbers of educationally disadvantaged students on which the district's or school's entitlement to compensatory education funds was based for the school year before the school year in which the district or school received the waiver, adjusted for estimated enrollment growth.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 8.

Senator Menéndez offered the following amendment to the bill:

Floor Amendment No. 9

Amend **CSHB 1525** (senate committee printing) in SECTION 25 of the bill, in added Section 48.281, Education Code, as follows:

(1) In Subsection (a) (page 10, line 37), strike "Subsection (b)" and substitute "Subsections (b) and (c)".

(2) Strike Subsection (b) (page 10, lines 46 through 52), substitute the following subsections, and reletter subsequent subsections accordingly:

(b) Before making an adjustment under Subsection (a), the commissioner shall:

(1) provide to each member of the legislature who represents the legislative district in which an affected school district or open-enrollment charter school is wholly or partly located notice of the proposed adjustment, including:

(A) the amount by which the district's or school's entitlement under this chapter will increase or decrease; and

(B) the anticipated effect of the adjustment on state funding under this chapter; and

(2) not later than the 15th day after the date on which notice is provided under Subdivision (1), submit to the Legislative Budget Board and the governor a request for approval of the proposed adjustment.

(c) A request for approval of an adjustment submitted under Subsection (b)(2) is considered to be disapproved unless the Legislative Budget Board or the governor issues a written approval of the adjustment not later than the 30th day after the date on which the commissioner submitted the request for approval.

The amendment to **CSHB 1525** was read.

Senator Menéndez withdrew Floor Amendment No. 9.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 10

Amend **CSHB 1525** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter Z, Chapter 29, Education Code, is amended by adding Sections 29.929, 29.930, 29.931, 29.932, and 29.933 to read as follows:

Sec. 29.929. PROGRAMS TO ENSURE ONE-TIME INTENSIVE EDUCATIONAL SUPPORTS FOR OVERCOMING COVID-19 PANDEMIC IMPACT. (a) From state discretionary funds under Section 313(e), Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260, reprinted in note, 20 U.S.C. Section 3401) and Section 2001(f), American Rescue Plan Act of 2021 (Pub. L. No. 117-2, reprinted in note, 20 U.S.C. Section 3401) and other funds appropriated, the agency shall establish programs that assist school districts and open-enrollment charter schools in implementing intensive supports to ensure students perform at grade level and graduate demonstrating college, career, or military readiness. Programs established under this section must include:

(1) expanding learning options for:

(A) Pathways in Technology Early College High School (P-TECH) programs in participating school districts under Subchapter N, Chapter 29;

(B) the Texas Regional Pathways Network; and

(C) the Jobs and Education for Texans (JET) Grant Program under Chapter 134;

(2) supplemental instructional supports, including tutoring; and

(3) COVID-19 learning acceleration supports, including:

(A) innovation in curriculum and instruction;

(B) diagnosing student mastery;

(C) extended instructional time; and

(D) supports for teachers.

(b) The agency may take actions as necessary in implementing intensive supports under Subsection (a), including providing grants to school districts, open-enrollment charter schools, and regional education service centers.

Sec. 29.930. USE OF ONE-TIME FEDERAL DISCRETIONARY COVID-19 FUNDING TO ENSURE GRADE LEVEL SUPPORT AND REIMBURSEMENTS. (a) To ensure additional resources to pay for unreimbursed costs due to the coronavirus disease (COVID-19) pandemic and for intensive educational supports for students not performing satisfactorily, for each of the 2021-2022 and 2022-2023 school years, except as provided by Subsection (c), from state discretionary funds under Section 2001(f), American Rescue Plan Act of 2021 (Pub. L. No. 117-2, reprinted in note, 20 U.S.C. Section 3401), the agency shall provide to each school district and open-enrollment charter school an allotment in an amount equal to the sum of:

(1) \$208.35 for each student enrolled in the district or charter school; and
(2) \$1,290 for each student enrolled in the district or charter school during the 2020-2021 school year multiplied by the percentage of students at the district or charter school who are not performing satisfactorily, as determined under Subsection (b).

(b) For purposes of Subsection (a)(2), the agency shall determine the percentage of students not performing satisfactorily by:

(1) dividing the number of students who did not perform satisfactorily on an assessment instrument administered under Section 39.023 by the total number of students who were administered assessment instruments under Section 39.023 during the 2018-2019 school year; and

(2) increasing the resulting number under Subdivision (1) by:

(A) for the 2021-2022 school year, 40 percent; and

(B) for the 2022-2023 school year, 20 percent.

(c) The agency shall reduce the amount of the allotment that a school district or open-enrollment charter school receives under Subsection (a) by the amount that the district or charter school receives from the local educational agency subgrants under Section 313(c), Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260, reprinted in note, 20 U.S.C. Section 3401) and Section 2001(d), American Rescue Plan Act of 2021 (Pub. L. No. 117-2, reprinted in note, 20 U.S.C. Section 3401).

(d) If the allotment provided to a school district or open-enrollment charter school under Subsection (a) is reduced in accordance with Subsection (c), the agency shall provide the total allotment amount to which the district or charter school is entitled for the 2021-2022 and 2022-2023 school years to the district or charter school in an equal amount each year.

(e) An allotment provided to a school district or open-enrollment charter school under this section may not reduce funding to which the district or charter school is otherwise entitled.

(f) The agency may not provide allotments to school districts and open-enrollment charter schools under this section after the 2022-2023 school year.

(g) This section expires September 1, 2024.

Sec. 29.931. BROADBAND TECHNICAL SUPPORT FOR STUDENTS.

From appropriated state funds or other funds, including federal funds, available for this section, the agency shall provide technical assistance to school districts and open-enrollment charter schools to ensure Internet access for students who have limited or no access to the Internet.

Sec. 29.932. ONE-TIME TECHNOLOGY REIMBURSEMENT. (a) Using state discretionary funds under Section 18003(e), Coronavirus Aid, Relief, and Economic Security Act (Title VIII, Div. B, Pub. L. No. 116-136, reprinted in note, 20 U.S.C. Section 3401), and Section 313(c), Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260, reprinted in note, 20 U.S.C. Section 3401), the agency shall provide reimbursement for technology acquisitions made by school districts and open-enrollment charter schools before February 28, 2021.

(b) This section expires September 1, 2023.

Sec. 29.933. LEGISLATIVE OVERSIGHT ON COVID-19 STATE RESPONSE. (a) At least quarterly, the agency shall update the entities listed under Subsection (b) regarding the state response to the coronavirus disease (COVID-19) pandemic with respect to public education matters, including:

(1) the implementation of and distribution of funds under the following programs:

(A) programs to ensure one-time intensive educational supports for overcoming COVID-19 pandemic impact under Section 29.929;

(B) the use of one-time federal discretionary COVID-19 funding to ensure grade level support and reimbursements under Section 29.930;

(C) broadband technical support for students under Section 29.931; and

(D) one-time technology reimbursement under Section 29.932; and

(2) the use of state discretionary funds under:

(A) Section 18003(e), Coronavirus Aid, Relief, and Economic Security Act (Title VIII, Div. B, Pub. L. No. 116-136, reprinted in note, 20 U.S.C. Section 3401); and

(B) Section 313(e), Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260, reprinted in note, 20 U.S.C. Section 3401).

(b) The agency shall update, in accordance with Subsection (a), the following entities:

(1) the office of the governor;

(2) the office of the lieutenant governor;

(3) the office of the speaker of the house of representatives;

(4) the office of the chair of the Senate Committee on Finance;

(5) the office of the chair of the House Committee on Appropriations;

(6) the office of the chair of the Senate Committee on Education; and

(7) the office of the chair of the House Committee on Public Education.

(c) This section expires September 1, 2024.

SECTION _____. Subchapter D, Chapter 39, Education Code, is amended by adding Section 39.087 to read as follows:

Sec. 39.087. COVID-19 ADJUSTMENT FOR FINANCIAL ACCOUNTABILITY. (a) The commissioner shall adjust the financial accountability rating system under Section 39.082 to account for the impact of financial practices necessary as a response to the coronavirus disease (COVID-19) pandemic, including adjustments required to account for federal funding and funding adjustments under Subchapter F, Chapter 48.

(b) This section expires September 1, 2023.

SECTION _____. Subchapter F, Chapter 48, Education Code, is amended by adding Section 48.2611 to read as follows:

Sec. 48.2611. ONE-TIME REIMBURSEMENT FOR WINTER STORM URI. (a) The agency shall provide reimbursement to school districts in accordance with Section 48.261 for costs incurred as a result of the 2021 North American winter storm (Winter Storm Uri), including any resulting electricity price increases.

(b) This section expires September 1, 2023.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 10.

(President Pro Tempore Birdwell in Chair)

Senator West offered the following amendment to the bill:

Floor Amendment No. 11

Amend **CSHB 1525** (senate committee printing) in SECTION 25 of the bill, amending Subchapter F, Chapter 48, Education Code, as follows:

(1) In the recital (page 10, line 35), strike "Sections 48.281 and 48.282" and substitute "Section 48.281".

(2) In added Section 48.281(a) (page 10, line 38), strike "adjust" and substitute "increase".

(3) In added Section 48.281, strike "adjustment" and substitute "increase" in each of the following places:

(A) each place it appears in Subsection (b) (page 10, lines 46, 48, and 50); and

(B) both places it appears in Subsection (c) (page 10, lines 55 and 58).

(4) In added Section 48.281(c) (page 10, line 54), strike "adjustments" and substitute "increases".

(5) Strike added Section 48.282 (page 10, line 61 through page 11, line 53).

The amendment to **CSHB 1525** was read.

Senator West withdrew Floor Amendment No. 11.

Senator Hughes offered the following amendment to the bill:

Floor Amendment No. 12

Amend **CSHB 1525** (senate committee printing) by adding the following appropriately numbered SECTIONS and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 22.092(d), Education Code, is amended to read as follows:

(d) The agency shall provide [~~private schools and public schools~~] equivalent access to the registry maintained under this section to:

(1) private schools;

(2) public schools; and

(3) nonprofit teacher organizations approved by the commissioner for the purpose of participating in the tutoring program established under Section 33.913.

SECTION _____. Subchapter Z, Chapter 33, Education Code, is amended by adding Section 33.913 to read as follows:

Sec. 33.913. TUTORING PROGRAM. (a) A member of a nonprofit teacher organization or a person who is not a member but meets the requirements under Subsection (b) may participate in a tutoring program in accordance with this section to provide supplemental instruction to students in kindergarten through grade 12 on an individualized or small-group basis.

(b) To participate in the program as a tutor, a person must:

(1) be an active or retired teacher;

(2) apply for the position in a manner specified by the nonprofit organization;

(3) designate in the application whether the person plans to provide tutoring;

(A) for compensation, on a volunteer basis, or both; and

(B) in person, online, or both; and

(4) not be included in the registry of persons not eligible for employment by a public school under Section 22.092.

(c) The superintendent or chief executive officer of each school district or open-enrollment charter school or the person designated by the superintendent or chief executive officer shall oversee the tutoring program within the district or school.

(d) A school district or open-enrollment charter school may use any available local, state, or federal funds to provide compensation to a person participating in the program as a tutor who is providing tutoring for compensation under the program.

(e) If an active or retired teacher who has been approved for participation in the tutoring program contacts a school district or open-enrollment charter school to provide tutoring to students in the district or school and the district or school needs tutoring assistance, the district or school shall:

(1) if the teacher is providing tutoring services on a volunteer basis, use the volunteer tutoring services provided by the teacher; or

(2) if the district or school has local, state, or federal funds for purposes of the tutoring program and the teacher is providing tutoring services for compensation, employ the teacher as a tutor.

(f) At least quarterly, each nonprofit organization participating in the tutoring program shall provide to the organization's members:

(1) a description of the tutoring program and guidance on how to participate in the program; and

(2) the contact information of each person described by Subsection (c) for the school district in which the member resides, any open-enrollment charter schools located within that district, and any adjacent districts.

SECTION _____. Section 824.602(a), Government Code, is amended to read as follows:

(a) Subject to Section 825.506, the retirement system may not, under Section 824.601, withhold a monthly benefit payment if the retiree is employed in a Texas public educational institution:

(1) as a substitute only with pay not more than the daily rate of substitute pay established by the employer and, if the retiree is a disability retiree, the employment has not exceeded a total of 90 days in the school year;

(2) in a position, other than as a substitute, on no more than a one-half time basis for the month;

(3) in one or more positions on as much as a full-time basis, if the retiree has been separated from service with all Texas public educational institutions for at least 12 full consecutive months after the retiree's effective date of retirement; ~~or~~

(4) in a position, other than as a substitute, on no more than a one-half time basis for no more than 90 days in the school year, if the retiree is a disability retiree; or

(5) as a tutor under Section 33.913, Education Code.

SECTION _____. Subchapter G, Chapter 825, Government Code, is amended by adding Section 825.604 to read as follows:

Sec. 825.604. INFORMATION PROVIDED TO MEMBERS. The retirement system shall regularly provide information in an electronic format to members and retirees regarding the tutoring program established under Section 33.913, Education Code, that includes:

(1) general information regarding the tutoring program; and
(2) a statement directing members and retirees who want to participate in the tutoring program to contact their local school districts or open-enrollment charter schools for further guidance.

SECTION _____. (a) Subject to Subsection (b) of this section, the changes in law made by this Act apply to a retiree of the Teacher Retirement System of Texas regardless of whether the person retired from employment before, on, or after the effective date of this Act.

(b) Section 824.602(a), Government Code, as amended by this Act, applies only to the employment of a retiree of the Teacher Retirement System of Texas that occurs on or after the effective date of this Act.

The amendment to **CSHB 1525** was read.

Senator Hughes offered the following amendment to Floor Amendment No. 12:

Floor Amendment No. 13

Amend Amendment No. 12 by Hughes to **CSHB 1525** (page 18, prefiled amendments packet) in the SECTION adding Section 33.913, Education Code, as follows:

(1) Strike Subsection (c) (page 2, lines 4-7) and substitute the following:

(c) The superintendent or chief executive officer of each school district or open-enrollment charter school or the person designated by the superintendent or chief executive officer shall:

(1) oversee the tutoring program within the district or school; and
(2) not later than the last day of each semester, submit a report to the board of trustees of the district or the governing body of the school that includes, with respect to that semester:

(A) the number of active or retired teachers who contacted the district or school to offer tutoring services to students in the district or school; and

(B) the number of active or retired teachers who were used by the district or school as a tutor on a volunteer basis or employed by the district or school to provide tutoring services for compensation.

(2) In Subsection (e) (page 2, line 16), strike "shall" and substitute "may".

(3) Immediately following Subsection (f) (page 3, between lines 1 and 2), insert the following appropriately lettered subsection and reletter subsequent subsections accordingly:

() This section does not create a cause of action or liability or an obligation or duty that provides a basis for a cause of action or liability against a nonprofit teacher organization approved by the commissioner for the purpose of participating in the tutoring program for any action taken by a member of the organization participating in the program as a tutor.

The amendment to Floor Amendment No. 12 to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 13.

Question recurring on the adoption of Floor Amendment No. 12 to **CSHB 1525**, the amendment as amended was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 12 as amended.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 14

Amend **CSHB 1525** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____ . Section 48.051, Education Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) A school district employee who received a salary increase under Subsection (c) from a school district for the 2019-2020 school year is, as long as the employee remains employed by the same district, entitled to salary that is at least equal to the salary the employee received for the 2019-2020 school year. This subsection does not apply if the board of trustees of the school district at which the employee is employed:

(1) complies with Sections 21.4021, 21.4022, and 21.4032 in reducing the employee's salary; and

(2) has adopted a resolution declaring a financial exigency for the district under Section 44.011.

The amendment to **CSHB 1525** was read and failed of adoption by the following vote: Yeas 13, Nays 18.

Yeas: Alvarado, Blanco, Eckhardt, Gutierrez, Hinojosa, Johnson, Lucio, Menéndez, Miles, Powell, West, Whitmire, Zaffirini.

Nays: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Hall, Hancock, Huffman, Hughes, Kolkhorst, Nelson, Nichols, Paxton, Perry, Schwertner, Seliger, Springer, Taylor.

Senator Huffman offered the following amendment to the bill:

Floor Amendment No. 15

Amend **CSHB 1525** (senate committee printing) as follows:

(1) In SECTION 31 of the bill, repealing provisions of the Education Code (page 13, between lines 13 and 14), insert the following appropriately numbered subdivision and renumber subsequent subdivisions accordingly:

() Sections 29.026(f) and (m);

(2) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 29.026, Education Code, is amended by amending Subsections (c), (h), (k), and (o) and adding Subsection (l-1) to read as follows:

(c) A program is eligible for a grant under this section if the program:

(1) ~~[the program operates as an independent campus or a separate program from the campus in which the program is located, with a separate budget;~~

~~[(2) the program] incorporates:~~

(A) evidence-based and research-based design;

(B) the use of empirical data on student achievement and improvement;

(C) parental support and collaboration;

(D) the use of technology;

(E) meaningful inclusion; and

(F) the ability to replicate the program for students statewide; and

(2) ~~[(3) the program] gives priority for enrollment to students with autism[;~~

~~[(4) the program limits enrollment and services to students who are:~~

~~[(A) at least three years of age; and~~

~~[(B) younger than nine years of age or are enrolled in the third grade or a lower grade level; and~~

~~[(5) the program allows a student who turns nine years of age or older during a school year to remain in the program until the end of that school year].~~

(h) ~~[The commissioner shall award grants to fund not more than 10 programs that meet the eligibility criteria under Subsection (c).]~~ In selecting programs to receive a grant under this section, the commissioner shall prioritize programs that are collaborations between multiple school districts, multiple charter schools, or school districts and charter schools. The selected programs must reflect the diversity of this state.

(k) The commissioner shall use ~~[set aside an amount not to exceed \$20 million from the total amount of]~~ funds appropriated or otherwise available ~~[for the 2018 2019 fiscal biennium]~~ to fund grants under this section. ~~[The commissioner shall use \$10 million for the purposes of this section for each school year in the state fiscal biennium. A grant recipient may not receive more than \$1 million for the 2018 2019 fiscal biennium. The commissioner shall reduce each district's and charter school's allotment proportionally to account for funds allocated under this section.]~~

(l-1) A regional education service center may administer grants awarded under this section.

(o) This section expires September 1, 2023 ~~[2024]~~.

SECTION _____. Section 29.027, Education Code, is amended to read as follows:

Sec. 29.027. GRANT PROGRAM PROVIDING TRAINING IN [SERVICES TO STUDENTS WITH] DYSLEXIA FOR TEACHERS AND STAFF. (a) The commissioner shall establish a program to award grants to school districts and open-enrollment charter schools to increase local capacity to appropriately serve [that provide innovative services to] students with dyslexia.

(b) A school district, including a school district acting through a district charter issued under Subchapter C, Chapter 12, or ~~[and]~~ an open-enrollment charter school, including a charter school that primarily serves students with disabilities, as provided under Section 12.1014, is eligible to ~~[may]~~ apply for a grant under this section[.

~~[(e) A program is eligible for a grant under this section] if the district or school submits to the commissioner a proposal on the use of grant funds that:~~

~~(1) [the program operates as an independent campus or a separate program from the campus in which the program is located, with a separate budget;~~

~~[(2) the program] incorporates[;~~

~~[(A)] evidence-based and research-based design; and~~

~~(2) increases local capacity to appropriately serve students with dyslexia by providing:~~

~~(A) high-quality training to classroom teachers and administrators in meeting the needs of students with dyslexia; or~~

~~(B) training to intervention staff resulting in appropriate credentialing related to dyslexia [the use of empirical data on student achievement and improvement;~~

~~[(C) parental support and collaboration;~~

~~[(D) the use of technology;~~

~~[(E) meaningful inclusion; and~~

~~[(F) the ability to replicate the program for students statewide;~~

~~(3) the program gives priority for enrollment to students with dyslexia;~~

~~(4) the program limits enrollment and services to students who are:~~

~~[(A) at least three years of age; and~~

~~[(B) younger than nine years of age or are enrolled in the third grade or a lower grade level; and~~

~~[(5) the program allows a student who turns nine years of age or older during a school year to remain in the program until the end of that school year].~~

~~(c) [(d) A school district or open enrollment charter school may not:~~

~~[(1) charge a fee for the program, other than those authorized by law for students in public schools;~~

~~[(2) require a parent to enroll a child in the program;~~

~~[(3) allow an admission, review, and dismissal committee to place a student in the program without the written consent of the student's parent or guardian; or~~

~~[(4) continue the placement of a student in the program after the student's parent or guardian revokes consent, in writing, to the student's placement in the program.~~

~~[(e) A program under this section may:~~

~~[(1) alter the length of the school day or school year or the number of minutes of instruction received by students;~~

~~[(2) coordinate services with private or community based providers;~~

~~[(3) allow the enrollment of students without disabilities or with other disabilities, if approved by the commissioner; and~~

~~[(4) adopt staff qualifications and staff to student ratios that differ from the applicable requirements of this title.~~

~~[(f) The commissioner shall adopt rules creating an application and selection process for grants awarded under this section.~~

~~[(g)] The commissioner shall create an external panel of stakeholders, including parents of students with disabilities, to provide assistance in the selection of applications for the award of grants under this section.~~

~~(d) [(h)] The commissioner shall award grants to fund not more than 10 programs that meet the eligibility criteria under Subsection (e). In selecting programs, the commissioner shall prioritize programs that are collaborations between multiple school districts, multiple charter schools, or school districts and charter schools. The selected programs must reflect the diversity of this state.~~

~~[(+)]~~ The commissioner shall select grant recipients ~~[programs]~~ and award grant funds ~~[to those programs]~~ beginning in the 2021-2022 ~~[2018-2019]~~ school year. The grants ~~[selected programs]~~ are to be awarded ~~[funded]~~ for two years.

~~(e) [(+)]~~ A grant awarded to a school district or open-enrollment charter school under this section is in addition to the Foundation School Program funds that the district or charter school is otherwise entitled to receive. A grant awarded under this section may not come out of Foundation School Program funds.

~~(f) [(+)]~~ The commissioner shall use ~~[set aside an amount not to exceed \$20 million from the total amount of]~~ funds appropriated or otherwise available ~~[for the 2018-2019 fiscal biennium]~~ to fund grants under this section. ~~[The commissioner shall use \$10 million for the purposes of this section for each school year in the state fiscal biennium. A grant recipient may not receive more than \$1 million for the 2018-2019 fiscal biennium. The commissioner shall reduce each district's and charter school's allotment proportionally to account for funds allocated under this section.]~~

~~(g) [(+)]~~ The commissioner and any grant recipient ~~[program]~~ selected under this section may accept gifts, grants, and donations from any public or private source, person, or group to implement and administer the grant ~~[program]~~. The commissioner and any grant recipient ~~[program]~~ selected under this section may not require any financial contribution from parents to implement and administer the grant ~~[program]~~.

~~(h)~~ A regional education service center may administer grants awarded under this section.

~~(i) [(m)]~~ ~~The commissioner may consider a student with dyslexia who is enrolled in a program funded under this section as funded in a mainstream placement, regardless of the amount of time the student receives services in a regular classroom setting.~~

~~[(n)]~~ ~~Not later than December 31, 2020, the commissioner shall publish a report on the grant program established under this section. The report must include:~~

~~[(1)]~~ ~~recommendations for statutory or funding changes necessary to implement successful innovations in the education of students with dyslexia; and~~

~~[(2)]~~ ~~data on the academic and functional achievements of students enrolled in a program that received a grant under this section.~~

~~[(+)]~~ This section expires September 1, 2023 ~~[2021]~~.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 15.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 16

Amend **CSHB 1525** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter C, Chapter 48, Education Code, is amended by adding Section 48.1102 to read as follows:

Sec. 48.1102. ACCELERATED LEARNING AND SUSTAINMENT OUTCOMES BONUS. (a) For purposes of this section, a student is a:

(1) successfully accelerated student if the student:

(A) performs satisfactorily or better on an assessment instrument administered under Section 39.023(a); and

(B) was administered but did not perform satisfactorily on the assessment instrument administered under Section 39.023(a) for the same subject in the student's preceding grade level; and

(2) sustained accelerated student if the student:

(A) performs at the level determined under Section 39.0241(a-1) or the equivalent to determine preparedness for the student's next grade level or better on an assessment instrument administered under Section 39.023(a);

(B) performs satisfactorily or better on the assessment instrument administered under Section 39.023(a) for the same subject in the student's preceding grade level; and

(C) was administered but did not perform satisfactorily on the assessment instrument administered under Section 39.023(a) for the grade level and subject preceding the assessment described by Paragraph (B).

(b) For each successfully accelerated student in excess of the minimum number of students determined for the district or school under Subsection (d), a school district or open-enrollment charter school is entitled to the following annual outcomes bonus:

(1) \$500 for each student who is not educationally disadvantaged; and

(2) \$1,000 for each student who is educationally disadvantaged.

(c) For each sustained accelerated student, a school district or open-enrollment charter school is entitled to the following annual outcomes bonus:

(1) \$250 for each student who is not educationally disadvantaged; and

(2) \$500 for each student who is educationally disadvantaged.

(d) The commissioner shall establish, using a percentile determined by the commissioner based on the median performance of school districts and open-enrollment charter schools on assessments administered under Section 39.023(a) during the 2017-2018 school year, a threshold percentage of:

(1) successfully accelerated students who are not educationally disadvantaged; and

(2) successfully accelerated students who are educationally disadvantaged.

(e) Each year, the commissioner shall determine for each school district and open-enrollment charter school the minimum number of successfully accelerated students the district or school must have in order for the district to achieve the percentage equal to the threshold percentage established for that group of students described by Subsection (b).

(f) The commissioner may modify the threshold percentages established under Subsection (d) once every five years if the commissioner determines that substantial improvement in the median performance of school districts and open-enrollment charter schools has occurred.

The amendment to **CSHB 1525** was read and was adopted by the following vote: Yeas 22, Nays 9.

Yeas: Alvarado, Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Hall, Hancock, Hinojosa, Huffman, Hughes, Kolkhorst, Lucio, Miles, Nelson, Nichols, Paxton, Perry, Schwertner, Springer, Taylor, West.

Nays: Blanco, Eckhardt, Gutierrez, Johnson, Menéndez, Powell, Seliger, Whitmire, Zaffirini.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 17

Amend **CSHB 1525** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____ . Subchapter Z, Chapter 29, Education Code, is amended by adding Section 29.934 to read as follows:

Sec. 29.934. RESOURCE CAMPUS. (a) A school district campus that is eligible under Subsection (b) may apply to the commissioner to be designated as a resource campus that provides quality education and enrichment for campus students.

(b) To apply to be designated as a resource campus under this section, the campus must have received an overall performance rating under Section 39.054 of F for four years over a 10-year period of time.

(c) A campus notified by the commissioner under Subsection (f) that the campus has been designated as a resource campus qualifies for funding as provided by Section 48.252 for each year the campus maintains approval to operate as a resource campus regardless of whether the campus is unacceptable or does not qualify under Subsection (b).

(d) To be designated as a resource campus, the campus must:

(1) implement a targeted improvement plan as described by Chapter 39A and establish a school community partnership team;

(2) adopt an accelerated campus excellence turnaround plan as provided by Section 39A.105(b) except that a classroom teacher who satisfies the requirements for demonstrated instructional effectiveness under Section 39A.105(b)(3) must also hold a current designation assigned under Section 21.3521;

(3) be in a school district that has adopted an approved local optional teacher designation system under Section 21.3521;

(4) satisfy certain staff criteria by:

(A) requiring a principal or teacher employed at the campus before the designation to apply for a position to continue at the campus;

(B) employing only teachers who have at least three years of teaching experience;

(C) employing at least one school counselor for every 300 students; and

(D) employing at least one appropriately licensed professional to assist with the social and emotional needs of students and staff, who must be a:

- (i) family and community liaison;
- (ii) clinical social worker;
- (iii) specialist in school psychology; or
- (iv) professional counselor;

(5) implement a positive behavior program as provided by Section 37.0013;
(6) implement a family engagement plan as described by Section 29.168;
(7) develop and implement a plan to use high quality instructional materials;
(8) if the campus is an elementary campus, operate the campus for a school year that qualifies for funding under Section 48.0051; and

(9) annually submit to the commissioner data and information required by the commissioner to assess fidelity of implementation.

(e) On the request of a school district, the agency shall assist the district in:

- (1) applying for designation of a district campus as a resource campus; and
- (2) developing and implementing a plan to operate a district campus as a resource campus.

(f) The commissioner shall notify a campus if it has been designated as a resource campus not later than the 60th day after the date the commissioner receives the request for the designation.

(g) A campus approved to operate as a resource campus must annually submit to the commissioner data and information requested by the commissioner for purposes of determining whether the campus has met the measure of fidelity of implementation required to maintain status as a resource campus.

(h) If a campus fails to maintain status as a resource campus for two consecutive years, the campus is not eligible for designation as a resource campus. A campus subject to this subsection may reapply for designation as a resource campus if the campus qualifies under Subsection (b).

(i) A decision by the commissioner regarding whether to designate a campus as a resource campus is final and may not be appealed.

(j) The commissioner may adopt rules necessary to implement this section.

SECTION _____. Section 48.252(a), Education Code, is amended to read as follows:

(a) This section applies only to:

(1) a school district and an open-enrollment charter school that enter into a contract to operate a district campus as provided by Section 11.174;

(2) a charter granted by a school district for a program operated by an entity that has entered into a contract under Section 11.174, provided that the district does not appoint a majority of the governing body of the charter holder; ~~and~~

(3) a school district that contracts with an open-enrollment charter school to jointly operate a campus or campus program as provided by Section 11.157(b); and

(4) a school district that operates a resource campus as provided by Section 29.934.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 17.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 18

Amend **CSHB 1525** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS accordingly:

SECTION _____. Chapter 29, Education Code, is amended by adding Subchapter A-1 to read as follows:

SUBCHAPTER A-1. SUPPLEMENTAL SPECIAL EDUCATION SERVICES
PROGRAM

Sec. 29.041. DEFINITIONS. In this subchapter:

(1) "Parent" means a resident of this state who is a natural or adoptive parent, managing or possessory conservator, legal guardian, custodian, or other person with legal authority to act on behalf of a child.

(2) "Supplemental special education instructional materials" includes textbooks, computer hardware or software, other technological devices, and other materials suitable for addressing an educational need of a student receiving special education services under Subchapter A.

(3) "Supplemental special education services" means an additive service that provides an educational benefit to a student receiving special education services under Subchapter A, including:

(A) occupational therapy, physical therapy, and speech therapy; and

(B) private tutoring and other supplemental private instruction or programs.

Sec. 29.042. ESTABLISHMENT AND ADMINISTRATION OF PROGRAM.

(a) The agency by rule shall establish and administer a supplemental special education services and instructional materials program for students who meet the eligibility requirements for participation in the program. Subject to Subsection (c), the agency shall provide each student approved as provided by this subchapter a grant of not more than \$1,500 to purchase supplemental special education services and supplemental special education instructional materials.

(b) In administering the program, the agency shall maintain a system of online accounts to provide access to the grant described by Subsection (a) to an eligible student's parent.

(c) The commissioner shall set aside an amount not to exceed \$30 million from the total amount of funds appropriated for each state fiscal year to fund the program under this section. For each state fiscal year, the total amount provided for student grants under Subsection (a) may not exceed the amount set aside by the commissioner under this subsection.

(d) The agency shall designate one or more regional education service centers to administer the program.

Sec. 29.043. APPLICATION FOR GRANT ON BEHALF OF STUDENT. The agency shall establish an application process for an eligible student's parent to apply for a grant held in an online account maintained under Section 29.042(b) and assigned to the student under Section 29.045.

Sec. 29.044. PROGRAM ELIGIBILITY CRITERIA. (a) The agency shall establish eligibility criteria for the approval of an application submitted under Section 29.043. The criteria must require that the student be enrolled in the current school year at a school district or open-enrollment charter school and in a district's or school's special education program under Subchapter A.

(b) The eligibility criteria established under this section must also prioritize students for whom a school district or open-enrollment charter school is eligible for a compensatory education allotment under Section 48.104.

Sec. 29.045. APPROVAL OF APPLICATION; ASSIGNMENT OF ACCOUNT. Subject to available funding the agency shall approve each student who meets the program eligibility criteria established under Section 29.044 and assign to the student an account maintained under Section 29.042(b). The account may only be used by the student's parent to purchase supplemental special education services or supplemental special education instructional materials for the student, subject to Sections 29.046 and 29.047.

Sec. 29.046. ACCOUNT USE RESTRICTION. (a) Money in an account assigned to a student under Section 29.045 may be used only for supplemental special education services and supplemental special education instructional materials.

(b) Supplemental special education services must be provided by an agency-approved provider.

(c) If the agency has approved vendors for a category of instructional material under Section 29.047, instructional materials must be purchased from an agency-approved vendor for that category of instructional material. If the agency does not establish criteria for agency approval for a category of instructional materials, money in the student's account may be used to purchase the instructional materials from any vendor.

Sec. 29.047. AGENCY-APPROVED PROVIDERS AND VENDORS: CRITERIA AND APPLICATION. (a) The agency shall establish criteria necessary for agency approval for each category of provider of a professional service that is a supplemental special education service, as identified by the agency.

(b) The criteria established under this section must require a provider of a category of professional service to be appropriately licensed or accredited in this state to provide that service, including providers of physical therapy, occupational therapy, and speech therapy.

(c) The agency shall provide a procedure for providers of supplemental special education services to apply to the agency to become an agency-approved provider.

(d) The agency may establish criteria for agency approval of vendors for each category of supplemental special education instructional materials identified by the agency.

(e) If the agency establishes criteria for agency approval for a vendor of a category of supplemental special education instructional materials, the agency shall provide a procedure for vendors of that category to apply to the agency to become an agency-approved vendor.

Sec. 29.048. LIST OF SUPPLEMENTAL SPECIAL EDUCATION SERVICES. The admission, review, and dismissal committee of a student approved for participation in the program shall provide to the student's parent at an admission,

review, and dismissal committee meeting for the student a list of supplemental special education services provided by agency-approved providers for which an account maintained under Section 29.042(b) for the student may be used. Supplemental special education services not included on the list may still be eligible under this section if the services otherwise meet the requirements of this subchapter.

Sec. 29.049. RULES. The commissioner shall adopt rules as necessary to administer the supplemental special education services and instructional materials program under this subchapter.

Sec. 29.050. EXPIRATION. This subchapter expires September 1, 2024.

SECTION ____. Chapter 48, Education Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. TEXAS COMMISSION ON SPECIAL EDUCATION
FUNDING

Sec. 48.401. DEFINITION. In this subchapter, "commission" means the Texas Commission on Special Education Funding.

Sec. 48.402. TEXAS COMMISSION ON SPECIAL EDUCATION FUNDING.

(a) The commission is established to develop and make recommendations regarding methods of financing special education in public schools.

(b) The commission is composed of seven members, appointed as follows:

(1) one member appointed by the governor;

(2) three members appointed by the lieutenant governor; and

(3) three members appointed by the speaker of the house of representatives.

(c) In making appointments under Subsection (b), the governor, lieutenant governor, and speaker of the house of representatives shall coordinate to ensure that membership of the commission, to the extent possible, reflects the ethnic and geographic diversity of this state.

(d) The members appointed by:

(1) the governor must have an interest in special education;

(2) the lieutenant governor must be three members of the senate; and

(3) the speaker of the house of representatives must be three members of the house of representatives.

Sec. 48.403. PRESIDING OFFICER. The governor shall designate the presiding officer of the commission.

Sec. 48.404. COMPENSATION AND REIMBURSEMENT. A member of the commission is not entitled to compensation for service on the commission but is entitled to reimbursement for actual and necessary expenses incurred in performing commission duties.

Sec. 48.405. ADMINISTRATIVE SUPPORT AND FUNDING. (a) The agency shall provide administrative support for the commission.

(b) Funding for the administrative and operational expenses of the commission shall be provided by legislative appropriation made to the agency for that purpose.

Sec. 48.406. RECOMMENDATIONS. (a) The commission shall develop recommendations under this subchapter to address issues related to special education funding.

(b) The commission may establish one or more working groups composed of not more than three members of the commission to study, discuss, and address specific policy issues and recommendations to refer to the commission for consideration.

Sec. 48.407. REPORT. Not later than December 31, 2022, the commission shall prepare and deliver a report to the governor and the legislature that recommends statutory changes to improve funding for special education.

Sec. 48.408. PUBLIC MEETINGS AND PUBLIC INFORMATION. (a) The commission may hold public meetings as needed to fulfill its duties under this subchapter.

(b) The commission is subject to Chapters 551 and 552, Government Code.

Sec. 48.409. COMMISSION ABOLISHED; EXPIRATION OF SUBCHAPTER. The commission is abolished and this subchapter expires January 1, 2023.

SECTION _____. Not later than December 1, 2021, the commissioner of education shall adopt all rules necessary for the establishment and administration of the supplemental special education services and instructional materials program required under Subchapter A-1, Chapter 29, Education Code, as added by this Act.

The amendment to **CSHB 1525** was read and was adopted by the following vote: Yeas 19, Nays 12.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Hall, Hancock, Huffman, Hughes, Kolkhorst, Lucio, Nelson, Nichols, Paxton, Perry, Schwertner, Springer, Taylor, Zaffirini.

Nays: Alvarado, Blanco, Eckhardt, Gutierrez, Hinojosa, Johnson, Menéndez, Miles, Powell, Seliger, West, Whitmire.

Senator Buckingham offered the following amendment to the bill:

Floor Amendment No. 19

Amend **CSHB 1525** (senate committee printing) as follows:

(1) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 11.156, Education Code, is amended by adding Subsection (c) to read as follows:

(c) A school district shall:

(1) accept from a parent-teacher organization recognized by the district a donation designated to fund supplemental educational staff positions at a school campus; and

(2) spend the donation accepted under Subdivision (1) for the designated purpose at the direction of and within the time period specified by the school campus for which the donation was designated.

(2) Strike SECTION 34 of the bill (page 13, line 33) and substitute the following appropriately numbered SECTION:

SECTION _____. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2021.

(b) Section 11.156(c), Education Code, as added by this Act, takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, that section takes effect September 1, 2021.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 19.

Senator Hughes offered the following amendment to the bill:

Floor Amendment No. 20

Amend **CSHB 1525** (senate committee printing) as follows:

(1) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 12.104(b), Education Code, as amended by Chapters 262 (H.B. 1597), 464 (S.B. 11), 467 (H.B. 4170), and 943 (H.B. 3), Acts of the 86th Legislature, Regular Session, 2019, is reenacted and amended to read as follows:

(b) An open-enrollment charter school is subject to:

(1) a provision of this title establishing a criminal offense;

(2) the provisions in Chapter 554, Government Code; and

(3) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:

(A) the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;

(B) criminal history records under Subchapter C, Chapter 22;

(C) reading instruments and accelerated reading instruction programs under Section 28.006;

(D) accelerated instruction under Section 28.0211;

(E) high school graduation requirements under Section 28.025;

(F) special education programs under Subchapter A, Chapter 29;

(G) bilingual education under Subchapter B, Chapter 29;

(H) prekindergarten programs under Subchapter E or E-1, Chapter 29;

(I) extracurricular activities under Section 33.081;

(J) discipline management practices or behavior management techniques under Section 37.0021;

(K) health and safety under Chapter 38;

(L) public school accountability under Subchapters B, C, D, F, G, and J, Chapter 39, and Chapter 39A;

(M) the requirement under Section 21.006 to report an educator's misconduct;

(N) intensive programs of instruction under Section 28.0213;

(O) the right of a school employee to report a crime, as provided by Section 37.148;

(P) bullying prevention policies and procedures under Section 37.0832;

(Q) the right of a school under Section 37.0052 to place a student who has engaged in certain bullying behavior in a disciplinary alternative education program or to expel the student;

(R) the right under Section 37.0151 to report to local law enforcement certain conduct constituting assault or harassment;

(S) a parent's right to information regarding the provision of assistance for learning difficulties to the parent's child as provided by Sections 26.004(b)(11) and 26.0081(c) and (d);

(T) establishment of residency under Section 25.001;

(U) ~~(F)~~ school safety requirements under Sections 37.108, 37.1081, 37.1082, 37.109, 37.113, 37.114, 37.115, 37.207, and 37.2071;

(V) ~~(F)~~ the early childhood literacy and mathematics proficiency plans under Section 11.185; ~~and~~

(W) ~~(U)~~ the college, career, and military readiness plans under Section 11.186; and

(X) establishing a local school health advisory council and providing health education instruction under Section 28.004.

SECTION _____. Section 28.004, Education Code, is amended by amending Subsections (d-1), (h), (i), (i-1), and (j) and adding Subsections (d-2), (e-1), (e-2), (e-3), (j-1), and (p) to read as follows:

(d-1) The local school health advisory council shall meet at least four times each year. For each meeting, the council shall:

(1) at least 72 hours before the meeting:

(A) post notice of the date, hour, place, and subject of the meeting on a bulletin board in the central administrative office of each campus in the school district; and

(B) ensure that the notice required under Paragraph (A) is posted on the district's Internet website, if the district has an Internet website;

(2) allow the public to attend the meeting and provide an opportunity for public comment;

(3) prepare and maintain minutes of the meeting that state the subject and content of each deliberation and each vote, order, decision, or other action taken by the council during the meeting;

(4) make an audio or video recording of the meeting; and

(5) not later than the 10th day after the meeting, submit the minutes and audio or video recording of the meeting to the district.

(d-2) As soon as practicable after receipt of the minutes and audio or video recording under Subsection (d-1)(5), the school district shall post the minutes and audio or video recording on the district's Internet website, if the district has an Internet website.

(e-1) The board of trustees shall adopt a policy establishing a process for the adoption of curriculum materials for the school district's human sexuality instruction. The policy must require:

(1) the board to adopt a resolution convening the local school health advisory council for the purpose of making recommendations regarding the curriculum materials;

(2) the local school health advisory council to:

(A) after the board's adoption of the resolution under Subdivision (1), hold at least two public meetings, at which an opportunity for public comment is provided, on the curriculum materials before adopting recommendations; and

(B) provide the recommendations adopted under Paragraph (A) to the board at a public meeting of the board, at which an opportunity for public comment is provided; and

(3) the board, after receipt of the local school health advisory council's recommendations under Subdivision (2), to take action on the adoption of the recommendations by a record vote at a public meeting.

(e-2) Curriculum materials proposed to be adopted for the school district's human sexuality instruction must be made available as provided by Subsection (j)(1) or (2)(A) or (C), as applicable.

(e-3) Before adopting curriculum materials for the school district's human sexuality instruction, the board of trustees shall ensure that the curriculum materials are:

(1) based on the advice of the local school health advisory council;

(2) suitable for the subject and grade level for which the curriculum materials are intended; and

(3) reviewed by academic experts in the subject and grade level for which the curriculum materials are intended.

(h) The board of trustees shall determine the specific content of the district's instruction in human sexuality, in accordance with this section [~~Subsections (e), (f), and (g)~~].

(i) Before each school year, a school district shall provide written notice to a parent of each student enrolled in the district of the board of trustees' decision regarding whether the district will provide human sexuality instruction to district students. If instruction will be provided, the notice must include:

(1) a ~~summary of the basic content of the district's human sexuality instruction to be provided to the student, including a~~ statement informing the parent of the human sexuality instruction [~~instructional~~] requirements under state law;

(2) a detailed description of the content of the district's human sexuality instruction and a general schedule on which the instruction will be provided;

(3) a statement of the parent's right to:

(A) at the parent's discretion, review or purchase a copy of curriculum materials as provided by Subsection (j); [~~and~~]

(B) remove the student from any part of the district's human sexuality instruction without subjecting the student to any disciplinary action, academic penalty, or other sanction imposed by the district or the student's school; and

(C) use the grievance procedure as provided by Subsection (i-1) or the appeals process under Section 7.057 concerning a complaint of a violation of this section;

(4) a statement that any curriculum materials in the public domain used for the district's human sexuality instruction must be posted on the district's Internet website, if the district has an Internet website, and the Internet website address at which the curriculum materials are located; and

(5) ~~(3)~~ information describing the opportunities for parental involvement in the development of the curriculum to be used in human sexuality instruction, including information regarding the local school health advisory council established under Subsection (a).

(i-1) A parent may use the grievance procedure adopted under Section 26.011 concerning a complaint of a violation of this section ~~[Subsection (i)]~~.

(j) A school district shall make all curriculum materials used in the district's human sexuality instruction available by:

(1) for curriculum materials in the public domain:

(A) providing a copy of the curriculum materials by mail or e-mail to a parent of a student enrolled in the district on the parent's request; and

(B) posting the curriculum materials on the district's Internet website, if the district has an Internet website; and

(2) for copyrighted curriculum materials, allowing a parent of a student enrolled in the district to:

(A) review the curriculum materials at the student's campus at any time during regular business hours;

(B) purchase a copy of the curriculum materials from the publisher as provided by the district's purchase agreement for the curriculum materials under Subsection (j-1); or

(C) review the curriculum materials online through a secure electronic account in a manner that prevents the curriculum materials from being copied and that otherwise complies with copyright law ~~[for reasonable public inspection]~~.

(j-1) If a school district purchases from a publisher copyrighted curriculum materials for use in the district's human sexuality instruction, the district shall ensure that the purchase agreement provides for a means by which a parent of a student enrolled in the district may purchase a copy of the curriculum materials from the publisher at a price that does not exceed the price per unit paid by the district for the curriculum materials.

(p) In this section:

(1) "Curriculum materials" includes the curriculum, teacher training materials, and any other materials used in providing instruction.

(2) "Human sexuality instruction," "instruction in human sexuality," and "instruction relating to human sexuality" include instruction in reproductive health.

SECTION _____. (a) Except as provided by Subsection (b) of this section, Sections 12.104 and 28.004, Education Code, as amended by this Act, apply beginning with the 2021-2022 school year.

(b) Section 28.004(j-1), Education Code, as added by this Act, applies only to a purchase agreement entered into, amended, or renewed on or after September 1, 2021.

(2) Strike SECTION 34 of the bill (page 13, line 33) and substitute the following appropriately numbered SECTION:

SECTION _____. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2021.

(b) Sections 12.104 and 28.004, Education Code, as amended by this Act, take effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, those sections take effect September 1, 2021.

The amendment to **CSHB 1525** was read.

Senator Campbell offered the following amendment to Floor Amendment No. 20:

Floor Amendment No. 21

Amend Amendment No. 20 by Hughes to **CSHB 1525** (page 47, prefiled amendments packet) in Item 1 of the amendment, in the SECTION amending Section 28.004, Education Code, as follows:

(1) In the recital (page 3, line 11), between "(e-3)," and "(j-1)", insert "(i-2),".

(2) In Subsection (i)(3), strike Paragraph (B) (page 5, lines 27 through 30) and substitute the following:

(B) refuse consent for ~~remove~~ the student to receive all or ~~from~~ any part of the district's human sexuality instruction without subjecting the student to any disciplinary action, academic penalty, or other sanction imposed by the district or the student's school; and

(3) Immediately after Subsection (i-1) (page 6, between lines 15 and 16), insert the following:

(i-2) Before a student may be provided with human sexuality instruction, a school district must obtain the written consent of the student's parent. A request for written consent under this subsection:

(1) may not be included with any other notification or request for written consent provided to the parent, other than the notice provided under Subsection (i); and

(2) must be provided to the parent not later than the 14th day before the date on which the human sexuality instruction begins.

The amendment to Floor Amendment No. 20 to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 21 except as follows:

Nays: Alvarado, Eckhardt, Johnson, Miles.

Question recurring on the adoption of Floor Amendment No. 20 to **CSHB 1525**, the amendment as amended was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 20 as amended except as follows:

Nays: Alvarado, Eckhardt, Johnson, Miles.

Senator West offered the following amendment to the bill:

Floor Amendment No. 22

Amend **CSHB 1525** (senate committee printing) as follows:

(1) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 7.058, Education Code, is amended to read as follows:

Sec. 7.058. RESEARCH ON MATHEMATICS SKILLS ACQUISITION AND PROGRAM EFFECTIVENESS. From funds appropriated for the purpose, the commissioner shall award to one or more institutions that have demonstrated an ability to conduct science-based research on effective instructional strategies that improve student performance in mathematics a grant to be used to:

(1) develop and identify research on mathematics skills acquisition and student learning in mathematics;

(2) monitor the effectiveness of mathematics achievement academies [~~professional development institutes~~] under Section 21.4553 [~~21.455~~] based on performance in mathematics by the students of teachers who have attended an academy [~~institute~~];

(3) examine the effect of mathematics achievement academies [~~professional development institutes~~] on the classroom performance of teachers who have attended an academy [~~institute~~];

(4) identify common practices used at high-performing school campuses that lead to improved student performance in mathematics; and

(5) develop research on cognitive development in children concerning mathematics skills development.

SECTION _____. Section 11.175, Education Code, is amended by adding Subsection (g) to read as follows:

(g) Notwithstanding Section 2054.5191, Government Code, only the district's cybersecurity coordinator is required to complete the cybersecurity training under that section on an annual basis. Any other school district employee required to complete the cybersecurity training shall complete the training as determined by the district, in consultation with the district's cybersecurity coordinator.

SECTION _____. Section 21.054, Education Code, is amended by adding Subsection (a-1) and amending Subsections (d), (e), and (f) to read as follows:

(a-1) Continuing education requirements for educators must include training regarding educating students with disabilities.

(d) Continuing education requirements for a classroom teacher must provide that not more than [~~at least~~] 25 percent of the training required every five years include instruction regarding:

(1) collecting and analyzing information that will improve effectiveness in the classroom;

(2) recognizing early warning indicators that a student may be at risk of dropping out of school;

(3) digital learning, digital teaching, and integrating technology into classroom instruction;

(4) educating diverse student populations, including:

(A) [~~students who are eligible to participate in special education programs under Subchapter A, Chapter 29;~~

[(B) students who are eligible to receive educational services required under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794);

~~[(C) students with mental health conditions or who engage in substance abuse;~~

~~[(D) students with intellectual or developmental disabilities;~~

~~[(E)] students who are educationally disadvantaged; and~~

~~(B) [(F) students of limited English proficiency; and~~

~~[(G)] students at risk of dropping out of school; and~~

(5) understanding appropriate relationships, boundaries, and communications between educators and students~~]; and~~

~~[(6) how mental health conditions, including grief and trauma, affect student learning and behavior and how evidence based, grief informed, and trauma informed strategies support the academic success of students affected by grief and trauma].~~

(e) Continuing education requirements for a principal must provide that not more than ~~[at least]~~ 25 percent of the training required every five years include instruction regarding:

(1) effective and efficient management, including:

(A) collecting and analyzing information;

(B) making decisions and managing time; and

(C) supervising student discipline and managing behavior;

(2) recognizing early warning indicators that a student may be at risk of dropping out of school;

(3) digital learning, digital teaching, and integrating technology into campus curriculum and instruction;

(4) effective implementation of a comprehensive school counseling program under Section 33.005;

(5) mental health programs addressing a mental health condition;

(6) educating diverse student populations, including:

~~(A) [students who are eligible to participate in special education programs under Subchapter A, Chapter 29;~~

~~[(B) students with intellectual or developmental disabilities;~~

~~[(C) students who are eligible to receive educational services required under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794);~~

~~[(D) students with mental health conditions or who engage in substance abuse;~~

~~[(E)] students who are educationally disadvantaged;~~

~~(B) [(F)] students of limited English proficiency; and~~

~~(C) [(G)] students at risk of dropping out of school; and~~

(7) preventing, recognizing, and reporting any sexual conduct between an educator and student that is prohibited under Section 21.12, Penal Code, or for which reporting is required under Section 21.006 of this code~~]; and~~

~~[(8) how mental health conditions, including grief and trauma, affect student learning and behavior and how evidence based, grief informed, and trauma informed strategies support the academic success of students affected by grief and trauma].~~

(f) Continuing education requirements for a counselor must provide that not more than ~~[at least]~~ 25 percent of training required every five years include instruction regarding:

(1) assisting students in developing high school graduation plans;

- (2) implementing dropout prevention strategies;
- (3) informing students concerning:
 - (A) college admissions, including college financial aid resources and application procedures; and
 - (B) career opportunities;
- (4) counseling students concerning mental health conditions and substance abuse, including through the use of grief-informed and trauma-informed interventions and crisis management and suicide prevention strategies; and
- (5) effective implementation of a comprehensive school counseling program under Section 33.005.

SECTION _____. Sections 21.451(d), (d-1), and (d-3), Education Code, are amended to read as follows:

(d) The staff development:

- (1) may include training in:
 - (A) technology and digital learning; and
 - (B) positive behavior intervention and support strategies, including classroom management, district discipline policies, and the student code of conduct adopted under Chapter 37; ~~and~~

~~[(C) digital learning;]~~

(2) subject to Subsection (e) and to Section 21.3541 and rules adopted under that section, must include training that is evidence-based, as defined by Section 8101, Every Student Succeeds Act (20 U.S.C. Section 7801), and that:

(A) relates to instruction of students with disabilities, including students with disabilities who also have other intellectual or mental health conditions; and

(B) is designed for educators who work primarily outside the area of special education; and

(3) must include training on:

(A) suicide prevention;

(B) ~~[recognizing signs of mental health conditions and substance abuse;~~

~~[(C)] strategies for establishing and maintaining positive relationships among students, including conflict resolution;~~

~~[(D) how grief and trauma affect student learning and behavior and how evidence-based, grief-informed, and trauma-informed strategies support the academic success of students affected by grief and trauma;]~~ and

(C) ~~[(E)]~~ preventing, identifying, responding to, and reporting incidents of bullying.

(d-1) The training required by Subsection (d)(3):

(1) must:

(A) be provided in accordance with the policy adopted under Section 21.4515;~~;~~

~~[(i) on an annual basis, as part of a new employee orientation, to all new school district and open enrollment charter school educators; and~~

~~[(ii) to existing school district and open enrollment charter school educators on a schedule adopted by the agency by rule;]~~ and

(B) use a best practice-based program recommended by the Health and Human Services Commission in coordination with the agency under Section 38.351; and

(2) may include two or more listed topics together.

(d-3) The technology and digital learning training provided by Subsection (d)(1)(A) [~~(d)(1)(E)~~] must:

(1) discuss basic technology proficiency expectations and methods to increase an educator's digital literacy; and

(2) assist an educator in the use of digital technology in learning activities that improve teaching, assessment, and instructional practices.

SECTION _____. Subchapter J, Chapter 21, Education Code, is amended by adding Sections 21.4514 and 21.4515 to read as follows:

Sec. 21.4514. CONTINUING EDUCATION AND TRAINING CLEARINGHOUSE; ADVISORY GROUP. (a) In this section:

(1) "Board" means the State Board for Educator Certification.

(2) "Clearinghouse advisory group" means the clearinghouse advisory group established under Subsection (d).

(b) The board shall publish a comprehensive clearinghouse of information regarding continuing education and training requirements for:

(1) educators; and

(2) other school personnel.

(c) The clearinghouse must:

(1) include best practices and industry recommendations for the frequency for training of educators and other school personnel; and

(2) be published in consultation with the clearinghouse advisory group.

(d) The board shall establish a clearinghouse advisory group consisting of educators, including classroom teachers, and representatives of organizations that represent educators to review and provide input regarding the best practices and industry recommendations included in the clearinghouse. In publishing the clearinghouse, the board shall ensure the clearinghouse reflects input provided by the clearinghouse advisory group.

(e) Not later than December 1 of each even-numbered year, the clearinghouse advisory group shall complete a review of the clearinghouse and submit a report to the legislature of the group's recommendations regarding whether any required continuing education or training may be reduced, eliminated, or consolidated with other existing continuing education or training.

Sec. 21.4515. ANNUAL ADOPTION OF PROFESSIONAL DEVELOPMENT POLICY. (a) The board of trustees of a school district and the governing body of an open-enrollment charter school, to the extent applicable, shall annually review the clearinghouse published under Section 21.4514 and adopt a professional development policy that must:

(1) be guided by the recommendations for training in the clearinghouse;

(2) note any differences in the policy adopted by the district or school from the recommendations in the clearinghouse; and

(3) include a schedule of all training required for educators or other school personnel at the district or school.

(b) To the extent of any conflict, a frequency requirement for the completion of training provided by statute prevails over a frequency requirement for that training included in the policy adopted by the board of trustees of a school district or the governing body of an open-enrollment charter school under Subsection (a).

(c) The commissioner may not adopt rules regarding a required frequency for the completion of training unless:

(1) a frequency is provided by statute for that training; and

(2) the commissioner is granted explicit rulemaking authority related to that training.

SECTION ____ . Section 21.4552, Education Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (b-1) to read as follows:

(a) The commissioner shall develop and make available literacy achievement academies for teachers who provide reading instruction to students at any grade level [at the kindergarten or first, second, or third grade level].

(b) A literacy achievement academy developed under this section:

(1) for teachers who provide reading instruction to students at the kindergarten or first, second, or third grade level:

(A) [~~1~~] must include training in:

(i) [~~A~~] effective and systematic instructional practices in reading, including phonemic awareness, phonics, fluency, vocabulary, and comprehension; and

(ii) [~~B~~] the use of empirically validated instructional methods that are appropriate for struggling readers; and

(B) [~~2~~] may include training in effective instructional practices in writing;

(2) for teachers who provide reading instruction to students at the fourth or fifth grade level:

(A) must include effective instructional practices that promote student development of reading comprehension and inferential and critical thinking;

(B) must provide training in the use of empirically validated instructional methods that are appropriate for struggling readers; and

(C) may include material on writing instruction;

(3) for teachers who provide reading instruction to students at the seventh or eighth grade level, must include training in:

(A) administration of the reading instrument required by Section 28.006(c-1); and

(B) interpretation of the results of the reading instrument required by Section 28.006(c-1) and strategies, based on scientific research regarding effective reading instruction, for long-term intensive intervention to target identified student needs in word recognition, vocabulary, fluency, and comprehension;

(4) for teachers who provide reading instruction to students at the sixth, seventh, or eighth grade level, must include training in:

(A) strategies to be implemented in English language arts and other subject areas for multisyllable word reading, vocabulary development, and comprehension of expository and narrative text;

(B) an adaptation framework that enables teachers to respond to differing student strengths and needs, including adaptations for students of limited English proficiency or students receiving special education services under Subchapter A, Chapter 29;

(C) collaborative strategies to increase active student involvement and motivation to read; and

(D) other areas identified by the commissioner as essential components of reading instruction; and

(5) for teachers who provide instruction in mathematics, science, or social studies to students at the sixth, seventh, or eighth grade level, must include training in:

(A) strategies for incorporating reading instruction into the curriculum for the subject area taught by the teacher; and

(B) other areas identified by the commissioner.

(b-1) The completion of a literacy achievement academy under this section by an educator who teaches students with dyslexia satisfies:

(1) the training requirement under Section 21.054(b); and

(2) a training requirement adopted by the State Board of Education pursuant to Section 38.003 related to the screening or treatment of a student for dyslexia or a related disorder.

(c) The commissioner shall adopt criteria for selecting teachers who may attend a literacy achievement academy. In adopting selection criteria under this subsection, the commissioner shall:

(1) require a teacher to attend a literacy achievement academy if the teacher provides instruction in reading, mathematics, science, or social studies to students at the sixth, seventh, or eighth grade level at a campus that fails to satisfy any standard under Section 39.054(e) on the basis of student performance on the reading assessment instrument administered under Section 39.023(a) to students in any grade level at the campus;

(2) grant ~~granting a~~ priority to teachers employed by a school district at a campus at which 50 percent or more of the students enrolled are educationally disadvantaged; and

(3) ~~(2)~~ provide a process through which a teacher not employed at a campus described by Subdivision (2) ~~[(1)]~~ may attend the academy if the academy has available space and the school district employing the teacher pays the costs of the teacher's attendance.

SECTION _____. Sections 21.4553(a) and (b), Education Code, are amended to read as follows:

(a) The commissioner shall develop and make available mathematics achievement academies for teachers who provide mathematics instruction to students at any grade level [the kindergarten or first, second, or third grade level].

(b) A mathematics achievement academy developed under this section must, if appropriate for the grade level at which the teacher provides instruction, include training in:

(1) effective and systematic instructional practices in mathematics, including problem solving, the place value system, whole number operations, and fractions;

(2) the underlying mathematical skills required to be taught; and

(3) mathematical instruction techniques that, through scientific testing, have been proven effective.

SECTION _____. Subchapter J, Chapter 21, Education Code, is amended by adding Section 21.4571 to read as follows:

Sec. 21.4571. TEXAS ENGLISH LANGUAGE PROFICIENCY ASSESSMENT SYSTEM TRAINING. (a) The commissioner may not require a school district employee to repeat training or online calibration activities the employee has previously successfully completed related to administering the Texas English Language Proficiency Assessment System, except that the commissioner may require the employee to complete training or online calibration activities if the administration of or assessment using the Texas English Language Proficiency Assessment System has changed significantly since the employee completed the training.

(b) The school district employee assigned to oversee the administration of the Texas English Language Proficiency Assessment System at a district campus may, with discretion, require other district employees involved in administering the Texas English Language Proficiency Assessment System to complete training or online calibration activities described by Subsection (a).

(c) A school district employee may not be required to complete a training or online calibration activity described by Subsection (a) in one sitting.

SECTION _____. Sections 21.458(b) and (b-1), Education Code, are amended to read as follows:

(b) The commissioner shall adopt rules necessary to administer this section, including rules concerning the duties and qualifications of a teacher who serves as a mentor and the number of classroom teachers that may be assigned to a mentor. The rules concerning qualifications must require that to serve as a mentor a teacher must:

(1) complete a research-based mentor and induction training program approved by the commissioner;

(2) complete a mentor training program provided by the district, which the district may allow to be satisfied by completing the training program described by Subdivision (1);

(3) have at least three complete years of teaching experience with a superior record of assisting students, as a whole, in achieving improvement in student performance; and

(4) demonstrate interpersonal skills, instructional effectiveness, and leadership skills.

(b-1) A school district must provide training as described by Subsection (b)(2) to mentor teachers and any appropriate district and campus employees who work with the classroom teacher or supervise the classroom teacher. A district may allow a training program approved by the commissioner under Subsection (b)(1) to qualify for the training required by this section. The training must be completed by the mentor teacher and the district and campus employees before the beginning of the school year. The district shall also provide supplemental training to mentor teachers and employees during the school year. The training must include content related to best mentorship practices.

SECTION _____. Section 22.902(a), Education Code, is amended to read as follows:

(a) A school district shall, in accordance with the policy adopted under Section 21.4515, ~~annually~~ make available to district employees and volunteers instruction in the principles and techniques of cardiopulmonary resuscitation and the use of an automated external defibrillator, as defined by Section 779.001, Health and Safety Code.

SECTION _____. Section 28.006(g-1), Education Code, is amended to read as follows:

(g-1) A school district shall provide additional reading instruction and intervention to each student in seventh grade assessed under Subsection (c-1), as appropriate to improve the student's reading skills in the relevant areas identified through the assessment instrument. Training and support for activities required by this subsection shall be provided by regional education service centers and teacher literacy achievement ~~reading~~ academies established under Section 21.4552 ~~[21.4551]~~, and may be provided by other public and private providers.

SECTION _____. Section 29.063, Education Code, is amended by adding Subsection (e) to read as follows:

(e) The agency may not require members of a language proficiency assessment committee to complete training to serve on that committee.

SECTION _____. Section 33.086(b), Education Code, is amended to read as follows:

(b) Each school district shall adopt, in accordance with the policy adopted under Section 21.4515, procedures necessary for administering this section, including procedures for the time and manner in which proof of current certification must be submitted.

SECTION _____. Sections 33.202(b) and (c), Education Code, are amended to read as follows:

(b) The following persons must satisfactorily complete the safety training program in accordance with the policy adopted under Section 21.4515:

(1) a coach, trainer, or sponsor for an extracurricular athletic activity; and
(2) ~~[except as provided by Subsection (f), a physician who is employed by a school or school district or who volunteers to assist with an extracurricular athletic activity; and~~

~~[(3)]~~ a director responsible for a school marching band.

(c) The safety training program must include:

(1) certification of participants by the American Red Cross, the American Heart Association, or a similar organization or by the University Interscholastic League;

(2) current training in:

(A) emergency action planning;

(B) ~~[cardiopulmonary resuscitation if the person is not required to obtain certification under Section 33.086;~~

~~[(C)]~~ communicating effectively with 9-1-1 emergency service operators and other emergency personnel; and

(C) ~~(D)~~ recognizing symptoms of potentially catastrophic injuries, including head and neck injuries, concussions, injuries related to second impact syndrome, asthma attacks, heatstroke, cardiac arrest, and injuries requiring use of a defibrillator; and

(3) ~~[at least once each school year,]~~ a safety drill that incorporates the training described by Subdivision (2) and simulates various injuries described by Subdivision (2)(C) ~~[(2)(D)]~~.

SECTION _____. Section 37.0831(b), Education Code, is amended to read as follows:

(b) A dating violence policy must:

(1) include a definition of dating violence that includes the intentional use of physical, sexual, verbal, or emotional abuse by a person to harm, threaten, intimidate, or control another person in a dating relationship, as defined by Section 71.0021, Family Code; and

(2) address safety planning, enforcement of protective orders, school-based alternatives to protective orders, training for teachers and administrators at each district campus that instructs students in grade six or higher, counseling for affected students, and awareness education for students and parents.

SECTION _____. Sections 38.0041(c) and (d), Education Code, are amended to read as follows:

(c) The methods under Subsection (b)(1) for increasing awareness of issues regarding sexual abuse, sex trafficking, and other maltreatment of children must include training, as provided by this subsection, concerning prevention techniques for and recognition of sexual abuse, sex trafficking, and all other maltreatment of children, including the sexual abuse, sex trafficking, and other maltreatment of children with significant cognitive disabilities. The training:

(1) must be provided in accordance with the policy adopted under Section 21.4515; ~~as part of a new employee orientation, to all new school district and open enrollment charter school employees and to existing district and open enrollment charter school employees on a schedule adopted by the agency by rule until all district and open enrollment charter school employees have taken the training~~; and

(2) must include training concerning:

(A) factors indicating a child is at risk for sexual abuse, sex trafficking, or other maltreatment;

(B) likely warning signs indicating a child may be a victim of sexual abuse, sex trafficking, or other maltreatment;

(C) internal procedures for seeking assistance for a child who is at risk for sexual abuse, sex trafficking, or other maltreatment, including referral to a school counselor, a social worker, or another mental health professional;

(D) techniques for reducing a child's risk of sexual abuse, sex trafficking, or other maltreatment; and

(E) community organizations that have relevant existing research-based programs that are able to provide training or other education for school district or open-enrollment charter school staff members, students, and parents.

(d) For any training under Subsection (c), each school district and open-enrollment charter school shall maintain records that include the ~~[name of each]~~ district or charter school staff members ~~[member]~~ who participated in the training.

SECTION _____. Section 38.030(g), Education Code, is amended to read as follows:

(g) The course of instruction for training described under Subsection (f) may ~~[not]~~ be provided as an online course. The course of instruction must use nationally recognized, evidence-based guidelines for bleeding control and must incorporate instruction on the psychomotor skills necessary to use a bleeding control station in the event of an injury to another person, including instruction on proper chest seal placement.

SECTION _____. Section 38.036, Education Code, is amended by amending Subsections (c) and (d) and adding Subsection (c-1) to read as follows:

(c) The methods under Subsection (b)(1) for increasing awareness and implementation of trauma-informed care must include training as provided by this subsection. The training must:

(1) be provided:

(A) ~~[(4)]~~ through a program selected from the list of recommended best practice-based programs and research-based practices established under Section 38.351 ~~[461.325, Health and Safety Code]~~; and

~~(B) in accordance with the policy adopted under Section 21.4515 [(2) as part of any new employee orientation for all new school district educators]; and~~

(2) address how grief and trauma affect student learning and behavior and how evidence-based, grief-informed, and trauma-informed strategies support the academic success of students affected by grief and trauma

~~[(3) to existing school district educators on a schedule adopted by the agency by rule that requires educators to be trained at intervals necessary to keep educators informed of developments in the field].~~

(c-1) The training under Subsection (c) may include two or more listed topics together.

(d) For any training under Subsection (c), each school district shall maintain records that include the ~~[name of each]~~ district staff members ~~[member]~~ who participated in the training.

SECTION _____. Section 38.210(b), Education Code, is amended to read as follows:

(b) Training required under this section must:

(1) include information on:

(A) recognizing the signs and symptoms of anaphylaxis;

(B) administering an epinephrine auto-injector;

(C) implementing emergency procedures, if necessary, after administering an epinephrine auto-injector; and

(D) properly disposing of used or expired epinephrine auto-injectors;

~~[and]~~

(2) be provided in a formal training session or through online education; and

(3) be provided in accordance with the policy adopted under Section 21.4515 [and be completed annually].

SECTION _____. Section 38.351(h), Education Code, is amended to read as follows:

(h) If a school district provides the training under Subsection (g), the school district shall:

(1) require completion of the training in accordance with the policy adopted under Section 21.4515 [a school district employee described under that subsection must participate in the training at least one time]; and

(2) [the school district shall] maintain records that include the [name of each] district employees [employee] who participated in the training.

SECTION _____. Section 39.0304, Education Code, is amended by amending Subsection (a) and adding Subsections (b-1) and (b-2) to read as follows:

(a) To ensure that each administration of assessment instruments under Section 39.023 is valid, reliable, and in compliance with the requirements of this subchapter, the commissioner may require training for school district employees involved in the administration of the assessment instruments, subject to Subsection (b-1).

(b-1) The commissioner may only require the employee at each district campus who oversees the administration of the assessment instruments to annually receive the training required under Subsection (a).

(b-2) The school district employee who oversees test administration on a district campus may, with discretion, require other district employees involved in the administration of assessment instruments to repeat the training under Subsection (a).

SECTION _____. Section 39.408, Education Code, is amended to read as follows:

Sec. 39.408. ELIGIBILITY CRITERIA FOR CERTAIN GRANT PROGRAMS. A school district or campus is eligible to participate in programs under Sections ~~[21.4541,]~~ 29.095[7] and 29.096 if the district or campus exhibited during each of the three preceding school years characteristics that strongly correlate with high dropout rates.

SECTION _____. (a) Not later than June 1, 2022, the State Board for Educator Certification shall publish the continuing education and training clearinghouse required by Section 21.4514, Education Code, as added by this Act.

(b) Not later than August 1, 2022, each school district shall adopt a professional development policy for district personnel in accordance with Section 21.4515, Education Code, as added by this Act.

(c) Except as provided by Subsection (b) of this section, this Act applies beginning with the 2021-2022 school year.

SECTION _____. The Texas Education Agency is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Texas Education Agency may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

(2) Add the following appropriately numbered subdivisions to SECTION 31(a) of the bill, repealing provisions of the Education Code (page 13, lines 9-16), and renumber subsequent subdivisions appropriately:

() Section 21.054(d-2), as amended by Chapter 464 (S.B. 11) and Chapter 352 (H.B. 18), Acts of the 86th Legislature, Regular Session, 2019;

- Section 21.054(e-2);
- Section 21.454;
- Section 21.4541;
- Section 21.455;
- Section 21.4551;
- Section 21.4554;
- Section 28.013(d);
- Sections 33.202(d), (e), and (f);
- Section 34.0021;
- Section 38.036(e);

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 22.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 23

Amend **CSHB 1525** (senate committee report) in SECTION 19 of the bill as follows:

(1) In transferred, redesignated, and amended Section 48.115, Education Code, strike Subsection (b)(3)(C) (page 9, lines 3-10) and substitute the following:

(C) the prevention, identification, and management of emergencies and threats, using evidence-based, effective prevention practices and including:

(i) providing licensed counselors, social workers, and individuals trained in restorative discipline and restorative justice practices;

(ii) providing mental health personnel and support;

(iii) ~~[(ii)]~~ providing behavioral health services; ~~and]~~

(iv) ~~[(iii)]~~ establishing threat reporting systems; and

(v) developing and implementing programs focused on restorative justice practices, culturally relevant instruction, and providing mental health support; and

(2) In transferred, redesignated, and amended Section 48.115, Education Code (page 9, lines 18-23), strike "[~~(d) A school district that is required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level is entitled to a credit, in the amount of the allotments to which the district is to receive as provided by appropriation, against the total amount required under Section 41.093 for the district to purchase attendance credits.~~]" and substitute the following:

(d) The commissioner shall annually publish a report regarding funds allocated under this section including the programs, personnel, and resources purchased by districts using funds under this section and other purposes for which the funds were used [A school district that is required to take action under Chapter 41 to reduce its wealth per student to the equalized wealth level is entitled to a credit, in the amount of the allotments to which the district is to receive as provided by appropriation, against the total amount required under Section 41.093 for the district to purchase attendance credits].

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 23.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 24

Amend **CSHB 1525** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter A, Chapter 29, Education Code, is amended by adding Section 29.0012 to read as follows:

Sec. 29.0012. SPECIAL EDUCATION SERVICES MATRIX. (a) The commissioner shall develop and periodically update materials for use in evaluating the special education services provided to a student under this subchapter, including:

(1) a special education services matrix that:

(A) identifies categories for special education services;

(B) assigns intensity levels for the services in each category; and

(C) produces an aggregate score to assign to each student enrolled in a special education program under this subchapter based on the intensity level of services the student requires across the categories; and

(2) a handbook for using the special education services matrix to assist school districts in determining the nature and intensity levels of the special education services provided to a student under this subchapter.

(b) In developing the materials under Subsection (a), the commissioner shall:

(1) review and adapt, as appropriate, special education services matrixes used by other states; and

(2) consult with stakeholders, including:

(A) public school finance experts;

(B) directors of school district special education programs;

(C) superintendents of school districts;

(D) public school campus administrators;

(E) teachers certified in special education;

(F) teachers certified in general education;

(G) providers of special services that are described as "related services" under Section 29.002(2);

(H) representatives of advocacy organizations with an interest in special education;

(I) parents of students receiving special education services under this subchapter; and

(J) any other person or organization the commissioner considers appropriate.

(c) The commissioner of education shall develop a proposal for a method of funding for special education services based on the special education matrix developed under Subsection (a). The proposal must include:

(1) recommendations to the legislature for changes to the public school finance system necessary to transition the financing of special education services provided by school districts from the special education allotment under Section 49.102 to an allotment based on the nature and intensity levels of the special education services provided by districts; and

(2) a transition plan for implementing the recommendations under Subdivision (1), including a recommended timeline for implementation.

(d) The commissioner shall confer with the Legislative Budget Board to develop the proposal under Subsection (c).

(e) Not later than September 1, 2022, the commissioner shall submit written or electronic copies of the materials developed under Subsections (a) and (c) to the lieutenant governor, the speaker of the house of representatives, and the members of the standing legislative committees with primary jurisdiction over public education, and shall provide revised materials as soon as practicable after each periodic update of the materials.

The amendment to **CSHB 1525** was read.

Senator Lucio withdrew Floor Amendment No. 24.

Senator Menéndez offered the following amendment to the bill:

Floor Amendment No. 25

Amend **CSHB 1525** by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____ . Section 12.056(b), Education Code, is amended to read as follows:

(b) A campus or program for which a charter is granted under this subchapter is subject to:

(1) a provision of this title establishing a criminal offense; and

(2) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:

(A) the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;

(B) criminal history records under Subchapter C, Chapter 22;

(C) high school graduation under Section 28.025;

(D) special education programs under Subchapter A, Chapter 29;

(E) bilingual education under Subchapter B, Chapter 29;

(F) prekindergarten programs under Subchapter E, Chapter 29, except class size limits for prekindergarten classes imposed under Section 25.112, which do not apply;

(G) extracurricular activities under Section 33.081;

(H) health and safety under Chapter 38;

(I) public school accountability under Subchapters B, C, D, F, and J, Chapter 39, and Chapter 39A; and

(J) the duty to discharge or refuse to hire certain employees or applicants for employment under Section 12.1059.

SECTION _____. Section 12.104(b), Education Code, as amended by Chapters 262 (H.B. 1597), 464 (S.B. 11), 467 (H.B. 4170), and 943 (H.B. 3), Acts of the 86th Legislature, Regular Session, 2019, is reenacted and amended to read as follows:

(b) An open-enrollment charter school is subject to:

(1) a provision of this title establishing a criminal offense;

(2) the provisions in Chapter 554, Government Code; and

(3) a prohibition, restriction, or requirement, as applicable, imposed by this title or a rule adopted under this title, relating to:

(A) the Public Education Information Management System (PEIMS) to the extent necessary to monitor compliance with this subchapter as determined by the commissioner;

(B) criminal history records under Subchapter C, Chapter 22;

(C) reading instruments and accelerated reading instruction programs under Section 28.006;

(D) accelerated instruction under Section 28.0211;

(E) high school graduation requirements under Section 28.025;

(F) special education programs under Subchapter A, Chapter 29;

(G) bilingual education under Subchapter B, Chapter 29;

(H) prekindergarten programs under Subchapter E or E-1, Chapter 29, except class size limits for prekindergarten classes imposed under Section 25.112, which do not apply;

(I) extracurricular activities under Section 33.081;

(J) discipline management practices or behavior management techniques under Section 37.0021;

(K) health and safety under Chapter 38;

(L) public school accountability under Subchapters B, C, D, F, G, and J, Chapter 39, and Chapter 39A;

(M) the requirement under Section 21.006 to report an educator's misconduct;

(N) intensive programs of instruction under Section 28.0213;

(O) the right of a school employee to report a crime, as provided by Section 37.148;

(P) bullying prevention policies and procedures under Section 37.0832;

(Q) the right of a school under Section 37.0052 to place a student who has engaged in certain bullying behavior in a disciplinary alternative education program or to expel the student;

(R) the right under Section 37.0151 to report to local law enforcement certain conduct constituting assault or harassment;

(S) a parent's right to information regarding the provision of assistance for learning difficulties to the parent's child as provided by Sections 26.004(b)(11) and 26.0081(c) and (d);

(T) establishment of residency under Section 25.001;

(U) [~~F~~] school safety requirements under Sections 37.108, 37.1081, 37.1082, 37.109, 37.113, 37.114, 37.115, 37.207, and 37.2071;

(V) [~~(F)~~] the early childhood literacy and mathematics proficiency plans under Section 11.185; and

(W) [~~(U)~~] the college, career, and military readiness plans under Section 11.186.

SECTION _____. Section 25.112(a), Education Code, is amended to read as follows:

(a) Except as otherwise authorized by this section, a school district may not enroll more than 22 students in a prekindergarten, kindergarten, first, second, third, or fourth grade class. That limitation does not apply during:

(1) any 12-week period of the school year selected by the district, in the case of a district whose average daily attendance is adjusted under Section 48.005(c); or

(2) the last 12 weeks of any school year in the case of any other district.

SECTION _____. Section 29.1532(b), Education Code, is amended to read as follows:

(b) If a school district contracts with a private entity for the operation of the district's prekindergarten program, the program must at a minimum comply with:

(1) the applicable child-care licensing standards adopted by the Health and Human Services Commission [Department of Protective and Regulatory Services] under Section 42.042, Human Resources Code; and

(2) the class size requirement for prekindergarten classes imposed under Section 25.112(a).

SECTION _____. Section 29.171(c), Education Code, is amended to read as follows:

(c) A prekindergarten program provided by a private provider under this section is subject to:

(1) the requirements of this subchapter; and

(2) the class size requirement for prekindergarten classes imposed under Section 25.112(a).

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 25 except as follows:

Nays: Birdwell.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 26

Amend **CSHB 1525** (senate committee printing) as follows:

(1) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS accordingly:

SECTION _____. Section 8.051(d), Education Code, is amended to read as follows:

(d) Each regional education service center shall maintain core services for purchase by school districts and campuses. The core services are:

(1) training and assistance in:

(A) teaching each subject area assessed under Section 39.023; and

(B) providing instruction in personal financial literacy as required under Section 28.0021;

(2) training and assistance in providing ~~[a gifted and talented program and]~~ each program that qualifies for a funding allotment under Section 48.102, 48.104, ~~[or]~~ 48.105, or 48.109;

(3) assistance specifically designed for a school district or campus assigned an unacceptable performance rating under Section 39.054;

(4) training and assistance to teachers, administrators, members of district boards of trustees, and members of site-based decision-making committees;

(5) assistance specifically designed for a school district that is considered out of compliance with state or federal special education requirements, based on the agency's most recent compliance review of the district's special education programs; and

(6) assistance in complying with state laws and rules.

SECTION __. Subchapter C, Chapter 48, Education Code, is amended by adding Section 48.109 to read as follows:

Sec. 48.109. GIFTED AND TALENTED STUDENT ALLOTMENT. (a) For each identified student a school district serves in a program for gifted and talented students that the district certifies to the commissioner as complying with Subchapter D, Chapter 29, a district is entitled to an annual allotment equal to the basic allotment multiplied by 0.07 for each school year or a greater amount provided by appropriation.

(b) Funds allocated under this section, other than the amount that represents the program's share of general administrative costs, must be used in providing programs for gifted and talented students under Subchapter D, Chapter 29, including programs sanctioned by International Baccalaureate and Advanced Placement, or in developing programs for gifted and talented students. Each district must account for the expenditure of state funds as provided by rule of the State Board of Education. If by the end of the 12th month after receiving an allotment for developing a program a district has failed to implement a program, the district must refund the amount of the allotment to the agency within 30 days.

(c) Not more than five percent of a district's students in average daily attendance are eligible for funding under this section.

(d) If the amount of state funds for which school districts are eligible under this section exceeds the amount of state funds appropriated in any year for the programs, the commissioner shall reduce each district's tier one allotments in the same manner described for a reduction in allotments under Section 48.266.

(e) If the total amount of funds allotted under this section before a date set by rule of the State Board of Education is less than the total amount appropriated for a school year, the commissioner shall transfer the remainder to any program for which an allotment under Section 48.104 may be used.

(f) After each district has received allotted funds for this program, the State Board of Education may use up to \$500,000 of the funds allocated under this section for programs such as MATHCOUNTS, Future Problem Solving, Odyssey of the Mind, and Academic Decathlon, as long as these funds are used to train personnel and

provide program services. To be eligible for funding under this subsection, a program must be determined by the State Board of Education to provide services that are effective and consistent with the state plan for gifted and talented education.

(2) In SECTION 31(a) of the bill, repealing provisions of the Education Code (page 13, between lines 13 and 14), insert the following appropriately numbered subdivision and renumber subsequent subdivisions accordingly:

() Section 29.124;

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 26.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 27

Amend **CSHB 1525** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 48.005(d), Education Code, is amended to read as follows:

(d) The commissioner may adjust the average daily attendance of a school district in which a disaster, flood, extreme weather condition, fuel curtailment, or other calamity has a significant effect on the district's attendance. In addition to providing the adjustment for the amount of instructional days during the semester in which the calamity first occurred, an adjustment under this section may only be provided based on a particular calamity for an additional amount of instructional days equivalent to one school year. The commissioner may divide the adjustment between two consecutive school years.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 27.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 28

Amend **CSHB 1525** by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 48.007, Education Code, is amended by adding Subsections (c), (d), and (e) to read as follows:

(c) A school district or open-enrollment charter school that operated during the 2020-2021 school year a full-time virtual program outside the state virtual network under Chapter 30A may:

(1) continue to operate the virtual program on a full-time basis;

(2) apply the same enrollment and transfer criteria used during the 2020-2021 school year; and

(3) offer the program to students in grades prekindergarten through 12 or to any grade level configuration that the district or charter school determines appropriate if the configuration contains at least one grade level for which an assessment instrument under Section 39.027 is administered.

(d) A full-time virtual program described by Subsection (c) may not exceed the program's enrollment level for the 2020-2021 school year during any subsequent school year.

(e) Subsections (c) and (d) and this subsection expire September 1, 2027.

The amendment to **CSHB 1525** was read.

Senator Taylor withdrew Floor Amendment No. 28.

Senator Perry offered the following amendment to the bill:

Floor Amendment No. 29

Amend **CSHB 1525** (senate committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____ . Section 32.155, Education Code, is amended to read as follows:

Sec. 32.155. PROTECTION OF COVERED INFORMATION. (a) An operator must implement and maintain reasonable security procedures and practices designed to protect any covered information from unauthorized access, deletion, use, modification, or disclosure.

(b) Any operator that has been approved by the agency or had a product adopted by the agency and possesses any covered information must use the unique identifier established by the Texas Student Data System (TSDS) or a successor data management system maintained by the agency for any account creation, data upload, data transmission, analysis, or reporting to mask all personally identifiable student information. The operator shall adhere to a state-required student data sharing agreement that includes an established unique identifier standard for all operators as prescribed by the agency.

(c) In addition to including the unique identifier in releasing information as provided by Subsection (b), an operator may include any other data field identified by the agency or by a school district, open-enrollment charter school, regional education service center, or other local education agency as necessary for the information being released to be useful.

(d) A school district, open-enrollment charter school, regional education service center, or other local education agency may include additional data fields in an agreement with an operator or the amendment of an agreement with an operator under this section. An operator may agree to include the additional data fields requested by a school district, open-enrollment charter school, regional education service center, or other local education agency but may not require that additional data fields be included.

(e) A school district, open-enrollment charter school, regional education service center, or other local education agency may require an operator that contracts directly with the entity to adhere to a state-required student data sharing agreement that includes the use of an established unique identifier standard for all operators as prescribed by the agency.

(f) A national assessment provider who receives covered information from a student or from a school district or campus on behalf of a student is not required to comply with Subsection (b) or (e) if the provider receives the covered information solely to provide access to:

(1) employment, educational scholarships, financial aid, or postsecondary educational opportunities; or

(2) educational resources for middle school, junior high school, or high school students.

(g) The commissioner may adopt rules as necessary to administer this section.

The amendment to **CSHB 1525** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 29.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 30

Amend **CSHB 1525** (senate committee printing) as follows:

(1) Designate SECTIONS 1 through 33 of the bill (page 1, line 25, through page 13, line 32) as ARTICLE 3 of the bill and renumber those SECTIONS accordingly.

(2) In SECTION 32 of the bill, adding transition language (page 13, lines 24 and 25), strike "the effective date of this Act" and substitute "September 1, 2021".

(3) In SECTION 32 of the bill, adding transition language (page 13, lines 25 and 26), strike "the effective date of this Act" and substitute "September 1, 2021,".

(4) Strike SECTION 34 of the bill, adding an effective date (page 13, line 33).

(5) Add the following ARTICLES to the bill:

ARTICLE 1. STATE BOARD OF EDUCATION'S MANAGEMENT OF PERMANENT SCHOOL FUND

SECTION 1.01. Sections 43.001, 43.002, 43.003, 43.0031, 43.0032, 43.0033, 43.0034, 43.004, 43.005, 43.0051, 43.006, 43.007, 43.009, 43.010, 43.011, 43.012, 43.013, 43.014, 43.015, 43.016, 43.017, 43.018, 43.019, and 43.020, Education Code, are redesignated as Subchapter A, Chapter 43, Education Code, and a heading for Subchapter A is added to read as follows:

SUBCHAPTER A. GENERAL PROVISIONS

SECTION 1.02. Section 43.001(a), Education Code, is amended to read as follows:

(a) Except as provided by Subsection (b), the permanent school fund, which is a perpetual endowment for the public schools of this state, consists of:

(1) all land appropriated for the public schools by the constitution and laws of this state;

(2) all of the unappropriated public domain remaining in this state, including all land recovered by the state by suit or otherwise except pine forest land as described ~~[defined]~~ by Section 88.111 and property described by Section 12.128;

(3) all proceeds from the authorized sale of permanent school fund land;

(4) all proceeds from the lawful sale of any other properties belonging to the permanent school fund;

(5) all investments authorized by Section 43.003 of assets ~~[properties]~~ belonging to the permanent school fund; and

(6) all income from the mineral development of permanent school fund land, including income from mineral development of riverbeds and other submerged land.

SECTION 1.03. Section 43.003, Education Code, is amended to read as follows:

Sec. 43.003. INVESTMENT OF PERMANENT SCHOOL FUND. ~~The [In compliance with this section, the]~~ State Board of Education may invest the permanent school fund as authorized by Section 5(f), Article VII, Texas Constitution ~~[in the types of securities, which must be carefully examined by the State Board of Education and be found to be safe and proper investments for the fund as specified below:~~

~~[(1) securities, bonds, or other obligations issued, insured, or guaranteed in any manner by the United States Government or any of its agencies and in bonds issued by this state;~~

~~[(2) obligations and pledges of The University of Texas;~~

~~[(3) corporate bonds, debentures, or obligations of United States corporations of at least "A" rating;~~

~~[(4) obligations of United States corporations that mature in less than one year and are of the highest rating available at the time of investment;~~

~~[(5) bonds issued, assumed, or guaranteed by the Inter-American Development Bank, the International Bank of Reconstruction and Development (the World Bank), the African Development Bank, the Asian Development Bank, and the International Finance Corporation;~~

~~[(6) bonds of counties, school districts, municipalities, road precincts, drainage, irrigation, navigation, and levee districts in this state, subject to the following requirements:~~

~~[(A) the securities, before purchase, must have been diligently investigated by the attorney general both as to form and as to legal compliance with applicable laws;~~

~~[(B) the attorney general's certificate of validity procured by the party offering the bonds, obligations, or pledges must accompany the securities when they are submitted for registration to the comptroller, who must preserve the certificates;~~

~~[(C) the public securities, if purchased, and when certified and registered as specified under Paragraph (B), are incontestable unless issued fraudulently or in violation of a constitutional limitation, and the certificates of the attorney general are prima facie evidence of the validity of the bonds and bond coupons; and~~

~~[(D) after the issuing political subdivision has received the proceeds from the sales of the securities, the issuing agency is estopped to deny their validity, and the securities are valid and binding obligations;~~

~~[(7) preferred stocks and common stocks that the State Board of Education considers proper investments for the permanent school fund, subject to the following requirements:~~

~~[(A) in making all of those investments, the State Board of Education shall exercise the judgment and care under the circumstances then prevailing that persons of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety of their capital;~~

~~[(B) the company issuing the stock must be incorporated in the United States, and the stocks must have paid dividends for five consecutive years or longer immediately before the date of purchase and the stocks, except for bank stocks and insurance stocks, must be listed on an exchange registered with the Securities and Exchange Commission or its successors; and~~

~~[(C) not more than one percent of the permanent school fund may be invested in stock issued by one corporation and not more than five percent of the voting stock of any one corporation will be owned; and~~

~~[(8) notwithstanding any other law or provision of this code, first lien real estate mortgage securities insured by the Federal Housing Administration under the National Housing Act of the United States, or in any other first lien real estate mortgage securities guaranteed in whole or in part by the United States].~~

SECTION 1.04. Section 43.0033, Education Code, is amended to read as follows:

Sec. 43.0033. REPORTS OF EXPENDITURES. A consultant, advisor, broker, or other person providing services to the State Board of Education relating to the management and investment of the permanent school fund shall file with the board regularly, as determined by the board, a report that describes in detail any expenditure of more than \$50 made by the person on behalf of:

- (1) a member of the board;
- (2) the commissioner; or
- (3) an employee of the agency ~~[or of a nonprofit corporation created under Section 43.006].~~

SECTION 1.05. Section 43.006(a), Education Code, is amended to read as follows:

(a) The State Board of Education may delegate investment authority for the investment of the permanent school fund to the Texas Permanent School Fund Corporation as provided by Subchapter B ~~[same extent as an institution with respect to an institutional fund under Chapter 163, Property Code].~~

SECTION 1.06. Chapter 43, Education Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. TEXAS PERMANENT SCHOOL FUND CORPORATION

Sec. 43.051. DEFINITIONS. In this subchapter:

- (1) "Board of directors" means the board of directors of the corporation.

(2) "Chief executive officer" means the chief executive officer of the corporation employed under Section 43.054.

(3) "Corporation" means the Texas Permanent School Fund Corporation.

Sec. 43.052. CREATION OF CORPORATION. (a) The State Board of Education may incorporate the Texas Permanent School Fund Corporation and delegate to the corporation the board's authority to manage and invest:

(1) the permanent school fund under Section 43.003; and

(2) the charter district bond guarantee reserve fund under Section 45.0571.

(b) The State Board of Education shall adopt the initial articles of incorporation for the corporation.

(c) The corporation is a special-purpose governmental corporation and instrumentality of the state with necessary and implied powers to accomplish its purpose. The corporation is subject to regulation and limitation only as provided by this subchapter.

Sec. 43.053. BOARD OF DIRECTORS; MEETINGS. (a) The board of directors is composed of the following nine members:

(1) five members of the State Board of Education, appointed by the board in accordance with board policy;

(2) the commissioner of the General Land Office;

(3) one member appointed by the commissioner of the General Land Office who has substantial background and expertise in investments and asset management; and

(4) two members appointed by the governor, with the advice and consent of the senate, from a list of the following six nominees, each of whom must have substantial background and expertise in investments and asset management and may not be members of the State Board of Education or the School Land Board:

(A) three individuals nominated by the State Board of Education; and

(B) three individuals nominated by the School Land Board.

(b) The State Board of Education by rule shall establish the terms of members of the board of directors appointed under Subsection (a)(1).

(c) Members of the board of directors appointed under Subsections (a)(3) and (4) serve staggered six-year terms, with the term of one member expiring on January 1 of each odd-numbered year.

(d) The initial members described by Subsection (c) shall determine by lot which one of the initial members will serve a term expiring January 1 of the first odd-numbered year following the establishment of the corporation, which one of the initial members will serve a term expiring January 1 of the second odd-numbered year following the establishment of the corporation, and which one of the initial members will serve a term expiring January 1 of the third odd-numbered year following the establishment of the corporation.

(e) Appointments to the board of directors must be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

(f) The board of directors shall elect officers of the board in accordance with the corporation's bylaws.

(g) The board of directors shall meet at least three times per year.

Sec. 43.054. CHIEF EXECUTIVE OFFICER. (a) The corporation shall employ a chief executive officer to manage and carry out the policies of the corporation. The board of directors shall determine the process for hiring the chief executive officer.

(b) The chief executive officer serves at the will of the board of directors.

Sec. 43.055. EMPLOYEES. (a) The chief executive officer is responsible for hiring all employees of the corporation.

(b) Employees of the corporation serve at the will of the chief executive officer.

(c) The chief executive officer or the chief executive officer's designee shall develop a system of compensation for employees of the corporation as necessary to retain qualified staff.

(d) The chief executive officer or the chief executive officer's designee shall develop a system of annual performance evaluations. Merit pay for corporation employees must be based on the system established under this subsection.

(e) The chief executive officer or the chief executive officer's designee shall prepare and maintain a written policy statement to assure implementation of a program of equal employment opportunity under which all personnel decisions are made without regard to race, color, disability, sex, religion, age, or national origin.

(f) The chief executive officer may appoint an internal auditor for the corporation, who may be an employee of the corporation. The appointment of the internal auditor must be approved by the board of directors. The board of directors may require the internal auditor to submit specified reports directly to the board of directors.

(g) Except as otherwise provided by this subchapter, employees of the corporation are state employees for all purposes, including:

(1) accrual of leave time, insurance benefits, and retirement benefits;

(2) Chapter 104, Civil Practice and Remedies Code; and

(3) Chapter 501, Labor Code.

Sec. 43.056. SOVEREIGN IMMUNITY. (a) The corporation, the board of directors, and the officers and employees of the corporation are entitled to sovereign immunity to the same extent as any other state agency or officer or employee of a state agency.

(b) No action taken by the corporation, including the acceptance of benefits under a contract, may be construed to waive the corporation's sovereign immunity, including immunity from suit or from liability.

(c) Subchapter C, Chapter 2260, Government Code, does not apply to the corporation.

Sec. 43.057. LIABILITY INSURANCE FOR BOARD MEMBERS AND EMPLOYEES. (a) The corporation may purchase or otherwise acquire insurance to protect members of the board of directors and employees of the corporation, subject to Subsection (c).

(b) Insurance purchased or acquired by the corporation under this section may:

(1) protect against any type of liability to third persons that might be incurred while conducting corporation business; and

(2) provide for all costs of defending a cause of action for such liability, including court costs and attorney's fees.

(c) This section does not authorize the purchase or acquisition of insurance to protect against liability not described in Subsection (b).

Sec. 43.058. ETHICS POLICY; CONFLICTS OF INTEREST. (a) The board of directors shall adopt an ethics policy that provides standards of conduct relating to the management and investment of the permanent school fund in accordance with Section 43.0031(a). The ethics policy must include provisions applicable to:

(1) members of the board of directors;

(2) employees of the corporation; and

(3) any person who provides services to the corporation relating to the management or investment of the permanent school fund.

(b) A member of the board of directors, an employee of the corporation, and a person who provides services to the corporation relating to the management or investment of the permanent school fund shall disclose in writing to the corporation any business, commercial, or other relationship that could reasonably be expected to diminish the person's independence of judgment in the performance of the person's responsibilities relating to the management or investment of the permanent school fund.

(c) The board of directors shall define in the ethics policy adopted under Subsection (a) the types of relationships that may create a possible conflict of interest.

(d) A person who makes a written disclosure under Subsection (b) stating a possible conflict of interest may not give advice or make decisions about a matter affected by the possible conflict of interest unless the board of directors expressly waives this prohibition. The board of directors may delegate the authority to waive the prohibition established by this subsection.

Sec. 43.059. APPLICABILITY OF CERTAIN LAWS. (a) Except as otherwise provided by and to the extent consistent with this subchapter, Title 1, Business Organizations Code, and Chapter 22, Business Organizations Code, apply to the corporation.

(b) Subject to Section 43.060, the corporation is a governmental body for purposes of Chapter 551, Government Code.

(c) The corporation is exempt from:

(1) Chapters 654 and 660, Government Code, and Subchapter K, Chapter 659, Government Code, to the extent the board of directors determines that an exemption from those provisions is necessary for the corporation to perform the board's fiduciary duties under this subchapter;

(2) all state laws regulating or limiting purchasing by state agencies, including Subtitle D, Title 10, Government Code, and Chapters 2254, 2261, and 2262, Government Code;

(3) the franchise tax under Chapter 171, Tax Code; and

(4) any filing costs or other fees imposed by the state on a corporation.

Sec. 43.060. EXCEPTION TO OPEN MEETING REQUIREMENTS FOR CERTAIN CONSULTATIONS CONCERNING INVESTMENTS. (a) In this section, "private investment fund," "reinvestment," and "restricted securities" have the meanings assigned by Section 552.143, Government Code.

(b) The board of directors may conduct a closed meeting in accordance with Subchapter E, Chapter 551, Government Code, to deliberate or confer with one or more employees, consultants, or legal counsel of the corporation or with a third party if the only purpose of the meeting is to receive information from or question the employees, consultants, or legal counsel or third party relating to:

(1) investment transactions or potential investment transactions if, before conducting the closed meeting, a majority of the board of directors in an open meeting vote that deliberating or conferring in an open meeting would have a detrimental effect on the corporation's position in negotiations with third parties or put the corporation at a competitive disadvantage in the market;

(2) the purchase, holding, or disposal of restricted securities or a private investment fund's investment in restricted securities if, under Section 552.143, Government Code, the information discussed would be confidential and excepted from the requirements of Section 552.021, Government Code, if the information were included in the records of a governmental body; or

(3) a procurement proposed to be awarded by the board of directors if, before conducting the closed meeting, a majority of the board of directors in an open meeting vote that deliberating or conferring in an open meeting would have a detrimental effect on the corporation's position in negotiations with third parties.

(c) Any vote or final action taken on a procurement described by Subsection (b)(3) must be conducted in an open meeting.

Sec. 43.061. RECORD RETENTION. (a) Subchapter L, Chapter 441, Government Code, does not apply to the corporation.

(b) The corporation may establish record retention policies for the corporation. In establishing the policies under this section, the corporation may consider relevant rules and guidelines adopted by the Texas State Library and Archives Commission.

Sec. 43.062. INFORMATION TECHNOLOGY AND ASSOCIATED RESOURCES. (a) Chapters 2054 and 2055, Government Code, do not apply to the corporation or to any state agency with respect to a contract entered into between the agency and the corporation for information technology or associated resources.

(b) The corporation shall control all aspects of, and may contract with third parties for, the corporation's information technology and associated resources, including:

(1) computer, data management, and telecommunications operations;

(2) procurement of hardware, software, and middleware and telecommunications equipment and systems;

(3) location, operation, and replacement of computers, computer systems, software provided as a service, and telecommunications systems;

(4) data processing;

(5) security;

(6) disaster recovery; and

(7) storage.

(c) The Department of Information Resources shall assist the corporation at the request of the corporation, and the corporation may use any service that is available through that department.

Sec. 43.063. GENERAL POWERS AND DUTIES OF CORPORATION. (a) The corporation may amend the articles of incorporation adopted by the State Board of Education when the corporation was established, subject to board approval.

(b) The corporation may adopt and amend:

(1) subject to State Board of Education approval, bylaws for the corporation;

(2) resolutions and policies of the corporation; and

(3) any other document necessary to carry out the corporation's purpose.

(c) The corporation may engage in any activity necessary to manage the investments of the permanent school fund, including entering into any contract in connection with the investment of the permanent school fund, to the extent the activity complies with applicable fiduciary duties.

(d) The corporation shall make all purchases of goods and services in accordance with applicable fiduciary duties and may use purchasing methods that ensure the best value to the corporation. In determining best value, the corporation may consider the best value standards applicable to state agencies under Section 2155.074, Government Code.

(e) The corporation may:

(1) delegate investment authority for the investment of the permanent school fund to one or more private professional investment managers; or

(2) contract with one or more private professional investment managers to assist the corporation in making investments of the permanent school fund.

(f) The corporation may receive, transfer, and disburse money and securities of the fund as provided by statute or the Texas Constitution, except that the corporation may not distribute money from the permanent school fund to the available school fund except as authorized under Section 43.066.

(g) The corporation may enter into a contract with a state agency, a governmental body, or another entity to manage or invest funds on behalf of the agency, body, or entity.

Sec. 43.064. CONTRACTING FOR FACILITIES AND NECESSARY SUPPORT. The corporation may contract with a state agency or another entity to provide operational support, facilities, information and data technology, staff, or other support for the corporation. The corporation may but is not required to request allocation of space to the corporation under Subchapter C, Chapter 2165, Government Code.

Sec. 43.065. WRITTEN INVESTMENT OBJECTIVES; PERFORMANCE EVALUATION. In accordance with Section 43.004, the board of directors shall:

(1) develop written investment objectives concerning the investment of the permanent school fund; and

(2) employ a well-recognized performance measurement service to evaluate and analyze the investment results of the permanent school fund.

Sec. 43.066. DISTRIBUTIONS BY CORPORATION FROM PERMANENT SCHOOL FUND TO AVAILABLE SCHOOL FUND. (a) The corporation may distribute from the permanent school fund to the available school fund under Section 5(g), Article VII, Texas Constitution, an amount not to exceed the limitation under that section that is determined in accordance with rules established by the corporation.

(b) In developing the rules for distributions under Subsection (a), the corporation shall develop and establish an annual minimum distribution rate that the corporation will use in making a distribution from the permanent school fund to the available school fund each state fiscal year. In developing the annual minimum distribution rate under this subsection, the corporation may consider:

(1) transfers made from the permanent school fund to the available school fund under Section 43.002 in accordance with Section 5(a), Article VII, Texas Constitution;

(2) factors that relate to the current and future public school students in the state; and

(3) any other factors the corporation determines relevant.

Sec. 43.067. BOND GUARANTEE PROGRAM. The corporation, the State Board of Education, and the agency shall coordinate to determine the corporation's role in the operation and management of the permanent school fund in connection with the bond guarantee program under Subchapter C, Chapter 45, to ensure the proper and efficient operation of the program, including the handling of any associated reimbursements, transfers, and disbursements.

Sec. 43.068. ANNUAL AUDIT. (a) Not less than once each year, the board of directors shall submit to the Legislative Budget Board an audit report regarding the operations of the corporation.

(b) The corporation may contract with a certified public accountant or the state auditor to conduct an independent audit of the operations of the corporation.

(c) This section does not affect the state auditor's authority to conduct an audit of the corporation in accordance with Chapter 321, Government Code.

Sec. 43.069. ANNUAL INVESTMENT REPORT. The corporation shall annually submit to the State Board of Education and the General Land Office a report on the allocation of assets and investment performance of the portion of the permanent school fund for which the corporation is responsible.

Sec. 43.070. REPORT ON ANTICIPATED TRANSFER TO AVAILABLE SCHOOL FUND. Not later than November 1 of each even-numbered year, the corporation shall submit to the legislature, comptroller, State Board of Education, and Legislative Budget Board a report that in detail specifically states the date a transfer will be made and the amount the corporation will transfer during the subsequent state fiscal biennium from the permanent school fund to the available school fund under Section 43.066.

Sec. 43.071. GIFTS, GRANTS, AND DONATIONS. The corporation may accept, and establish a nonprofit corporation or other entity for the purpose of accepting, a gift, grant, donation, or bequest of money, securities, property, or any other assets from any public or private source for the permanent school fund.

SECTION 1.07. Sections 43.006(b), (c), (d), (e), (f), (g), (h), (i), (j), and (k), Education Code, are repealed.

ARTICLE 2. SCHOOL LAND BOARD'S MANAGEMENT OF PERMANENT SCHOOL FUND

SECTION 2.01. Section 51.001, Natural Resources Code, is amended by adding Subdivisions (13) and (14) to read as follows:

(13) "Real property holding" means any direct or indirect interest in real property located in the state or any interest in a joint venture whose primary purpose is the acquisition, development, holding, and disposing of real property located in the state. The term does not include an interest in an investment vehicle.

(14) "Investment vehicle" means:

(A) a multi-investment separately managed account or similar investment fund;

(B) a multi-asset closed-end or open-end investment fund sponsored and managed by a third party;

(C) a real estate investment trust;

(D) an investment managed by a third party alongside a multi-asset closed-end or open-end investment fund that is also managed by the third party or by any of the third party's related persons or affiliates; or

(E) a corporation, partnership, limited liability company, or other entity whose primary purpose is to:

(i) sponsor and manage investments on behalf of third parties, including institutional investors; or

(ii) operate assets or provide brokerage or other services to third parties under circumstances in which the entity does not directly or indirectly own the underlying assets.

SECTION 2.02. Section 51.011, Natural Resources Code, is amended by amending Subsections (a) and (a-1) and adding Subsection (a-3) to read as follows:

(a) Any land, mineral or royalty interest, or real property holding, and ~~[estate investment, or other interest, including]~~ revenue received from any land or real property holding ~~[those sources]~~, that is set apart to the permanent school fund under the constitution and laws of this state together with the mineral estate in riverbeds, channels, and the tidelands, including islands, shall be subject to the sole and exclusive management and control of the School Land Board ~~[school land board]~~ and the commissioner under the provisions of this chapter and other applicable law.

(a-1) The board may acquire, sell, lease, trade, improve, maintain, protect, or otherwise manage, control, or use land, mineral and royalty interests, or real property holdings, and ~~[estate investments, or other interests, including]~~ revenue received from land or real property holdings ~~[those sources]~~, that are set apart to the permanent school fund in any manner, at such prices, and under such terms and conditions as the board finds to be in the best interest of the fund.

(a-3) All revenue received from mineral or royalty interests described by Subsection (a), including bonus payments, mineral lease rental revenues, royalties, and any other type of revenue received from those interests, less any amount specified by appropriation to be retained by the board under this subsection, shall be transferred each month to the Texas Permanent School Fund Corporation for investment in the permanent school fund.

SECTION 2.03. Section 51.017, Natural Resources Code, is amended to read as follows:

Sec. 51.017. FURNISHING DATA TO TEXAS PERMANENT SCHOOL FUND CORPORATION [~~BOARD OF EDUCATION~~]. On request, the commissioner shall furnish to the Texas Permanent School Fund Corporation [~~State Board of Education~~] all available data.

SECTION 2.04. Section 51.401(a), Natural Resources Code, is amended to read as follows:

(a) The board may designate funds or revenue received from any land or real property holdings, and any proceeds received from the sale of any mineral or royalty interest, [~~real estate investment, or other interest, including revenue received from those sources,~~] that is set apart to the permanent school fund under the constitution and laws of this state together with the mineral estate in riverbeds, channels, and the tidelands, including islands, for deposit in the real estate special fund account of the permanent school fund in the State Treasury to be used by the board as provided by this subchapter.

SECTION 2.05. Section 51.402(a), Natural Resources Code, is amended to read as follows:

(a) The [~~Except as provided by Subsection (c), the~~] board may use funds designated under Section 51.401 for any of the following purposes:

(1) to add to a tract of public school land to form a tract of sufficient size to be manageable;

(2) to add contiguous land to public school land;

(3) to acquire, as public school land, interests in real property for biological, residential, commercial, geological, cultural, or recreational purposes;

(4) to acquire mineral and royalty interests for the use and benefit of the permanent school fund;

(5) to protect, maintain, or enhance the value of public school land and mineral or royalty interests on that land;

(6) to acquire real property holdings [~~interests in real estate~~];

(7) to pay reasonable fees for professional services related to a permanent school fund investment; or

(8) to acquire, sell, lease, trade, improve, maintain, protect, or use land, mineral and royalty interests, or real property holdings [~~estate investments, an investment or interest in public infrastructure, or other interests~~], at such prices and under such terms and conditions the board determines to be in the best interest of the permanent school fund.

SECTION 2.06. Section 51.4021, Natural Resources Code, is amended to read as follows:

Sec. 51.4021. APPOINTMENT OF [~~SPECIAL FUND MANAGERS,~~] INVESTMENT CONSULTANTS[;] OR ADVISORS. (a) The board may appoint investment [~~managers,~~] consultants[;] or advisors to [~~invest or~~] assist the board in using [~~investing~~] funds designated under Section 51.401 in a manner authorized under Section 51.402 by contracting for professional [~~investment management or~~] investment advisory services with one or more organizations that are in the business of [~~managing or~~] advising on the management of real estate investments.

(b) To be eligible for appointment under this section, an investment ~~[manager,~~ consultant~~],~~ or advisor shall agree to abide by the policies, requirements, or restrictions, including ethical standards and disclosure policies and criteria for determining the quality of investments and for the use of standard rating services, that the board adopts for real estate investments of the permanent school fund. Funds designated under Section 51.401 may not be invested in a real estate investment trust, as defined by Section 200.001, Business Organizations Code.

(c) Compensation paid to an investment ~~[manager,~~ consultant~~],~~ or advisor by the board must be consistent with the compensation standards of the investment industry and compensation paid by similarly situated institutional investors.

(d) Chapter 2263, Government Code, applies to investment ~~[managers,~~ consultants ~~and~~~~],~~ or advisors appointed under this section. The board by rule shall adopt standards of conduct for investment ~~[managers,~~ consultants ~~and~~~~],~~ or advisors appointed under this section as required by Section 2263.004, Government Code, and shall implement the disclosure requirements of Section 2263.005 of that code.

SECTION 2.07. The heading to Section 51.412, Natural Resources Code, is amended to read as follows:

Sec. 51.412. REPORT ON USE OF CERTAIN MONEY ~~[REPORTS TO LEGISLATURE]~~.

SECTION 2.08. Sections 51.412(a) and (c), Natural Resources Code, are amended to read as follows:

(a) Not later than September 1 of each even-numbered year, the board shall submit to the legislature, the Texas Permanent School Fund Corporation, and the Legislative Budget Board a report that, specifically and in detail, assesses the direct and indirect economic impact, as anticipated by the board, of the use ~~[investment]~~ of funds:

(1) retained by the board as provided by Section 51.011(a-3); or
 (2) designated under Section 51.401 for deposit in the real estate special fund account of the permanent school fund.

(c) The report must include the following information:

(1) the total amount of the funds designated by Section 51.401 for deposit in the real estate special fund account of the permanent school fund that the board intends to use in a manner authorized under Section 51.402 ~~[invest]~~;

(2) the amount of funds retained by ~~[rate of return]~~ the board as provided by Section 51.011(a-3) and the purposes for which the board intends to use those funds ~~[expects to attain on the investment]~~;

(3) the amount of the funds the board expects to distribute to the available school fund or the Texas Permanent School Fund Corporation ~~[State Board of Education]~~ for investment in the permanent school fund under Section 51.413 ~~[after making the investments]~~;

(4) ~~[the distribution of the board's investments by county;~~
~~(5) the effect of the board's investments on the level of employment, personal income, and capital investment in the state;~~

~~(6)~~ the amounts of all fees or other compensation paid by the board to investment ~~[managers,~~ consultants ~~and~~~~],~~ or advisors appointed or organizations contracted with under Section 51.402]; and

(5) [(7)] any other information the board considers necessary to include in the report.

SECTION 2.09. Section 51.413, Natural Resources Code, is amended to read as follows:

Sec. 51.413. TRANSFERS FROM THE REAL ESTATE SPECIAL FUND ACCOUNT TO THE AVAILABLE SCHOOL FUND AND THE PERMANENT SCHOOL FUND. (a) The board may, by a resolution adopted at a regular meeting, release from the real estate special fund account funds previously designated under Section 51.401 or managed, used, or encumbered under Section 51.402 or Section 51.4021 to be deposited in the State Treasury to the credit of:

(1) the available school fund; or

(2) the Texas Permanent School Fund Corporation [~~State Board of Education~~] for investment in the permanent school fund.

(b) The board shall adopt rules to establish the procedure that will be used by the board to determine the date a transfer will be made and the amount of the funds that will be transferred to the available school fund or to the Texas Permanent School Fund Corporation [~~State Board of Education~~] for investment in the permanent school fund from the real estate special fund account as provided by Subsection (a).

SECTION 2.10. The following provisions are repealed:

(1) Section 43.0052, Education Code;

(2) Sections 32.0161 and 32.068, Natural Resources Code;

(3) Section 51.402(c), Natural Resources Code, as amended by Chapters 493 (H.B. 4388) and 524 (S.B. 608), Acts of the 86th Legislature, Regular Session, 2019; and

(4) Sections 51.4131 and 51.414, Natural Resources Code.

SECTION 2.11. (a) Subject to Subsection (b) of this section, as soon as practicable after the effective date of this article and on the date agreed to by the State Board of Education, the Texas Education Agency, the School Land Board, and the Texas Permanent School Fund Corporation, as applicable:

(1) all powers, duties, functions, programs, and activities of the State Board of Education and the Texas Education Agency relating to the management and investment of the permanent school fund transfer to the Texas Permanent School Fund Corporation by operation of law; and

(2) all powers, duties, functions, programs, and activities of the School Land Board relating to assets or investments of the permanent school fund described by Section 2.15(a)(1) of this article transfer to the Texas Permanent School Fund Corporation by operation of law.

(b) The Texas Permanent School Fund Corporation may delay the transfer of any power, duty, function, program, or activity under Subsection (a) of this section if the corporation determines that the transfer would have an adverse impact on or is not in the best interest of the permanent school fund.

(c) All rules, policies, and procedures relating to the management and investment of the permanent school fund adopted by the State Board of Education or the School Land Board before the transfer under this section remain in effect until the Texas Permanent School Fund Corporation adopts substitute rules, policies, or procedures. In the event of a conflict between rules, policies, or procedures adopted

by the State Board of Education and rules, policies, or procedures adopted by the School Land Board, the corporation shall determine which rules, policies, or procedures control.

SECTION 2.12. On the date the transfers under Section 2.11(a) of this article occur:

(1) an employee of the permanent school fund division of the Texas Education Agency or the investment management division of the General Land Office becomes an employee of the Texas Permanent School Fund Corporation; and

(2) any employee compensation plan, program, agreement, or arrangement, including any incentive compensation plan and outstanding balance or award, relating to each employee described by Subdivision (1) of this section transfers from the Texas Education Agency or the General Land Office, as applicable, to the Texas Permanent School Fund Corporation.

SECTION 2.13. (a) As soon as practicable after the effective date of this article but not later than the date the transfers under Section 2.11(a) of this article occur, the State Board of Education shall enter into a memorandum of understanding with any state agency the board determines necessary to provide for the transfer to or continued use by the Texas Permanent School Fund Corporation for a period determined by the board of any property, facilities, information and data technology, services, and support staff of the state agency used in connection with operations relating to the management or investment of the permanent school fund.

(b) On the date the transfers under Section 2.11(a) of this article occur, the unexpended and unobligated balance of any money appropriated to a state agency relating to the powers, duties, programs, functions, and activities that are transferred to the Texas Permanent School Fund Corporation is transferred to that corporation.

SECTION 2.14. (a) Not later than March 30, 2023, the State Board of Education and the Texas Education Agency shall provide to the Texas Permanent School Fund Corporation all financial, contract, and investment records and documents maintained by the board, the agency, or a service provider of the board or agency relating to the management or investment of the permanent school fund.

(b) Except as provided by Subsection (c) or (d) of this section, as soon as practicable after the effective date of this article and not later than the date the transfers under Section 2.11(a) of this article occur, all assets and investments of the permanent school fund held by the State Board of Education or the Texas Education Agency and any related contracts are transferred to the Texas Permanent School Fund Corporation by operation of law in accordance with applicable law and any governing documentation applicable to those assets, investments, or contracts, including any applicable limited partnership agreement, limited liability company agreement, subscription agreement, letter agreement, or side letter.

(c) The State Board of Education and the Texas Education Agency shall retain any assets or investments that would otherwise be transferred to the Texas Permanent School Fund Corporation under Subsection (b) of this section if the corporation determines that:

(1) the asset or investment cannot be transferred to the corporation, either because the corporation cannot properly hold custody of the asset or investment or for some other reason; or

(2) the transfer of the asset or investment:

(A) would have an adverse effect on the permanent school fund or on any asset or investment set apart to the permanent school fund; or

(B) is not in the best interest of the permanent school fund.

(d) If an asset or investment required to be transferred to the Texas Permanent School Fund Corporation under Subsection (b) of this section cannot be transferred to the corporation in a timely manner, the State Board of Education, the Texas Education Agency, and the corporation shall coordinate concerning the appropriate timing of the transfer or other disposition of the asset or investment.

(e) The State Board of Education and the Texas Permanent School Fund Corporation shall coordinate the ongoing management or other disposition of any assets or investments retained by the board or the Texas Education Agency under Subsection (c) or (d) of this section, including:

(1) providing direction to the Texas Education Agency regarding the asset or investment;

(2) the funding of any outstanding commitments related to the asset or investment;

(3) the handling of any distributions, income, or revenues from the asset or investment; and

(4) the making of any decisions required with respect to the asset or investment.

SECTION 2.15. (a) Not later than January 31, 2023, the School Land Board shall provide to:

(1) the Texas Permanent School Fund Corporation a list of each asset and investment acquired on or after September 1, 2001, and held by the board on January 31, 2023, other than sovereign or other state lands, mineral or royalty interests, or real property holdings, as that term is defined by Section 51.001, Natural Resources Code, as amended by this article, and information on unfunded commitments and funding obligations related to the asset or investment; and

(2) the general partner or other managing entity of each asset or investment identified under Subdivision (1) of this subsection notice of the transfer of the asset or investment to the Texas Permanent School Fund Corporation under this section.

(b) Not later than March 30, 2023, the School Land Board shall provide to the Texas Permanent School Fund Corporation all financial, contract, and investment records and documents maintained by the board, the General Land Office, or a service provider of the board or office relating to the operations associated with or the management of an asset or investment identified under Subsection (a)(1) of this section.

(c) Except as provided by Subsection (d) or (e) of this section, not later than December 31, 2023, all assets and investments identified under Subsection (a)(1) of this section and any related contracts are transferred from the School Land Board to the Texas Permanent School Fund Corporation by operation of law in accordance with applicable law and any governing documentation applicable to those assets, investments, or contracts, such as any applicable limited partnership agreement, limited liability company agreement, subscription agreement, letter agreement, or side letter.

(d) The School Land Board shall retain any assets or investments that would otherwise be transferred to the Texas Permanent School Fund Corporation under Subsection (c) of this section if the corporation determines that:

(1) the asset or investment cannot be transferred to the corporation, either because the corporation cannot properly hold custody of the asset or investment or for some other reason; or

(2) the transfer of the asset or investment:

(A) would have an adverse effect on the permanent school fund or on any asset or investment set apart to the permanent school fund; or

(B) is not in the best interest of the permanent school fund.

(e) If an asset or investment required to be transferred to the Texas Permanent School Fund Corporation under Subsection (c) of this section cannot be transferred to the corporation by December 31, 2023, the School Land Board and the corporation shall coordinate concerning the appropriate timing of the transfer or other disposition of the asset or investment.

(f) The School Land Board and the Texas Permanent School Fund Corporation shall coordinate the ongoing management or other disposition of any assets or investments retained by the board under Subsection (d) or (e) of this section, including:

(1) the funding of any outstanding commitments related to the asset or investment;

(2) the handling of any distributions, income, or revenues from the asset or investment; and

(3) the making of any decisions required with respect to the asset or investment.

(g) Not later than December 31, 2023, all cash holdings related to or derived from permanent school fund assets held by the School Land Board shall be transferred to the Texas Permanent School Fund Corporation for deposit to the credit of the permanent school fund.

(h) On the date on which the Texas Permanent School Fund Corporation determines that all outstanding commitments required to be paid from the permanent school fund liquid account have been fully resolved, the account is abolished and the balance of that account is transferred to the permanent school fund.

SECTION 2.16. This article takes effect December 31, 2022, but only if the State Board of Education incorporates the Texas Permanent School Fund Corporation under Subchapter B, Chapter 43, Education Code, as added by this Act, on or before that date. If the State Board of Education does not incorporate the Texas Permanent School Fund Corporation on or before December 31, 2022, this article has no effect.

ARTICLE 4. EFFECTIVE DATE

SECTION 4.01. Except as otherwise provided by this Act, this Act takes effect September 1, 2021.

The amendment to **CSHB 1525** was read.

Senator Taylor withdrew Floor Amendment No. 30.

CSHB 1525 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.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1525 ON THIRD READING**

Senator Taylor moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1525** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE JOINT RESOLUTION 99 ON SECOND READING

On motion of Senator Nichols and by unanimous consent, the regular order of business was suspended to take up for consideration **HJR 99** at this time on its second reading:

HJR 99, Proposing a constitutional amendment authorizing a county to finance the development or redevelopment of transportation or infrastructure in unproductive, underdeveloped, or blighted areas in the county; authorizing the issuance of bonds and notes.

The resolution was read second time.

Senator Nichols offered the following amendment to the resolution:

Floor Amendment No. 1

Amend **HJR 99** (senate committee report) in SECTION 1 of the resolution, following the period at the end of amended Section 1-g(b), Article VIII, Texas Constitution (page 1, line 31), by adding "A county that issues bonds or notes for transportation improvements under a general law authorized by this subsection may not:

(1) pledge for the repayment of those bonds or notes more than 65 percent of the increases in ad valorem tax revenues each year; or

(2) use proceeds from the bonds or notes to finance the construction, operation, maintenance, or acquisition of rights-of-way of a toll road."

The amendment to **HJR 99** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Hall offered the following amendment to the resolution:

Floor Amendment No. 2

Amend **HJR 99** (senate committee report) in SECTION 2 of the resolution by striking the proposed ballot language (page 1, lines 35-38) and substituting ""The constitutional amendment authorizing the legislature to permit a county to issue bonds or notes to finance the development or redevelopment of an unproductive, underdeveloped, or blighted area and to pledge for repayment of the bonds or notes increases in ad valorem taxes imposed by the county on property in the area.""

The amendment to **HJR 99** was read and failed of adoption by the following vote: Yeas 6, Nays 23.

Yeas: Bettencourt, Buckingham, Hall, Kolkhorst, Perry, Springer.

Nays: Alvarado, Birdwell, Blanco, Campbell, Eckhardt, Gutierrez, Hancock, Hinojosa, Huffman, Johnson, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Powell, Schwertner, Seliger, Taylor, West, Whitmire, Zaffirini.

Absent: Creighton, Hughes.

HJR 99 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:

Nays: Buckingham, Hall, Hughes, Springer.

HOUSE JOINT RESOLUTION 99 ON THIRD READING

Senator Nichols moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HJR 99** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The resolution was read third time and was passed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Creighton, Eckhardt, Gutierrez, Hancock, Hinojosa, Huffman, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Taylor, West, Whitmire, Zaffirini.

Nays: Buckingham, Hall, Hughes, Springer.

COMMITTEE SUBSTITUTE HOUSE BILL 572 ON SECOND READING

On motion of Senator Lucio and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 572** at this time on its second reading:

CSHB 572, Relating to a study by the Texas Education Agency on competency-based educational programs.

The bill was read second time.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 572** (senate committee report) by adding the appropriately-numbered section:

SECTION __. The Texas Education Agency is required to implement this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the agency may, but is not required to, implement this Act using other appropriations available for the purpose.

The amendment to **CSHB 572** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 572 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.

COMMITTEE SUBSTITUTE HOUSE BILL 572 ON THIRD READING

Senator Lucio moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 572** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 3363 ON SECOND READING

On motion of Senator West and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3363** at this time on its second reading:

HB 3363, Relating to the issuance and execution of certain search warrants in a criminal investigation and the admissibility of evidence obtained through certain searches.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 3363 ON THIRD READING

Senator West moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3363** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 1400 ON SECOND READING

On motion of Senator Bettencourt and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1400** at this time on its second reading:

HB 1400, Relating to the creation of the criminal offense of impersonating a private investigator.

The bill was read second time and 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:

Nays: Eckhardt, Hughes, Springer.

HOUSE BILL 1400 ON THIRD READING

Senator Bettencourt moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1400** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 3.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Taylor, West, Whitmire, Zaffirini.

Nays: Eckhardt, Hughes, Springer.

HOUSE BILL 80 ON SECOND READING

On motion of Senator Whitmire and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 80** at this time on its second reading:

HB 80, Relating to the discharge by certain defendants of fines and costs through community service.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 80 ON THIRD READING

Senator Whitmire moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 80** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 3880 ON SECOND READING**

On motion of Senator Paxton and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 3880** at this time on its second reading:

CSHB 3880, Relating to a student's eligibility for special education services provided by a school district, including services for dyslexia and related disorders.

The bill was read second time.

Senator Paxton offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3880** (senate committee printing) by striking SECTIONS 2-17 of the bill (page 1, line 28, through page 8, line 54), substituting the following SECTIONS of the bill, and renumbering subsequent SECTIONS of the bill accordingly:

SECTION 2. STUDY OF STATE STATUTES AND RULES REGARDING STUDENTS WITH DYSLEXIA AND RELATED DISORDERS. (a) Not later than September 30, 2021, the State Board of Education shall review and revise board rules adopted under the Texas Administrative Code relating to diagnosing and instructing students with dyslexia and related disorders, the effectiveness of those rules, and the methods of providing assistance and support to those students under those rules.

(b) The State Board of Education, in consultation with the Texas Education Agency, shall consider, in reviewing and revising rules under Subsection (b):

(1) the method for school districts to provide in plain English the procedures, timelines, processes, and rights for parents of students with special needs; and

(2) the right of parents to request a screening for dyslexia and related disorders under Section 38.003 or a full individual and initial evaluation for special education services under Section 29.004.

(c) The Texas Education Agency shall assist the State Board of Education in conducting the study under this section.

(d) The State Board of Education may conduct public hearings to gain feedback from educators, stakeholders, and parents and guardians of students diagnosed with dyslexia and related disorders regarding the effectiveness of current statutes and rules.

(e) Not later than December 31, 2022, the State Board of Education shall submit a report to each standing committee of the legislature with jurisdiction over public education that includes the results of the study and any recommendations of the board related to the study, statutory changes, and changes to the rules relating to students with dyslexia and other related disorders.

SECTION 3. EXPIRATION. This Act expires September 1, 2023.

The amendment to **CSHB 3880** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 3880 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.

**COMMITTEE SUBSTITUTE
HOUSE BILL 3880 ON THIRD READING**

Senator Paxton moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 3880** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 757 ON SECOND READING

On motion of Senator Miles and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 757** at this time on its second reading:

HB 757, Relating to the consequences of receiving a grant of deferred adjudication community supervision and successfully completing the period of supervision.

The bill was read second time.

Senator Miles offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 757** (senate committee report) in SECTION 1 of the bill as follows:

(1) In added Article 42A.111(c-1), Code of Criminal Procedure (page 1, lines 24-27), strike the following:

Notwithstanding any other law, an offense for which the defendant received a dismissal and discharge under this article may be used only as described by Section 12.42(g)(1), Penal Code, or as otherwise described by this article.

(2) In added Article 42A.111(d)(4)(A)(iv), Code of Criminal Procedure (page 2, line 5), following the underlined semicolon, strike "or".

(3) In added Article 42A.111(d)(4)(B), Code of Criminal Procedure (page 2, line 6), strike "person" and substitute "defendant".

(4) In added Article 42A.111(d)(4)(B), Code of Criminal Procedure (page 2, line 9), between "required" and the period, insert the following:

: or

(C) the defendant is an applicant for or the holder of a license or certificate issued under Chapter 1701, Occupations Code

The amendment to **HB 757** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 757 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:

Nays: Schwertner.

HOUSE BILL 757 ON THIRD READING

Senator Miles moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 757** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 1.

Nays: Schwertner.

COMMITTEE SUBSTITUTE HOUSE BILL 2352 ON SECOND READING

On motion of Senator Huffman and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2352** at this time on its second reading:

CSHB 2352, Relating to an educational and vocational training pilot program for certain state jail felony defendants and certain inmates released on parole; changing parole eligibility.

The bill was read second time.

Senator Huffman offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2352** (senate committee report) by striking SECTION 7 of the bill (page 3, lines 18-24) and renumbering the SECTIONS of the bill accordingly.

The amendment to **CSHB 2352** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 2352 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.

COMMITTEE SUBSTITUTE HOUSE BILL 2352 ON THIRD READING

Senator Huffman moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2352** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4272 ON SECOND READING**

Senator Kolkhorst moved to suspend the regular order of business to take up for consideration **CSHB 4272** at this time on its second reading:

CSHB 4272, Relating to requirements for and prohibited uses of information contained in the immunization registry.

The motion prevailed.

Senators Alvarado, Gutierrez, and Powell asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Kolkhorst offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 4272** (senate committee printing) as follows:

(1) In SECTION 8 of the bill, in added Section 161.0085(d), Health and Safety Code (page 3, between lines 65 and 66), strike "An" and substitute "Except as provided by Subsection (d-1), an".

(2) In SECTION 8 of the bill, immediately following proposed Section 161.0085(d), Health and Safety Code (page 4, between lines 2 and 3), by inserting the following:

(d-1) Subsection (d) does not apply to a health care facility, as defined by Section 224.001.

The amendment to **CSHB 4272** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Kolkhorst offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 4272** (senate committee printing) in SECTION 9 of the bill, in added Section 161.0107(e), Health and Safety Code (page 4, line 26), between "(c)" and "may" by inserting "relating to a patient's consent".

The amendment to **CSHB 4272** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

CSHB 4272 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:

Nays: Alvarado, Eckhardt, Gutierrez, Powell, Zaffirini.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4272 ON THIRD READING**

Senator Kolkhorst moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4272** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Schwertner, Seliger, Springer, Taylor, West, Whitmire.

Nays: Alvarado, Eckhardt, Gutierrez, Powell, Zaffirini.

The bill was read third time and was passed by the following vote: Yeas 26, Nays 5. (Same as previous roll call)

HOUSE BILL 2497 ON SECOND READING

Senator Schwertner, on behalf of Senator Creighton, moved to suspend the regular order of business to take up for consideration **HB 2497** at this time on its second reading:

HB 2497, Relating to the establishment and duties of the Texas 1836 Project.

The motion prevailed by the following vote: Yeas 20, Nays 11.

Yeas: Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Hall, Hancock, Huffman, Hughes, Kolkhorst, Lucio, Nelson, Nichols, Paxton, Perry, Schwertner, Springer, Taylor, Zaffirini.

Nays: Alvarado, Eckhardt, Gutierrez, Hinojosa, Johnson, Menéndez, Miles, Powell, Seliger, West, Whitmire.

The bill was read second time.

Senator Schwertner, on behalf of Senator Creighton, offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2497** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill as appropriate:

SECTION __. The Texas Education Agency and the Department of Public Safety of the State of Texas are required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, those agencies may, but are not required to, implement a provision of this Act using other appropriations available for that purpose.

The amendment to **HB 2497** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator West offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 2497** (senate committee report) by amending Sec. 451.002 by deleting 451.002 (b) (page 1, lines 45-49) and replacing with a new 451.002 (b):

(b) The 1836 Project is composed of nine members reflective of the diversity of the state. The governor, lieutenant governor, and speaker of the house of representatives shall each appoint three members. The appointees may include persons in the private sector with relevant experience or subject matter expertise.

The amendment to **HB 2497** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

Senator West offered the following amendment to the bill:

Floor Amendment No. 3

Amend **HB 2497** (senate committee report) by deleting Sec. 451.003 (a) (1) (A) (pg. 2, lines 1-6) and replacing with new Sec. 451.003 (a) (1) (A):

(A) Texas history, including the indigenous peoples of this state, the Spanish and Mexican heritage of this state, Tejanos, the African-American heritage of this state, the Texas War for Independence, Juneteenth, annexation of Texas by the United States, the Christian heritage of this state, and this state's heritage of keeping and bearing firearms in defense of life and liberty and for use in hunting~~, and Juneteenth~~.

The amendment to **HB 2497** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 3.

HB 2497 as amended was passed to third reading by the following vote: Yeas 22, Nays 9.

Yeas: Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Hall, Hancock, Huffman, Hughes, Kolkhorst, Lucio, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, Zaffirini.

Nays: Alvarado, Eckhardt, Gutierrez, Hinojosa, Johnson, Menéndez, Miles, West, Whitmire.

HOUSE BILL 2497 ON THIRD READING

Senator Schwertner, on behalf of Senator Creighton, moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2497** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Gutierrez, Hall, Hancock, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, West, Zaffirini.

Nays: Alvarado, Eckhardt, Hinojosa, Whitmire.

The bill was read third time and was passed by the following vote: Yeas 22, Nays 9.

Yeas: Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Hall, Hancock, Huffman, Hughes, Kolkhorst, Lucio, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, Zaffirini.

Nays: Alvarado, Eckhardt, Gutierrez, Hinojosa, Johnson, Menéndez, Miles, West, Whitmire.

HOUSE BILL 3121 ON SECOND READING

On motion of Senator Johnson and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3121** at this time on its second reading:

HB 3121, Relating to a voluntary quality standards certification process for certain private residential psychiatric treatment facilities that provide treatments and services to youth; imposing fees; authorizing civil and administrative penalties.

The bill was read second time.

Senator Johnson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3121** (senate committee printing) in SECTION 2 of the bill as follows:

(1) In added Section 577A.001(3), Health and Safety Code (page 1, line 39), strike "that meets criteria to be" and substitute "is".

(2) In added Section 577A.003, Health and Safety Code (page 1, line 53), between "of" and "a", add "or create a separate license for".

(3) In added Section 577A.051, Health and Safety Code (page 1, line 59), between "shall" and "develop", add ", using existing resources to the extent feasible,".

(4) In added Section 577A.054(a), Health and Safety Code (page 2, line 16), immediately following "rules.", add "The commission may not issue to an applicant a certificate under this chapter unless the applicant is licensed as a general residential operation under Chapter 42, Human Resources Code.".

The amendment to **HB 3121** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Johnson offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 3121** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION _____. If the legislature does not appropriate money specifically for the purpose of implementing a provision of this Act, the Health and Human Services Commission may, but is not required to, implement a provision of this Act using other appropriations that are available for that purpose.

The amendment to **HB 3121** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

HB 3121 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:

Nays: Birdwell, Creighton, Hughes, Springer.

HOUSE BILL 3121 ON THIRD READING

Senator Johnson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3121** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Blanco, Buckingham, Campbell, Eckhardt, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Taylor, West, Whitmire, Zaffirini.

Nays: Birdwell, Creighton, Hughes, Springer.

HOUSE BILL 2879 ON SECOND READING

On motion of Senator Seliger and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2879** at this time on its second reading:

HB 2879, Relating to notice required in connection with possessory liens on certain motor vehicles.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 2879 ON THIRD READING

Senator Seliger moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2879** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

(Senator Huffman in Chair)

**COMMITTEE SUBSTITUTE
HOUSE BILL 4584 ON SECOND READING**

On motion of Senator Birdwell and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4584** at this time on its second reading:

CSHB 4584, Relating to the creation of the Sterrett Road Municipal Management District; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4584 ON THIRD READING**

Senator Birdwell moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4584** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2064 ON SECOND READING**

Senator Hughes moved to suspend the regular order of business to take up for consideration **CSHB 2064** at this time on its second reading:

CSHB 2064, Relating to the amount of a hospital or physician lien on certain causes of action or claims.

The motion prevailed.

Senators Hinojosa, Lucio, Miles, and Zaffirini asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time and 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:

Nays: Hinojosa, Lucio, Miles, Zaffirini.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2064 ON THIRD READING**

Senator Hughes moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2064** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Eckhardt, Gutierrez, Hall, Hancock, Huffman, Hughes, Johnson, Kolkhorst, Menéndez, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, West, Whitmire.

Nays: Hinojosa, Lucio, Miles, Zaffirini.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 4. (Same as previous roll call)

**COMMITTEE SUBSTITUTE
HOUSE BILL 2073 ON SECOND READING**

On motion of Senator Springer and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2073** at this time on its second reading:

CSHB 2073, Relating to quarantine leave for fire fighters, peace officers, detention officers, and emergency medical technicians employed by, appointed by, or elected for a political subdivision.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2073 ON THIRD READING**

Senator Springer moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2073** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

(President in Chair)

**COMMITTEE SUBSTITUTE
HOUSE BILL 3774 ON SECOND READING**

On motion of Senator Huffman and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 3774** at this time on its second reading:

CSHB 3774, Relating to the operation and administration of and practice and procedure related to proceedings in the judicial branch of state government.

The bill was read second time.

Senator Huffman offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3774** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter H, Chapter 6, Family Code, is amended by adding Section 6.712 to read as follows:

Sec. 6.712. DATE OF MARRIAGE REQUIREMENT IN FINAL DECREE. (a) In a suit for dissolution of a marriage in which the court grants a divorce, the court shall state the date of the marriage in the decree of divorce.

(b) This section does not apply to a suit for dissolution of a marriage described by Section 2.401(a)(2).

SECTION _____. The change in law made by Section 6.712, Family Code, as added by this Act, applies only to a suit for dissolution of a marriage filed on or after the effective date of this Act. A suit for dissolution of a marriage filed before the effective date of this Act is governed by the law in effect on the date the suit was filed, and the former law is continued in effect for that purpose.

The amendment to **CSHB 3774** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Huffman offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 3774** (senate committee printing) in ARTICLE 16 of the bill as follows:

(1) Strike SECTION 16.04, amending Section 52.041, Government Code (page 24, lines 32 through 44).

(2) Strike SECTION 16.05, adding Section 52.042(e), Government Code (page 24, lines 45 through 54).

(3) Strike SECTION 16.07, adding Section 52.060, Government Code (page 24, line 61 through page 25, line 14).

(4) Renumber the remaining SECTIONS of ARTICLE 16 accordingly.

The amendment to **CSHB 3774** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

CSHB 3774 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.

**COMMITTEE SUBSTITUTE
HOUSE BILL 3774 ON THIRD READING**

Senator Huffman moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 3774** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 3510 ON SECOND READING

On motion of Senator Menéndez and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3510** at this time on its second reading:

HB 3510, Relating to work from remote locations by certain employees of certain entities licensed by the Office of Consumer Credit Commissioner.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 3510 ON THIRD READING

Senator Menéndez moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3510** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

RECESS

On motion of Senator Whitmire, the Senate at 7:17 p.m. recessed until 8:30 p.m. today.

AFTER RECESS

The Senate met at 9:05 p.m. and was called to order by the President.

COMMITTEE SUBSTITUTE

HOUSE BILL 4645 ON SECOND READING

On motion of Senator Eckhardt and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4645** at this time on its second reading:

CSHB 4645, Relating to the creation of the Wildwood Municipal Utility District; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4645 ON THIRD READING**

Senator Eckhardt moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4645** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1493 ON SECOND READING**

On motion of Senator Hinojosa and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1493** at this time on its second reading:

CSHB 1493, Relating to the use of an entity name that falsely implies governmental affiliation.

The bill was read second time.

Senator Hinojosa offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1493** (senate committee printing) as follows:

(1) In SECTION 2 of the bill, in added Section 5.065(a), Business Organizations Code (page 2, line 8), between "governmental entity" and the underlined comma, insert "specifying the basis on which a filing entity's name falsely implies affiliation with the governmental entity".

(2) In SECTION 2 of the bill, in added Section 5.065(a), Business Organizations Code (page 2, line 9), between "secretary's" and "discretion", insert "reasonable".

(3) In SECTION 2 of the bill, in added Section 5.065(a), Business Organizations Code (page 2, line 10), strike "within two years after the secretary's" and substitute "not later than the 30th day after the date of the secretary's".

(4) In SECTION 2 of the bill, in added Section 5.065(b), Business Organizations Code (page 2, line 18), strike "60th" and substitute "90th".

(5) In SECTION 2 of the bill, in added Section 5.065(c), Business Organizations Code (page 2, line 30), between "governmental entity" and the underlined period, insert "or by demonstrating that the filing entity's name does not falsely imply affiliation with the governmental entity".

(6) In SECTION 2 of the bill, in added Section 5.065(i), Business Organizations Code (page 2, line 47), between "governmental entity" and the underlined comma, insert "specifying the basis on which a filing entity's name falsely implies affiliation with the governmental entity".

(7) In SECTION 2 of the bill, in added Section 5.065(i), Business Organizations Code (page 2, line 48), between "secretary's" and "discretion", insert "reasonable".

(8) In SECTION 2 of the bill, in added Section 5.065(i), Business Organizations Code (page 2, line 49), strike "10" and substitute "eight".

(9) In SECTION 2 of the bill, in added Section 5.065(i), Business Organizations Code (page 2, line 54), strike "August 31, 2022" and substitute "December 31, 2021".

(10) Add the following appropriately numbered SECTIONS to the bill and renumber SECTIONS of the bill accordingly:

SECTION _____. Not later than December 1, 2021, the secretary of state shall adopt rules and prescribe procedures under Section 5.065(h), Business Organizations Code, as added by this Act.

SECTION _____. The secretary of state and the attorney general retain the authority under Section 5.065, Business Organizations Code, as added by this Act, to act on a written request by a governmental entity under Section 5.065(i), Business Organizations Code, as added by this Act, that is made before December 31, 2021.

The amendment to **CSHB 1493** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 1493 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.

COMMITTEE SUBSTITUTE HOUSE BILL 1493 ON THIRD READING

Senator Hinojosa moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1493** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

COMMITTEE SUBSTITUTE HOUSE CONCURRENT RESOLUTION 62 ON SECOND READING

On motion of Senator West and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHCR 62** at this time on its second reading:

CSHCR 62, Designating the second week in October as Indigenous Peoples' Week for a 10-year period beginning in 2021.

The resolution was read second time and was adopted by the following vote: Yeas 31, Nays 0.

HOUSE BILL 2256 ON SECOND READING

On motion of Senator Zaffirini, on behalf of Senator Creighton, and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2256** at this time on its second reading:

HB 2256, Relating to creating a bilingual special education certification to teach students of limited English proficiency with disabilities.

The bill was read second time.

Senator Zaffirini, on behalf of Senator Creighton, offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2256** (senate committee report) in SECTION 1 of the bill, in added Section 21.04891(c)(1), Education Code, as follows:

- (1) In Paragraph (B) (page 1, line 42), strike "culturally responsive".
- (2) In Paragraph (C) (page 1, lines 45-46), strike "for equity and inclusion".
- (3) In Paragraph (F) (page 1, line 54), strike "dynamic and collaborative".

The amendment to **HB 2256** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 2256 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:

Nays: Springer.

HOUSE BILL 2256 ON THIRD READING

Senator Zaffirini, on behalf of Senator Creighton, moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2256** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 1.

Nays: Springer.

HOUSE BILL 3800 ON SECOND READING

On motion of Senator Seliger and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3800** at this time on its second reading:

HB 3800, Relating to the release of a reversionary interest in certain real property by the Health and Human Services Commission and conditions related to that release.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 3800 ON THIRD READING

Senator Seliger moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3800** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 3682 ON SECOND READING

On motion of Senator Alvarado and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3682** at this time on its second reading:

HB 3682, Relating to the use of municipal hotel occupancy tax revenue by certain municipalities.

The bill was read second time and 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:

Nays: Hall, Hughes, Kolkhorst, Springer.

HOUSE BILL 3682 ON THIRD READING

Senator Alvarado moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3682** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Eckhardt, Gutierrez, Hancock, Hinojosa, Huffman, Johnson, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Taylor, West, Whitmire, Zaffirini.

Nays: Hall, Hughes, Kolkhorst, Springer.

COMMITTEE SUBSTITUTE

HOUSE BILL 1505 ON SECOND READING

On motion of Senator Hancock and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1505** at this time on its second reading:

CSHB 1505, Relating to attachments for broadband service on utility poles owned by an electric cooperative and establishing and funding a pole replacement program for deployment of certain broadband facilities.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1505 ON THIRD READING**

Senator Hancock moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1505** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4305 ON SECOND READING**

On motion of Senator Blanco and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4305** at this time on its second reading:

CSHB 4305, Relating to the use of certain tax revenue by certain municipalities.

The bill was read second time.

Senator Blanco offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 4305** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 352.002(d), Tax Code, is amended to read as follows:

(d) The tax imposed by a county authorized by Subsection (a)(6) [~~(a)(4), (6)~~], (8), (9), (10), (11), (14), (15), (17), (19), (20), (21), (23), or (29) to impose the tax does not apply to a hotel located in a municipality that imposes a tax under Chapter 351 applicable to the hotel. This subsection does not apply to:

(1) a county authorized by Subsection (a)(6) to impose the tax that:

(A) has a population of less than 40,000 and adjoins the most populous county in this state; or

(B) has a population of more than 200,000 and borders the Neches River; or

(2) a county authorized by Subsection (a)(9) to impose the tax that has a population of more than 9,000.

SECTION _____. Section 352.003, Tax Code, is amended by adding Subsection (y) to read as follows:

(y) The tax rate in a county authorized to impose the tax under Section 352.002(a)(4) may not exceed two percent of the price paid for a room in a hotel.

SECTION _____. Subchapter B, Chapter 352, Tax Code, is amended by adding Section 352.114 to read as follows:

Sec. 352.114. USE OF REVENUE: CERTAIN COUNTIES CONTAINING AN INDIAN RESERVATION. (a) In addition to the purposes authorized by this chapter, the revenue from a tax imposed under this chapter by a county authorized to impose

the tax under Section 352.002(a)(4) may be used to make repairs and improvements to the county airport or to provide reimbursement for repairs and improvements to the airport.

(b) A county to which this section applies may not use revenue from a tax imposed under this chapter for a purpose described by Subsection (a) in a total amount that would exceed the amount of hotel revenue in the county that is likely to be reasonably attributable to guests traveling through the airport during the 15-year period beginning on the date the county first uses the tax revenue for that purpose.

(c) A county to which this section applies may not use revenue from a tax imposed under this chapter for a purpose described by Subsection (a) after the 10th anniversary of the date the county first uses the revenue for that purpose.

The amendment to **CSHB 4305** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 4305 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:

Nays: Creighton, Hall, Hughes, Kolkhorst.

COMMITTEE SUBSTITUTE HOUSE BILL 4305 ON THIRD READING

Senator Blanco moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4305** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Eckhardt, Gutierrez, Hancock, Hinojosa, Huffman, Johnson, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Creighton, Hall, Hughes, Kolkhorst.

COMMITTEE SUBSTITUTE HOUSE BILL 4604 ON SECOND READING

On motion of Senator Whitmire and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4604** at this time on its second reading:

CSHB 4604, Relating to the authority of the Barrett Management District to finance an improvement project or service.

The bill was read second time and 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:

Nays: Hancock, Hughes.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4604 ON THIRD READING**

Senator Whitmire moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4604** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Eckhardt, Gutierrez, Hall, Hinojosa, Huffman, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Hancock, Hughes.

HOUSE BILL 3746 ON SECOND READING

On motion of Senator Nelson and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3746** at this time on its second reading:

HB 3746, Relating to certain notifications required following a breach of security of computerized data.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 3746 ON THIRD READING

Senator Nelson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3746** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

(Senator Schwertner in Chair)

HOUSE BILL 3606 ON SECOND READING

On motion of Senator Bettencourt and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3606** at this time on its second reading:

HB 3606, Relating to the provision of vocational training to inmates confined in a Texas Department of Criminal Justice transfer facility.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 3606 ON THIRD READING

Senator Bettencourt moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3606** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

COMMITTEE SUBSTITUTE HOUSE BILL 3107 ON SECOND READING

On motion of Senator Zaffirini and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 3107** at this time on its second reading:

CSHB 3107, Relating to election practices and procedures.

The bill was read second time.

Senator Zaffirini offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3107** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. The heading to Section 31.005, Election Code, is amended to read as follows:

Sec. 31.005. PROTECTION OF VOTING RIGHTS; ENFORCEMENT.

SECTION _____. Section 31.005, Election Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The secretary of state may order [If the secretary determines that] a person performing official functions in the administration of any part of the electoral processes to correct offending conduct if the secretary determines that the person is exercising the powers vested in that person in a manner that:

(1) impedes the free exercise of a citizen's voting rights; or

(2) unless acting under an order of a court of competent jurisdiction, delays or cancels an election that the person does not have specific statutory authority to delay or cancel.

(c) ~~[the secretary may order the person to correct the offending conduct.]~~ If a ~~the~~ person described by Subsection (b) fails to comply with an order from the secretary of state under this section, the secretary may seek enforcement of the order by a temporary restraining order or a writ of injunction or mandamus obtained through the attorney general.

ZAFFIRINI
HUGHES

The amendment to **CSHB 3107** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Zaffirini offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 3107** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 63.0011, Election Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) The statement described by Subsection (c) must include a field for the voter to enter the voter's current county of residence.

SECTION _____. As soon as practicable after the effective date of this Act, the secretary of state shall adopt a statement of residence form as required by Section 63.0011, Election Code, as amended by this Act.

ZAFFIRINI
HUGHES

The amendment to **CSHB 3107** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

Senator Springer offered the following amendment to the bill:

Floor Amendment No. 3

Amend **CSHB 3107** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. The heading to Section 85.064, Election Code, is amended to read as follows:

Sec. 85.064. DAYS AND HOURS FOR VOTING: TEMPORARY BRANCH IN POPULOUS COUNTY.

SECTION _____. Section 85.064, Election Code, is amended by adding Subsection (a) to read as follows:

(a) This section applies only to an election in which the territory served by the early voting clerk is situated in a county with a population of 100,000 or more. In an election in which the territory served by the clerk is situated in more than one county, this section applies if the sum of the populations of the counties is 100,000 or more.

SECTION _____. Subchapter C, Chapter 85, Election Code, is amended by adding Section 85.065 to read as follows:

Sec. 85.065. DAYS AND HOURS FOR VOTING: TEMPORARY BRANCH IN LESS POPULOUS COUNTY. (a) This section applies only to an election in which the territory served by the early voting clerk is situated in a county with a population under 100,000. In an election in which the territory served by the clerk is situated in more than one county, this section applies if the sum of the populations of the counties is under 100,000.

(b) Except as provided by Subsection (c), voting at a temporary branch polling place may be conducted on any days and during any hours of the period for early voting by personal appearance, as determined by the authority establishing the branch. The authority authorized under Section 85.006 to order early voting on a Saturday or Sunday may also order, in the manner prescribed by that section, early voting to be conducted on a Saturday or Sunday at any one or more of the temporary branch polling places.

(c) Voting at a temporary branch polling place must be conducted on at least two consecutive business days and for at least eight consecutive hours on each of those days.

(d) The schedules for conducting voting are not required to be uniform among the temporary branch polling places.

SECTION _____. Section 85.068(a), Election Code, is amended to read as follows:

(a) The early voting clerk shall post notice for each election stating any dates and the hours that voting on Saturday or Sunday will be conducted under Section 85.064(d) or 85.065(b), if the early voting clerk is a county clerk or city secretary under Section 83.002 or 83.005.

The amendment to **CSHB 3107** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 3.

CSHB 3107 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.

COMMITTEE SUBSTITUTE HOUSE BILL 3107 ON THIRD READING

Senator Zaffirini moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 3107** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 2315 ON SECOND READING

On motion of Senator Huffman and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2315** at this time on its second reading:

HB 2315, Relating to the forfeiture of contraband relating to the criminal offense of racing on a highway.

The bill was read second time.

Senator Huffman offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2315** (senate committee report) as follows:

(1) In SECTION 2 of the bill, adding transition language (page 3, line 28), strike "The change in law made" and substitute the following:

(a) Except as otherwise provided by this section, the changes in law made by this Act apply only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect when the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

(b) Article 59.01, Code of Criminal Procedure, as amended

(2) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 42.03, Penal Code, is amended by amending Subsection (c) and adding Subsections (d), (e), and (f) to read as follows:

(c) Except as otherwise provided by Subsections (d) and (e), an ~~A+~~ offense under this section is a Class B misdemeanor.

(d) Subject to Subsection (e), an offense under this section is a Class A misdemeanor if it is shown on the trial of the offense that, at the time of the offense, the person was operating a motor vehicle while engaging in a reckless driving exhibition.

(e) An offense under this section is a state jail felony if it is shown on the trial of the offense that, at the time of the offense, the person was operating a motor vehicle while engaging in a reckless driving exhibition, and:

(1) the person has previously been convicted of an offense punishable under Subsection (d);

(2) at the time of the offense, the person was operating a motor vehicle while intoxicated, as defined by Section 49.01; or

(3) a person suffered bodily injury as a result of the offense.

(f) For purposes of this section, "reckless driving exhibition" means an operator of a motor vehicle, on a highway or street and in the presence of two or more persons assembled for the purpose of spectating the conduct, intentionally:

(1) breaking the traction of the vehicle's rear tires;

(2) spinning the vehicle's rear tires continuously by pressing the accelerator and increasing the engine speed; and

(3) steering the vehicle in a manner designed to rotate the vehicle.

SECTION ___. Subchapter I, Chapter 545, Transportation Code, is amended by adding Section 545.4205 to read as follows:

Sec. 545.4205. INTERFERENCE WITH PEACE OFFICER INVESTIGATION OF HIGHWAY RACING OR RECKLESS DRIVING EXHIBITION; CRIMINAL OFFENSE. (a) A person commits an offense if the person uses the person's body, a car, or a barricade to knowingly impede or otherwise interfere with a peace officer's investigation of conduct prohibited under Section 545.420 or a reckless driving exhibition, as defined by Section 42.03, Penal Code.

(b) An offense under this section is a Class B misdemeanor.

(c) If conduct constituting an offense under this section also constitutes an offense under any other law, the actor may be prosecuted under this section, the other law, or both.

The amendment to **HB 2315** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 2315 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:

Nays: Creighton, Eckhardt, Hughes, Perry, Springer.

HOUSE BILL 2315 ON THIRD READING

Senator Huffman moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2315** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 26, Nays 5.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Powell, Schwertner, Seliger, Taylor, West, Whitmire, Zaffirini.

Nays: Creighton, Eckhardt, Hughes, Perry, Springer.

HOUSE BILL 3157 ON THIRD READING

On motion of Senator Miles and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3157** at this time on its third reading and final passage:

HB 3157, Relating to the criminal offenses of violation of civil rights of and improper sexual activity with persons in custody; increasing a criminal penalty.

The bill was read third time.

Senator Miles offered the following amendment to the bill:

Floor Amendment No. 1 on Third Reading

Amend **HB 3157** on third reading in SECTION 1 of the bill, in amended Section 39.04(a), Penal Code (page 1, lines 30-31), by striking "[~~knowing his conduct is unlawful~~]" and substituting "knowing his conduct is unlawful".

The amendment to **HB 3157** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1 on Third Reading.

HB 3157 as amended was finally passed by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Eckhardt, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Taylor, West, Whitmire, Zaffirini.

Nays: Creighton, Springer.

HOUSE BILL 2706 ON SECOND READING

On motion of Senator Nelson and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2706** at this time on its second reading:

HB 2706, Relating to the emergency services and care provided to victims of sexual assault and other sex offenses and to the processes associated with preserving and analyzing the evidence of those offenses.

The bill was read second time.

Senator Johnson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2706** (senate committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 323.002(a), Health and Safety Code, is amended to read as follows:

(a) Each health care facility that has an emergency department shall comply with Sections [~~Section~~] 323.004 and 323.0044. At the request of the department, a health care facility that has an emergency department shall submit to the department for approval a plan for providing the services required by Section 323.004 to sexual assault survivors who arrive for treatment at the emergency department of the health care facility.

The amendment to **HB 2706** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 2706 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.

HOUSE BILL 2706 ON THIRD READING

Senator Nelson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2706** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1863 ON SECOND READING**

On motion of Senator Menéndez and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1863** at this time on its second reading:

CSHB 1863, Relating to the issuance of Make-A-Wish specialty license plates.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1863 ON THIRD READING**

Senator Menéndez moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1863** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 4617 ON SECOND READING

On motion of Senator Hall and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 4617** at this time on its second reading:

HB 4617, Relating to the qualifications and method of electing directors of the High Point Special Utility District of Kaufman and Rockwall Counties.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 4617 ON THIRD READING

Senator Hall moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 4617** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2462 ON SECOND READING**

On motion of Senator Paxton and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2462** at this time on its second reading:

CSHB 2462, Relating to the reporting of a sexual assault and to the collection and submission of evidence with respect to that offense.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2462 ON THIRD READING**

Senator Paxton moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2462** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 3388 ON SECOND READING

On motion of Senator Hancock and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3388** at this time on its second reading:

HB 3388, Relating to information regarding state agency vehicle fleets.

The bill was read second time.

Senator Nichols offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3388** by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____ . Section 2205.036(c), Government Code, is amended to read as follows:

(c) The department may not provide aircraft transportation to a destination unless:

(1) the destination is not served by a commercial carrier;
(2) the aircraft transportation is the most cost-effective travel arrangement in accordance with Section 660.007(a);

(3) the time required to use a commercial carrier interferes with passenger obligations;

(4) a representative of the Department of Public Safety determines that security concerns for a passenger warrant the use of a state aircraft;

(5) the number of passengers traveling makes the use of a state aircraft cost-effective; or

(6) [(4)] emergency circumstances necessitate the use of a state aircraft.

The amendment to **HB 3388** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 3388 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.

HOUSE BILL 3388 ON THIRD READING

Senator Hancock moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3388** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE CONCURRENT RESOLUTION 67 ON SECOND READING

On motion of Senator Lucio and by unanimous consent, the regular order of business and all necessary rules were suspended to take up for consideration **HCR 67** at this time on its second reading:

HCR 67, Designating April 6 as Tejano Day for a 10-year period beginning in 2021.

The resolution was read second time and was adopted by the following vote: Yeas 31, Nays 0.

COMMITTEE SUBSTITUTE HOUSE CONCURRENT RESOLUTION 51 ON SECOND READING

On motion of Senator Alvarado and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHCR 51** at this time on its second reading:

CSHCR 51, Urging the United States Congress to pass the I am Vanessa Guillén Act.

The resolution was read second time and was adopted by the following vote: Yeas 31, Nays 0.

HOUSE BILL 368 ON SECOND READING

On motion of Senator West and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 368** at this time on its second reading:

HB 368, Relating to the issuance of a driver's license to certain persons that includes an alternative to the license holder's residence address.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 368 ON THIRD READING

Senator West moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 368** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 3375 ON SECOND READING

On motion of Senator Johnson and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3375** at this time on its second reading:

HB 3375, Relating to certain benefits payable by the public retirement systems for police and fire fighters in certain municipalities.

The bill was read second time and 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:

Nays: Hughes.

HOUSE BILL 3375 ON THIRD READING

Senator Johnson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3375** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 1.

Nays: Hughes.

COMMITTEE SUBSTITUTE**HOUSE BILL 1315 ON SECOND READING**

On motion of Senator Powell and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1315** at this time on its second reading:

CSHB 1315, Relating to the duration of an appointment of a guardian ad litem or an attorney ad litem for a child in the conservatorship of the Department of Family and Protective Services.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1315 ON THIRD READING**

Senator Powell moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1315** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

AT EASE

The President at 11:18 p.m. announced the Senate would stand At Ease subject to the call of the Chair.

IN LEGISLATIVE SESSION

The Presiding Officer, Senator Springer in Chair, at 11:41 p.m. called the Senate to order as In Legislative Session.

HOUSE BILL 2357 ON SECOND READING

On motion of Senator Miles and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2357** at this time on its second reading:

HB 2357, Relating to an exception from required disclosure of information related to certain crime victims.

The bill was read second time.

Senator Johnson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2357** (senate committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 11, Article 49.25, Code of Criminal Procedure, is amended by adding Subsection (c) to read as follows:

(c) The medical examiner may release a copy of an autopsy report of a deceased person to any organ and tissue procurement organization, hospital, or other covered entity as defined by Section 181.001, Health and Safety Code, that treated the deceased person before death or procured any anatomical gift from the body of the deceased person. The release of a report under this subsection is not considered a disclosure under Chapter 552, Government Code. A report obtained under this subsection is confidential and not subject to disclosure under Chapter 552, Government Code.

The amendment to **HB 2357** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 2357 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.

HOUSE BILL 2357 ON THIRD READING

Senator Miles moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2357** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 4492 ON SECOND READING

On motion of Senator Hancock and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 4492** at this time on its second reading:

HB 4492, Relating to securitizing costs associated with electric markets; granting authority to issue bonds.

The bill was read second time.

Senator Hancock offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 4492** (senate committee printing) by striking all below the enacting clause and substituting the following:

SECTION 1. Section 404.0241, Government Code, is amended by adding Subsections (b-1), (b-2), (b-3), (b-4), and (b-5) to read as follows:

(b-1) Notwithstanding any other law, directly or indirectly through a separately managed account or other investment vehicle, the comptroller shall invest not more than \$800 million of the economic stabilization fund balance to finance the default balance as defined by Section 39.602, Utilities Code, to be repaid by ERCOT market participants through default charges established by the Public Utility Commission of Texas. The interest rate charged in connection with the debt obligations must be calculated by adding the rate determined by the Municipal Market Data Municipal Electric Index, as published by Refinitiv TM3, based on the credit rating of the independent organization, as defined by Section 39.602, Utilities Code, plus 2.5 percent. The term of the debt obligations may not exceed 30 years.

(b-2) A person may not bring a civil action against this state, the Texas Treasury Safekeeping Trust Company, or an employee, independent contractor, or official of this state, including the comptroller, for any claim, including breach of fiduciary duty or violation of any constitutional, statutory, or regulatory requirement, in connection with any action, inaction, decision, divestment, investment, report, or other determination made or taken in connection with Subsections (b-1), (b-4), and (b-5).

(b-3) A person who brings an action described by Subsection (b-2) is liable to the defendant for the defendant's costs and attorney's fees resulting from the action.

(b-4) The comptroller shall manage the investments required by Subsection (b-1) as a separate investment portfolio. The comptroller shall provide separate accounting and reporting for the investments in that portfolio. The comptroller shall credit to that portfolio all payments, distributions, interest, and other earnings on the investments in that portfolio.

(b-5) The comptroller has any power necessary to accomplish the purposes of managing and investing the assets of the portfolio described by Subsection (b-4). In managing the assets of that portfolio, through procedures and subject to restrictions the comptroller considers appropriate, the comptroller may acquire, sell, transfer, or otherwise assign the investments as appropriate, taking into consideration the purposes, terms, distribution requirements, and other circumstances of that portfolio then prevailing.

SECTION 2. Section 39.002, Utilities Code, is amended to read as follows:

Sec. 39.002. APPLICABILITY. This chapter, other than Sections 39.151, 39.1516, 39.155, 39.157(e), 39.159, 39.203, 39.904, 39.9051, 39.9052, and 39.914(e), and Subchapters M and N, does not apply to a municipally owned utility or an electric cooperative. Sections 39.157(e), 39.203, and 39.904, however, apply only to a municipally owned utility or an electric cooperative that is offering customer choice. If there is a conflict between the specific provisions of this chapter and any other provisions of this title, except for Chapters 40 and 41, the provisions of this chapter control.

SECTION 3. Section 39.151, Utilities Code, is amended by adding Subsection (j-1) to read as follows:

(j-1) Notwithstanding Subsection (j) of this section, Section 39.653(c), or any other law, the independent system operator in the ERCOT power region may not reduce payments to or uplift short-paid amounts to a municipally owned utility that becomes subject to the jurisdiction of that independent system operator on or after May 29, 2021, and before December 30, 2021, related to a default on a payment obligation by a market participant that occurred before May 29, 2021.

SECTION 4. Subchapter D, Chapter 39, Utilities Code, is amended by adding Section 39.159 to read as follows:

Sec. 39.159. AMOUNTS OWED TO INDEPENDENT ORGANIZATION BY MARKET PARTICIPANTS. (a) The commission shall require that all market participants fully and promptly pay to the independent organization certified under Section 39.151 for the ERCOT power region all amounts owed to the independent organization, or provide for the full and prompt payment of those amounts owed, which must be calculated solely according to the protocols of the independent organization in effect during the period of emergency and subject to the jurisdiction of the commission, to qualify, or to continue to qualify, as a market participant in the ERCOT power region.

(b) The independent organization shall report to the commission that a market participant is in default for the failure to pay all amounts owed to the independent organization as calculated in accordance with this section. The commission may not allow the defaulting market participant to continue to be a market participant in the ERCOT power region for any purpose or allow the independent organization to accept

the defaulting market participant's loads or generation for scheduling in the ERCOT power region until all amounts owed to the independent organization by the market participant as calculated in this section are fully paid.

(c) The commission and the independent organization shall pursue collection in full of amounts owed to the independent organization by any market participant to reduce the costs that would otherwise be borne by other market participants or their customers.

SECTION 5. Chapter 39, Utilities Code, is amended by adding Subchapters M and N to read as follows:

SUBCHAPTER M. WINTER STORM URI DEFAULT BALANCE FINANCING

Sec. 39.601. PURPOSE. (a) The purpose of this subchapter is to address the Winter Storm Uri default balance, as defined by Section 39.602, in a manner that benefits the public interest by:

(1) enabling the independent organization to finance the payment of the default balance with debt obligations; and

(2) authorizing the commission to contract with the comptroller under Section 404.0241, Government Code, to finance the payment of the default balance with debt obligations.

(b) Financing the default balance in the manner provided by this subchapter will:

(1) allow wholesale market participants that are owed money to be paid in a more timely manner;

(2) replenish financial revenue auction receipts temporarily used by the independent organization to reduce the Winter Storm Uri-related amounts short-paid to the wholesale market participants; and

(3) allow the wholesale market to repay the default balance over time.

(c) The legislature finds that the financing authorized by this subchapter serves the public purpose of preserving the integrity of the electricity market in the ERCOT power region.

(d) The proceeds of debt obligations issued under this subchapter must be used solely for the purpose of financing default balances that otherwise would be or have been uplifted to the wholesale market.

(e) The commission shall ensure that the structuring and pricing of debt obligations issued under this subchapter result in the lowest financing costs consistent with market conditions and the terms of the commission's order. The present value calculation must use a discount rate equal to the proposed interest rate on the debt obligations.

Sec. 39.602. DEFINITIONS. In this subchapter:

(1) "Default balance" means an amount of money of not more than \$800 million that includes only:

(A) amounts owed to the independent organization by competitive wholesale market participants from the period of emergency that otherwise would be or have been uplifted to other wholesale market participants; and

(B) financial revenue auction receipts used by the independent organization to temporarily reduce amounts short-paid to wholesale market participants related to the period of emergency.

(2) "Default charges" means charges assessed to wholesale market participants to repay amounts financed under this subchapter to pay the default balance.

(3) "Independent organization" means the independent organization certified under Section 39.151 for the ERCOT power region.

(4) "Period of emergency" means the period beginning 12:01 a.m., February 12, 2021, and ending 11:59 p.m., February 20, 2021.

Sec. 39.603. DEBT OBLIGATION ORDER. (a) On application by the independent organization, the commission by order may authorize the independent organization to establish a debt financing mechanism to finance the default balance if the commission finds that the debt obligations are needed to preserve the integrity of the wholesale market and the public interest, after considering:

(1) the need to timely replenish financial revenue auction receipts used by the independent organization to reduce amounts short-paid to wholesale market participants;

(2) the interests of wholesale market participants that are owed balances;
and

(3) the potential effects of uplifting those balances to the wholesale market without a financing vehicle.

(b) The order must state:

(1) the default balance to be financed; and

(2) the period over which the default charges must be assessed to repay the debt obligations, which may not exceed 30 years.

(c) The order must include an adjustment mechanism requiring the independent organization to adjust default charges to refund, over the remaining period of the default charges, any payments made by a competitive load-serving entity toward unpaid obligations from the period of emergency that were included in the financed default balance.

(d) The independent organization shall collect from and allocate among wholesale market participants the default charges using the same allocated pro rata share methodology under which the charges would otherwise be uplifted under the protocols in effect on March 1, 2021. The default charges must be assessed on all wholesale market participants, including market participants who are in default but still participating in the wholesale market, and may be based on periodically updated transaction data to prevent market participants from engaging in behavior designed to avoid the default charges.

(e) Not later than the 30th day after the date the independent organization receives a default charge payment from a wholesale market participant, the independent organization shall remit the payment to the comptroller toward repayment of debt obligations in which the comptroller made an investment under Section 404.0241(b-1), Government Code, if applicable.

(f) Notwithstanding another provision of this subchapter, default charges may not be collected from or allocated to a market participant that:

(1) otherwise would be subject to a default charge solely as a result of acting as a central counterparty clearinghouse in wholesale market transactions in the ERCOT power region; and

(2) is regulated as a derivatives clearing organization, as defined by Section 1a, Commodity Exchange Act (7 U.S.C. Section 1a).

(g) Not later than the 90th day after the date the independent organization files an application for an order under Subsection (a), the commission shall issue an order described by Subsection (a) or an order denying the application. The order becomes effective in accordance with its terms and the order, together with the default charges authorized in the order, shall be irrevocable and not subject to reduction, impairment, or adjustment by further action of the commission after the order takes effect. Notwithstanding this requirement, the commission may refinance any debt obligations created by a finance order issued under this subchapter if the commission determines that the refinancing is in the public interest, considering the interest of both the ERCOT market and the state's interest in the economic stabilization fund, and otherwise meets the requirements of this subchapter.

(h) An order described by Subsection (a) or (g) is not subject to rehearing by the commission. The order may be reviewed by appeal by a party to the proceeding to a Travis County district court that is filed not later than the 15th day after the date the order is signed by the commission. The judgment of the district court may be reviewed only by a direct appeal to the Supreme Court of Texas that is filed not later than the 15th day after the date of the entry of judgment. All appeals shall be heard and determined by the district court and the Supreme Court of Texas as expeditiously as possible with lawful precedence over other matters. Review on appeal shall be based solely on the record before the commission and briefs to the court and shall be limited to whether the order conforms to the constitution and laws of this state and the United States and is within the authority of the commission under this chapter.

(i) A debt obligation issued under this section is a nonrecourse debt secured solely by the default charges explicitly assessed to repay the obligation. The independent organization's obligations authorized under this section do not create personal liability for the independent organization.

Sec. 39.604. COMMISSION-AUTHORIZED FINANCING. (a) The commission may contract with another state agency with expertise in public financing to establish a debt financing mechanism for the payment of the default balance as defined in this subchapter. This section does not apply to a default balance securitized under Subchapter D, Chapter 41.

(b) Except as otherwise specifically provided by this section, the provisions of this subtitle that address the commission's issuance of an order under other provisions of this subtitle also apply to the commission's issuance of an order under this section.

(c) The contracted state agency and any issuer, along with the independent organization, must be a party to the commission's proceedings that address the issuance of an order.

(d) In addition to the other applicable requirements of this subtitle, an order issued under this section must:

(1) require the sale, assignment, or other transfer to the contracted state agency of default charges created by the order and, following that sale, assignment, or transfer, require that default charges paid under any order be created, assessed, and

collected as the property of the contracted state agency, subject to subsequent sale, assignment, or transfer by the contracted state agency as authorized under this subchapter;

(2) authorize:

(A) the issuance of debt obligations by the contracted state agency secured by a pledge of default charge revenue, and the application of the proceeds of those debt obligations, net of issuance costs, to the independent organization; or

(B) the acquisition of default charge revenue from the independent organization by the contracted state agency, financed:

(i) by a loan by an issuer to the contracted state agency of the proceeds of debt obligations, net of issuance costs; or

(ii) by the acquisition by an issuer from the contracted state agency of the default charge revenue and in each case the pledge of the revenue to the repayment of the loan or other debt obligation, as applicable; and

(3) authorize the independent organization to serve as collection agent to collect the default charges and transfer the collected default charges to the contracted state agency or the issuer, as appropriate.

(e) After issuance of the order, the contracted state agency shall arrange for the issuance of debt obligations, as specified by the order, by the contracted state agency or another issuer selected by the contracted state agency and approved by the commission.

(f) Debt obligations issued pursuant to an order issued under this section are secured only by the default charge revenue and any other funds pledged under the bond documents. No assets of the state or the independent organization are subject to claims by the holders of the debt obligations. Following assignment of the default charge revenue, the independent organization does not have any beneficial interest or claim of right in the revenue.

(g) Effective on the date the first debt obligations are issued under this subchapter, if any provision of this title or portion of this title is held to be invalid or is invalidated, superseded, replaced, or repealed, or expires for any reason, that occurrence does not affect the validity or continuation of this subchapter or any other provision of this title that is relevant to the issuance, administration, payment, retirement, or refunding of debt obligations authorized under this subchapter or to any actions of the independent organization, its successors, an assignee, a collection agent, the contracted state agency, or an issuer and those provisions shall remain in full force and effect.

Sec. 39.605. DEFAULT CHARGES NONBYPASSABLE. An order issued under Section 39.603 or 39.604 must:

(1) include terms ensuring that the imposition and collection of default charges authorized in the order shall be nonbypassable by wholesale market participants; and

(2) authorize the independent organization to establish appropriate fees and other methods for pursuing amounts owed from entities exiting the wholesale market.

Sec. 39.606. TRUE-UP MECHANISM. An order issued under Section 39.603 or 39.604 must include a mechanism requiring that default charges be reviewed and adjusted at least annually, not later than the 45th day after the anniversary date of the issuance of the order, to:

(1) correct over-collections or under-collections over the preceding 12 months; and

(2) ensure the expected recovery of amounts sufficient to timely provide all payments of debt service.

Sec. 39.607. TAX EXEMPTION. The transfer and receipt of default charges are exempt from state and local sales and use, franchise, and gross receipts taxes.

SUBCHAPTER N. WINTER STORM URI UPLIFT FINANCING

Sec. 39.651. PURPOSE; USE OF PROCEEDS. (a) The purpose of this subchapter is to address the Winter Storm Uri uplift balance by:

(1) enabling the independent organization certified under Section 39.151 for the ERCOT power region to finance the uplift balance on behalf of wholesale market participants through debt obligations; and

(2) authorizing the commission to contract with another state agency to finance the payment of the uplift balance with debt obligations or use any other financial mechanism consistent with this subchapter for that purpose.

(b) Financing the uplift balance in the manner provided by this subchapter will allow wholesale market participants who were assessed extraordinary uplift charges due to consumption during the period of emergency to pay those charges over a longer period of time, alleviating liquidity issues and reducing the risk of additional defaults in the wholesale market.

(c) The legislature finds that authorizing financing under this subchapter serves the public purpose of allowing the commission to stabilize the wholesale electricity market in the ERCOT power region.

(d) The proceeds of debt obligations issued under this subchapter must be used solely for the purpose of financing reliability deployment price adder charges and ancillary service costs that exceeded the commission's system-wide offer cap and were uplifted to load-serving entities based on consumption during the period of emergency. A load-serving entity that receives proceeds from the debt obligations may use the proceeds solely for the purposes of fulfilling payment obligations directly related to such costs and refunding such costs to retail customers who have paid or otherwise would be obligated to pay such costs.

(e) The commission shall ensure that the structuring and pricing of the debt obligations results in the lowest uplift charges consistent with market conditions and the terms of the order issued under this subchapter. The present value calculation must use a discount rate equal to the proposed interest rate on the debt obligations.

Sec. 39.652. DEFINITIONS. In this subchapter:

(1) "Independent organization" means the independent organization certified under Section 39.151 for the ERCOT power region.

(2) "Load-serving entity" means a municipally owned utility, an electric cooperative, or a retail electric provider.

(3) "Period of emergency" means the period beginning 12:01 a.m., February 12, 2021, and ending 11:59 p.m., February 20, 2021.

(4) "Uplift balance" means an amount of money of not more than \$2.1 billion that was uplifted to load-serving entities on a load ratio share basis due to energy consumption during the period of emergency for reliability deployment price adder charges and ancillary services costs in excess of the commission's system-wide offer cap, excluding amounts securitized under Subchapter D, Chapter 41. The term does not include amounts that were part of the prevailing settlement point price during the period of emergency.

(5) "Uplift charges" means charges assessed to load-serving entities to repay amounts financed under this subchapter to pay the uplift balance.

Sec. 39.653. DEBT OBLIGATION ORDER. (a) On application of the independent organization, the commission by order may authorize the independent organization to establish a debt financing mechanism for the payment of the uplift balance if the commission finds that such financing will support the financial integrity of the wholesale market and is necessary to protect the public interest, considering the impacts on both wholesale market participants and retail customers.

(b) An order issued under this section must:

(1) state the uplift balance to be financed;

(2) state the period over which the uplift charges must be assessed to repay the debt obligations, which may not exceed 30 years; and

(3) provide the process for remitting the proceeds of the financing to load-serving entities who were exposed to the costs included in the uplift balance, including a requirement for the load-serving entities to submit documentation of their exposure.

(c) The independent organization shall assess uplift charges to all load-serving entities on a load ratio share basis, which may be translated to a kWh charge, including load serving entities who enter the market after an order has been issued under this subchapter, but excluding the load of entities that opt out under Subsection (d).

(d) The commission shall develop a one-time process that allows municipally owned utilities, electric cooperatives, river authorities, and transmission-voltage customers served by a retail electric provider to opt out of the uplift charges by paying in full all invoices owed for usage during the period of emergency. Load-serving entities and transmission-voltage customers that opt out under this subsection shall not receive any proceeds from the uplift financing.

(e) An order issued under this section must include a requirement that any load-serving entity or transmission-voltage customer who receives proceeds from the financing that exceed the entity's or customer's actual exposure to uplift charges from consumption during the period of emergency notify the independent organization and remit any excess receipts. Any payments received under this subsection must be credited against the uplift balance to reduce the remaining uplift charges.

(f) Not later than the 90th day after the date the independent organization files an application for an order under Subsection (a), the commission shall issue an order described by Subsection (a) or an order denying the application. The order becomes effective in accordance with its terms and the order, together with the uplift charges authorized in the order, shall be irrevocable and not subject to reduction, impairment, or adjustment by further action of the commission after it takes effect.

Notwithstanding this requirement, the commission may refinance any debt obligations created by a finance order under this subchapter if the commission determines that the refinancing is in the public interest and otherwise meets the requirements of this subchapter.

(g) An order issued under this section is not subject to rehearing by the commission. An order may be reviewed by appeal by a party to the proceeding to a Travis County district court filed not later than the 15th day after the date the order is signed by the commission. The judgment of the district court may be reviewed only by direct appeal to the Supreme Court of Texas filed not later than the 15th day after the date of the entry of judgment. All appeals shall be heard and determined by the district court and the Supreme Court of Texas as expeditiously as possible with lawful precedence over other matters. Review on appeal shall be based solely on the record before the commission and briefs to the court and shall be limited to whether the order conforms to the constitution and laws of this state and the United States and is within the authority of the commission under this chapter.

(h) A debt obligation issued under this section is a nonrecourse debt secured solely by the default charges explicitly assessed to repay the obligation. The independent organization's obligations authorized under this section do not create personal liability for the independent organization.

Sec. 39.654. COMMISSION-AUTHORIZED FINANCING. (a) The commission may contract with another state agency with expertise in public financing to establish a debt financing mechanism to finance the payment of the uplift balance. This section does not apply to any balance securitized under Subchapter D, Chapter 41.

(b) Except as otherwise specifically provided by this section, the provisions of this subtitle that address the commission's issuance of an order under other provisions of this subtitle also apply to the commission's issuance of an order under this section.

(c) The contracted state agency and any issuer must be a party to the commission's proceedings that address the issuance of an order along with the independent organization.

(d) In addition to the other applicable requirements of this subtitle, an order issued under this section must:

(1) require the sale, assignment, or other transfer to the contracted state agency of uplift charges created by the order and, following that sale, assignment, or transfer, require that uplift charges paid under any order be created, assessed, and collected as the property of the contracted state agency, subject to subsequent sale, assignment, or transfer by the contracted state agency as authorized under this subchapter;

(2) authorize:

(A) the issuance of debt obligations by the contracted state agency secured by a pledge of uplift charge revenue, and the application of the proceeds of those debt obligations, net of issuance costs, to the independent organization; or

(B) the acquisition of uplift charge revenue from the independent organization by the contracted state agency, financed:

(i) by a loan by an issuer to the contracted state agency of the proceeds of debt obligations, net of issuance costs; or

(ii) by the acquisition by an issuer from the contracted state agency of the uplift charge revenue and in each case the pledge of the revenue to the repayment of the loan or debt obligations, as applicable; and

(3) authorize the independent organization to serve as collection agent to collect the uplift charges and transfer the collected uplift charges to the contracted state agency or the issuer, as appropriate.

(e) After issuance of the order, the contracted state agency shall arrange for the issuance of debt obligations, as specified by the order, by the contracted state agency or another issuer selected by the contracted state agency and approved by the commission.

(f) Debt obligations issued pursuant to an order issued under this section are secured only by the uplift charge revenue and any other funds pledged under the bond documents. No assets of the state or the independent organization are subject to claims by the holders of the debt obligations. Following assignment of the uplift charge revenue, the independent organization does not have any beneficial interest or claim of right in the revenue.

(g) Effective on the date the first debt obligations are issued under this subchapter, if any provision of this title or portion of this title is held to be invalid or is invalidated, superseded, replaced, or repealed, or expires for any reason, that occurrence does not affect the validity or continuation of this subchapter or any other provision of this title that is relevant to the issuance, administration, payment, retirement, or refunding of debt obligations authorized under this subchapter or to any actions of the independent organization, its successors, an assignee, a collection agent, the contracted state agency, or an issuer and those provisions shall remain in full force and effect.

Sec. 39.655. OTHER FINANCIAL MECHANISM. The commission may use a financial mechanism other than the mechanisms described by Sections 39.653 and 39.654 that meets the requirements of this subchapter to accomplish the purposes of this subchapter.

Sec. 39.656. UPLIFT CHARGES NONBYPASSABLE. An order must include terms ensuring that the imposition and collection of uplift charges authorized by the order shall be nonbypassable.

Sec. 39.657. TRUE-UP. An order shall include a mechanism requiring that uplift charges be reviewed and adjusted at least annually, not later than the 45th day after the anniversary date of the issuance of the debt obligations, to:

(1) correct over-collections or under-collections over the preceding 12 months; and

(2) ensure the expected recovery of amounts sufficient to timely provide all payments of debt service and other required amounts and charges in connection with the debt obligations.

Sec. 39.658. TAX EXEMPTION. Transactions involving the transfer and ownership of uplift property and the receipt of uplift charges are exempt from state and local income, sales, franchise, gross receipts, and other taxes or similar charges.

Sec. 39.659. SEVERABILITY. Effective on the date the first debt obligations are issued under this subchapter, if any provision in this title or portion of this title is held to be invalid or is invalidated, superseded, replaced, repealed, or expires for any

reason, that occurrence does not affect the validity or continuation of this subchapter or any other provision of this title that is relevant to the issuance, administration, payment, retirement, or refunding of debt obligations or to any actions of the independent organization, its successors, an assignee, a collection agent, or a financing party, which shall remain in full force and effect.

Sec. 39.660. CUSTOMER CHARGES. All load-serving entities that receive offsets to specific uplift charges from the independent organization under this subchapter must adjust customer invoices to reflect the offsets for any charges that were or would otherwise be passed through to customers under the terms of service with the load-serving entity, including by providing a refund for any offset charges that were previously paid. An electric cooperative, including an electric cooperative that elects to receive offsets, shall not otherwise become subject to rate regulation by the commission and receipt of offsets does not affect the applicability of Chapter 41 to an electric cooperative.

Sec. 39.661. ENFORCEMENT. The commission may use any enforcement mechanism established by Chapter 15 or this chapter, including revocation of certification by the commission, against any entity that fails to remit excess receipts from the uplift balance financing under Section 39.653(e) or otherwise misappropriates or misuses amounts received from the uplift balance financing this subchapter.

SECTION 6. Sections 404.0241(b-2) and (b-3), Government Code, as added by this Act, apply only to a cause of action that accrues on or after the effective date of this Act.

SECTION 7. 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. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.

The amendment to **HB 4492** was read.

Senator Kolkhorst offered the following amendment to Floor Amendment No. 1:

Floor Amendment No. 2

Amend Amendment No. 1 by Hancock to **HB 4492** by adding the following appropriately numbered SECTION to the amendment and renumbering the subsequent SECTIONS of the amendment accordingly:

SECTION _____. Subchapter D, Chapter 39, Utilities Code, is amended by adding Sections 39.159 and 39.160 to read as follows:

Sec. 39.159. RESTITUTION REQUIRED. A wholesale market participant that receives funds from the financing mechanism authorized under Subchapter M or N shall repay the funds if the participant or an employee of the participant:

(1) submits a false certification that the participant provided all records required under Subchapter M or N to the attorney general;

(2) engages in false, misleading, or deceptive conduct related to Winter Storm Uri as determined in a proceeding under Section 17.46, Business & Commerce Code; or

(3) is convicted for criminal conduct arising out of activities related to Winter Storm Uri.

Sec. 39.160. INFORMATION DISCLOSURE REQUIRED FOR PARTICIPATION IN FINANCING. (a) Before a wholesale market participant may receive money from a financing mechanism authorized under Subchapter M or N, the participant must:

(1) submit to the attorney general:

(A) all documents, e-mails, or text messages relating to financial security transactions used to hedge or offset the cost of fuel or energy in February 2021; and

(B) all documents, e-mails, or text messages relating to qualified cost information for February 2021; and

(2) submit to the corporation an affidavit certifying that the participant has complied with Subdivision (1).

(b) Information provided to the attorney general under Subsection (a) is confidential and not subject to public disclosure under Chapter 552, Government Code.

(c) A market participant may not receive money under Subchapter M or N if the participant asserts a privilege as a reason for not fully complying with Subsection (a).

The amendment to Floor Amendment No. 1 to **HB 4492** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

Senator Springer offered the following amendment to Floor Amendment No. 1:

Floor Amendment No. 3

Amend Amendment No. 1 by Hancock to **HB 4492** in SECTION 5 of the bill as proposed by the amendment, in added Section 39.653, Utilities Code (page 14, line 4), between "authorities," and "and" by inserting "a retail electric provider that has the same corporate parent as each of the provider's customers, a retail electric provider that is an affiliate of each of the provider's customers,".

The amendment to Floor Amendment No. 1 to **HB 4492** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 3.

Senator Hinojosa offered the following amendment to Floor Amendment No. 1:

Floor Amendment No. 4

Amend Amendment No. 1 by Hancock to **HB 4492** in SECTION 5 of the bill as proposed by the amendment, in added Subchapter N, Chapter 39, Utilities Code, following added Section 39.661 (page 19, between lines 7 and 8), by inserting the following:

Sec. 39.662. LEGAL ACTIONS INVOLVING PRICING OR UPLIFT ACTIONS. A load-serving entity that receives financial assistance under this subchapter may not initiate, pursue, or continue a legal action that seeks judicial

review of pricing or uplift actions taken by the commission or the independent organization certified under Section 39.151 for the ERCOT power region in connection with the period of emergency.

The amendment to Floor Amendment No. 1 to **HB 4492** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 4.

Senator Gutierrez offered the following amendment to Floor Amendment No. 1:

Floor Amendment No. 5

Amend Amendment No. 1 by Hancock to **HB 4492** as follows:

(1) In the recital to SECTION 5 of the bill as proposed by the amendment (page 4, line 6), strike "M and N" and substitute "M, N, and O".

(2) In SECTION 5 of the bill as proposed by the amendment, in added Section 39.651(d), Utilities Code (page 12, lines 5 through 8), strike "reliability deployment price adder charges and ancillary service costs that exceeded the commission's system-wide offer cap and were uplifted to load-serving entities based on consumption during the period of emergency" and substitute "the uplift balance".

(3) In SECTION 5 of the bill as proposed by the amendment, in added Section 39.652(4), Utilities Code (page 13, lines 3 through 5), strike "The term does not include amounts that were part of the prevailing settlement point price during the period of emergency.", and substitute "In addition to that uplifted amount of money, the term includes reliability deployment price adders included in the cost of energy used to supply end-use customers during the period beginning 12:01 a.m., February 18, 2021, and ending 9 a.m., February 19, 2021."

(4) After added Subchapter N, Chapter 39, Utilities Code (page 19, between lines 7 and 8), insert the following:

SUBCHAPTER O. WINTER STORM URI RATEPAYER ASSISTANCE

Sec. 36.701. WINTER STORM URI RATEPAYER ASSISTANCE. (a) The legislature finds that Winter Storm Uri was a public calamity.

(b) The commission may contract with the comptroller to establish a debt financing mechanism for the financing of bill payment assistance grants under this subchapter in the same manner that the commission may establish a debt financing mechanism under Section 39.654.

(c) The commission may provide or collaborate with the comptroller to provide one-time bill payment assistance grants to residential retail customers of municipally owned utilities, electric cooperatives, and retail electric providers in the ERCOT power region who received service during Winter Storm Uri. The commission may collaborate with the comptroller to review taxes or fees savings for rate payers.

GUTIERREZ
HUGHES

The amendment to Floor Amendment No. 1 to **HB 4492** was read and was adopted by the following vote: Yeas 22, Nays 8.

Yeas: Alvarado, Bettencourt, Blanco, Eckhardt, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Paxton, Schwertner, Seliger, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Buckingham, Campbell, Creighton, Johnson, Nelson, Nichols, Perry, Powell.

Absent: Birdwell.

Question recurring on the adoption of Floor Amendment No. 1 to **HB 4492**, the amendment as amended was adopted by the following vote: Yeas 31, Nays 0.

HOUSE BILL 4492 ON THIRD READING

Senator Hancock moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 4492** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

REMARKS ORDERED PRINTED

On motion of Senator Gutierrez and by unanimous consent, the remarks regarding Floor Amendment No. 5 to **HB 4492** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Gutierrez: Thank you very much, Mr. President, and, Members, thank you very much for your attention at this late hour. It bears mentioning that we as a body have been working on this for five months and within the first few days post-Uri in February. With the Governor's leadership, Lieutenant Governor's leadership, we acted as a whole and did something very important for the 32 hours beyond the 24-hour emergency period where ERCOT continued to bill at the max rate of 9,000 per megawatt hour. It bears mentioning that we as a body have been working on many various and sundry bills to affect a change in how we take care of our ratepayers, how we ensure that we don't have another loss of life again. It bears mentioning that a lot of the bills that we sent over, unfortunately, didn't quite make the day. But we're here tonight and it's 12:40 in the morning, and we're working on the one issue that is of utmost importance in 2021 to our Texas ratepayers, to our Texas citizens. Senator Hancock, your bill has some incredible elements that seek to help folks that are in need, and we certainly appreciate your efforts. And it's my hope that it goes a long way to accomplish the goals that you have set forth. And I think that everyone here, can't speak for everybody, but I think that many of us are in the affirmative here. I further want to thank you for your collaboration in leadership in accepting this amendment that we talked about for well over an hour this evening. And we said, let's figure out a way to ensure and help ratepayers specifically. Let's find vehicles that we can find ratepayer assistance programs, which you have on your bill and hopefully this amendment bolsters and supplements. And we talked about concepts that specifically direct the 32 hours, and I believe Senator Whitmire, yesterday, Sir, said \$500 million an hour is how that meter was ticking day after day after day. Indeed, we don't really know, full well know, what that number is. And yet, here we are at the last

minute trying to get things done, and we've been working on it over and over, day after day, in this Texas Senate. So, for that I applaud you all. The elements of this amendment, Mr. President, seek to address the 32 hours and the repricing that you so carefully led us down the road in mid-March. Because we had a vehicle and an opportunity by statute, we have a 30-day window to do something and this body sent a bill to the other side. And it's unfortunate that the one time that we had an opportunity to fix the issue by statute, that opportunity was missed, not by us, I won't cast any more aspersions on anybody. But the opportunity was missed, not by the Texas Senate, though. And so, here we are again trying to do this through this amendment. And so, what the elements, thanks to your guidance from a couple of hours ago, of this amendment are very clear. The first section mentions the 32 hours and that would be in paragraphs two and three. It's a very important portion here, in Subchapter O, page 2, line 1. We recognize that Winter Storm Uri was a public calamity. It's very important that we recognize that this was a public calamity, because it gives us opportunities to be able to directly enhance and help the lives of the people of Texas, pursuant to our constitutional provisions. Subsection B creates a debt finance mechanism for bill payment assistance, a possibility of, which essentially mirrors what you've done in your bill, and I appreciate that. The last element is a, it sets up the possibility of possible grants for payment assistance. And the last sentence came from our group collaboration, from Senator Bob Hall. He said, let's also look at the possibility of giving tax savings and tax relief, Mr. President, to the ratepayers, so that whether we're going to do this by grant or by tax break, we do something as a body. Most importantly, what these elements leave out pursuant to your direction or what they suggest, pursuant to your direction of a few hours ago, is it gives us an opportunity to negotiate with our friends across the hall, and it gives us an opportunity to be able to continue to advocate for the citizens of Texas when it comes to resolving the issues of the repricing errors that were made. I believe that this amendment is acceptable to the author, and, Senator, I appreciate your help and your assistance and your guidance today as we worked through these important issues. Thank you, Sir.

President: Thank you, Senator Gutierrez, and all your work on this amendment and all of your ideas. This has really been 48 hours we wish we could have had, we've been working on it for months. But, you know, we've had this opportunity with these bills in the last 48 hours and, and really 31 people have put their heads together and worked really hard on it. Senator Bettencourt, for what purpose?

Senator Bettencourt: Ask a question of the author of the amendment.

President: Do you yield?

Senator Gutierrez: Yes, Sir. I do.

Senator Bettencourt: Mr. Amendment.

Senator Gutierrez: Pardon me?

Senator Bettencourt: That was a joke, Roland, Mr. Amendment.

Senator Gutierrez: Oh, oh—

Senator Bettencourt: Sorry about—

Senator Gutierrez: —Mr. Amendment—

Senator Bettencourt: —sorry.

Senator Gutierrez: It's so, it's so late at night.

Senator Bettencourt: Right. That's right.

Senator Gutierrez: And before I, and before I yield to further questions, I want to also thank Senator Hughes, because as this day started we had kind of competing amendments, and then this morphed into what we had discussed earlier, which has morphed into this discussion that we're having, that we had with the body earlier, and I will now yield to your questions.

Senator Bettencourt: And thank you, Senator Gutierrez. That was, you know, something that you have done very well this year is amendments, so I wanted to highlight that with your new nickname. Basically, what you've got here is two permissive possibilities. The commission may contract with the Comptroller to establish the debt financing mechanism, the commission may provide or collaborate with the Comptroller to provide a one-time bill payment assistance program. But I think the absolute winner, Senator Hall, okay, the absolute winner here, and maybe the first-place finisher, and I want to read this into the record, is the commission may collaborate with the Comptroller to review taxes or fee savings for ratepayers. So, who can be against a fee, to review taxes or fee savings for ratepayers, because that may be the best idea we've heard on this entire sleigh ride, should I say. And with that, I want to thank Senator Hall for bringing that up, very important concept.

Senator Gutierrez: That's exactly why I mentioned it. We've got the possibility of tax breaks. We've got the possibility of grants. You know, not one of us envisioned what was going to go on. But most certainly the State of Texas through ERCOT erred. We have tried time and time again to fix the problems, thanks to your leadership. And so, this is what's brought us here today. And it is time that we get some immediate relief for the ratepayers, and I believe that through these amendments, we'll be able to do that. And with your help as well, Senator Bettencourt. And I know—

Senator Bettencourt: I, I think it's—

Senator Gutierrez: —you've been very helpful in all this.

Senator Bettencourt: —Members, I think it's a very important concept that we have opened this discussion up for the next few days to, the commission may collaborate with the Comptroller to review taxes or fee savings for ratepayers, Mr. President. And thank you for your work, Senator Gutierrez.

Senator Gutierrez: Thank you, Chairman.

President: Senator, and, of course, in conference that's where we want to nail the language down with our partners in the House to get it done.

Senator Gutierrez: Thank you, Mr. President.

President: From a may to a shall do it. Senator Johnson, you had your light on for a moment. No longer? Okay, it must have hit by accident, okay. Senator Hughes, for what purpose?

Senator Hughes: Thank you, Mr. President, to speak on the amendment, please.

President: You are recognized.

Senator Hughes: Mr. President, I thank the gentleman for yielding, and if you'll allow me just for a couple of moments to rehearse some of the important elements, and everybody gets this and, thank Senator Gutierrez for working with this, for the whole Senate working together on this, and so, y'all get it. What we're adding, and what this amendment is the final 32 hours of artificially inflated prices to the amount that can be securitized using the elegant formula set up by Senator Hancock in this floor substitute. We all know this issue very well but just lest we forget, it hasn't been that long ago, 11:55 p.m., February 17th, late Wednesday night. Remember what happened. Load shed ended, mercifully things were back in balance, no load shed, things were getting back like they're supposed to be. And on Thursday morning, ERCOT said, quote, there is no additional load shed occurring at this time, unquote. And everyone agreed that we're out of load shed, we don't peg that price at 9,000. But what happened? Even though we're out of load shed, ERCOT and the PUC did not end that scarcity pricing until 9 a.m. Friday morning, February 19th. Now, we don't demonize them, they were in a unimaginable situation, wanted to do everything they could to get the lights on and to keep the lights on. Nevertheless, the choices they made had overwhelming consequences for Texas that we've been discussing ever since. And so, for those 32 hours they continued to charge the artificially inflated rate even though there was plenty of generation to meet the demand. And so, there's an algorithm, right, that tells ERCOT what the price should be. And we know based on those generators, because the law says they're supposed to bid in at their margin, and so, here's what I can provide power at. So, we can look at what that ERCOT algorithm showed us, every increment, and see where it should have been. But during that time it was telling us where they should have been but instead, the prices were pegged at \$9,000 a kilowatt hour. The algorithm tells us what the price should have been. And so, this amendment allows load-serving entities to securitize the difference between the artificially set price of 9,000 and the actual market price during that time. This discrepancy, let's be clear, this is a result of the PUC intervening, using its broad rulemaking power to override the market. After the storm, the Independent Market Monitor, you'll recall in our system, the Independent Market Monitor is charged with looking at these things from an independent perspective and telling us if the rules are being followed, if consumers are being considered and the rules are working like they're supposed to. The Independent Market Monitor said this, the IMM agrees with the commission's order from February 15th, which mandated that real-time energy prices reflect firm load shed by setting prices at the value of lost load, the cap. This is essential in an energy-only market because it provides efficient economic signals to increase electric generation needed to restore the load and service it reliably over the long term. Conversely, it is equally important that prices not reflect volatility of lost load when the system is not in shortage and load is being serviced. Unfortunately, ERCOT exceeded the mandate of the commission by continuing to set process and value of lost load long after it ceased the firm load shed, end quote. So, what does that mean? Does that mean that folks signed up for this and they should have anticipated this? They should have hedged against this? No. No way. This was a 150-year storm. No one could have expected that, but that's what you sign up for when you get in this business. But they did not sign up, they did not sign up for ERCOT, the folks who are

supposed to manage this system, changing the rules, artificially changing the rules when the game was going. We asked this very question to the new CEO of ERCOT, sharp guy, when he came to testify on the securitization bill that I filed. And I asked him if the rules were changed midstream, and he said, it's important to know the market rules weren't followed, unquote. He said it was clear that without those decisions, prices would have been lower on Thursday and Friday, those 32 hours we're talking about. And it could not have been anticipated, this is important, if you're a market participant, it could not have been anticipated that they would be artificially pegged at \$9,000. And so, faced with this situation, what did the Senate do? And, Mr. President, we've talked about this before and with deep respect for all those involved, we want the record to be abundantly crystal clear. The Texas Senate acted, the Texas Senate acted on March 9th, 28 Members of this body, a super majority, 28 Members of this body signed a letter urging the Public Utility Commission Chair to correct the pricing errors, to correct the errors. And then, to make it doubly clear, we passed legislation, Senate Bill 2142. It was, again, moved with tremendous speed because of the agreement of this body that it was so important and so, and so serious, and so urgent. And that bill would have required the PUC to make those corrections. This body passed that bill on March 15th by a vote of 27 to 3. At every opportunity the Texas Senate acted and did everything in its power to fix this problem. We estimated the total cost, under our previous securitization bill. If the total amount were secured, ours would be about 77 cents per month for an average residence with computer and that's for all three buckets, the two in Senator Hancock's bill and the one in this amendment that we believe this, so this is even lower than that. And so, what's the bottom line? Real people, real small businesses are suffering because of decisions made by government employees who opted not to follow the rules. They chose to change course. Now, they had some compelling reasons to do that, and I don't want to question it, but there is a role for us to play. There's a role for us to play. We didn't make those decisions but could we say that those of us in government, those of us in state government, we are the captain of this ship and we bear responsibility when mistakes like this made that cost significantly for our constituents back home? There's a role for us to play to give a path forward to keep a competitive market that's ultimately good for all Texans. And so, the amendment contains the opportunity for us to adjust the 32 hours in a number of ways that this body's interested in discussing. As this bill goes back to the House and to conference, we'll have all these options. And again, I thank Senator Hancock for all the hours and expertise poured into this, the framework he designed that we're trying to build on. Senator Gutierrez has added to it and so with that, I thank the Senate, I thank each one here for working on this to get this amendment that helps us keep moving forward.

HOUSE BILL 4545 ON SECOND READING

Senator Taylor moved to suspend the regular order of business to take up for consideration **HB 4545** at this time on its second reading:

HB 4545, Relating to the assessment of public school students, the establishment of a strong foundations grant program, and providing accelerated instruction for students who fail to achieve satisfactory performance on certain assessment instruments.

The motion prevailed by the following vote: Yeas 22, Nays 9.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Hall, Hancock, Hinojosa, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Springer, Taylor, Zaffirini.

Nays: Alvarado, Blanco, Eckhardt, Gutierrez, Johnson, Miles, Seliger, West, Whitmire.

The bill was read second time.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 4545** (senate committee printing) in SECTION 2 of the bill, by striking added Section 28.0211(a-5), Education Code (page 2, lines 44 through 49), and substituting the following:

(a-5) Each school district shall establish a process allowing for the parent or guardian of a student who fails to perform satisfactorily on an assessment instrument specified under Subsection (a) to make a request for district consideration that the student be assigned to a particular classroom teacher in the applicable subject area for the subsequent school year, if more than one classroom teacher is available.

The amendment to **HB 4545** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 4545 as amended was passed to third reading by the following vote: Yeas 22, Nays 9.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Hall, Hancock, Hinojosa, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Springer, Taylor, Zaffirini.

Nays: Alvarado, Blanco, Eckhardt, Gutierrez, Johnson, Miles, Seliger, West, Whitmire.

HOUSE BILL 4545 ON THIRD READING

Senator Taylor moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 4545** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Springer, Taylor, Zaffirini.

Nays: Eckhardt, Miles, Seliger, West, Whitmire.

The bill was read third time and was passed by the following vote: Yeas 24, Nays 7.

Yeas: Alvarado, Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Springer, Taylor, Zaffirini.

Nays: Blanco, Eckhardt, Gutierrez, Miles, Seliger, West, Whitmire.

HOUSE BILL 671 ON SECOND READING

On motion of Senator Lucio and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 671** at this time on its second reading:

HB 671, Relating to establishment of the disaster identification system for a declared state of disaster.

The bill was read second time.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 671** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Chapter 418, Government Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. WELLNESS CHECKS FOR MEDICALLY FRAGILE INDIVIDUALS DURING CERTAIN EMERGENCIES

Sec. 418.301. DEFINITIONS. In this subchapter:

- (1) "Commission" means the Health and Human Services Commission.
- (2) "Department" means the Department of State Health Services.
- (3) "Emergency assistance registry" means the registry maintained by the division that provides local emergency planners and emergency responders with additional information on the needs of certain individuals in their communities.
- (4) "First responder" means any federal, state, or local personnel who may respond to a disaster, including:
 - (A) public health and public safety personnel;
 - (B) commissioned law enforcement personnel;
 - (C) fire protection personnel, including volunteer firefighters;
 - (D) emergency medical services personnel, including hospital emergency facility staff;
 - (E) a member of the National Guard; or
 - (F) a member of the Texas State Guard.
- (5) "Medically fragile individual" means any individual who, during a time of disaster or emergency, would be particularly vulnerable because of a medical condition, including individuals:
 - (A) with Alzheimer's disease and other related disorders;
 - (B) receiving dialysis services;
 - (C) who are diagnosed with a debilitating chronic illness;
 - (D) who are dependent on oxygen treatment; and

(E) who have medical conditions that require 24-hour supervision from a skilled nurse.

Sec. 418.302. MEDICALLY FRAGILE INDIVIDUAL DESIGNATION. The division shall develop a process for designating individuals who are included in the emergency assistance registry as medically fragile for the purposes of this chapter.

Sec. 418.303. EMERGENCY ASSISTANCE REGISTRY ACCESS. The division shall authorize the following persons to access the emergency assistance registry to assist medically fragile individuals during an event described by Section 418.305:

- (1) the commission;
- (2) the department;
- (3) first responders;
- (4) local governments; and
- (5) local health departments.

Sec. 418.304. REQUIRED WELLNESS CHECK. The division shall collaborate with the persons authorized to access the emergency assistance registry under Section 418.303 and with applicable municipalities and counties to ensure that a wellness check is conducted on each medically fragile individual listed in the emergency assistance registry and located in an area that experiences an event described by Section 418.305 to ensure the individual has:

- (1) continuity of care; and
- (2) the ability to continue using electrically powered medical equipment, if applicable.

Sec. 418.305. EVENTS REQUIRING WELLNESS CHECKS. (a) The division, in collaboration with the commission and the department, shall adopt rules regarding which events require a wellness check, including:

- (1) an extended power, water, or gas outage;
- (2) a state of disaster declared under this chapter; or
- (3) any other event considered necessary by the commission, the department, or the division.

(b) If more than one disaster is declared for the same event, or the same event qualifies as an event requiring a wellness check for multiple reasons under Subsection (a), only one wellness check is required to be conducted under this subchapter.

Sec. 418.306. REQUIREMENTS FOR WELLNESS CHECK. (a) The division, in collaboration with the commission and the department, by rule shall develop minimum standards for conducting wellness checks. Each county and municipality shall adopt procedures for conducting wellness checks in compliance with the minimum standards.

(b) A wellness check on a medically fragile individual under this subchapter must:

- (1) include:
 - (A) an automated telephone call and text to the individual;
 - (B) a personalized telephone call to the individual; and
 - (C) if the individual is unresponsive to a telephone call under Paragraph (B), an in-person wellness check; and

(2) be conducted in accordance with the minimum standards prescribed by division rule and the procedures of the applicable county or municipality.

(c) A wellness check must be conducted as soon as practicable but not later than 24 hours after the event requiring a wellness check occurs.

Sec. 418.307. RULES. The division, in collaboration with the commission and the department, shall adopt rules to implement this subchapter.

SECTION _____. As soon as practicable after the effective date of this Act, the Texas Division of Emergency Management shall adopt the rules necessary to implement Subchapter J, Chapter 418, Government Code, as added by this Act.

The amendment to **HB 671** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

HB 671 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:

Nays: Schwertner, Seliger, Springer.

HOUSE BILL 671 ON THIRD READING

Senator Lucio moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 671** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 3.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Eckhardt, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Taylor, West, Whitmire, Zaffirini.

Nays: Schwertner, Seliger, Springer.

HOUSE BILL 3215 ON SECOND READING

On motion of Senator Hughes and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3215** at this time on its second reading:

HB 3215, Relating to energy efficiency building standards.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 3215 ON THIRD READING

Senator Hughes moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3215** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2681 ON SECOND READING**

On motion of Senator Buckingham and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2681** at this time on its second reading:

CSHB 2681, Relating to public school elective courses providing academic study of the Bible offered to certain students.

The bill was read second time and 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:

Nays: Eckhardt, Seliger.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2681 ON THIRD READING**

Senator Buckingham moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2681** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Eckhardt, Seliger.

HOUSE BILL 4356 ON SECOND READING

On motion of Senator Nichols and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 4356** at this time on its second reading:

HB 4356, Relating to the qualifications of directors of certain municipal development districts.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 4356 ON THIRD READING

Senator Nichols moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 4356** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4638 ON SECOND READING**

On motion of Senator Schwertner and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4638** at this time on its second reading:

CSHB 4638, Relating to the creation of the Leander Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

The bill was read second time.

Senator Schwertner offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 4638** (senate committee printing) as follows:

(1) Strike SECTION 3 of the bill (page 12, lines 46 through 63) and substitute the following appropriately numbered SECTION:

SECTION _____. (a) The legal notice of the intention to file bills creating each district described by this Act has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and a copy of a bill to create each district described by this Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to each bill to create each district described by this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of each bill to create each district described by this Act are fulfilled and accomplished.

(2) Add the following appropriately numbered SECTION to the bill and renumber accordingly the SECTIONS of the bill and cross-references within added Section 3992.0105, Special District Local Laws Code:

SECTION _____. (a) Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3992 to read as follows:

CHAPTER 3992. NEW WAVERLY MUNICIPAL MANAGEMENT DISTRICTNO. 1SUBCHAPTER A. GENERAL PROVISIONSSec. 3992.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of New Waverly, Texas.
- (3) "Commission" means the Texas Commission on Environmental Quality.
- (4) "Director" means a board member.
- (5) "District" means the New Waverly Municipal Management District

No. 1.Sec. 3992.0102. CREATION AND NATURE OF DISTRICT. The district is a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.Sec. 3992.0103. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.(c) This chapter and the creation of the district may not be interpreted to relieve the city from providing the level of services provided to the area in the district as of the effective date of the Act enacting this chapter. The district is created to supplement and not to supplant the city services provided in the district.Sec. 3992.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.(c) The district is created to accomplish the purposes of a municipal management district as provided by general law and Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.(d) The creation of the district is in the public interest and is essential to:(1) further the public purposes of developing and diversifying the economy of the state;

- (2) eliminate unemployment and underemployment;
- (3) develop or expand transportation and commerce; and
- (4) provide quality residential housing.

(e) The district will:(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, drainage, road, and recreational facilities for the district.

(f) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(g) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3992.0105. DISTRICT TERRITORY. (a) The district is composed of the territory described by Section ___(b) of the Act enacting this chapter, as that territory may have been modified under other law.

(b) The boundaries and field notes contained in Section ___(b) of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to contract;

(3) authority to borrow money or issue bonds or other obligations or to pay the principal and interest of the bonds or other obligations;

(4) right to impose or collect an assessment, or collect other revenue; or

(5) legality or operation.

Sec. 3992.0106. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3992.0107. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Sec. 3992.0108. CONFLICTS OF LAW. This chapter prevails over any provision of Chapter 375, Local Government Code, that is in conflict or inconsistent with this chapter.

Sec. 3992.0109. CONSENT OF MUNICIPALITY REQUIRED. The board may not hold an election to authorize the issuance of bonds until the governing body of the city by ordinance or resolution consents to the creation of the district and to the inclusion of land in the district. The city's consent must be granted in the manner provided by Section 54.016, Water Code, for including land within the corporate limits or extraterritorial jurisdiction of a city.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3992.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of each even-numbered year.

(b) The governing body of the city, by a majority vote, shall appoint one member of the board.

(c) The commission shall appoint four members of the board in the manner provided by Section 3992.0202.

Sec. 3992.0202. APPOINTMENT BY COMMISSION. (a) Before the term of a director appointed by the commission expires, the board shall recommend to the commission a person to serve as a successor director. The commission shall appoint as director the person recommended by the board.

(b) A person recommended by the board under Subsection (a) must be:

(1) at least 18 years of age;

(2) an owner of property in the district;

(3) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the district;

(4) an owner of a beneficial interest in a trust that owns property in the district; or

(5) an agent, employee, or tenant of a person described by Subdivision (2), (3), or (4).

Sec. 3992.0203. VACANCY. (a) Except as provided by Subsection (b), if a vacancy occurs on the board, the remaining directors shall appoint a director for the remainder of the unexpired term.

(b) If a vacancy occurs in the position of the board member appointed by the city, the city shall appoint a director for the remainder of the unexpired term.

Sec. 3992.0204. COMPENSATION; EXPENSES. (a) The district may compensate each director in an amount not to exceed \$150 for each board meeting. The total amount of compensation a director may receive each year may not exceed \$7,200.

(b) A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

Sec. 3992.0205. INITIAL DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal rolls for the county may submit a petition to the commission requesting that the commission appoint as initial directors four persons named in the petition. The commission shall appoint as initial directors the persons named in the petition.

(b) The initial directors, including the initial city-appointed director, shall determine by lot which three positions expire June 1, 2024, and which two positions expire June 1, 2022.

(c) This section expires September 1, 2025.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3992.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3992.0302. IMPROVEMENT PROJECTS AND SERVICES. The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using money available to the district for the purpose, or contract with a governmental or private entity to provide, design,

construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

Sec. 3992.0303. LOCATION OF IMPROVEMENT PROJECT. A district improvement project may be located inside or outside of the district.

Sec. 3992.0304. NO EMINENT DOMAIN. The district may not exercise the power of eminent domain.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 3992.0401. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 3992.0402. MONEY USED FOR IMPROVEMENTS OR SERVICES. The district may acquire, construct, or finance an improvement project or service authorized by this chapter or Chapter 375, Local Government Code, using any money available to the district for that purpose.

SUBCHAPTER E. TAXES AND BONDS

Sec. 3992.0501. OPERATION AND MAINTENANCE TAX. The district may impose an operation and maintenance tax on taxable property in the district for any district purpose in the manner provided by Section 49.107, Water Code, if authorized by a majority of the district voters voting at an election held in accordance with the Water Code, the Election Code, and any other applicable law, including for:

- (1) maintaining and operating the district;
- (2) constructing or acquiring improvements; or
- (3) providing a service.

Sec. 3992.0502. TAXES FOR BONDS AND OTHER OBLIGATIONS. At the time bonds or other obligations payable wholly or partly from ad valorem taxes are issued:

(1) the board shall impose a continuing direct annual ad valorem tax for each year that all or part of the bonds are outstanding; and

(2) the board annually shall impose an ad valorem tax on all taxable property in the district in an amount sufficient to:

(A) pay the interest on the bonds or other obligations as the interest becomes due; and

(B) create a sinking fund for the payment of the principal of the bonds or other obligations when due or the redemption price at any earlier required redemption date.

(b) The New Waverly Municipal Management District No. 1 initially includes all the territory contained in the following area:

Tract 1 - 101.605 Acres:

FIELDNOTES TO 101.605 ACRES OF LAND AS SITUATED IN THE CITY OF NEW WAVERLY, IN THE C. A. SLEIGHT SURVEY, A-496, WALKER COUNTY, TEXAS, AND BEING OUT OF THAT CERTAIN CALLED 132.629 ACRE TRACT CONVEYED BY JOE T. HODDE, TRUSTEE, TO HHM-WALKER 140 LIMITED BY DEED RECORDED IN VOLUME 255, PAGE 1 OF THE DEED RECORDS OF SAID COUNTY. SAID 101.605 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2 inch iron rod set for the north corner of this and of said 132.629 acres on the southwest right-of-way of State Highway 150, same being the east corner of the Emma Reese 1.0 acre tract described in Volume 265, Page 625 of said deed records;

THENCE: S 59° 58' E 647.74 Ft., with said southwest right-of-way, to a 1/2 inch iron rod set for an exterior corner of this tract, same being the north corner of proposed New Waverly Ridge II Commercial Lot 4;

THENCE: S 30° 02' W 600.00 Ft., on a line within said 132.629 acres and with the northwest line said Lot 4 to its west corner, a 1/2 inch iron rod set for an interior corner of this tract;

THENCE: S 59° 58' E 300.00 Ft., continuing within said 132.629 acres and with the southwest line of said Lot 4 to its south corner, a 1/2 inch iron rod set for an interior corner of this tract;

THENCE: N 30° 02' E 600.00 Ft., continuing within said 132.629 acres and with the southeast line of said Lot 4 to its east corner, a 1/2 inch iron rod set for an exterior corner of this tract on the northeast line of said 132.629 acres, same being on the southwest right-of-way of said State Highway 150;

THENCE: S 59° 58' E 669.60 Ft., with said southwest right-of-way and 132.629 acre northeast line, to a 1/2 inch iron rod set for an exterior corner of this tract, same being the north corner of proposed New Waverly Ridge II Commercial Lot 1;

THENCE: S 30° 02' W 600.00 Ft., on a line within said 132.629 acres and with the northwest line of said Lot 1 to its west corner, a 1/2 inch iron rod set for an interior corner of this tract;

THENCE: S 59° 58' E 836.94 Ft., continuing within said 132.629 acres and with the southwest lines of said Lot 1, of New Waverly Ridge Commercial Lot 2 as shown on plat recorded in Volume 3, Page 130 of the plat records of said county and of New Waverly Ridge Commercial Lot 3, as shown on plat recorded in Volume 3, Page 154 of said plat records to a 1/2 inch iron rod set for an interior corner of this tract, same being the south corner of said New Waverly Ridge Lot.3;

THENCE: N 30° 02' E 591.12 Ft., continuing on said 132.629 acres and with the southeast lines of said New Waverly Ridge Lot 3 to its east corner, a 1/2 inch iron rod set for an exterior corner of this tract on the southwest right-of-way of said State Highway 150, same being on the northeast line of said 132.629 acres;

THENCE: S 58° 03' E 80.04 Ft., with said southwest right-of-way and being 132.629 acre northeast line, to a 1/2 inch iron rod set for the upper east corner of this tract, same being the north corner of the proposed New Waverly Ridge Commercial Lot 4;

THENCE: N 30° 02' W 588.44 Ft., on a line within said 132.629 acres and with the northwest line of said New Waverly Ridge Lot 4 to its west corner, a 1/2 inch iron rod set for an interior corner of this tract;

THENCE: S 59° 58' E 286.28 Ft., continuing within said 132.629 acres and with the southwest line of said Lot 4 to its south corner, a 1/2 inch iron rod set for the east corner of this tract on the northwest line of New Waverly Ridge Commercial Lot 1 as shown on plat recorded in Vole 3, Page 130 of said plat records;

THENCE: S 16° 03' W 516.29 Ft., continuing within said 132.629 acres and with said Lot 1 northwest line to its west corner, a 1/2 inch iron rod set for the lower east corner of this tract on the southeast line of said 132.629 acres, same being on the northwest right-a-way of Longstreet Road;

THENCE: With said 132.629 acre southeast line and Longstreet Road northwest right-of-way as follows:

S 81° 03' W 45.11 Ft.

S 80° 05' W 216.95 Ft.

S 77° 48' W 222.57 Ft.

S 75° 05' W 122.55 Ft.

to a 1/2 inch iron rod set for an exterior corner of this tract, same being the east corner of the Southwestern Bell Telephone Company 0.057 acre tract described in Volume 423, Page 556 of said deed records;

THENCE: N 10° 43' W 50.00 Ft., on a line within said 132.629 acres and with the northeast line of said 0.057 acre to its north corner, a 1/2 inch iron rod set for an interior corner of this tract;

THENCE: S 75° 05' W 50.00 Ft., continuing within said 132.629 acres and with the northwest line of said 0.057 acre to its west corner, a 1/2 inch iron rod set for an interior corner of this tract;

THENCE: S 10° 43' E 50.00 Ft., continuing within said 132.629 acres and with the southwest line of said 0.057 acre to its south corner, a concrete monument found for exterior corner of this tract on the southeast line of said 132.629 acres, same being on the northwest right-of-way of said Longstreet Road;

THENCE: S 74° 19' W 472.13 Ft. and S 68° 33' W 147.67 Ft., with said 132.629 acre southeast line and Longstreet Road northwest right-of-way, to a 3 inch iron pipe found for the south corner of this and of said 132.629 acres, same being the east corner of the Western Grove Missionary Baptist Church tract which no deed of record was located;

THENCE: N 24° 49' W 170.48 Ft, with the northeast line of said church tract to its north corner, a 1/2 inch iron rod set for an interior corner of this tract;

THENCE: S 53° 09' W 157.03 Ft., with the northwest line of said church tract to its west corner, a 1/2 inch iron rod set for an exterior corner of this tract on the northeast line of Fritz Kelly 2.0 acre tract described in Volume 123, Page 716 of said deed records;

THENCE: N 60° 07' W 1003.34 Ft., with the southwest line of said 132.629 acres and the northeast lines of said 2.0 acres, of the Jimmie Cain Jr. 5.89 acre tract described in Volume 252, Page 75 of the official records of said county, of the Jourdon Sanders 1.0 acre tract described in Volume 395, Page 899 of said deed records and of the Mildred Harris 1.07 acre tract described in Volume 227, Page 285 of said deed records, to a 1 inch iron pipe found for an exterior corner of this tract, same being the south corner of the City of New Waverly 2.8708 acre tract described in Volume 425, Page 874 of said deed records;

THENCE: N 29° 55' E 304.96 Ft., with the southeast line of said 2.8708 acres to its east corner, a 1 inch iron pipe found for an interior corner of this tract;

THENCE: N 60° 07' W 409.90 Ft., with the northeast line of said 2.8708 acres to its north corner, a 1 inch iron pipe found for an interior corner of this tract;

THENCE: S 29° 51' W 304.96 Ft., with the northwest line of said 2.8708 acres to its west corner, a 1 inch iron pipe found for an exterior corner of this tract on the southwest line of said 132.629 acres, same being on the northeast line of the Roy Clark 2.44 acre tract described in Volume 311, Page 569 of said deed records;

THENCE: N 60° 07' W 389.41 Ft., with said 132.629 acre southwest line and the northeast lines of said 2.44 acres and of the Patricia L. Crowley 0.771 acre described as Tract One in Volume 248, Page 497 of said official records, to a 1/2 inch iron rod set for an exterior corner of this and of said 132.629 acres on the northeast right-of-way of Interstate Highway 45, same being the north corner of said 0.771 acre;

THENCE: N 11° 12' W 46.73 Ft., with said northeast right-of-way, to a 1/2 inch iron pipe found for the west corner of this and of said 132.629 acres, same being the south corner of the Patricia L. Crowley 2.559 acres described as Tract Two in Volume 248, Page 497 of said official records;

THENCE: N 30° 27' E 507.40 Ft., with the southeast line of said 2.559 acres to its east corner, a 1/2 inch iron rod found for an interior corner of this and of said 132.629 acres, same being the south corner of the Artie L. Moses, et. al., residue of a 15 acre tract described in Volume 272, Page 667 of said official records;

THENCE: N 29° 57' E 542.03 Ft., with the southeast line of said residue of 15 acres to its east corner, a 5/8 inch iron rod found for an interior corner of this and of said 132.629 acres, same being the south corner of the Ned Jourdan 3.842 acre tract described in Volume 390, Page 640 of said deed records;

THENCE: N 29° 47' E 960.15 Ft., with the southeast lines of said 3.842 acres, of the Frances Gillaspie 1.50 acre tract described in Volume 162, Page 85 of said deed records and of said Reese 1.0 acre, to the PLACE OF BEGINNING AND CONTAINING WITHIN THESE BOUNDS 101.605 ACRES OF LAND.

TRACT 2:

Being 1.07 acres of land, situated in the C.A. SLEIGHT Survey, Abstract No. 496, Walker County, Texas, and being out of and a part of the residue of a called 15.00 acre tract of land described in a Deed Deed from Isom Mickle, et ux. to Lucretia Moses dated 17 Nov. 1925 and recorded in Volume 56, Page 147, Deed Records, Walker County, Texas, said 1.07 acres being more definitely described by metes and bounds as follows:

BEGINNING at the most westerly corner of the said 15 acre tract, same being a northern corner of a called 523.55 acre tract described in a Deed from John Henry Hall et al to Judy C. Campbell recorded in Volume 0861, Page 140, Official Records and being a point in the southeastern line of a called 3.76 acre tract described in a Deed from Joan Lee, Trustee to Ralph A. Cadwallader, recorded in Volume 0787, Page 501, Official Records, Walker County, Texas, found a 3" iron pipe (set a 5/8" iron rod w/cap in center of pipe) for corner;

THENCE S 59°36'04" E along the common boundary line of said 523.55 acre Campbell tract and the said 15 acre Moses tract, a distance of 286.28 feet to a 5/8" iron rod set in the west right-of-way line of Interstate 45, said iron rod being the most southern corner of the herein described 1.07 acre and the southwest corner of a called 7.43 acre tract described in a Deed from Lucretia Moses to the State Highway Commission, dated 5 Aug. 1958 and recorded in Volume 161, Page 111, Deed Records, Walker County, Texas;

THENCE N 11°07'21" W along the said west right-of-way line of Interstate 45, a distance of 435.60 feet to the most northern corner of the herein described 1.07 acre tract, same being a southeast corner of the said 3.76 acre Cadwallader tract, set a 5/8" iron rod w/cap, from which a 1/2" iron rod bears S 29°57'48" W a distance of 1.62 feet, and a 5/8" iron rod w/cap brs. N 11°46'38" W a distance of 79.19 feet;

THENCE S 29°57'48" W along the common boundary line of the said 3.76 acre Cadwallader tract and the said 15 acre Moses tract, a distance of 326.15 feet to the POINT OF BEGINNING.

Containing 1.07 acres of land.

TRACT 3:

Being 6.56 acres of land, situated in the C.A. SLEIGHT Survey, Abstract No. 496, Walker County, Texas, and being out of and a part of the residue of a called 15.00 acre tract of land described in a Deed from Isom Mickle, et ux. to Lucretia Moses dated 17 Nov. 1925 and recorded in Volume 56, Page 147, Deed Records, Walker County, Texas, said 6.56 acres being more definitely described by metes and bounds as follows:

BEGINNING at the most southern corner of the said 15 acre tract, same being the most eastern corner of a called 2.559 acre tract described as Tract 2 in a deed dated 29 March 1995 from Martin J. Ross III, et al to Patricia L. Crowley, recorded in Volume 0248, Page 497, Official Records, and a point in the west line of a called 101.65 acre tract described in a Deed dated 26 April 2006 from HMH-Walker 140 Limited to Thornberry Family Partnership, recorded in Volume 0745, Page 678, Official Records, found a 1/2" iron rod for corner;

THENCE N 30°01'04" W along an old barbed wire fence and with the common line of said 101.65 acre Thornberry and the 15 acre Moses tracts, a distance of 398.88 feet to a 5/8" iron rod set for the most easterly corner of the said Moses tract, said iron rod also being the south corner of called 1 acre tract described in a deed to Emma Reece and recorded in Volume 273, Page 702, Deed Records and from which a iron stake found (disturbed) brs S 60°38'04" E distance of 1.89 feet and a found 5/8" iron rod w/cap brs. N 30°01'04"E a distance of 143.36 feet;

THENCE N 60°38'04 W along the common line of said 1 acre Reece and 15 acre Moses tracts, at a calculated distance of 285 feet pass the southwest corner of said 1 acre Reece tract, same being the southeast corner of a called 1 acre tract described in a deed to Carolyn Anderson and recorded in Volume 389, Page 642, Deed Records, and continuing on a total distance of 570 feet to a found 3/8"x2" flat iron stake (set a 5/8" iron rod w/cap beside) for a reentrant corner of the said 15 acre Moses tract and the most westerly corner of said 1 acre Anderson tract;

THENCE N 29°21'56" E with the common boundary line of the 1 acre Anderson tract and the 15 acre Moses tract, a distance of 142.33 to a 5/8" iron rod set for corner, said iron rod being the northwest corner of said 1 acre Anderson tract and a point in the south line of a 2 acre tract described in a deed to Lula Rogers, et al, and recorded in Volume 83, Page 596, Deed Records, Walker County, Texas;

THENCE N 60°44'12" W along common line of said 2 acre Rogers and 15 acre Moses tracts, at a distance of 97.32 feet pass a found 5"x 3.5" wagon axle housing for the west corner of said 2 acre Rogers tract and the south corner of the residue a called 7 acre tract described in a deed to Harrison Hector and recorded in Volume 83, Page

595, Deed Records, and continuing on for a total distance of 338.96 to a set 5/8" iron rod for the most north corner of the herein described tract, said iron rod being in the east right-of-way of said Interstate 45 and being the southern corner of a called 2.67 acre tract described in a deed to the State Highway Commission and recorded in Volume 161, Page 161, Deed Records, Walker County, Texas;

THENCE S 11°09'E with the said east right-of-way line of Interstate 45 a distance of 716.09 feet to a point for corner, said point being in the southwest line of the said 15 acre tract and being the most northern corner of the said Crowley 2.559 acre tract and from which the center of a 3" galvanized fence post brs S 63°43'36"E a distance of 0.42 feet, a 1/2" iron pipe (disturbed) brs S58°20'05"W a distance of 1.06 feet and a 5/8" iron rod with cap (set for reference) brs N 72° W a distance of 0.21 feet;

THENCE S 61°07'56" W with the common line of said 2.559 acre P. Crowley and 15 acre Moses tracts, a distance of 439.22 feet to the PLACE OF' BEGINNING.

Containing 6.56 acres of land.

Tract 4 - 4.846 ACRES:

A tract or parcel of land containing 4.846 acres (211,071 square feet) out of the C.A. Sleight 1/3 League, Abstract No. 496, Walker County, Texas, being all of the called 3.842 acre tract and all of the called 1.000 acre tract conveyed to Ned Jordan, Jr., as recorded in Volume 390, Page 640 of the Walker County Deed Records (W.C.D.R.), said 4.846 acres being more particularly described by metes and bounds as follows: (The basis of bearing for this description is the monumented north line of the subject tract called SOUTH 61 degrees 05 minutes 45 seconds EAST, as recorded in said Volume 390, Page 640)

BEGINNING at a 1/2-inch iron rod found at the northwest corner of said 1.000 acre tract and the northwest corner of the herein described tract, being the northeast corner of the 2 acre tract conveyed to Edward Crawford, as recorded in Volume 83, Page 596 of the W.C.D.R., and the southwest corner of the 1.50 acre tract conveyed to Frances Gillaspie, as recorded in Volume 162, Page 85 of the W.C.D.R., lying at the terminus of Colony Road;

THENCE SOUTH 61 degrees 05 minutes 45 seconds EAST along the south line of said 1.50 acre tract, at 264.05 feet passing a 5/8-inch iron rod found at the northeast corner of said 1.000 acre tract and continuing for a total distance of 473.50 feet to a 5/8-inch iron rod found at the northeast corner of the herein described tract;

THENCE SOUTH 29 degrees 32 minutes 14 seconds WEST, 444.11 feet (called S 29 Deg. 37'03" W, 444.12') along the west line of the 101.605 acre tract conveyed to the Thornberry Family Partnership, Ltd., as recorded in Volume 776, Page 655 of the Official Public Records of Walker County (O.P.R.W.C.), to a 5/8-inch iron rod found at the southeast corner of the herein described tract;

THENCE NORTH 61 degrees 05 minutes 45 seconds WEST, 477.09 feet (called 476.47') along the north lines of a 1 acre tract, described as a save & except tract to Emma Reese and another 1 acre tract conveyed to Carolyn Anderson, as recorded in Volume 389, Page 642 of the W.C.D.R., to a 5/8-inch iron rod found at the southwest corner of the herein described tract;

THENCE NORTH 30 degrees 00 minutes 00 seconds EAST along the east line of said 2 acre Crawford tract, at 279.16 feet passing the southwest corner of said 1.000 acre Jordan tract, and continuing for a total distance of 444.17 feet to the POINT OF

BEGINNING of the herein described tract, containing 4.846 acres (211,071 square feet) of land. Drawing No. B-502 was prepared to accompany this description, and is on file in the office of C&R Surveying, Inc.

Tract 5:

Field Notes to 3.285 acres of land situated in the City of New Waverly, in the C.A. Sleight Survey, A-496, Walker County, Texas, and being out of the 124.818 acres residue of that certain called 132.629 acres tract conveyed by Joe. T. Hode, Trustee, to HMW-I40 Walker Limited by deed recorded in volume 253, page 1 of the deed records of said Walker County, Texas, said 3.285 acres being more particularly described by metes and bounds as follows;

BEGINNING at a 5/8 inch iron rod found for the northeast corner of this and of said 124.818 acre residue tract, same being the northwest corner of the Earl Biscamp 3.00 acre tract described in Volume 338, Page 735 of the official records of said County and being on the south right of way of State Highway 150;

THENCE: S 26°58' W 429.09 ft., with the west line of said 3.00 acres to its southwest corner, a 5/8 inch iron rod found for an interior corner of this tract, same being the northwest corner of commercial lot 1 of New Waverly Ridge Subdivision as shown on plat recorded in Volume 3, Page 130 of the plat records of said County;

THENCE: S 16°03' W 157.08 ft., with the west line of said Lot 1, to a 1/2 inch iron rod set for the southeast corner of this tract;

THENCE: N 59°58' W 286.28 ft., on a line within said 132.629 acres, to a 1/2 inch iron rod set for the southwest corner of this tract;

THENCE: N 30°02' W 588.44 ft., continuing within said 132.629 acres, to a 1/2 inch iron rod set for the northwest corner of this tract on the south right of way of State Highway 150, same being the north line of said 132.629 acres;

THENCE: S 58°03' E 225.49 ft., with said north line and south right of way, to the place of beginning and containing within these bounds 3.285 acres of land.

The amendment to **CSHB 4638** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 4638 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.

COMMITTEE SUBSTITUTE HOUSE BILL 4638 ON THIRD READING

Senator Schwertner moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4638** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1154 ON SECOND READING**

On motion of Senator Kolkhorst and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1154** at this time on its second reading:

CSHB 1154, Relating to the requirements for meetings held and Internet websites developed by certain special purpose districts.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1154 ON THIRD READING**

Senator Kolkhorst moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1154** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4590 ON SECOND READING**

On motion of Senator Springer and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4590** at this time on its second reading:

CSHB 4590, Relating to the creation of the TRR 243 Municipal Management District; providing authority to issue bonds and impose assessments, fees, and taxes.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4590 ON THIRD READING**

Senator Springer moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4590** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

COMMITTEE SUBSTITUTE
HOUSE BILL 1520 ON SECOND READING

On motion of Senator Hancock and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1520** at this time on its second reading:

CSHB 1520, Relating to certain extraordinary costs incurred by certain gas utilities relating to Winter Storm Uri and a study of measures to mitigate similar future costs; providing authority to issue bonds and impose fees and assessments.

The bill was read second time.

Senator Hancock offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1520** (senate committee printing) as follows:

(1) In SECTION 5 of the bill, strike added Section 104.375, Utilities Code (page 11, line 69, through page 12, line 11), and substitute the following:

Sec. 104.375. TAX EXEMPTION. (a) The sale or purchase of or revenue derived from services performed in the issuance or transfer of customer rate relief bonds issued under this subchapter is exempt from taxation by this state or a political subdivision of this state.

(b) A gas utility's receipt of customer rate relief charges is exempt from state and local sales and use taxes and utility gross receipts taxes and assessments, and is excluded from revenue for purposes of franchise tax under Section 171.1011, Tax Code.

(2) In SECTION 5 of the bill, in added Subchapter I, Chapter 104, Utilities Code (page 12, between lines 11 and 12), insert the following:

Sec. 104.376. RECOVERABLE TAX EXPENSE. A tax obligation of the gas utility arising from receipt of customer rate relief bond proceeds or from the collection or remittance of customer rate relief charges is an allowable expense under Section 104.055.

(3) Renumber subsequent sections of added Subchapter I, Chapter 104, Utilities Code, accordingly.

The amendment to **CSHB 1520** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Kolkhorst offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 1520** (senate committee printing) in SECTION 5 of the bill, in added Section 104.365(c), Utilities Code (page 6, line 29), by striking "91st" and substituting "151st".

The amendment to **CSHB 1520** was read and was adopted by the following vote: Yeas 14, Nays 12.

Yeas: Alvarado, Campbell, Eckhardt, Hall, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Nelson, Schwertner, Taylor, West, Zaffirini.

Nays: Bettencourt, Blanco, Hancock, Hinojosa, Johnson, Nichols, Paxton, Perry, Powell, Seliger, Springer, Whitmire.

Absent: Birdwell, Buckingham, Creighton, Gutierrez, Miles.

CSHB 1520 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:

Nays: Hall, Hughes.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1520 ON THIRD READING**

Senator Hancock moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1520** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Eckhardt, Gutierrez, Hancock, Hinojosa, Huffman, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Hall, Hughes.

(Senator Bettencourt in Chair)

**COMMITTEE SUBSTITUTE
HOUSE BILL 4627 ON SECOND READING**

On motion of Senator Springer and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4627** at this time on its second reading:

CSHB 4627, Relating to the creation of the Uptown Municipal Utility District No. 1 of Collin County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

The bill was read second time.

Senator Springer offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 4627** (senate committee report) by striking all below the enacting clause and substituting the following:

SECTION 1. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7907A to read as follows:

CHAPTER 7907A. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT
NO. 232

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7907A.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Fort Bend County Municipal Utility District No.

232.

Sec. 7907A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7907A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7907A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7907A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7907A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7907A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 1(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 1(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7907A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7907A.0202, directors serve staggered four-year terms.

Sec. 7907A.0202. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 7907A.0103; or

(2) the fourth anniversary of the effective date of the section enacting this

chapter.

(c) If permanent directors have not been elected under Section 7907A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 7907A.0103; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7907A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7907A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7907A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7907A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7907A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7907A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 7907A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7907A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7907A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7907A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7907A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7907A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7907A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The Fort Bend County Municipal Utility District No. 232 initially includes all the territory contained in the following area:

Being a 100.5 acre tract of land located in the R.H. Earnest Survey, A-388, said 100.5 acre tract being all of a called 100.5 acre tract of land conveyed to Jason Noah and Benjamin Adam Danziger in Clerks File No. 2012117049 of the Official Public Records of Fort Bend County, Texas (O.R.F.B.C.); said 100.5 acre tract being more particularly described by metes and bounds as follows: (All bearings reference to the Texas State Plane Coordinate System, South Central Zone).

COMMENCING at a 1-1/4" iron pipe found for the east corner of a called 55.048 acre tract described in the deed to LGI Homes-Sunrise Meadow, LTD. in Clerks File No. 2005048299 of the O.R.F.B.C., common to the south corner of a called 136.6 acre tract described in the deed to Sabas Cortez in Volume 216, Page 322, of the Deed Records of Fort Bend County, Texas;

Thence North 47° 56' 48" West – 2,057.42 along the north line of said 55.048 acre tract, the north line of a called 55.06295 acre tract described in the deed to Bruce Mahlmann in Clerks File No. 9780631 of the O.R.F.B.C. and the northwest line of a called 89.24 acre tract described in the deed to R. W. Lindsey in Volume 469, Page 284, of the Deed Records of Fort Bend County, Texas, common to the southwest line of said 136.6 acre tract, to a 3/4" iron rod set for the south corner and POINT OF BEGINNING of the herein described tract, common to the south corner of said 100.5 acre tract and the west corner of said 136.6 acre tract, from which a found 1-1/4" iron pip bears North 23° 51' 01" East - 0.71;

THENCE North 47° 56' 48" West – 1,522.95 (called North 44° 48' 38" West), along the southwest line of said 100.5 acre tract, common to the northeast line of said 89.24 acre tract and the northeast line of a called 89.011 acre tract described in the deed to Paul Nelson Danzinger recorded in Clerks File No. 200125881 of the O.R.F.B.C., to the west corner of the herein described tract, common to the west corner of said 100.5 acre tract and the south corner of a called 17.99 acre tract described in the deed to Willie Drabek recorded in Volume 1011, Page 841, of the Deed Records of Fort Bend County, Texas, from which a found 3/4" iron pipe bears South 42° 01' 12" West – 0.35

THENCE North 42° 01' 12" East – 2,871.04 (called North 45° 11' 37" East), along the northwest line of said 100.5 acre tract, common to the southeast line of said 17.99 acre tract, at 2,210.59 passing a found 1" iron pipe (in concrete) on the south side of Koeblen Road, continuing in Koeblen Road to a 1/2" iron pipe found for the north corner of said 100.5 acre tract in Koeblen Road;

THENCE South 48° 10' 25" East – 1,524.25 (called South 45° 00' East), along the northeast line of said 100.5 acre tract in Koeblen Road to a PK nail found for the east corner of the herein described tract;

THENCE South 42° 02' 45" West – 2,877.08 (called South 45° 13' 10" West – 2,876.08) along the northeast line of said 100.5 acre tract, at 31.70 passing a 5/8" steel rod, continuing to the POINT OF BEGINNING of the herein described tract and containing 100.5 acres of land, more or less.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7907A, Special District Local Laws Code, as added by Section 1(a) of this Act, is amended by adding Section 7907A.0306 to read as follows:

Sec. 7907A.0306. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 1(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 2. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7909A to read as follows:

CHAPTER 7909A. UPTOWN MUNICIPAL UTILITY DISTRICT NO. 1 OF
COLLIN COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7909A.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Commission" means the Texas Commission on Environmental Quality.
- (3) "Director" means a board member.
- (4) "District" means the Uptown Municipal Utility District No. 1 of Collin

County.

Sec. 7909A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7909A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7909A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7909A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7909A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7909A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7909A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7909A.0202, directors serve staggered four-year terms.

Sec. 7909A.0202. TEMPORARY DIRECTORS. (a) The temporary board consists of:

- (1) Caleb Lavey;

- (2) Cole Talley;
- (3) Luke Brown;
- (4) Zack Schneider; and
- (5) Ben Hangartner.

(b) Temporary directors serve until the earlier of:

- (1) the date permanent directors are elected under Section 7909A.0103; or
- (2) September 1, 2025.

(c) If permanent directors have not been elected under Section 7909A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

- (1) the date permanent directors are elected under Section 7909A.0103; or
- (2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7909A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7909A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7909A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7909A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7909A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

Sec. 7909A.0306. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

- (1) has no outstanding bonded debt; and
- (2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by division of the district, and a new district has all the powers and duties of the district.

(c) A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2(b) of the Act enacting this chapter.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 7909A.0103 to confirm the district's creation.

(f) An order dividing the district shall:

- (1) name each new district;
- (2) include the metes and bounds description of the territory of each new

district;

- (3) appoint temporary directors for each new district; and

- (4) provide for the division of assets and liabilities between the new

districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a confirmation and directors' election as required by Section 7909A.0103. If the voters of a new district do not confirm the creation of the new district, the assets, obligations, territory, and governance of the new district revert to the original district.

(i) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 7909A.0104 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

(j) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7909A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

- (1) revenue other than ad valorem taxes; or
- (2) contract payments described by Section 7909A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7909A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7909A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7909A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7909A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7909A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7909A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The Uptown Municipal Utility District No. 1 of Collin County initially includes all the territory contained in the following area:

Tract 1

BEING A TRACT OF LAND LOCATED IN THE HENRY BENTLEY SURVEY, ABSTRACT NO. 124 AND THE BENJAMIN BREWTON SURVEY, ABSTRACT NO. 125, COLLIN COUNTY, TEXAS AND BEING ALL OF A TRACT OF LAND DESCRIBED IN DEED TO MATTHEW D. KIRAN, RECORDED IN INSTRUMENT NO. 20070418000520430, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS (O.P.R.C.C.T.) AND ALL OF A TRACT OF LAND DESCRIBED IN DEED TO MATTHEW DILLON KIRAN, RECORDED IN INSTRUMENT NO. 20070418000524700, O.P.R.C.C.T. AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2-INCH IRON ROD FOUND IN THE EAST RIGHT-OF-WAY LINE OF FARM-TO-MARKET ROAD 455, A 90-FOOT RIGHT-OF-WAY, AT THE WEST COMMON CORNER OF SAID KIRAN TRACT

AND A TRACT OF LAND DESCRIBED IN DEED TO MARK A. JOHNSON, RECORDED IN VOLUME 5038, PAGE 7629, DEED RECORDS, COLLIN COUNTY, TEXAS;

THENCE NORTH 00°45'03" WEST, ALONG SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 831.92 FEET TO A 5/8-INCH IRON WITH A YELLOW CAP STAMPED "RPLS 5674" SET AT THE WEST COMMON CORNER OF SAID KIRAN TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO MOODY RHINOCEROS, LLC, RECORDED IN INSTRUMENT NO. 20140606000572850, O.P.R.C.C.T.;

THENCE NORTH 89°16'45" EAST, ALONG THE COMMON LINE OF SAID KIRAN TRACT AND SAID MOODY RHINOCEROS TRACT, A DISTANCE OF 1,315.87 FEET TO A 5/8-INCH IRON WITH A YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER;

THENCE NORTH 89°21'36" EAST, CONTINUING ALONG SAID COMMON LINE, A DISTANCE OF 1,299.36 FEET TO A 1/2-INCH IRON ROD FOUND IN THE WEST LINE OF A TRACT OF LAND DESCRIBED IN DEED TO BILLY STELZER AND JULIA STELZER, CO-TRUSTEES OF THE STELZER REVOCABLE TRUST TRACT, RECORDED IN INSTRUMENT NO. 20141006001089690, O.P.R.C.C.T., AT THE EAST COMMON CORNER OF SAID KIRAN TRACT AND SAID MOODY RHINOCEROS TRACT;

THENCE SOUTH 00°42'34" EAST, ALONG THE COMMON LINE OF SAID KIRAN TRACTS AND SAID STELZER TRACT, A DISTANCE OF 831.54 FEET TO A 1/2-INCH IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID KIRAN TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO JOE E. HACKNEY AND WIFE, HAZEL M. HACKNEY, RECORDED IN INSTRUMENT NO. 96-0063441, O.P.R.C.C.T.;

THENCE SOUTH 89°19'06" WEST, ALONG THE COMMON LINE OF SAID KIRAN TRACT AND SAID HACKNEY TRACT, A DISTANCE OF 900.24 FEET TO A 3/8-INCH IRON ROD FOUND AT THE NORTH COMMON CORNER OF SAID HACKNEY TRACT AND SAID JOHNSON TRACT;

THENCE SOUTH 89°18'26" WEST, ALONG THE COMMON LINE OF SAID KIRAN TRACT AND SAID JOHNSON TRACT, A DISTANCE OF 1,714.40 FEET TO THE POINT OF BEGINNING AND CONTAINING 2,175,983 SQUARE FEET OR 49.954 ACRES OF LAND, MORE OR LESS.

Tract 2

BEING A TRACT OF LAND LOCATED IN THE T. & P. RAILWAY CO. SURVEY, ABSTRACT NO. 932, COLLIN COUNTY, TEXAS AND BEING ALL OF A TRACT OF LAND DESCRIBED IN DEED TO BILLY STELZER AND JULIA STELZER, CO-TRUSTEES OF THE STELZER REVOCABLE TRUST, RECORDED IN INSTRUMENT NO. 20141006001089690, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS (O.P.R.C.C.T.) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN 8-INCH WOOD FENCE POST FOUND IN THE EAST LINE OF A TRACT OF LAND DESCRIBED IN DEED TO OLD CELINA, LTD., RECORDED IN INSTRUMENT NO. 20180323000355690, O.P.R.C.C.T., AT THE

SOUTHWEST CORNER OF SAID STELZER TRACT AND THE NORTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO JARRELL DWAIN GRAY, RECORDED IN INSTRUMENT NO. 20090105000007700, O.P.R.C.C.T.; THENCE NORTH 00°04'16" WEST, A DISTANCE OF 319.32 FEET TO A 3/8-INCH IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID OLD CELINA TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO JOE E. HACKNEY AND WIFE, HAZEL M. HACKNEY, RECORDED IN INSTRUMENT NO. 96-0063441, O.P.R.C.C.T.; THENCE NORTH 00°31'51" WEST, A DISTANCE OF 479.09 FEET TO A 1/2-INCH IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID HACKNEY TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO MATTHEW D. KIRAN, RECORDED IN INSTRUMENT NO. 20070418000520430, O.P.R.C.C.T.; THENCE NORTH 00°42'34" WEST, ALONG THE EAST LINE OF SAID KIRAN TRACT AND ANOTHER TRACT DESCRIBED IN DEED TO MATTHEW DILLON KIRAN, RECORDED IN INSTRUMENT NO. 20070418000524700, O.P.R.C.C.T., A DISTANCE OF 831.54 FEET TO A 1/2-INCH IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID KIRAN TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO MOODY RHINOCEROS, LLC, RECORDED IN INSTRUMENT NO. 20140606000572850, D.R.C.C.T.; THENCE NORTH 00°07'00" EAST, ALONG THE EAST LINE OF SAID MOODY RHINOCEROS TRACT, PASSING AT A DISTANCE OF 1,107.23 FEET A 3/4-INCH IRON ROD FOUND AT THE SOUTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO KIM CANNADY LEE, RECORDED IN VOLUME 4840, PAGE 1743, DEED RECORDS, COLLIN COUNTY, TEXAS (D.R.C.C.T.), AND CONTINUING FOR A TOTAL DISTANCE OF 1,120.03 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW CAP STAMPED "RPLS 5674" SET NEAR THE SOUTHWEST EDGE OF PAVING OF COUNTY ROAD 57 AT THE NORTHWEST CORNER OF SAID STELZER TRACT AND THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO OLD CELINA, LTD., RECORDED IN INSTRUMENT NO. 20140501000426500, O.P.R.C.C.T., FROM WHICH A 1/2-INCH IRON ROD FOUND AT THE NORTHEAST CORNER OF SAID LEE TRACT BEARS NORTH 01°02'23" WEST, A DISTANCE OF 570.99 FEET; THENCE NORTH 89°35'24" EAST, ALONG SAID COUNTY ROAD 57 AND THE NORTH LINE OF SAID STELZER TRACT, A DISTANCE OF 2,631.96 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW CAP STAMPED "RPLS 5674" SET FOR CORNER IN THE SOUTH LINE OF A TRACT OF LAND DESCRIBED IN DEED TO OLD CELINA, LTD., RECORDED IN INSTRUMENT NO. 20060815001168150, O.P.R.C.C.T., AT THE NORTH COMMON CORNER OF SAID STELZER TRACT AND A TRACT OF LAND DESCRIBED AS TRACT III IN DEED TO G BAR 7, LTD., RECORDED IN VOLUME 5850, PAGE 990, D.R.C.C.T., FROM WHICH A 3/8-INCH IRON ROD FOUND AT THE SOUTHEAST CORNER OF SAID OLD CELINA TRACT BEARS NORTH 89°35'24" EAST, A DISTANCE OF 682.05 FEET;

THENCE SOUTH 00°12'44" EAST, LEAVING THE SOUTH LINE OF SAID OLD CELINA TRACT AND ALONG SAID COUNTY ROAD 57 AND THE EAST LINE OF SAID STELZER TRACT, A DISTANCE OF 852.17 FEET TO A MAG NAIL SET AT THE NORTHEAST CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO THE CITY OF CELINA, TEXAS, RECORDED IN VOLUME 481, PAGE 230, D.R.C.C.T.;

THENCE NORTH 87°15'44" WEST, LEAVING SAID COUNTY ROAD 57 AND SAID EAST LINE OF THE STELZER TRACT, A DISTANCE OF 450.00 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW CAP STAMPED "RPLS 5674" SET AT THE NORTHWEST CORNER OF SAID CITY OF CELINA TRACT;

THENCE SOUTH 00°12'44" EAST, A DISTANCE OF 485.30 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW CAP STAMPED "RPLS 5674" SET AT THE SOUTHWEST CORNER OF SAID CITY OF CELINA TRACT;

THENCE SOUTH 87°15'44" EAST, A DISTANCE OF 450.00 FEET TO A MAG NAIL SET IN SAID COUNTY ROAD 57 AND SAID EAST LINE OF THE STELZER TRACT AT THE SOUTHEAST CORNER OF SAID CITY OF CELINA TRACT;

THENCE SOUTH 00°12'44" EAST, ALONG SAID COUNTY ROAD 57 AND SAID EAST LINE OF THE STELZER TRACT, A DISTANCE OF 1,420.00 FEET TO A MAG NAIL SET AT THE SOUTHEAST CORNER OF SAID STELZER TRACT;

THENCE SOUTH 89°56'13" WEST, LEAVING SAID COUNTY ROAD 57, PASSING AT A DISTANCE OF 205.83 FEET A 5/8-INCH IRON ROD FOUND AT THE NORTH COMMON CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO J.B. STELZER AND WIFE FRANCES B. STELZER, RECORDED IN INSTRUMENT NO. 19710125077403730, D.R.C.C.T., AND LOT 23 OF WILLOCK HILL ADDITION AMENDED PLAT, AN ADDITION TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS ACCORDING TO THE PLAT THEREOF RECORDED IN CABINET H, SLIDE 160, MAP RECORDS, COLLIN COUNTY, TEXAS, AND CONTINUING FOR A TOTAL DISTANCE OF 605.83 FEET TO THE NORTH COMMON CORNER OF LOTS 11 AND 23 OF SAID ADDITION, FROM WHICH A 1/2-INCH IRON ROD FOUND WITH A CAP STAMPED "RPLS 2818" BEARS SOUTH 09°19'53" EAST, A DISTANCE OF 0.46 FEET;

THENCE SOUTH 89°51'02" WEST, A DISTANCE OF 358.80 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW CAP STAMPED "RPLS 5674" SET AT THE NORTH COMMON CORNER OF LOTS 10 AND 11 OF SAID ADDITION;

THENCE SOUTH 89°41'02" WEST, A DISTANCE OF 380.00 FEET TO A 1/2-INCH IRON ROD WITH CAP STAMPED "RPLS 2818" FOUND AT THE NORTH COMMON CORNER OF SAID ADDITION AND SAID GRAY TRACT;

THENCE SOUTH 89°39'42" WEST, A DISTANCE OF 1,284.65 FEET TO THE POINT OF BEGINNING AND CONTAINING 7,029,841 SQUARE FEET OR 161.383 ACRES OF LAND, MORE OR LESS.

Tract 3

All that certain 143.93 acre tract or parcel of land situated in the Collin County School Land Survey, Abstract Number 168, Thomas Stayton Survey, Abstract Number 804 and the Henry Bentley Survey, Abstract Number 124, County of Collin, State of Texas, said tract being part of a called 26.030 acre tract as described in deed to Crown S. Ltd., filed 14 December 2001, and recorded in volume 5066 page 4447 of the Official Public Records of said Collin County, Texas, and said tract being part of Exhibit A, a called 193.825 acre tract as described in deed to Crown S. Ltd., filed 31 July 1997, and recorded in volume 3966 page 2598 of said official public records, and being more particularly described as follows;

COMMENCING at a found iron rod by a pipe fence corner post, said rod being the southwest corner of said Exhibit A, same being the northwest corner of a called 35.286 acre tract as described in deed to Sutton Field Investments, LLC, filed 10 February 2015, and recorded in Collin County Clerks #D20150210000147450 of said official public records, and said rod being on the east line of Tract One a called 14.88 acre tract as described in deed to Dwight Shewchuck et ux, Rebecca Shewchuk, 26 June 1998, and recorded in Collin County Clerks #D98-0067003 of said official public records, said rod also having NAD83 NCTZ grid coordinates of N-7169022.23, E-2482005.62

THENCE: North 00 degrees 30 minutes 58 seconds West, with the west line of said Exhibit A, and with the east line of said Shewchuk tract, a distance of 852.21 feet a set 1/2 inch rebar for the POINT OF BEGINNING and being the southwest corner of the tract being described herein:

THENCE: North 00 degrees 30 minutes 58 seconds West, with the west line of said Exhibit A, and generally along and near a barbed wire fence, a distance of 690.83 feet to a found iron rod by a wood fence corner post for an angle point in the west line of said Exhibit A, same being the northeast corner of a called 10.253 acre tract as described in deed to Jimmy D. Bennett and Katherine J. Bennett, filed 06 May 1997, and recorded in Collin County Clerks #D97-0035479 of said official public records, same being the southeast corner of Tract II, a called 7.605 acre tract as described in deed to Glenn E. Hansen, filed 15 May 2008, and recorded in Collin County Clerks #D20080515000592770 of said official public records;

THENCE: North 00 degrees 32 minutes 00 seconds West, with the west line of said Exhibit A, and generally along and near a barbed wire fence, a distance of 1734.10 feet to a found 5/8 inch rebar by a pipe fence corner post for the northwest corner of said Exhibit A, same being the occupied southwest corner of said 26.030 acre tract, and said rebar being the northeast corner of a called 7.004 acre tract as described in deed to Greg Mims and Pam Mims, filed 04 June 2015, and recorded in Collin County Clerks #D20150604000659940 of said official public records, same being the southeast corner of a called 10.012 acre tract as described in deed to W. G. Cullum & Company Ltd. filed 15 December 2015, and recorded in Collin County Clerks #D20151215001560240 of said official public records;

THENCE: North 00 degrees 31 minutes 54 seconds East, with the west line of said 26.030 acre tract, and generally along and near a barbed wire fence, a distance of 439.87 feet to a found capped iron rod by a pipe fence corner post for the northwest corner of said 26.030 acre tract, same being the southwest corner of a called 16.090

acre tract as described in deed to Scot H. McDonald et ux, Jill C. McDonald, filed 14 December 2001, and recorded in Collin County Clerks #D2001-0161490 of said official public records;

THENCE: North 88 degrees 46 minutes 33 seconds East, with the north line of said 26.030 acre tract, and with a barbed wire fence, and passing at 2595.47 feet a pipe fence corner post on the west side of Farm to Market Road Number 455, and continuing on said course a total distance of 2597.47 feet to a found capped iron rod with a plastic cap marked RPLS 1849 on the west right of way line of said road for the northeast corner of this tract, same being the northeast corner of said 26.030 acre tract, and said rod being the southeast corner of a called 10.037 acre tract as described in deed to Raju Gadirajy and Feng-Tzu Tsai, filed 14 June 2004, and recorded in Collin County Clerks #D2004-0086243 of said official public records;

THENCE: South 00 degrees 14 minutes 10 seconds East, with the west line of said road, a distance of 417.70 feet to a set 1/2 inch rebar for a corner of this tract;

THENCE: South 88 degrees 50 minutes 08 seconds West, and passing at 450.61 feet a set 1/2 inch rebar, and continuing on said course a total distance of 633.56 feet to a set 1/2 inch rebar for an ell corner of this tract;

THENCE: South 00 degrees 44 minutes 17 seconds East, a distance of 817.09 feet to a set 1/2 inch rebar for an ell corner of this tract;

THENCE: South 88 degrees 45 minutes 36 seconds East, and passing at 120.6 feet a set 1/2 inch rebar, and continuing on said course, and passing at 140.6 feet a pipe fence corner post, and continuing on said course with a pipe fence, and passing at 631.77 feet a pipe fence corner post on the west side of said road, and continuing on said course a total distance of 633.07 feet to a set 1/2 inch rebar on the west right of way line of said road for a corner of this tract;

THENCE: South 00 degrees 44 minutes 17 seconds East, with the west line of said road, a distance of 719.40 feet to a found concrete highway monument for a corner of this tract, said monument being the north corner of a called 0.5112 acre tract as described in deed to State of Texas, filed 03 April 2017, and recorded in Collin County Clerks #D2017043000416890 of said official public records;

THENCE: South 06 degrees 53 minutes 35 seconds West, with the west line of said road, and with the west line of said State of Texas tract, a distance of 55.53 feet to a set 1/2 inch rebar for the most easterly southeast corner of this tract, from said rebar a found capped iron rod bears North 89 degrees 59 minutes 15 seconds East, a distance of 7.4 feet;

THENCE: North 89 degrees 46 minutes 54 seconds West, and passing at 0.9 feet a pipe fence corner post, and continuing on said course, with a barbed wire fence, a total distance of 571.78 feet to a pipe fence corner post of an inner ell corner of this tract;

THENCE: South 05 degrees 25 minutes 28 seconds West, with a barbed wire fence, a distance of 562.01 feet to a pipe fence corner post for the most southerly southeast corner of this tract;

THENCE: South 73 degrees 44 minutes 30 seconds West, with a barbed wire fence, a distance of 982.13 feet to a pipe fence corner post for an angle point of this tract;

THENCE: South 84 degrees 56 minutes 30 seconds West, with a barbed wire fence, a distance of 804.70 feet to a pipe fence corner post for an angle point of this tract;

THENCE: North 85 degrees 09 minutes 45 seconds West, with a barbed wire fence, and passing at 221.95 feet a pipe fence corner post, and continuing on said course a total distance of 224.41 feet to the POINT OF BEGINNING and containing 143.93 acres of land.

Tract 4

LEGAL DESCRIPTION

BEING a tract of land situated in the Thomas Stayton Survey, Abstract No. 805 Collin county, Texas and being part of a called 54.809 acre tract conveyed to Lewis Dickerson as recorded in County Clerks No. 2010051000463340, Land Records of Collin County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" iron rod with yellow plastic capped stamped "4613" set for corner in the west line of said 54.809 acre tract, said iron rod being S 00°02'11" W a distance of 185.72' from a 1/2" iron rod found for the northwest corner of said 54.809 acres;

THENCE N 89°04'55" E a distance of 1400.14' to a mag nail set for corner in the east line of said 54.809 acre tract, said nail being in Business No. 289;

THENCE S 00°44'54" W veering west from the road a distance of 1770.34' to a point for corner;

THENCE 5 11°19'55" W a distance of 534.39' to a point for corner;

THENCE S 89°34'57" W a distance of 28.22' to a point for corner;

THENCE N 10°32'31" E a distance of 695.27' to a point for corner;

THENCE N 01°09'28" E a distance of 121.00' to a wood fence post found for corner;

THENCE S 89°10'28" W a distance of 1110.80' to a wood fence post found for corner;

THENCE N 57°00'00" W a distance of 300.66' to a wood fence post found for corner;

THENCE N 00°10'07" W a distance of 262.10' to a 1/2" iron rod with yellow plastic capped stamped "4613" set for corner;

THENCE N 00°39'54" W a distance of 843.67' to a wood fence post found for corner;

THENCE N 00°02'11" E a distance of 213.97' to the POINT OF BEGINNING and containing 2,060,807 Square Feet or 47.310 Acres of land.

Tract 5

Being a tract of land situated in the Thomas Stayton Survey, Abstract No. 805, Collin County, Texas and being the remainder of a called 79 acre tract of land (Tract III) described in Deed to G Bar 7, LTD. as recorded in Document No. 2005-0015684 of the Official Public Real Property Records of Collin County, Texas, and being more particularly described herein as follows:

BEGINNING at a "Mag" spike set in County Road 57 (a public road) and in the East line of a called 160 acres tract of land described in Deed to Billy Stelzer and Julia Stelzer as recorded in Instrument No. 20141006001089690 of the Official Public Records of Collin County, Texas for the Southwest corner of said Tract III;

THENCE North 00 degrees 01 minutes 22 seconds East, with the West line of said Tract III, along said County Road 57, passing the Southeast corner of a called 5.00 acres tract of land described in Deed to the City of Celina as recorded in Volume 481, Page 230 of said Deed Records, continuing with the West line of said Tract III and the East line of said City of Celina tract, passing the Northeast corner thereof and continuing for a total distance of 2,484.46 feet to a 5/8 inch iron rod with plastic cap stamped "PLS, INC" (typical) set on the Northeast side of a bend in said County Road 57 for the Northwest corner of said Tract III, and being in the South line of a called 52.039 acre tract of land described in Deed to Old Celina, LTD. as recorded in Instrument No. 20060815001168150 of said Official Public Records;

THENCE North 89 degrees 45 minutes 53 seconds East, with the North line of said Tract III, passing the Southeast corner of said 52.039 acre tract and the Southwest corner of a called 50.363 acres tract of land described in Deed to Celina 50, LLC as recorded in Instrument No. 20190610000659920 of said Official Public Records, and continuing for a total distance of 1,385.31 feet to a 3/8 inch iron rod found for the Northeast corner of said Tract III and the Northwest corner of a called 54.804 acres tract of land (Tract Two) described in Deed to Dorothy Stambaugh and Lewis Dickerson as recorded in Instrument No. 20100510000463340 of said Official Public Records;

THENCE with the East line of said Tract III and the West line of said Stambough tract, along and near an established fence line, the following courses and distances:

South 00 degrees 39 minutes 47 seconds East, a distance of 174.67 feet to a 5/8 inch iron rod set for corner;

South 02 degrees 33 minutes 05 seconds West, a distance of 145.60 feet to a 5/8 inch iron rod set for corner;

South 02 degrees 09 minutes 55 seconds East, a distance of 198.50 feet to a 5/8 inch iron rod set for corner;

South 00 degrees 24 minutes 55 seconds East, a distance of 725.00 feet to a 5/8 inch iron rod set for corner;

South 00 degrees 09 minutes 55 seconds East, a distance of 262.10 feet to a cross-tie fence corner post found for the Southwest corner of said Stambough tract and the Northwest corner of Lot 1, Block A of Celina 22 Addition recorded in Instrument 20200128010000450 of said Official Public Records;

THENCE South 00 degrees 01 minutes 02 seconds West, with the East line of said Tract III and the West line of Lot 1, passing the Southwest corner of said Lot 1 and the Northwest corner of Lot 2, Block A of said Celina 22 Addition, and continuing for a total distance of 672.08 feet to a 1/2 inch iron rod found for the Southwest corner of said Lot 2 and the Northwest corner of Lot 1, Block 1 of Snyder Addition as recorded in Instrument No. 20060511010001920 of said Official Public Records;

THENCE South 00 degrees 08 minutes 55 seconds West, with the East line of said Tract III and the West line of said Snyder Addition, a distance of 297.31 feet to a 1/2 inch iron rod found in the North line of a 30 foot alleyway for the Southeast corner of said Tract III and the Southwest corner of said Snyder Addition;

THENCE South 89 degrees 29 minutes 39 seconds West, with the South line of said Tract III and the North line of said 30 foot alleyway, a distance of 100.03 feet to a 1/2 inch iron rod found for the Southeast corner of a called 3.00 acres tract of land described in Deed to Whitney Elliot and Marc Elliot as recorded in Instrument No. 20181228001576130 of said Official Public Records;

THENCE North 00 degrees 31 minutes 41 seconds West, with the East line of said Elliot tract, a distance of 315.13 feet to a 1/2 inch capped iron rod found for the Northeast corner of said Elliot tract;

THENCE South 89 degrees 20 minutes 47 seconds West, with the North line of said Elliot tract, a distance of 414.83 feet to a 5/8 inch iron rod set for the Northwest corner of said Elliot tract;

THENCE South 00 degrees 31 minutes 41 seconds East, with the West line of said Elliot tract, a distance of 314.99 feet to a 5/8 inch iron rod set in the South line of said Tract III and the North line of said 30 foot alleyway for the Southwest corner of said Elliot tract;

THENCE South 89 degrees 21 minutes 57 seconds West, with the South line of said Tract III, a distance of 879.59 feet to the POINT OF BEGINNING and containing, within the metes and bounds herein recited, 76.224 acres of land, more or less.

Tract 6

BEING A TRACT OF LAND LOCATED IN THE HENRY BENTLEY SURVEY, ABSTRACT NO. 124, COLLIN COUNTY, TEXAS AND BEING ALL OF A TRACT OF LAND DESCRIBED IN DEED TO MARK S. JOHNSON, RECORDED IN VOLUME 5038, PAGE 7629, DEED RECORDS, COLLIN COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1/2-INCH IRON ROD FOUND IN THE EXISTING EAST RIGHT-OF-WAY LINE OF FARM-TO-MARKET ROAD (FM) 455, A VARIABLE WIDTH RIGHT-OF-WAY, AT THE WEST COMMON CORNER OF SAID JOHNSON TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO MATTHEW D. KIRAN, RECORDED IN INSTRUMENT NO. 20070418000520430, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS (O.P.R.C.C.T.);

THENCE NORTH 89°18'26" EAST, LEAVING SAID EAST RIGHT-OF-WAY LINE AND ALONG THE COMMON LINE OF SAID JOHNSON TRACT AND SAID KIRAN TRACT, A DISTANCE OF 1,714.40 FEET TO A 3/8-INCH IRON ROD FOUND AT THE NORTH COMMON CORNER OF SAID JOHNSON TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO JOE E. HACKNEY AND WIFE, HAZEL M. HACKNEY, RECORDED IN INSTRUMENT NO. 96-0063441, O.P.R.C.C.T., FROM WHICH A 1/2-INCH IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID KIRAN TRACT AND SAID HACKNEY TRACT BEARS NORTH 89°19'06" EAST, A DISTANCE OF 900.24 FEET;

THENCE SOUTH 00°39'47" WEST, ALONG THE COMMON LINE OF SAID JOHNSON TRACT AND SAID HACKNEY TRACT, A DISTANCE OF 476.67 FEET TO A 1/2-INCH IRON ROD FOUND IN THE NORTH LINE OF A TRACT OF LAND DESCRIBED IN DEED TO OLD CELINA, LTD., RECORDED IN INSTRUMENT NO. 20180323000355690, O.P.R.C.C.T., AT THE SOUTH COMMON CORNER OF SAID JOHNSON TRACT AND SAID HACKNEY

TRACT, FROM WHICH A 3/8-INCH IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID HACKNEY TRACT AND SAID OLD CELINA TRACT BEARS NORTH 89°28'43" EAST, A DISTANCE OF 910.17 FEET; THENCE SOUTH 87°38'51" WEST, ALONG THE COMMON LINE OF SAID JOHNSON TRACT AND THE OLD CELINA TRACT, A DISTANCE OF 58.03 FEET TO A 1/2-IRON ROD FOUND AT THE NORTH COMMON CORNER OF SAID OLD CELINA TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO CELINA 428, L.P., RECORDED IN INSTRUMENT NO. 20070222000245920, O.P.R.C.C.T.;

THENCE SOUTH 88°35'59" WEST, ALONG THE COMMON LINE OF SAID JOHNSON TRACT AND SAID CELINA 428 TRACT, A DISTANCE OF 589.16 FEET TO A 1/2-INCH IRON ROD WITH A YELLOW CAP (ILLEGIBLE) FOUND AT THE NORTH COMMON CORNER OF SAID CELINA 428 TRACT AND TRACT OF LAND DESCRIBED IN DEED TO JC GOODMA NINVESTMENT GROUP, INC., RECORDED IN INSTRUMENT NO. 20200115000063450, O.P.R.C.C.T.;

THENCE SOUTH 88°39'24" WEST, ALONG THE COMMON LINE OF SAID JOHNSON TRACT AND SAID JC GOODMAN INVESTMENT GROUP TRACT, A DISTANCE OF 1,015.89 FEET TO A 5/8 INCH IRON ROD WITH A PINK PLASTIC CAP STAMPED "TXDOT" FOUND IN THE NEW EAST RIGHT-OF-WAY LINE OF SAID FM 455 AS ESTABLISHED BY DEED TO THE STATE OF TEXAS, RECORDED IN INSTRUMENT NO. 2017013000470220, O.P.R.C.C.T.;

THENCE NORTH 06°44'04" WEST, ALONG SAID NEW EAST RIGHT-OF-WAY LINE, A DISTANCE OF 381.29 FEET TO A 5/8 INCH IRON ROD WITH A PINK PLASTIC CAP STAMPED "TXDOT" FOUND FOR CORNER IN THE EXISTING EAST RIGHT-OF-WAY LINE OF SAID FM 544;

THENCE NORTH 00°43'02" WEST, ALONG SAID EXISTING EAST RIGHT-OF-WAY LINE, A DISTANCE OF 117.86 FEET TO THE POINT OF BEGINNING AND CONTAINING 825,624 SQUARE FEET OR 18.954 ACRES OF LAND, MORE OR LESS.

Tract 7

BEING A TRACT OF LAND LOCATED IN THE BENJAMIN BREWTON SURVEY, ABSTRACT NO. 125, COLLIN COUNTY, TEXAS AND BEING ALL OF A TRACT OF LAND DESCRIBED IN DEED TO MOODY RHINOCEROS, LLC, RECORDED IN INSTRUMENT NO. 20140606000572850, OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS (O.P.R.C.C.T.) AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON ROD WITH A CAP STAMPED "RPLS 5674" FOUND IN THE EAST RIGHT-OF-WAY LINE OF FARM-TO-MARKET ROAD 455, A 90-FOOT RIGHT-OF-WAY, AT THE WEST COMMON CORNER OF SAID MOODY TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO MATTHEW DILLON KIRAN, RECORDED IN INSTRUMENT NO. 20070418000524700, O.P.R.C.C.T., FROM WHICH A WOOD RIGHT-OF-WAY MARKER BEARS NORTH 58°16'44" WEST, A DISTANCE OF 1.45 FEET;

THENCE NORTH 00°45'03" WEST, ALONG SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 498.59 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" SET FOR CORNER, FROM WHICH A WOOD RIGHT-OF-WAY MARKER BEARS NORTH 02°35'45" WEST, A DISTANCE OF 26.41 FEET;

THENCE NORTH 00°13'52" WEST, CONTINUING ALONG SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 720.60 FEET TO A POINT FOR CORNER FROM WHICH A 3/4-INCH IRON ROD FOUND AT THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN DEED TO KIM CANNADY LEE, RECORDED IN VOLUME 4840, PAGE 1743, DEED RECORDS, COLLIN COUNTY, TEXAS, BEARS SOUTH 88°14'15" EAST, A DISTANCE OF 0.59 FEET AND FROM WHICH A 3/8-INCH IRON ROD FOUND NEAR THE NORTHWEST CORNER OF SAID MOODY TRACT BEARS SOUTH 01°58'05" WEST, A DISTANCE OF 8.20 FEET AND FROM WHICH A 1/2-INCH IRON ROD FOUND AT THE NORTHWEST CORNER OF SAID LEE TRACT BEARS NORTH 00°13'02" WEST, A DISTANCE OF 546.05 FEET;

THENCE SOUTH 88°14'15" EAST, ALONG THE SOUTH LINE OF SAID LEE TRACT, A DISTANCE OF 2,627.99 FEET TO A 3/4-INCH IRON ROD FOUND IN THE WEST LINE OF A TRACT OF LAND DESCRIBED IN DEED TO BILLY STELZER AND JULIA STELZER, CO-TRUSTEES OF THE STELZER REVOCABLE TRUST TRACT, RECORDED IN INSTRUMENT NO. 20141006001089690, O.P.R.C.C.T. AT THE SOUTHEAST CORNER OF SAID LEE TRACT, FROM WHICH A 1/2-INCH IRON ROD FOUND NEAR THE NORTHEAST CORNER OF SAID MOODY TRACT BEARS NORTH 00°39'40" WEST, A DISTANCE OF 7.67 FEET AND FROM WHICH A 5/8-INCH IRON ROD WITH A CAP (ILLEGIBLE) FOUND AT THE NORTHEAST CORNER OF SAID LEE TRACT BEARS NORTH 01°00'52" WEST, A DISTANCE OF 583.77 FEET;

THENCE SOUTH 00°07'00" WEST, ALONG THE COMMON LINE OF SAID MOODY TRACT AND SAID STELZER TRACT, A DISTANCE OF 1,107.25 FEET TO A 1/2-INCH IRON ROD FOUND AT THE EAST COMMON CORNER OF SAID MOODY TRACT AND SAID KIRAN TRACT;

THENCE SOUTH 89°21'36" WEST, ALONG THE COMMON LINE OF SAID MOODY TRACT AND SAID KIRAN TRACT, A DISTANCE OF 1,299.36 FEET TO A 5/8-INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "RPLS 5674" FOUND FOR CORNER;

THENCE SOUTH 89°16'45" WEST, CONTINUING ALONG THE COMMON LINE OF SAID MOODY TRACT AND SAID KIRAN TRACT, A DISTANCE OF 1,315.87 FEET TO THE POINT OF BEGINNING AND CONTAINING 3,048,952 SQUARE FEET OR 69.994 ACRES OF LAND, MORE OR LESS.

Tract 8

LEGAL DESCRIPTION

108.175 ACRES

BEING a tract of land in the J. HEATH SURVEY, ABSTRACT NO. 387 and the J. RAGDALE SURVEY, ABSTRACT NO. 735, Collin County, Texas, and being that tract of land conveyed in Deed to JASC Investments Inc., according to the document of record filed in Document Number 20160610000730460, Official Public Records, Collin County, Texas, and being more particularly described as follows;

BEGINNING at a wooden fence post found for the common northwest corner of said JASC Investments Inc. tract and the southwest corner of that tract of land conveyed in Deed to Pair Of Dice Properties, LLC, according to the document of record filed in Document Number 20181102001367960, Official Public Records, Collin County, Texas, and being in the east line of that tract of land conveyed in Deed to Dynavest Joint Venture, according to the document of record filed in Book 2288, Page 114, Deed Records, Collin County, Texas;

THENCE N 89° 42' 34" E, with the common north line of said JASC Investments Inc. tract and the south line of said Pair Of Dice Properties, LLC tract, a distance of 1147.28 feet to a 1/2" iron rod found for the common southeast corner of said Pair Of Dice Properties, LLC tract and the southwest corner of that tract of land conveyed in Deed to Charles Ray Huddleston and Sherry Lynn Huddleston, according to the document filed of record in Volume 1368, Page 368, Deed Records, Collin County, Texas;

THENCE N 89° 56' 49" E, with the common north line said JASC Investments Inc. tract and the south line of said Charles Ray Huddleston and Sherry Lynn Huddleston tract, a distance of 269.47 feet to a 3/8" iron rod found for the common southeast corner of said Charles Ray Huddleston and Sherry Lynn Huddleston tract and the southwest corner of that tract of land described as Tract I as conveyed in Deed to Rodney L. Steed and wife, Tommie S. Steed, according to the document of record filed in Book 4393. Page 0942, Official Public Records, Collin County, Texas, from which a 5/8" iron rod found bears N 05° 19' 33" W, 1.19';

THENCE N 89° 06' 37" E, with the common north line said JASC Investments Inc. tract and the south line of said Rodney L. Steed and wife, Tommie S. Steed tract, a distance of 220.24 feet to a 1/2" iron rod found for the common southeast corner of said Rodney L. Steed and wife, Tommie S. Steed tract and the southwest corner of that tract of land described as Tract I as conveyed in Deed to Tommie S. Steed and Rodney L. Steed, according to the document of record filed in Document Number 20071011001400330, Official Public Records, Collin County, Texas;

THENCE N 89° 35' 00" E, with the common north line said JASC Investments Inc. tract and the south line of said Tommie S. Steed and Rodney L. Steed tract, a distance of 220.01 feet to a 1/2" iron rod found for the common southeast corner of said Tommie S. Steed and Rodney L. Steed tract and the southwest corner of that tract of land described as Steed Tract I as conveyed in Deed to Frances L. Steed, according to the documents of record filed in Document Number 20160323000342400, in Document Number 20151124001478820, and in Document Number 20150924001214890, Official Public Records, Collin County, Texas;

THENCE N 89° 29' 11" E, with the common north line said JASC Investments Inc. tract and the south line of said Frances L. Steed tract, a distance of 220.84 feet to a 1/2" iron rod found for the common southeast corner of said Frances L. Steed tract and the southwest corner of that tract of land conveyed in Deed to Jacki Cantrell, Co-Trustee of the Cantrell Family Trust; Kenny Cantrell, Co-Trustee of the Cantrell Family Trust; and Debbie Cantrell, Co-Trustee of the Cantrell Family Trust, according to the document of record filed in Document Number 20071205001624610, Official Public Records, Collin County, Texas;

THENCE N 89° 45' 20" E, with the common north line said JASC Investments Inc. tract and the south line of said Cantrell Family Trust tract, distance of 220.24 feet to a 1/2" iron rod found for the common southeast corner of said Cantrell Family Trust tract and the southwest corner of that tract of land conveyed in Deed to Celina Parkway 28 Partners, LTD, according to the document of record filed in Document Number 20170616000786060, Official Public Records, Collin County, Texas;

THENCE N 89° 28' 39" E, with the common north line said JASC Investments Inc. tract and the south line of said Celina Parkway 28 Partners, LTD, a distance of 161.26 feet to a 4" metal fence post found for the common northeast of said JASC Investments Inc. tract and the most southern southeast corner of said Celina Parkway 28 Partners, LTD and being in the west line of that tract of land conveyed in Deed to Leslie C. Hall and Spouse, Barbara P. Hall, according to the document of record filed in Document Number 19920408000221690, Official Public Records, Collin County, Texas, from which a wooden fence post found for the common northwest corner of said Leslie C. Hall and Spouse, Barbara P. Hall tract and an interior ell corner of said Celina Parkway 28 Partners, LTD tract, bears N 01° 01' 07" W, 145.26';

THENCE S 01° 00' 02" E, with the common east line of said JASC Investments Inc. tract and the west line of said Leslie C. Hall and Spouse, Barbara P. Hall tract, a distance of 199.15 feet to an 8" wooden fence post found for the common southwest corner of said Leslie C. Hall and Spouse, Barbara P. Hall tract and the northwest corner of that tract of land conveyed in Deed to Jerry David Oaks, according to the document of record filed in Document Number 20110217000181560, Official Public Records, Collin County, Texas, from which a 1/2" iron rod found bears S 84° 26' 38" W, 2.58';

THENCE S 00° 23' 10" E, with the common east line of said JASC Investments Inc. tract and the west line of said Jerry David Oaks tract, a distance of 552.10 feet to a 1/2" iron rod found for the common southwest corner of said Jerry David Oaks tract and the northwest corner of that tract of land conveyed in Deed to Laddie Garner and wife, Joan Garner, according to the document of record filed in Book 3969, Page 3021, Official Public Records, Collin County, Texas, from which a metal fence post bears S 89° 54' 43" E, 6.51';

THENCE S 00° 30' 47" E, with the common east line of said JASC Investments Inc. tract and the west line of said Laddie Garner and wife, Joan Garner tract, a distance of 573.65 feet to a 1/2" iron rod with a yellow plastic cap stamped "DAA" set for the common interior ell corner of said JASC Investments Inc. tract and the southwest corner of said Laddie Garner and wife, Joan Garner tract, from which a 1/2" iron pipe found bears S 88° 47' 55" W, 2.61';

THENCE N 88° 47' 55" E, with the common north line said JASC Investments Inc. tract and the south line of said Laddie Garner and wife, Joan Garner tract a distance of 756.71 feet to a 1/2" iron rod found;

THENCE S 89° 25' 38" E, continuing with the common line of said JASC Investments Inc. tract and said Laddie Garner and wife, Joan Garner tract, a distance of 447.04 feet to a 6" wooden fence post found;

THENCE S 51° 55' 44" E, a distance of 65.81 feet to a wooden fence post found for the most easterly northeast corner of said JASC Investments Inc. tract and being in the west line of Farm-to-Market Road (FM) 455, a 90' right-of-way;

THENCE S 00° 17' 07" E, with the common east line of said JASC Investments Inc. tract and west line of said Farm-to-Market Road (FM) 455, a distance of 945.84 feet to a 1/2" iron rod with a yellow plastic cap stamped "DAA" set for the southeast corner of said JASC Investments Inc. tract, said being the intersection of the west line of said FM 455 and the north line of County Road (CR) 9, from which a 6" wooden fence post bears S 89° 16' 10" W, 2.65';

THENCE S 89° 16' 10" W, with the common south line of said JASC Investments Inc. tract and the north line of said County Road (CR) 9, a distance of 2,532.41 feet to a wooden fence post found for the southwest corner of said JASC Investments Inc. tract, said being in the east line of the above mentioned Dynavest Joint Venture tract;

THENCE N 01° 29' 13" W, with the common west line of said JASC Investments Inc. tract and the east line of said Dynavest Joint Venture tract, a distance of 1,940.30 feet to a 1/2" iron rod with a red plastic cap stamped "PEISER-MANKIN" found for the common interior ell corner of said JASC Investments Inc. tract and the most easterly northeast corner of said Dynavest Joint Venture tract;

THENCE S 88° 23' 39" W, with the common south line of said JASC Investments Inc. tract and the north line of said Dynavest Joint Venture tract, a distance of 1,140.47 feet to a 5/8" iron rod found the common most westerly southwest corner of said JASC Investments Inc. tract and an interior ell corner of said Dynavest Joint Venture tract;

THENCE N 01° 16' 34" W, with the common west line of said JASC Investments Inc. tract and the east line of said Dynavest Joint Venture tract, a distance of 409.06 feet to the POINT OF BEGINNING, and containing 108.175 acres of land, more or less.

Tract 9

BEING a tract of land situated in the Collin County School Land Survey, Abstract No. 170, Collin County, Texas, Collin County, Texas, and being all of a called 114.889 acre tract of land described in a Special Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332040 of the Official Public Records of Collin County, Texas, being all of a called 11.202 acre tract of land described in a Special Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332150 of the Official Public Records of Collin County, Texas, being all of a called 2.932 acre tract of land described in a General Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332120 of the Official Public Records of Collin County, Texas, being all of a called 0.479 acre tract of land described in a General Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332180 of the Official Public Records of Collin County, Texas, and

also being all of a called 0.868 acre tract of land described as Tract 1 and all of a called 0.438 acre tract of land described as Tract 2 in a General Warranty Deed with Vendor's Lien to RCI-Celina 115 LP, as recorded in Instrument No. 20200306000332190 of the Official Public Records of Collin County, Texas, and also being all of Lots 1 through 5, Block 1, Lots 1 and 2, Block 2, and Lot 1, Block 4 of Malone Addition, an unrecorded plat, and being more particularly described as follows:

BEGINNING at the southeast corner of said 114.889 acre tract on the northerly right-of-way line of Malone Street, a variable width right-of-way, no record found; THENCE South $88^{\circ}50'41''$ West, along the southerly line of said 114.889 acre tract and the northerly right-of-way line of said Malone Street, a distance of 1212.59 feet to the southerly southwest corner of said 114.889 acre tract;

THENCE departing the northerly right-of-way line of said Malone Street and continuing along the southerly line of said 114.889 acre tract, the following:

North $2^{\circ}00'20''$ West, a distance of 155.16 feet to an ell corner of said 114.889 acre tract;

North $89^{\circ}57'33''$ West, a distance of 457.72 feet to the northeast corner of said 0.479 acre tract;

THENCE South $1^{\circ}11'25''$ West, departing the southerly line of said 114.889 acre tract and along the easterly line of said 0.479 acre tract, a distance of 208.88 feet to the southeast corner of said 0.479 acre tract, being on the northerly right-of-way line of said Malone Street;

THENCE North $89^{\circ}56'31''$ West, along the southerly line of said 0.479 acre tract and the northerly right-of-way line of said Malone Street, a distance of 100.00 feet to the southwest corner of said 0.479 acre tract;

THENCE North $1^{\circ}11'25''$ East, departing the northerly right-of-way line of said Malone Street and along the westerly line of said 0.479 acre tract, a distance of 208.85 feet to the northwest corner of said 0.479 acre tract, being on the southerly line of said 114.889 acre tract;

THENCE North $89^{\circ}57'33''$ West, along the southerly line of said 114.889 acre tract, a distance of 234.93 feet to the northeast corner of said Tract 1;

THENCE South $1^{\circ}15'19''$ West, departing the southerly line of said 114.889 acre tract and along the easterly line of said Tract 1, a distance of 187.69 feet to the southeast corner of said Tract 1, being on the northerly right-of-way line of said Malone Street;

THENCE North $89^{\circ}29'53''$ West, along the southerly line of said Tract 1 and the northerly right-of-way line of said Malone Street, a distance of 200.00 feet to the southwest corner of said Tract 1, being on the easterly right-of-way line of a 20 foot wide alley;

THENCE North $1^{\circ}15'01''$ East, departing the northerly right-of-way line of said Malone Street, along the westerly line of said Tract 1 and the easterly right-of-way line of said 20 foot wide alley, a distance of 190.37 feet to the northwest corner of said Tract 1, common to the east end of the northerly terminus of said 20 foot wide alley, being on southerly line of aforesaid 2.932 acre tract;

THENCE North $88^{\circ}42'26''$ West, along the northerly terminus of said 20 foot wide alley and the southerly line of said 2.932 acre tract, a distance of 20.00 feet to the west end of said terminus, common to the northeast corner of aforesaid Tract 2;

THENCE South $1^{\circ}15'01''$ West, departing the southerly line of said 2.932 acre tract, along the easterly line of said Tract 2 and the westerly right-of-way line of said 20 foot wide alley, a distance of 190.64 feet to the southeast corner of said Tract 2, being on the northerly right-of-way line of said Malone Street;

THENCE North $89^{\circ}29'53''$ West, departing the westerly right-of-way line of said 20 foot wide alley, along the southerly line of said Tract 2 and the northerly right-of-way line of said Malone Street, a distance of 99.86 feet to the southwest corner of said Tract 2, being on the easterly line of said 2.932 acre tract;

THENCE South $1^{\circ}16'58''$ West, continuing along the northerly right-of-way line of said Malone Street and along the easterly line of said 2.932 acre tract, a distance of 17.01 feet to the southerly southeast corner of said 2.932 acre tract;

THENCE North $88^{\circ}45'14''$ West, continuing along the northerly right-of-way line of said Malone Street and along the southerly line of said 2.932 acre tract, a distance of 230.05 feet to the southwest corner of said 2.932 acre tract, being on the easterly right-of-way line of the St. Louis and San Francisco Railroad, a 100 foot wide right-of-way;

THENCE North $12^{\circ}26'44''$ East, departing the northerly right-of-way line of said Malone Street, along the westerly line of said 2.932 acre tract and the easterly right-of-way line of said St. Louis and San Francisco Railroad, a distance of 387.82 feet to the northwest corner of said 2.932 acre tract, common to the northerly southwest corner of said 114.889 acre tract;

THENCE North $12^{\circ}26'19''$ East, along the westerly line of aforesaid 114.889 acre tract and continuing along the easterly right-of-way line of said St. Louis and San Francisco Railroad, a distance of 2792.89 feet to the northwest corner of said 114.889 acre tract;

THENCE North $88^{\circ}55'09''$ East, departing the easterly right-of-way line of said St. Louis and San Francisco Railroad and along the northerly line of said 114.889 acre tract, a distance of 1315.73 feet to the northeast corner of said 114.889 acre tract;

THENCE along the easterly line of said 114.889 acre tract, the following:

South $0^{\circ}14'01''$ East, a distance of 915.38 feet to a point for corner;

North $89^{\circ}52'46''$ East, a distance of 70.06 feet to a point for corner;

South $0^{\circ}21'08''$ East, a distance of 416.20 feet to a point for corner;

South $89^{\circ}36'42''$ West, a distance of 133.06 feet to a point for corner;

South $0^{\circ}18'12''$ East, a distance of 245.29 feet to the northwest corner of aforesaid 11.202 acre tract;

THENCE North $89^{\circ}21'01''$ East, departing the easterly line of said 114.889 acre tract and along the northerly line of said 11.202 acre tract, a distance of 321.10 feet to the northeast corner of said 11.202 acre tract;

THENCE along the easterly line of said 11.202 acre tract and the easterly line of said 114.889 acre tract, the following:

South $1^{\circ}16'12''$ East, a distance of 530.89 feet to a point for corner;

North $88^{\circ}43'48''$ East, a distance of 269.14 feet to a point for corner;

South $2^{\circ}04'32''$ East, a distance of 564.22 feet to a point for corner;

South $0^{\circ}24'08''$ West, a distance of 402.60 feet to the POINT OF BEGINNING and containing 130.809 acres (5,698,027 square feet) of land, more or less.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7909A, Special District Local Laws Code, as added by Section 2(a) of this Act, is amended by adding Section 7909A.0307 to read as follows:

Sec. 7909A.0307. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 2(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

(e) This section takes effect September 1, 2021.

SECTION 3. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7913A to read as follows:

CHAPTER 7913A. AUSTIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7913A.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Austin County Municipal Utility District No. 1.

Sec. 7913A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7913A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7913A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7913A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7913A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7913A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 3(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 3(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

- (3) right to impose a tax; or
- (4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7913A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7913A.0202, directors serve staggered four-year terms.

Sec. 7913A.0202. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

- (1) the date permanent directors are elected under Section 7913A.0103; or
- (2) January 1, 2026.

(c) If permanent directors have not been elected under Section 7913A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

- (1) the date permanent directors are elected under Section 7913A.0103; or
- (2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7913A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7913A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7913A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7913A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7913A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7913A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 7913A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7913A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7913A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7913A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7913A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7913A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7913A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The Austin County Municipal Utility District No. 1 initially includes all the territory contained in the following area:

A 38.118 acre, or 1,660,419 square feet more or less, tract of land, being a portion of that residue of called 38.143 acre tract of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 153921 of the Official Records of Austin County, Texas, situated in the San Felipe de Austin Survey, Abstract 5, in the City of Sealy, Austin County, Texas. Said 38.118 acre tract being more fully described as follows, with bearings based on the Texas Coordinate System of 1983, South Central Zone from the North American Datum of 1983 (NA2011) epoch 2010.00:

BEGINNING: At an iron rod with aluminum cap found in the centerline of Harrison Road (30 feet wide) as recorded under Volume Y, Page 318 of the Deed Records of Austin County, Texas and the northeast corner of said 38.143 acre tract and for the northeast corner of the herein described tract and being on the west right-of-way line of Schmidt Road (60 feet wide) a called 3.946 acres of land as conveyed to the City of Sealy as recorded under Clerk's File No. 025841 of the official Records of Austin County, Texas;

THENCE: S 42°42'31" W, along and with the said west right-of-way line, a distance of 2,864.13 feet to a point to a 1/2 inch iron pipe with cap stamped "Brown & Gay" found for the southeast corner of the herein described tract and being on the northeast line of a called 237.88 acre tract as described in a deed to Wal-Mart Stores East, LP recorded under Clerk's File No. 031749 of the Official Records of Austin County, Texas;

THENCE: N 47°18'41" W, along and with said northeast line, a distance of 578.43 feet to an iron rod with a yellow cap stamped "Pate-Dawson" to be set for the southwest corner of the herein described tract and the southeast corner of a called 70.00 acres of land conveyed to David Cryan as recorded in Clerk's File No. 126232 of the Official Records of Austin County, Texas;

THENCE: N 42°39'39" E, along with said north line, a distance of a distance of 2,865.17 feet to a 1/2 inch iron rod found in the said centerline of Harrison Road and for the northwest corner of the herein described tract and the northeast corner of said 70.00 acres;

THENCE: S 47°12'30" E, along said centerline of Harrison Road, a distance of 580.82 feet to the POINT OF BEGINNING, and containing 38.118 acres in the City of Houston, Harris County, Texas.

A 118.535 acre, or 5,163,385 square feet more or less, tract of land, being a portion of that residue of called 140.000 acre tract of land conveyed to Ranch County of Texas, Inc. as described in a deed recorded in Clerk's File No. 081189 of the Official

Records of Austin County, Texas, and a portion of Tract 1, a residue of a called 55.3 acres of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 164420 of the Official Records of Austin County, Texas, and all of Tract 2, a called 28.172 acres of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 153921 of the Official Records of Austin County, Texas, and all of Tract 5, a called 6.1259 acres of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 164420 of the Official Records of Austin County, Texas, and all of Tract 4, a called 6.1259 acres of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 164420 of the Official Records of Austin County, Texas, and all of Tract 3, a called 6.1259 acres of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 164420 of the Official Records of Austin County, Texas, and all of Tract 2, a called 6.1259 acres of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 164420 of the Official Records of Austin County, Texas, and all of Parcel 1, a called 5.452 acres of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 191010 of the Official Records of Austin County, Texas, and all of Parcel 2, a called 5.350 acres of land conveyed to David Cryan as described in a deed recorded in Clerk's File No. 191010 of the Official Records of Austin County, Texas, situated in the San Felipe de Austin Survey, Abstract 5, in the City of Sealy, Austin County, Texas. Said 118.535 acre tract being more fully described as follows, with bearings based on the Texas Coordinate System of 1983, South Central Zone from the North American Datum of 1983 (NA2011) epoch 2010.00:

BEGINNING: At an iron rod with aluminum cap found on the west right-of-way line of F.M. Highway No. 3013 (width varies) and the northeast corner of a called 38.69 acre tract of land conveyed to Jinsung T.E.C. Texas, L.L.C. Texas, L.L.C. as described in a deed recorded in Clerk's File No. 126413 of the Official Records of Austin County, Texas, and for the most northerly southeast corner of the herein described tract;

THENCE: N 47°17'47" W, a distance of 950.10 feet to a 5/8 inch iron rod found for an interior corner of the herein described tract and being the northwest corner of said 38.69 acres and on the east line of said Tract 1, a residue of a called 55.3 acres;

THENCE: S 42°39'37" W, along the common line of said Tract 1, a residue of a called 55.3 acres and said 38.69 acres, a distance of 1,774.20 feet to an iron rod with aluminum cap found for the southeast corner of said Tract 1, a residue of a called 55.3 acres and the southwest corner of said 38.69 acres and for the most southerly southeast corner of the herein described tract and on the northerly line of a called 6.362 acres of land conveyed to the City of Sealy, Texas as recorded in Clerk's File No. 031750 of the Official Records of Austin County, Texas;

THENCE: N 47°18'41" W, along with said north line, a distance of 1,607.38 feet to an iron rod with aluminum cap found on the east right-of-way line to Schmidt Road (60 feet wide) a called 3.946 acres of land as conveyed to the City of Sealy as recorded under Clerk's File No. 025841 of the official Records of Austin County, Texas, and the southwest corner said Tract 2 of called 28.172 acres and the southwest corner of the herein described tract;

THENCE: N 42°42'31" E, along the said east right-of-way line and along said Tract 2 of called 28.172 acres, a distance of 2,864.02 feet to an iron rod with aluminum cap found in the centerline of Harrison Road (30 feet wide) as recorded under Volume Y, Page 318 of Deed Records of Austin County, Texas and the northwest corner of said Tract 2 of called 28.172 acres and the northwest corner of the herein described tract;

THENCE: S 47°12'30" E, along and with said centerline of Harrison Road, a distance of 1,921.18 feet to a Mag Nail found for the most northerly northeast corner of the herein described tract and for the northeast corner of said Parcel 2 and the northwest corner of said Residue of called 140.000 acres;

THENCE: S 42°38'14" W, along and with the east line of said Parcel 2, a distance of 736.53 feet to an iron rod with aluminum cap found for an interior corner of the herein described tract and for the southeast corner of said Parcel 2;

THENCE: S 47°18'33" E, departing said east line and along and with the north line of said Parcel 1, a distance of 633.63 feet to an iron rod with aluminum cap found on the west right-of-way line of said F.M. No. 3013 and the most southerly northeast corner of the herein described tract;

THENCE: S 42°39'57" W, a distance of 350.05 feet to the POINT OF BEGINNING, and containing 118.535 acres in the City of Houston, Harris County, Texas.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7913A, Special District Local Laws Code, as added by Section 3(a) of this Act, is amended by adding Section 7913A.0306 to read as follows:

Sec. 7913A.0306. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 3(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

(e) This section takes effect August 1, 2022.

SECTION 4. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7919A to read as follows:

CHAPTER 7919A. HIGH POINTE RANCH MUNICIPAL UTILITY DISTRICT

NO. 1 OF DENTON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7919A.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "City" means the City of Aubrey, Texas.

(4) "Director" means a board member.

(5) "District" means the High Pointe Ranch Municipal Utility District No. 1

of Denton County.

Sec. 7919A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7919A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district as provided by Section 49.102, Water Code.

Sec. 7919A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7919A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7919A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7919A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 4(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 4(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7919A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of each even-numbered year.

(b) The governing body of the city, by a majority vote, shall appoint one member of the board.

(c) The commission shall appoint four members of the board in the manner provided by Section 7919A.0202.

Sec. 7919A.0202. APPOINTMENT BY COMMISSION. (a) Before the term of a director appointed by the commission expires, the board shall recommend to the commission a person to serve as a successor director. The commission shall appoint as director the person recommended by the board.

(b) A person recommended by the board under Subsection (a) must be:

(1) at least 18 years of age;

(2) an owner of property in the district;

(3) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the district;

(4) an owner of a beneficial interest in a trust that owns property in the district; or

(5) an agent, employee, or tenant of a person described by Subdivision (2), (3), or (4).

Sec. 7919A.0203. VACANCY. (a) Except as provided by Subsection (b), if a vacancy occurs on the board, the remaining directors shall appoint a director for the remainder of the unexpired term.

(b) If a vacancy occurs in the position of the board member appointed by the city, the city shall appoint a director for the remainder of the unexpired term.

Sec. 7919A.0204. INITIAL DIRECTORS. (a) The initial directors that will be replaced by appointment by the commission are as follows:

- (1) Clark Overlander;
- (2) Justin Morse;
- (3) Zach Stateson; and
- (4) Michelle Dobson.

(b) The initial director that will be replaced by appointment by the governing body of the city is Mark Kaiser.

(c) The initial directors shall determine by lot which two positions expire after two years, and which three positions expire after four years.

(d) This section expires March 31, 2026.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7919A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7919A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7919A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7919A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7919A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

Sec. 7919A.0306. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

(1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by division of the district, and a new district has all the powers and duties of the district.

(c) A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 4(b) of the Act enacting this chapter.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 7919A.0103 to confirm the district's creation.

(f) An order dividing the district shall:

(1) name each new district;

(2) include the metes and bounds description of the territory of each new district;

(3) appoint temporary directors for each new district; and

(4) provide for the division of assets and liabilities between the new districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h) A new district created by the division of the district shall hold a confirmation and directors' election as required by Section 7919A.0103. If the voters of a new district do not confirm the creation of the new district, the assets, obligations, territory, and governance of the new district revert to the original district.

(i) If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.

(j) A new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

(k) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 7919A.0104 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7919A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 7919A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7919A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7919A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7919A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7919A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7919A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7919A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The High Pointe Ranch Municipal Utility District No. 1 of Denton County initially includes all the territory contained in the following area:

HIGH POINTE RANCH MUNICIPAL UTILITY DISTRICT NO. 1 - TRACT 1

OF a 357.445 acres tract of land out of the Francisco Trevino Survey, Abstract No. 1243, Denton County, Texas; being all of a certain 229.479 acres tract (Tract 1), a 32.8 acres tract (Tract 2) and a 29.885 acres tract (Tract 3), all described in Volume 4257, Page 1101, Document No. 99-0004597 of the Deed Records of Denton County, Texas; also being all of a certain 6.874 acres tract described in Volume 4574, Page 1528, Document No. 00-000036697 and all of a certain 57.6071 acres tract described in Volume 4483, Page 133, Document No. 99-000123273, both in the Deed Records of Denton County, Texas; and being further described by metes and bounds as follows:

BEGINNING at a set "PK" nail in Blackjack Road (paved) and in the southeast right of way line of U.S. Highway No. 377 and in the recognized north line of said Francisco Trevino Survey and at the northwest corner of said 32.8 acres tract for the

most northerly northwest and beginning corner of this tract. Whence the recognized southwest corner of the Thomas Chambers Survey, Abstract No. 223 bears South $87^{\circ}12'41''$ East 60.40 feet.

THENCE South $87^{\circ}12'41''$ East at 60.40 feet pass a "PK" nail at the southwest corner of a certain 6.164 acres tract (Tract 5) described in said Volume 4257, Page 1101 and in all 1160.06 feet along said Blackjack Road to a found "PK" nail at the southeast corner of said 6.164 acres tract for a corner of this tract.

THENCE South $88^{\circ}09'42''$ East 505.03 feet to a set "PK" nail in said Blackjack Road for a corner of this tract.

THENCE South $89^{\circ}21'04''$ East 1356.90 feet to a set "PK" nail in said Blackjack Road for the northeast corner of this tract.

THENCE South $01^{\circ}40'27''$ West at 20.69 feet pass a 4" steel post in the south line of said Blackjack Road and in all 2322.77 feet to a set capped $1/2''$ iron rod for the most easterly southeast corner of this tract.

THENCE South $89^{\circ}35'01''$ West at 250.28 feet pass a found capped $1/2''$ iron rod at the northeast corner of a certain 27.104 acres tract described in Document No. 96-000070599 and in all 1539.46 feet to a found $1/2''$ iron pipe at the northwest corner of a certain 27.600 acres tract described in Document No. 96-000070600 for an ell corner of this tract.

THENCE South $00^{\circ}10'39''$ East 956.88 feet to a set capped $1/2''$ iron rod in the west line of said 27.600 acres tract for a corner of this tract.

THENCE South $00^{\circ}56'07''$ West 1132.15 feet to a set capped $1/2''$ iron rod in the north right of way line of F.M. Highway No. 428 and at the southwest corner of said 27.600 acres tract for the most southerly southeast corner of this tract.

THENCE along the north right of way line of said F.M. Highway No. 428 the following courses and distances:

⊙ South $71^{\circ}34'50''$ West 144.40 feet to a set capped $1/2''$ iron rod;
⊙ Westerly along the arc of a 07 deg. 21 min. 35 sec. non-tangent curve to the right having a radius of 778.51 feet, a central angle of 18 deg. 46 min. 14 sec., a chord of South $82^{\circ}46'29''$ West 253.91 feet and an arc length of 255.05 feet to a set capped $1/2''$ iron rod;

⊙ South $88^{\circ}45'46''$ West 378.48 feet to a set capped $1/2''$ iron rod;
⊙ South $89^{\circ}36'06''$ West 1349.02 feet to a set capped $1/2''$ iron rod;
⊙ And South $89^{\circ}52'21''$ West 1364.91 feet to a set capped $1/2''$ iron rod in the southeast right of way line of said U.S. Highway No. 377 for the most southerly southwest corner of this tract;

THENCE North $32^{\circ}23'53''$ West 213.57 feet along the southeast right of way line of said U.S. Highway 377 to a wood right of way marker for the most westerly southwest corner of this tract.

THENCE North $25^{\circ}19'53''$ East 4804.08 feet along the southeast right of way line of said U.S. Highway No. 377 to a set capped $1/2''$ iron rod for the most westerly northwest corner of this tract.

THENCE North $59^{\circ}03'36''$ East at 101.21 feet pass a set $1/2''$ iron rod and in all 166.34 feet to the POINT OF BEGINNING and containing 357.445 acres of land, more or less.

HIGH POINTE RANCH MUNICIPAL UTILITY DISTRICT NO. 1 - TRACT 2

BEING a tract of land situated in the F. Trevino Survey, Abstract No. 1243, Denton County, Texas, and being all of a called 61.667 acre tract of land described in a General Warranty Deed to Betsy Turner, as recorded in Instrument No. 97-0010270 of the Official Records of Denton County, Texas, and being more particularly described as follows:

BEGINNING at a mag nail set for the northeast corner of said 61.667 acre tract, common to the northwest corner of a called 41.640 acre tract of land described in a deed to Michael Ray Self and spouse, Hannah Carter Self, as recorded in Instrument No. 2020-72317 of the Official Records of Denton County, Texas, being on the southerly line of Tract I described in a deed to LTR Dressage, LLC, as recorded in Instrument No. 2012-60776 of the Official Records of Denton County, Texas, and in the centerline of Black Jack Road, a variable width right-of-way, no record found;

THENCE South 0°37'22" West, departing the southerly line of said Tract I and the centerline of said Black Jack Road, along the easterly line of said 61.667 acre tract and the westerly line of said 41.640 acre tract, a distance of 2297.48 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said 61.667 acre tract, common to the southwest corner of said 41.640 acre tract, being on the northerly line of a called 94.58 acre tract of land described in a deed to Robert J. Houlihan, Trustee of the Jacqueline A. Houlihan Family Trust, as recorded in Instrument No. 2015-75670 of the Official Records of Denton County, Texas;

THENCE South 89°33'30" West, along the southerly line of said 61.667 acre tract, the northerly line of said 94.58 acre tract and the northerly line of a called 5.000 acre tract of land described in a deed to Robert J. Houlihan, as recorded in Instrument No. 2015-75669 of the Official Records of Denton County, Texas, a distance of 1184.22 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southwest corner of said 61.667 acre tract, being on the easterly line of a called 166.34 acre tract of land described in a deed to ALW 377, LLC, as recorded in Instrument No. 2018-78707 of the Official Records of Denton County, Texas;

THENCE North 1°40'23" East, departing the northerly line of said 94.58 acre tract, along the westerly line of said 61.667 acre tract and the easterly line of said 166.34 acre tract, a distance of 2319.56 feet to a 1 inch iron pipe found for the northwest corner of said 61.667 acre tract, common to the northeast corner of said 166.34 acre tract, being on the southerly line of a called 37.115 acre tract of land described in a deed to Calvin Paul Redfearn, as recorded in Instrument No. 2014-96676 of the Official Records of Denton County, Texas, and in the middle of Black Jack Road;

THENCE South 89°23'35" East, along the northerly line of said 61.667 acre tract, the southerly line of said 37.115 acre tract, the southerly line of a called 20.236 acre tract of land described in a deed to Gary Conway and Debbie Conway, as recorded in Instrument No. 2019-158825 of the Official Records of Denton County, Texas, and the southerly line of said Tract I, a distance of 1141.49 feet to the POINT OF BEGINNING and containing 61.611 acres (2,683,778 square feet) of land, more or less.

HIGH POINTE RANCH MUNICIPAL UTILITY DISTRICT NO. 1 - TRACT 3

BEING a tract of land situated in the F. Trevino Survey, Abstract No. 1243, Denton County, Texas, and being all of a called 41.640 acre tract of land described in a Warranty Deed with Vendor's Lien to Michael Ray Self and spouse, Hannah Carter Self, as recorded in Instrument No. 2020-72317 of the Official Records of Denton County, Texas, and being more particularly described as follows:

BEGINNING at a mag nail set for the northwest corner of said 41.640 acre tract, common to the northeast corner of a called 61.667 acre tract of land described in a deed to Betsy Turner, as recorded in Instrument No. 97-0010270 of the Official Records of Denton County, Texas, being on the southerly line of Tract I described in a deed to LTR Dressage, LLC, as recorded in Instrument No. 2012-60776 of the Official Records of Denton County, Texas, and in the centerline of Black Jack Road, a variable width right-of-way, no record found;

THENCE South $89^{\circ}10'02''$ East, along a northerly line of said 41.640 acre tract, the southerly line of said Tract I, the southerly line of a called 22.380 acre tract of land described as Tract II in said deed recorded in Instrument No. 2012-60776 of the Official Records of Denton County, Texas, and the centerline of said Black Jack Road, a distance of 570.47 feet to a 1 inch iron pipe found for the northerly northeast corner of said 41.640 acre tract, common to the northwest corner of a called 14.975 acre tract of land described in a deed to K & T Swan Family Limited Partnership, L.P., as recorded in Instrument No. 2017-78524 of the Official Records of Denton County, Texas;

THENCE South $1^{\circ}07'20''$ East, departing the southerly line of said Tract II and the centerline of said Black Jack Road, along an easterly line of said 41.640 acre tract and the westerly line of said 14.975 acre tract, a distance of 1528.04 feet to a 1/2 inch iron rod found for the southwest corner of said 14.975 acre tract, common to an ell corner of said 41.640 acre tract;

THENCE South $89^{\circ}22'10''$ East, along a northerly line of said 41.640 acre tract and the southerly line of said 14.975 acre tract, a distance of 570.06 feet to a 3/8 inch iron rod found for the southerly northeast corner of said 41.640 acre tract, common to the southeast corner of said 14.975 acre tract;

THENCE South $1^{\circ}04'44''$ East, along an easterly line of said 41.640 acre tract, a distance of 745.84 feet to a 1/2 inch iron pipe found for the southeast corner of said 41.640 acre tract, common to the northeast corner of a called 16.597 acre tract of land described in a deed to Phillip J. Anton and wife, Karen M. Anton, as recorded in Instrument No. 95-65740 of the Official Records of Denton County, Texas;

THENCE South $89^{\circ}33'30''$ West, along the southerly line of said 41.640 acre tract, the northerly line of said 16.597 acre tract, the northerly line of a called 6.703 acre tract of land described in a deed to Phillip John Anton and wife, Karen Marie Anton, as recorded in Instrument No. 2005-92268 of the Official Records of Denton County, Texas, and the northerly line of a called 94.58 acre tract of land described in a deed to Robert J. Houlihan, Trustee of the Jacqueline A. Houlihan Family Trust, as recorded in Instrument No. 2015-75670 of the Official Records of Denton County, Texas, a distance of 1209.41 feet to a 5/8 inch iron rod with plastic cap stamped "KHA" set for the southwest corner of said 41.640 acre tract, common to the southeast corner of aforesaid 61.667 acre tract;

THENCE North 0°37'22" East, departing the northerly line of said 94.58 acre tract, along the westerly line of said 41.640 acre tract and the easterly line of said 61.667 acre tract, a distance of 2297.48 feet to the POINT OF BEGINNING and containing 41.650 acres (1,814,290 square feet) of land, more or less.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7919A, Special District Local Laws Code, as added by Section 4(a) of this Act, is amended by adding Section 7919A.0307 to read as follows:

Sec. 7919A.0307. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 4(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

(e) This section takes effect March 31, 2022.

SECTION 5. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7933A to read as follows:

CHAPTER 7933A. NORTHWEST DENTON COUNTY MUNICIPAL UTILITY
DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7933A.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Northwest Denton County Municipal Utility

District No. 1.

Sec. 7933A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7933A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7933A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7933A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7933A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7933A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 5(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 5(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

- (1) organization, existence, or validity;
- (2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;
- (3) right to impose a tax; or
- (4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7933A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7933A.0202, directors serve staggered four-year terms.

Sec. 7933A.0202. TEMPORARY DIRECTORS. (a) The temporary board consists of:

- (1) Lance Martin;
- (2) Jason Tuberville;
- (3) Zach Stateson;
- (4) Clarke Overlander; and
- (5) Michelle Dobson.

(b) Temporary directors serve until the earlier of:

- (1) the date permanent directors are elected under Section 7933A.0103; or
- (2) the fourth anniversary of the effective date of the section enacting this

chapter.

(c) If permanent directors have not been elected under Section 7933A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

- (1) the date permanent directors are elected under Section 7933A.0103; or
- (2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7933A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7933A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7933A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7933A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7933A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

Sec. 7933A.0306. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

- (1) has no outstanding bond debt; and
- (2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by division of the district, and a new district has all the powers and duties of the district.

(c) A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 5(b) of the Act enacting this chapter.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 7933A.0103 to confirm the district's creation.

(f) An order dividing the district shall:

- (1) name each new district;
- (2) include the metes and bounds description of the territory of each new

district;

(3) appoint temporary directors for each new district; and

(4) provide for the division of assets and liabilities between the new

districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a confirmation and directors' election as required by Section 7933A.0103. If the voters of a new district do not confirm the creation of the new district, the assets, obligations, territory, and governance of the new district revert to the original district.

(i) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 7933A.0104 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

(j) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7933A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 7933A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7933A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7933A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7933A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7933A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7933A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7933A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The Northwest Denton County Municipal Utility District No. 1 initially includes all the territory contained in the following area:
BEING a tract of land situated in the William Mason Survey, Abstract No. 801, the B.B.B. & C.R.R. Co. Survey, Abstract No. 199, and the B.B.B. & C.R.R. Co. Survey, Abstract No. 1457, Denton County, Texas, and being a portion of a called 55.27 acre tract of land described in a Warranty Deed to Wilbur Clarence Hoehn, as recorded in Instrument No. 1994-69063 of the Official Records of Denton County, Texas, and also being all of Lots 1 thru 6, Block A of Saddle Ridge Estates, according to the Final Plat thereof recorded in Cabinet M, Page 241 of the Plat Records of Denton County, Texas, and being all of a called 100.00 acre tract of land described as First Tract and all of a called 76.691 acre tract of land described as Second Tract in a Conveyance, Assignment and Deed to MER Energy, LTD., as recorded in Instrument No. 2011- 110535 of the Official Records of Denton County, Texas, in a Conveyance, Assignment and Deed to Rudco Land, LLC, as recorded in Instrument No. 2017-16370 of the Official Records of Denton County, Texas, and in Conveyance, Assignment and Deed of Correction to Ira W. Silverman, Trustee of the Tachina Rudman Trust, as recorded in Instrument No. 2019-142385 of the Official Records of Denton County, Texas, and being more particularly described as follows:
BEGINNING at a mag nail set for the northwest corner of said 55.27 acre tract, common to the northeast corner of a 30 foot road dedication shown on the Final Plat of said Saddle Ridge Estates, being in the centerline of Hoehn Road, a variable width right of way, and on the southerly line of a called 160.27 acre tract of land described in a deed to Earthland Farms, LLC, as recorded in Instrument No. 2017-144271 of the Official Records of Denton County, Texas;
THENCE South 89°36'45" East, along the northerly line of said 55.27 acre tract, the southerly line of said 160.27 acre tract, the southerly line of a called 10.01 acre tract of land described in a deed to Miguel Del Rosario Vinales and Souvanna Del Rosario Vinales, as recorded in Instrument No. 2018-84116 of the Official Records of Denton County, Texas, the southerly line of a called 10.01 acre tract of land described in a deed to Christopher M. Conely and Dawn M. Conely, as recorded in Instrument No. 2019-65759 of the Official Records of Denton County, Texas, the southerly line of a called 10.01 acre tract of land described in a deed to Yadira Alvarado, as recorded in Instrument No. 2019-903 of the Official Records of Denton County, Texas, the southerly line of a called 10.01 acre tract of land described in a deed to Armando Olvera, Isidro Olvera and Olivia Olvera, as recorded in Instrument No. 2018-111054 of the Official Records of Denton County, Texas, and the centerline of said Hoehn Road, a distance of 2056.33 feet to a point for corner;

THENCE South $0^{\circ}29'54''$ West, departing the centerline of said Hoehn Road, and crossing said 55.27 acre tract, a distance of 826.73 feet to a point for corner on the southerly line of said 55.27 acre tract and on the northerly line of a called 104.5051 acre tract of land described in a deed to Charles E. Stobaugh, as recorded in Volume 2827, Page 965 of the Deed Records of Denton County, Texas;

THENCE along the common line of said 55.27 acre tract and said 104.5051 acre tract, the following courses and distances:

South $87^{\circ}03'58''$ West, a distance of 359.14 feet to a metal fence post found for an ell corner of said 55.27 acre tract, common to the northerly northwest corner of said 104.5051 acre tract;

South $2^{\circ}15'37''$ West, a distance of 183.36 feet to a 1/2 inch iron rod for the southerly southeast corner of said 55.27 acre tract, common to an ell corner of said 104.5051 acre tract;

North $89^{\circ}56'04''$ West, a distance of 1688.00 feet to a 1/2 inch iron rod with plastic cap stamped "RPLS 4561" found for the southwest corner of said 55.27 acre tract, common to the southerly northwest corner of said 104.5051 acre tract, being on the easterly line of said Lot 6;

THENCE South $0^{\circ}15'53''$ West, along the easterly line of said Lot 6 and the westerly line of said 104.5051 acre tract, a distance of 1736.32 feet to a 1/2 inch iron rod found for the southeast corner of said Lot 6, common to the southwest corner of said 104.5051 acre tract, the northwest corner of a called 145.493 acre tract of land described in a deed to FFILP Land Holdings, LLC, as recorded in Instrument No. 2019-51911 of the Official Records of Denton County, Texas, and the northeast corner of a called 26.008 acre tract of land described in a deed to Dale P. McCurley, as recorded in Volume 1041, Page 494 of the Deed Records of Denton County, Texas;

THENCE North $89^{\circ}57'58''$ West, along the southerly lines of said Lots 1 thru 6, the northerly line of said 26.008 acre tract, the northerly line of a tract of land described in a deed to Carl McCurley, Henry Thompson and V.H. Ward, Jr., as recorded in Volume 663, Page 80 of the Deed Records of Denton County, Texas, the northerly line of a called 13.004 acre tract of land described in a deed to McCurley Ranch, Ltd., as recorded in Instrument No. 1999-126276 of the Official Records of Denton County, Texas, the northerly line of a called 26.008 acre tract of land described as Tract 1 in a deed to McCurley Ranch, Ltd., as recorded in Instrument No. 1999-126276 of the Official Records of Denton County, Texas, and the northerly line of a called 78.473 acre tract of land described in a deed to Ray Sullivan Carson, as recorded in Volume 478, Page 599 of the Deed Records of Denton County, Texas, a distance of 2531.49 feet to a metal post found for the southwest corner of said Lot 1, common to the northwest corner of said 78.473 acre tract, being on the easterly line of a called 100 acre tract of land described in a deed to Adrian J. Butler, Jr., and Margaret J. Butler, as recorded in Instrument No. 1995-47603 of the Official Records of Denton County, Texas;

THENCE North $0^{\circ}14'24''$ East, along the westerly line of said Lot 1 and the easterly line of said 100 acre tract, a distance of 226.41 feet to the northeast corner of said 100 acre tract, common to the southeast corner of aforesaid Second Tract;

THENCE North 89°29'36" West, departing the westerly line of said Saddle Ridge Estates, along the southerly line of said Second Tract and the northerly line of said 100 acre tract, a distance of 2983.73 feet to a mag nail set for corner the southwest corner of said Second Tract, common to the northwest corner of said 100 acre tract, being in Lois Road, a variable width right-of-way, and on the easterly line of a called 84.23 acre tract of land described in a deed to Earthland Farms, LLC, as recorded in Instrument No. 2018-88474 of the Official Records of Denton County, Texas;

THENCE North 0°14'24" East, along the westerly lines of said First and Second Tract, the easterly line of said 84.23 acre tract, and said Lois Road, a distance of 2577.69 feet to a mag nail set for northwest corner of said First Tract, being on the northerly right-of-way line of aforesaid Hoehn Road;

THENCE South 89°55'36" East, departing said Lois Road, along the northerly line of said First Tract and the northerly right-of-way line of said Hoehn Road, a distance of 2983.71 feet to a 60D Nail found for the northeast corner of said First Tract, being on the northerly right-of-way line of Hoehn Road, a variable width right-of-way;

THENCE South 0°14'24" West, departing the northerly right-of-way line of said Hoehn Road, crossing said Hoehn Road and along the easterly line of said First Tract, a distance of 50.84 feet to the northwest corner of said Lot 1, same being on the southerly right-of-way line of said Hoehn Road;

THENCE South 89°18'18" East, departing the easterly line of said First Tract, along northerly lines of said Lots 1 thru 6, the southerly line of said 30 foot wide road dedication and the southerly right-of-way line of said Hoehn Road, a distance of 2532.73 feet to the northeast corner of said Lot 6, being on the westerly line of aforesaid 55.27 acre tract;

THENCE North 0°15'53" East, along the easterly line of said 30 foot wide road dedication, the easterly right-of-way line of said Hoehn Road, and the westerly line of said 55.27 acre tract, a distance of 30.00 feet to the POINT OF BEGINNING and containing 385.028 acres (16,771,817 square feet) of land, more or less.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7933A, Special District Local Laws Code, as added by Section 5(a) of this Act, is amended by adding Section 7933A.0307 to read as follows:

Sec. 7933A.0307. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 5(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 6. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7938A to read as follows:

CHAPTER 7938A. EAST COLLIN COUNTY MUNICIPAL UTILITY DISTRICT
NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7938A.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the East Collin County Municipal Utility District

No. 1.

Sec. 7938A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7938A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7938A.0104. CONDITIONS PRECEDENT TO CONFIRMATION ELECTION. (a) The temporary directors may not hold an election under Section 7938A.0103 until:

(1) each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district; and

(2) the district has entered into a contract with a municipality, Collin County, or another entity:

(A) for adequate supplemental police, fire, emergency, and animal control services for the district; and

(B) that is approved by the Commissioners Court of Collin County under Subsection (c).

(b) A contract under Subsection (a) may include a provision that the contract takes effect only on the approval of the Commissioners Court of Collin County and the voters in the district voting in an election held for that purpose.

(c) The Commissioners Court of Collin County shall review a contract under Subsection (a) and evaluate the supplemental police, fire, emergency, and animal control services provided in the contract. If the commissioners court determines that the contract provides adequate services, the commissioners court shall adopt a resolution stating that the contract has met the requirements of Subsection (a).

Sec. 7938A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7938A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 6(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 6(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7938A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7938A.0202, directors serve staggered four-year terms.

Sec. 7938A.0202. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 7938A.0103; or

(2) the fourth anniversary of the effective date of the section enacting this chapter.

(c) If permanent directors have not been elected under Section 7938A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 7938A.0103; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7938A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7938A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7938A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7938A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

(d) The district shall maintain all roads that the district constructs except for roads constructed by the district that another governmental entity agrees to maintain.

Sec. 7938A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7938A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 7938A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7938A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7938A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7938A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7938A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7938A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7938A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The East Collin County Municipal Utility District No. 1 initially includes all the territory contained in the following area:

TRACT 1 PROPERTY DESCRIPTION:

BEING 183.834 acres of land situated in the H. Walters Survey, Abstract No. 958, Collin County, Texas and being all of a 183.753 acre tract of land described in a Deed of Trust executed by Carl Raymond Montgomery and wife, Rheda Beth Montgomery to Paul Bennett or James Blakey, trustees, recorded in Volume 2292, Page 279 of the Deed Records of Collin County, Texas (DRCCT) and this tract being more particularly described as follows:

BEGINNING at a point for corner in a Bois D'Arc tree in the south line of a 73.279 acre tract described in a Deed to Marilyn Rice, recorded in Volume 1732, Page 369 (DRCCT), at the northwest corner of said 183.753 acre tract common to the northeast corner of a 43.635 acre tract of land described in a Deed to Raymon Webb Montgomery and Christa Carol Montgomery, recorded as Instrument No. 20131125001578440 (DRCCT), from which a steel fence post found for reference bears South 02°54'15" East a distance of 3.23 feet;

THENCE South 89°54'18" East, along the north line of said 183.753 acre tract common to the south line of said 73.279 acre tract, a distance of 372.95 feet, to a 5/8" iron rod with a yellow cap, stamped "RPLS 3963", set at an angle point thereof;

THENCE South 89°57'56" East, along the north line of said 183.753 acre tract common to the south lines of said 73.279 acre tract and the south line of a 33.279 acre tract of land described in a Deed to Amy Warren, recorded as Instrument No. 20080812000981780 (DRCCT), a distance of 1003.73 feet, to a 5/8" iron rod found for corner near the center of a creek at an exterior ell corner of said 183.753 acre tract common to an interior ell corner of said 33.279 acre tract;

THENCE Southeasterly, along the common lines of said 183.753 acre tract and 33.279 acre tract, the following courses:

South 00°09'50" West, a distance of 65.91 feet, to a 5/8" iron rod found for corner;

South 75°09'08" East, a distance of 718.73 feet, to a point for corner in a west line of a 36.1891 acre tract described in a Deed to Gene Doc Sohn and Sun Young Choi, husband and wife, and Kyoungjoon Cho and Eun Young Choi, husband and wife, recorded as Instrument No. 20141113001243240 (DRCCT) at the northeast corner of said 183.753 acre tract common to a south corner of said 33.279 acre tract, from which a 60D Nail, set for reference bears South 13°38'28" East a distance of 26.03 feet;

THENCE along the common lines of said 183.753 acre tract and said 36.1891 acre tract, the following courses:

South $00^{\circ}53'07''$ West, a distance of 32.60 feet, to a $5/8''$ iron rod found for corner;

South $82^{\circ}38'52''$ West, a distance of 22.40 feet, to a $5/8''$ iron rod found for corner;

THENCE South $00^{\circ}12'03''$ West, along an east line of said 183.753 acre tract common to the west lines of said 36.1891 acre tract, a 50.001 acre tract described in a Deed to David Reeder and wife, Becky Reeder, recorded as Instrument No. 92-0071701 (DRCCT), and Spencers Estates Addition, an Addition to Collin County, Texas, recorded in Cabinet H, Slide 622 of the Plat Records of Collin County, Texas (PRCCT), respectively, a distance of 3528.84 feet, to a $1/2''$ iron rod found for corner in the north right-of-way line of FM 1778 (a 90' a right-of-way) at the southeast corner of said 183.753 acre tract common to the southwest corner of last mentioned Addition;

THENCE South $86^{\circ}40'47''$ West, along a south line of said 183.753 acre tract common to the north right-of-way line of said FM 1778, a distance of distance of 430.99 feet, to a $5/8''$ iron rod with a yellow cap, stamped "RPLS 3963", set for corner at an exterior ell corner of said 183.753 acre tract common to the southeast corner of a 2.00 acre tract described in a Deed to Raymon W. Montgomery, recorded in Volume 2990, Page 495 (DRCCT);

THENCE along common lines of said 183.753 acre tract and said 2.00 acre tract, the following courses:

North $00^{\circ}42'56''$ West, a distance of 540.84 feet, to a $5/8''$ iron rod found for corner;

South $85^{\circ}10'46''$ West, a distance of 161.95 feet, to a $1/2''$ iron rod found for corner;

South $00^{\circ}43'58''$ East, a distance of 540.10 feet, to a $5/8''$ iron rod with a yellow cap, stamped "RPLS 3963", set for corner in the north right-of-way line of said FM 1778 at an exterior ell corner of said 183.753 acre tract common to the southwest corner of said 2.00 acre tract;

THENCE along the common lines of said 183.753 acre tract and the right-of-way lines of said FM 1778, the following courses:

South $85^{\circ}09'47''$ West, a distance of 358.92 feet, to a $5/8''$ iron rod found for corner at the beginning of a tangent curve to the right, having a radius of 2820.26 feet, and a chord which bears South $87^{\circ}45'47''$ West a distance of 255.85 feet;

Southwesterly, along said curve to the right, having a central angle of $05^{\circ}11'58''$, an arc distance of 255.94 feet, to a $5/8''$ iron rod with yellow cap, stamped "RPLS 3963", set for corner;

North $89^{\circ}38'11''$ West, a distance of 76.11 feet, to a $5/8''$ iron rod found for corner at the southeast corner of a tract of land described in a Deed to First Baptist Church of Copeville, recorded in Volume 900, Page 353 (DRCCT);

THENCE along the common lines of said 183.753 acre tract and said First Baptist Church of Copeville tract, the following courses:

North $02^{\circ}55'02''$ East, a distance of 307.96 feet, to a $5/8''$ iron rod with a yellow plastic cap, stamped "RPLS 3963", set for corner;

North 89°45'11" West, a distance of 517.40 feet, to a wooden fence post found for corner at the most eastern southeast corner of said 43.635 acre tract common to the northwest corner of said First Baptist Church of Copeville tract;

THENCE along the common lines of said 183.753 acre tract and said 43.635 acre tract, the following courses;

North 63°55'42" West, a distance of 546.96 feet, to a 5/8" iron rod found for corner;

North 19°42'16" West, a distance of 246.95 feet, to a point for corner from which an iron axle found for reference bears North 47°16'17" West, a distance of 4.36 feet;

North 88°17'53" East, a distance of 21.83 feet, to a 3/4" iron pipe found for corner;

North 05°29'46" East, a distance of 3124.24 feet, to THE POINT OF BEGINNING and containing 8,007,806 square feet, or 183.834 acres of land.

TRACT 2 PROPERTY DESCRIPTION:

BEING 43.704 acres of land situated in the H. Walters Survey, Abstract No. 958, Collin County, Texas and being all of a 43.635 acre tract of land described in a Deed to Raymon Webb Montgomery and Christa Carol Montgomery, recorded as Instrument No. 20131125001578440 of the Deed Records of Collin County, Texas (DRCCT) and this tract being more particularly described as follows:

BEGINNING at a 3/8" iron rod found in the east right-of-way line of Burlington Northern & SF Rail Road at the northwest corner of said 43.635 acre tract common to the southwest corner of a 73.279 acre tract of land described in a Deed to Marilyn Rice, recorded in Volume 1732, Page 369,(DRCCT);

THENCE South 89°23'59" East, along the north line of said 43.635 acre tract common to the south line of said 73.279 acre tract, a distance of 557.73 feet, to a point for corner in a Bois D'Arc tree at the northeast corner of said 43.635 acre tract common to the northwest corner of a 183.753 acre tract of land described in a Deed of Trust executed by Carl Raymond Montgomery and wife, Rheda Beth Montgomery to Paul Bennett or James Blakey, trustees, recorded in Volume 2292, Page 279 (DRCCT), from which a steel fence post found for reference bears South 02°54'15" East a distance of 3.23 feet;

THENCE along the common lines of said 43.635 acre tract and said 183.753 acre tract, the following courses:

South 05°29'46" West, a distance of 3124.24 feet, to a 3/4" iron pipe found for corner;

South 88°17'53" West, a distance of 21.83 feet, to a point for corner from which an iron axle found for reference bears North 47°16'17" West a distance of 4.36 feet;

South 19°42'16" East, a distance of 246.95 feet, to a 5/8" iron rod found for corner;

South 63°55'42" East, a distance of 546.96 feet, to a wooden fence post found for corner at the most eastern southeast corner of said 43.635 acre tract common to the northwest corner of a tract of land described in a Deed to First Baptist Church of Copeville, recorded in Volume 900, Page 353 (DRCCT);

THENCE South $02^{\circ}37'47''$ West, along a southeast line of said 43.635 acre tract common to the west line of said First Baptist Church of Copeville tract, a distance of 321.86 feet, to a point for corner near the base of a wood highway marker in the north right-of-way line of FM 1778 (a 60' right-of-way at this point going west), at the most southern southeast corner of said 43.635 acre tract;

THENCE North $89^{\circ}38'13''$ West, along a south line of said 43.635 acre tract common to the north right-of-way line of said FM 1778, a distance of 282.00 feet, to a point for corner at a south corner of said 43.635 acre tract common to the southeast corner of a 8.22 acre tract of land described in a Deed to Susan Annie Potter and Jon Trace Hailey, recorded as Instrument No. 20101102001194000 (DRCCT), from which a 1/2" iron rod found for reference bears North $20^{\circ}20'21''$ West a distance of 1.42 feet;

THENCE North $20^{\circ}20'21''$ West, along a southwest line of said 43.635 acre tract common to the northeast line of said 8.22 acre tract, a distance of 860.95 feet, to a wood fence post found at a common corner thereof;

THENCE South $89^{\circ}34'33''$ West, along a south line of said 43.635 acre tract common to the north line of said 8.22 acre tract, a distance of 617.61 feet, to a 5/8" iron rod found for corner at a common west corner thereof and being in the east right-of-way line of said Burlington Northern & SF Rail Road, said point being in a curve to the left, having a radius of 1960.08 feet and a chord which bears North $15^{\circ}08'31''$ East a distance of 671.75 feet;

THENCE Northeasterly, along the west lines of said 43.635 acre tract common to the east right-of-way lines of said Burlington Northern & SF Rail Road, the following courses:

Northeasterly with said curve to the left, having a central angle of $19^{\circ}44'01''$, an arc distance of 675.09 feet, to the point of tangent;

North $05^{\circ}16'30''$ East, a distance of 2468.30 feet, to THE POINT OF BEGINNING and containing 1,903,758 square feet, or 43.704 acres of land.

TRACT 3 PROPERTY DESCRIPTION:

BEING 2.002 acres of land situated in the H. Walters Survey, Abstract No. 958, Collin County, Texas and being all of a 2.00 acre tract of land described in a Deed to Raymon W. Montgomery, recorded in Volume 2990, Page 495 of the Deed Records of Collin County, Texas (DRCCT) and this tract being more particularly described as follows:

BEGINNING at a 5/8" iron rod with a yellow cap, stamped "RPLS 3963", set for corner in the north right-of-way line of FM 1778 (a 90' right-of-way) at the southeast corner of said 2.00 acre tract common to an exterior ell corner of a 183.753 acre tract of land described in a Deed of Trust executed by Carl Raymond Montgomery and wife, Rheda Beth Montgomery to Paul Bennett or James Blakey, trustees, recorded in Volume 2292, Page 279 (DRCCT);

THENCE Southwesterly along the south lines of said 2.00 acre tract common to the north right-of-way lines of said FM 1778, the following courses:

South $86^{\circ}40'47''$ West, a distance of 29.08 feet, to a 5/8" iron rod with a yellow cap, stamped "RPLS 3963", set for corner;

South 85°09'47" West, a distance of 132.67 feet, to a 5/8" iron rod with a yellow cap, stamped "RPLS 3963", set for corner at the southwest corner of said 2.00 acre tract common to an exterior ell corner of said 183.753 acre tract;

THENCE along the common lines of said 2.00 acre and 183.753 acre tracts, the following courses:

North 00°43'58" West, a distance of 540.10 feet, to a 1/2" iron rod found for corner;

North 85°10'46" East, a distance of 161.95 feet, to a 5/8" iron rod found for corner;

South 00°42'56" East, a distance of 540.84 feet, to THE POINT OF BEGINNING and containing 87,213 square feet, or 2.002 acres of land.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7938A, Special District Local Laws Code, as added by Section 6(a) of this Act, is amended by adding Section 7938A.0306 to read as follows:

Sec. 7938A.0306. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 6(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 7. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7942A to read as follows:

CHAPTER 7942A. MUSTANG RANCH MUNICIPAL UTILITY DISTRICT NO. 1
OF DENTON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7942A.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the City of Pilot Point, Texas.

(3) "Commission" means the Texas Commission on Environmental Quality.

(4) "Director" means a board member.

(5) "District" means the Mustang Ranch Municipal Utility District No. 1 of

Denton County.

Sec. 7942A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7942A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7942A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7942A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7942A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7942A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 7(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 7(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7942A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7942A.0202, directors serve staggered four-year terms.

Sec. 7942A.0202. TEMPORARY DIRECTORS. (a) On or after October 1, 2021, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 7942A.0103; or

(2) October 1, 2025.

(c) If permanent directors have not been elected under Section 7942A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 7942A.0103; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7942A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7942A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7942A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7942A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7942A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

Sec. 7942A.0306. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

(1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 7(b) of the Act enacting this chapter.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 7942A.0103 to confirm the district's creation.

(f) An order dividing the district shall:

(1) name each new district;

(2) include the metes and bounds description of the territory of each new district;

(3) appoint temporary directors for each new district; and

(4) provide for the division of assets and liabilities between or among the new districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a confirmation and directors' election as required by Section 7942A.0103. If the voters of a new district do not confirm the creation of the new district, the assets, obligations, territory, and governance of the new district revert to the original district.

(i) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 7942A.0104 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

(j) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7942A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 7942A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7942A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7942A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7942A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7942A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7942A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7942A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The Mustang Ranch Municipal Utility District No. 1 of Denton County initially includes all the territory contained in the following area:

BEING a tract of land situated in the Charles Fliesner Survey, Abstract No. 431 and the Charles Mossenton Survey, Abstract No. 808, Denton County, Texas, and being all of a called 669.40-acre tract of land conveyed to Michael Hall Shelby Revocable Family Trust, as evidenced in a Special Warranty Deed, recorded in Instrument No. 2017-35430 of the Official Records of Denton County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod with an orange cap, stamped "KAZ" found for the northwest corner of said 669.40-acre tract and the northerly, northeast corner of a called 1,028.306-acre tract of land conveyed to Bert Field, Jr., as evidenced in a Warranty Deed, recorded in Volume 729, Page 561 of the Deed Records of Denton County, Texas, same also being on the southerly right of way line of F. M. 455, an 80' wide right of way as described in a deed to the State of Texas, recorded in Volume 334, Page 119 of the Deed Records of Denton County, Texas;

THENCE South 88°35'39" East, along the northerly line of said 669.40-acre tract and the southerly right of way line of said F. M. 455, a distance of 338.12 feet to a 1/2-inch iron rod with an orange cap, stamped "KAZ" found for the beginning of a tangent curve to the right having a central angle of 09°46'00", a radius of 2,824.79 feet, a chord bearing and distance of South 83°42'39" East, 480.93 feet;

THENCE in a southeasterly direction, continuing along the northerly line of said 669.40-acre tract and the southerly right of way line of said F. M. 455, along said curve to the right, an arc distance of 481.52 feet to a point for corner;

THENCE South 78°49'39" East, continuing along the northerly line of said 669.40-acre tract and the southerly right of way line of said F. M. 455, a distance of 1,475.57 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 78°43'39" East, continuing along the northerly line of said 669.40-acre tract and the southerly right of way line of said F. M. 455, a distance of 1657.57 feet to a 1/2-inch iron rod with an orange cap, stamped "KAZ" found for the beginning of a tangent curve to the right having a central angle of 06°48'00", a radius of 3,779.72 feet, a chord bearing and distance of South 75°19'39" East, 448.32 feet;

THENCE in a southeasterly direction, continuing along the northerly line of said 669.40-acre tract and the southerly right of way line of said F. M. 455, along said curve to the right, an arc distance of 448.59 feet to a 1/2-inch iron rod with an orange cap, stamped "KAZ" found for corner;

THENCE South 71°55'39" East, continuing along the northerly line of said 669.40-acre tract and the southerly right of way line of said F. M. 455, a distance of 888.92 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for corner;

THENCE South 71°24'39" East, continuing along the northerly line of said 669.40-acre tract and the southerly right of way line of said F. M. 455, a distance of 194.87 feet to a 1/2-inch iron rod with an orange cap, stamped "KAZ" found for the northeast corner of said 669.40-acre tract, same being the northwest corner of a called Tract 2 (137.91-acres), conveyed to Sharon Anne Shelby, as evidenced in a Partition Deed, recorded in Instrument No. 2016-5887 of the Official Records of Denton County, Texas;

THENCE South 00°00'05" East, departing the southerly right of way line of said F. M. 455, along the easterly line of said 669.40-acre tract and the westerly line of said Tract 2 (137.91-acres), and generally with a barbed wire fence, a distance of 4,776.49 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set in an asphalt road, known as Hames Road, for the southeast corner of said 669.40-acre tract and the southwest corner of said Tract 2 (137.91-acres), same being on the northerly line of a called Tract 1 (87.748-acres), conveyed to TLD Willard, Ltd., as evidenced in a Special Warranty Deed, recorded in Instrument No. 2014-111011 of the Official Records of Denton County, Texas;

THENCE North 89°56'35" West, along the southerly line of said 669.40-acre tract, the northerly line of said Tract 1 (87.748-acres), and along said Hames Road, a distance of 116.68 feet to a 3/4-inch iron rod found for the northwest corner of said Tract 1 (87.748-acres) and the northeast corner of a called 12.095-acre tract of land, conveyed to Jeff D. Kappel, et ux, as evidenced in a Warranty Deed, recorded in Volume 5085, Page 1484 of the Deed Records of Denton County, Texas;

THENCE North 89°39'47" West, continuing along the southerly line of said 669.40-acre tract, the northerly line of said 12.095-acre tract and said Hames Road, a distance of 705.49 feet to a 5/8-inch iron rod found for the northwest corner of said 12.096-acre tract and the northeast corner of a called 6.05-acre tract, conveyed to Elias Loredo, el al, as evidenced in a Warranty Deed, recorded in Instrument No. 2016-92822 of the Official Records of Denton County, Texas;

THENCE North 89°35'57" West, continuing along the southerly line of said 669.40-acre tract, the northerly line of said 6.05-acre tract and said Hames Road, a distance of 708.43 feet to a 3/4-inch iron rod found in a bend of said Hames Road, for the northwest corner of said 6.05-acre tract, same being the northeast corner of a called Tract 2 (146.593-acres), conveyed to TLD Willard, Ltd., as evidenced in a Special Warranty Deed, recorded in Instrument No. 2014-111011 of the Official Records of Denton County, Texas;

THENCE North 89°28'39" West, departing said Hames Road, continuing along the southerly line of said 669.40-acre tract and the northerly line of said Tract 2 (146.593-acres), a distance of 3,408.99 feet to a 5/8-inch iron rod with a red plastic cap, stamped "KHA" set for an angle point;

THENCE North 89°38'21" West, continuing along the southerly line of said 699.40-acre tract and the northerly line of said Tract 2 (146.593-acres), passing at a distance of 82.62 feet, a found 1/2-inch iron rod, continuing for a total distance of 455.62 feet to a 1/2-inch iron rod found for the southwest corner of said 699.40-acre tract and a southeasterly corner of aforesaid 1,028.306-acre Bert Fields Jr., tract;

THENCE North 00°24'46" East, along the westerly line of said 699.40-acre tract, the easterly line of said 1,028.306-acre tract, and along a barbed wire fence, a distance of 5,855.81 feet to the POINT OF BEGINNING and containing 669.396 acres (29,158,886 square feet) of land, more or less.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7942A, Special District Local Laws Code, as added by Section 7(a) of this Act, is amended by adding Section 7942A.0307 to read as follows:

Sec. 7942A.0307. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 7(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

(e) This section takes effect October 1, 2021.

SECTION 8. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7948A to read as follows:

CHAPTER 7948A. CLEAR SKY MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7948A.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Clear Sky Municipal Utility District of Denton

County.

Sec. 7948A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7948A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7948A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7948A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7948A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7948A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 8(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 8(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7948A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7948A.0202, directors serve staggered four-year terms.

Sec. 7948A.0202. TEMPORARY DIRECTORS. (a) The temporary board consists of:

(1) Manolo "Manny" Rios;

(2) David "Mike" Boswell;

(3) Ronald Eric Robbins;

(4) Grant Walsh Devlin; and

(5) Demerius "Dee" Seals.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 7948A.0103; or

(2) September 1, 2025.

(c) If permanent directors have not been elected under Section 7948A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 7948A.0103; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7948A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7948A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7948A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7948A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7948A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7948A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

- (1) revenue other than ad valorem taxes; or
- (2) contract payments described by Section 7948A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7948A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7948A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7948A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7948A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7948A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7948A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The Clear Sky Municipal Utility District of Denton County initially includes all the territory contained in the following area:

BEING THAT CERTAIN TRACT OF LAND SITUATED IN THE T. CHAMBERS, ABSTRACT NUMBER 223, AND BEING A PORTION OF A TRACT OF LAND TO AUBREY 64 NORTH LP, A TEXAS LIMITED PARTNERSHIP, RECORDED IN INSTRUMENT NUMBER 2020-3173 OF THE OFFICIAL PUBLIC RECORDS OF DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID AUBREY 64 NORTH TRACT WITH A CURVE TO THE LEFT, AN ARC DISTANCE OF 62.71 FEET, THROUGH A CENTRAL ANGLE OF 00° 40' 50", HAVING A RADIUS OF 5,280.00 FEET, AND A LONG CHORD WHICH BEARS N 88° 15' 25" W, 62.71 FEET;

THENCE N 88° 35' 50" W, 3237.22 FEET;

THENCE N 01° 32' 58" E, 894.59 FEET;

THENCE S 88° 39' 54" E, 1967.25 FEET;

THENCE S 01° 48' 01" W, 325.45 FEET;

THENCE S 87° 02' 21" E, 447.69 FEET;

THENCE N 89° 38' 44" E, 718.09 FEET;

THENCE S 85° 43' 18" E, 164.97 FEET;

THENCE S 01° 38' 33" W, 65.30 FEET;

THENCE S 01° 13' 27" E, 100.10 FEET;

THENCE S 01° 38' 33" W, 408.13 FEET TO THE POINT OF BEGINNING AND CONTAINING 2,520,613 SQUARE FEET OR 57.865 ACRES OF LAND MORE OR LESS.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7948A, Special District Local Laws Code, as added by Section 8(a) of this Act, is amended by adding Section 7948A.0306 to read as follows:

Sec. 7948A.0306. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 8(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

(e) This section takes effect September 1, 2021.

SECTION 9. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7945A to read as follows:

CHAPTER 7945A. MUSTANG RIDGE MUNICIPAL UTILITY DISTRICT
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7945A.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Commission" means the Texas Commission on Environmental Quality.
- (3) "Director" means a board member.
- (4) "District" means the Mustang Ridge Municipal Utility District.

Sec. 7945A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7945A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7945A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7945A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7945A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7945A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 9(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 9(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

- (1) organization, existence, or validity;
- (2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7945A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7945A.0202, directors serve staggered four-year terms.

Sec. 7945A.0202. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 7945A.0103; or

(2) the fourth anniversary of the effective date of the section enacting this chapter.

(c) If permanent directors have not been elected under Section 7945A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 7945A.0103; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7945A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7945A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7945A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7945A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7945A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7945A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 7945A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7945A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7945A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7945A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7945A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7945A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7945A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The Mustang Ridge Municipal Utility District initially includes all the territory contained in the following area:

BEING A 303.2 ACRE TRACT OUT OF THE JOSE SEFERINA MORA SURVEY NUMBER 6, ABSTRACT NUMBER 522, TRAVIS COUNTY, TEXAS, BEING THE CONSOLIDATION OF SIX TRACTS OF LAND DESCRIBED HEREIN, BEING ALL OF A CALLED 91.81 ACRE TRACT, DESCRIBED TO ALTON BROOKS LAWS, JR. AS RECORDED IN VOLUME 10031, PAGE 431 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS [R.P.R.T.C.T.], AND BEING ALL OF A CALLED 107.33 ACRE TRACT, CONVEYED TO LAWS FAMILY PARTNERSHIP, LTD., AS RECORDED IN DOCUMENT NUMBER 2008202782 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS [O.P.R.T.C.T.], AND BEING ALL OF A CALLED 92.775 TRACT, CONVEYED TO ALTON B. LAWS JR. AND WIFE, JOYCE KING LAWS, AS RECORDED IN VOLUME 3931, PAGE 2021 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS [D.R.T.C.T.], AND BEING ALL OF A CALLED 6.00 ACRES, CONVEYED TO ALTON B. LAWS, III, AS RECORDED IN DOCUMENT NUMBER 2001109391 [O.P.R.T.C.T.], AND BEING ALL OF A CALLED 6.00 ACRES, CONVEYED TO LARRY L. LAWS AND TERRI R. LAWS, AS RECORDED IN DOCUMENT NUMBER 2000125247 [O.P.R.T.C.T.], AND BEING ALL OF A CALLED 1.00 ACRE TRACT, BEING A PORTION OF THAT 114.34 ACRE TRACT CONVEYED TO ALTON B. LAWS JR. AND WIFE, JOYCE K. LAWS, AS RECORDED IN VOLUME 174, PAGE 214 [D.R.T.C.T.], SAID 303.2 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2 inch iron rod found for the west corner of said 91.81 acre tract, same being the south corner of a called 91.784 acre tract described to MRLH, LLC, recorded in Document Number 2020178896 [O.P.R.T.C.T.], same being on the northeast line of a called 223.25 acre tract, described to H. Philip Whitworth, Jr., described in Volume 12605, Page 836 [O.P.R.T.C.T.],

THENCE, N42°21'15"E, along the common line of said 91.81 acre tract and said 91.7984 acre tract, a distance of 3,395.26 feet to a 60D nail found for the north corner of said 91.81 acre tract, same being the east corner of said 91.7984 acre tract, also in the southwest right-of-way of Old Lockhart Highway, a 50-foot wide right-of-way, recorded in Document Number 2000125247 [O.P.R.T.C.T.],

THENCE with the common lines of said right-of-way, said 91.81 acre tract, said 6.00 acre Larry L. Laws tract, said 107.33 acre tract, and said 92.775 acre tract, the following three (3) courses and distances:

- 1) S47°20'14"E, a distance of 1,465.76 feet to an angle point,
- 2) N42°02'10"E, a distance of 27.63 feet to an angle point, and
- 3) S48°15'17"E, a distance of 2,408.01 feet to a 6 inch cedar fence post, found

at the east corner of said 92.775 acre tract and the tract described herein, same being a point on the said southwest right-of-way of Old Lockhart Highway, and being on the northwest right-of-way of Elm Grove Road, a variable width right-of-way, described in Volume 3426, Page 1348 [D.R.T.C.T.];

THENCE, S43°03'48"W, along the common line of said 92.775 acre tract, said 6.00 acre Alton B. Laws tract, and the northwest right-of-way of said Elm Grove Road, a distance of 3,469.91 feet to 1/2-inch iron rod found for the south corner of said 92.775 acre tract, and the south corner of the tract described herein, same being the northerly southeast corner of Lot 2, Elm Grove Estates, a plat thereof recorded in Volume 92, Pages 263-264 of the Plat Records of Travis County, Texas, [P.R.T.C.T.];

THENCE, N47°12'40"W, along the common line of said 91.775 acre tract and said 107.33 acre tract, said 91.81 acre tract, said Lot 2, and said 223.25 acre tract, a distance of 3,830.62 feet to the POINT OF BEGINNING of the tract described herein and containing approximately 303.2 acres.

Basis of bearing is the Texas Coordinate System, Central Zone [4203], NAD83 (2011), Epoch 2010.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7945A, Special District Local Laws Code, as added by Section 9(a) of this Act, is amended by adding Section 7945A.0306 to read as follows:

Sec. 7945A.0306. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 9(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

(e) This section 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. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.

SECTION 10. (a) Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7954A to read as follows:

CHAPTER 7954A. CLEAR SKY MUNICIPAL UTILITY DISTRICT NO. 1 OF
COOKE COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7954A.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Commission" means the Texas Commission on Environmental Quality.
- (3) "Director" means a board member.
- (4) "District" means the Clear Sky Municipal Utility District No. 1 of Cooke

County.

Sec. 7954A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7954A.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7954A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7954A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7954A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7954A.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 10(b) of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 10(b) of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7954A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 7954A.0202, directors serve staggered four-year terms.

Sec. 7954A.0202. TEMPORARY DIRECTORS. (a) On or after September 1, 2021, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 7954A.0103; or

(2) September 1, 2025.

(c) If permanent directors have not been elected under Section 7954A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 7954A.0103; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7954A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7954A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7954A.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7954A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7954A.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7954A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 7954A.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7954A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7954A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7954A.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7954A.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7954A.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7954A.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

(b) The Clear Sky Municipal Utility District No. 1 of Cooke County initially includes all the territory contained in the following area:

TRACT ONE

FIELD NOTES TO 179.94 ACRES IN THE JOHN ADDA SURVEY ABSTRACT 1177, ET AL, COOKE COUNTY, TEXAS

All that certain tract or parcel of land situated in the John Adda Survey Abstract 1177 and the E. Bradley Survey Abstract 34, Cooke County, Texas, being part of a 293.56 acre tract conveyed by Rose Marie Strickland, Trustee to Earl L. Bengtston by deed recorded in Volume 1022, page 263, of the Cooke County Official Public Records, and being more particularly described as follows:

BEGINNING at a found steel pin at the Northeast corner of said Bengtston tract, common to the Southeast corner of a tract conveyed to Alvrone Sater by deed recorded in Volume 734, page 275 of the Cooke County Deed Records, in County Road 200, on the West line of a tract conveyed to John Porter Farms, Inc. by deed recorded in Volume 626, page 123 of said Deed Records, said beginning corner further being South 00 degrees 11 minutes 30 seconds East, a distance of 1219.85 feet from the Southwest corner of the J. R. Davis Survey Abstract 334 in Cooke County.

THENCE South 00 degrees 11 minutes 30 seconds East, in said County Road 200, crossing the South line of said Adda Survey, common to the North line of said Bradley Survey, continuing a total of 2824.05 feet to a found steel pin at the Easternmost Southeast corner of said John Porter Farms tract, on the North line of a tract conveyed to Alvrone Sater, Trustee, by deed recorded in Volume 734, page 271 of said Deed Records, at a turn in said County Road 200, on the South line of Cooke County, common to the North line of Denton County as described in said Bengtston deed;

THENCE North 89 degrees 51 minutes 52 seconds West, with said North line of said Sater tract, a distance of 40.68 feet to a found steel pin;

THENCE South 89 degrees 45 minutes 12 seconds West, a distance of 3012.78 feet to a found steel pin at the Southernmost Southeast corner of a tract conveyed to Troy P. Miller, Jr. by deed recorded in Volume 805, page 156 of said Deed Records;

THENCE with an old fence line the following courses and distances:

North 07 degrees 55 minutes 34 seconds East, crossing the line common to said Adda and Bradley Surveys, a distance of 745.34 feet to a found steel pin,

North 19 degrees 20 minutes 59 seconds East, a distance of 105.60 feet to a found steel pin,

North 10 degrees 07 minutes 43 seconds East, a distance of 796.69 feet to a found steel pin,

North 72 degrees 35 minutes 49 seconds East, a distance of 201.96 feet to a found steel pin;

THENCE North 00 degrees 20 minutes 42 seconds East, along or near a fence, a distance of 1157.87 feet to a found steel pin at the Southwest corner of said Sater tract;

THENCE South 89 degrees 55 minutes 19 seconds East, along or near a fence, passing a found steel pin at a fence corner on the West line of said County Road 200, continuing a total of 2566.42 feet to the point of beginning containing 179.94 acres of land.

(c) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7954A, Special District Local Laws Code, as added by Section 10(a) of this Act, is amended by adding Section 7954A.0306 to read as follows:

Sec. 7954A.0306. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(d) Section 10(c) is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

(e) This section takes effect September 1, 2021.

SECTION 11. (a) The legal notice of the intention to file bills creating each district described by this Act has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and a copy of a bill to create each district described by this Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to each bill to create each district described by this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of each bill to create each district described by this Act are fulfilled and accomplished.

SECTION 12. Except as otherwise provided by this Act, 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. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.

The amendment to **CSHB 4627** was read.

Senator Springer offered the following amendment to Floor Amendment No. 1:

Floor Amendment No. 2

Amend Amendment No. 1 by Springer to **CSHB 4627** (87R29385) as follows:

(1) In SECTION 3(a) of the amendment, adding Chapter 7913A, Special District Local Laws Code, strike page 41, line 28 through page 42, line 7 and substitute the following:

Sec. 7913A.0202. TEMPORARY DIRECTORS. (a) The temporary board consists of:

- (1) Aaron Horvitz;
- (2) Onyinyechi Muilenburg;
- (3) Christine Harris;
- (4) Regan John O'Connor; and
- (5) Carol J Wooldridge.

(b) Temporary directors serve until the earlier of:

- (1) the date permanent directors are elected under Section 8080.0103; or
- (2) the fourth anniversary of the effective date of the Act enacting this

chapter.

(2) In SECTION 3(e) of the amendment, stating the effective date for the section, strike page 49, line 25.

(3) In SECTION 5 of the amendment, stating the metes and bounds for the Northwest Denton County Municipal Utility District No. 1, strike page 70, line 11 through page 74, line 24 and substitute the following:

NORTHWEST DENTON COUNTY MUNICIPAL UTILITY DISTRICT NO.1

TRACT 1

BEING a tract of land situated in the William Mason Survey, Abstract No. 801, Denton County, Texas, and being all of Lots 1 thru 4 and portions of Lots 5 and 6, Block A of Saddle Ridge Estates, according to the Final Plat thereof recorded in Cabinet M, Page 241 of the Plat Records of Denton County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the southeast corner of said Lot 6, common to the southwest corner of a called 104.5051 acre tract of land described in a deed to Charles E. Stobaugh, as recorded in Volume 2827, Page 965 of the Deed

Records of Denton County, Texas, the northwest corner of a called 145.493 acre tract of land described in a deed to FFILP Land Holdings, LLC, as recorded in Instrument No. 2019-51911 of the Official Records of Denton County, Texas, and the northeast corner of a called 26.008 acre tract of land described in a deed to Dale P. McCurley, as recorded in Volume 1041, Page 494 of the Deed Records of Denton County, Texas; THENCE North 89°57'58" West, along the southerly lines of said Lots 1 thru 6, the northerly line of said 26.008 acre tract, the northerly line of a tract of land described in a deed to Carl McCurley, Henry Thompson and V.H. Ward, Jr., as recorded in Volume 663, Page 80 of the Deed Records of Denton County, Texas, the northerly line of a called 13.004 acre tract of land described in a deed to McCurley Ranch, Ltd., as recorded in Instrument No. 1999-126276 of the Official Records of Denton County, Texas, the northerly line of a called 26.008 acre tract of land described as Tract 1 in a deed to McCurley Ranch, Ltd., as recorded in Instrument No. 1999-126276 of the Official Records of Denton County, Texas, and the northerly line of a called 78.473 acre tract of land described in a deed to Ray Sullivan Carson, as recorded in Volume 478, Page 599 of the Deed Records of Denton County, Texas, a distance of 2531.49 feet to a metal post found for the southwest corner of said Lot 1, common to the northwest corner of said 78.473 acre tract, being on the easterly line of a called 100 acre tract of land described in a deed to Adrian J. Butler, Jr., and Margaret J. Butler, as recorded in Instrument No. 1995-47603 of the Official Records of Denton County, Texas;

THENCE North 0°14'24" East, along the westerly line of said Lot 1, the easterly line of said 100 acre tract, and the easterly lines of a called 100.00 acre tract of land described as First Tract and a called 76.691 acre tract of land described as Second Tract in a deed to M.B. Rudman and Alvrone Sater Trust No. 3, as recorded in Volume 963, Page 78 of the Deed Records of Denton County, Texas, a distance of 2775.82 feet to the northwest corner of said Lot 1, common to the southwest corner of a 30 foot wide road dedication as shown on the Final Plat of aforesaid Saddle Ridge Estates, same being on the southerly right-of-way line of Hoehn Road, a variable width right-of-way;

THENCE South 89°18'18" East, departing the easterly line of said First Tract, along northerly lines of said Lots 1 thru 5, the southerly line of said 30 foot wide road dedication and the southerly right-of-way line of said Hoehn Road, a distance of 1879.75 feet to a point for corner on the westerly line of the City of Sanger ETJ as shown on its GIS Map as of May 6, 2021;

THENCE South, departing the northerly line of said Lot 5, the southerly line of said 30 foot wide road dedication and the southerly right-of-way line of said Hoehn Road, and crossing said Lot 5 and along the westerly line of said City of Sanger ETJ, a distance of 389.56 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 24°26'28", a radius of 5350.00 feet, a chord bearing and distance of South 16°26'37" East, 2264.92 feet;

THENCE in a southeasterly direction continuing across said Lot 5 and along the westerly line of said City of Sanger ETJ, and crossing said Lot 6 and with said curve to the left, an arc distance of 2282.21 feet to a point for corner on the easterly line of said Lot 6 and the westerly line of said 104.5051 acre tract;

THENCE South $0^{\circ}15'53''$ West, along the easterly line of said Lot 6 and the westerly line of said 104.5051 acre tract, a distance of 192.66 feet to the POINT OF BEGINNING and containing 134.280 acres (5,849,251 square feet) of land, more or less.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

NORTHWEST DENTON COUNTY MUNICIPAL UTILITY DISTRICT NO.1
TRACT 2

BEING a tract of land situated in the B.B.B. & C.R.R. Co. Survey, Abstract No. 199 and the B.B.B. & C.R.R. Co. Survey, Abstract No. 1457, Denton County, Texas, and being all of a called 100.00 acre tract of land described as First Tract and all of a called 76.691 acre tract of land described as Second Tract in a Conveyance, Assignment and Deed to MER Energy, LTD., as recorded in Instrument No. 2011-110535 of the Official Records of Denton County, Texas, in a Conveyance, Assignment and Deed to Rudco Land, LLC, as recorded in Instrument No. 2017-16370 of the Official Records of Denton County, Texas, and in Conveyance, Assignment and Deed of Correction to Ira W. Silverman, Trustee of the Tachina Rudman Trust, as recorded in Instrument No. 2019-142385 of the Official Records of Denton County, Texas, and being more particularly described as follows:

BEGINNING at a 60D Nail found for the northeast corner of said First Tract, being on the northerly right-of-way line of Hoehn Road, a variable width right-of-way;

THENCE South $0^{\circ}14'24''$ West, departing the northerly right-of-way line of said Hoehn Road, crossing said Hoehn Road and along the easterly line of said First Tract, passing at a distance of 20.84 feet a 1/2 inch iron rod found for the northwest corner of Saddle Ridge Estates, according to the plat thereof recorded in Cabinet M, Slide 241 of the Plat Records of Denton County, Texas, and continuing along the same course and along the westerly line of said Saddle Ridge Estates and the easterly line of said Second Tract, for a total distance of 2600.25 feet to 5/8 inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said Second Tract, common to the northeast corner of a called 100 acre tract of land described in a deed to Adrian J. Butler, Jr., and Margaret J. Butler, as recorded in Instrument No. 1995-47603 of the Official Records of Denton County, Texas, from which, a wood post found for witness bears South $87^{\circ}24'$ West, 4.7 feet;

THENCE North $89^{\circ}29'36''$ West, departing the westerly line of said Saddle Ridge Estates, along the southerly line of said Second Tract and the northerly line of said 100 acre tract, a distance of 2983.73 feet to a mag nail set for corner the southwest corner of said Second Tract, common to the northwest corner of said 100 acre tract, being in Lois Road, a variable width right-of-way, and on the easterly line of a called 84.23 acre tract of land described in a deed to Earthland Farms, LLC, as recorded in Instrument No. 2018-88474 of the Official Records of Denton County, Texas;

THENCE North $0^{\circ}14'24''$ East, along the westerly lines of said First and Second Tract, the easterly line of said 84.23 acre tract, and said Lois Road, a distance of 2577.69 feet to a mag nail set for northwest corner of said First Tract, being on the northerly right-of-way line of said Hoehn Road;

THENCE South 89°55'36" East, departing said Lois Road, along the northerly line of said First Tract and the northerly right-of-way line of said Hoehn Road, a distance of 2983.71 feet to the POINT OF BEGINNING and containing 177.334 (7,724,689 square feet) of land, more or less.

The amendment to Floor Amendment No. 1 to **CSHB 4627** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

Question recurring on the adoption of Floor Amendment No. 1 to **CSHB 4627**, the amendment as amended was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1 as amended.

CSHB 4627 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.

COMMITTEE SUBSTITUTE HOUSE BILL 4627 ON THIRD READING

Senator Springer moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4627** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

VOTE RECONSIDERED ON COMMITTEE SUBSTITUTE HOUSE BILL 4305

On motion of Senator Blanco and by unanimous consent, the vote by which **CSHB 4305** was finally passed was reconsidered:

CSHB 4305, Relating to the use of certain tax revenue by certain municipalities.

Question: Shall **CSHB 4305** be finally passed?

Senator Perry offered the following amendment to the bill:

Floor Amendment No. 1 on Third Reading

Amend **CSHB 4305** (senate committee report) on third reading by adding the following appropriately numbered Sections to the bill and renumbering the subsequent SECTIONS to the bill appropriately:

SECTION _____. Sections 351.157(b), (c), and (e), Tax Code, are amended to read as follows:

(b) This section applies only to:

- (1) a municipality described by Section 351.152(3);
- (2) a municipality described by Section 351.152(6);
- (3) a municipality described by Section 351.152(7);

- (4) a municipality described by Section 351.152(10);
- (4-a) a municipality described by Section 351.152(14);
- (5) a municipality described by Section 351.152(16);
- (6) a municipality described by Section 351.152(22);
- (7) a municipality described by Section 351.152(25);
- (8) a municipality described by Section 351.152(34);
- (9) a municipality described by Section 351.152(35);
- (10) a municipality described by Section 351.152(36); and
- (11) a municipality described by Section 351.152(38).

(c) A municipality is entitled to receive revenue under Subsection (d) derived from the following types of establishments that meet the requirements of Subsections (a)(1), (2), (3), and (4):

- (1) for a municipality described by Subsection (b)(1):
 - (A) restaurants, bars, and retail establishments; and
 - (B) swimming pools and swimming facilities owned or operated by the related qualified hotel;
- (2) for a municipality described by Subsection (b)(2), restaurants, bars, and retail establishments;
- (3) for a municipality described by Subsection (b)(3), restaurants, bars, and retail establishments;
- (4) for a municipality described by Subsection (b)(4):
 - (A) restaurants, bars, and retail establishments; and
 - (B) swimming pools and swimming facilities owned or operated by the related qualified hotel;
- (4-a) for a municipality described by Subsection (b)(4-a):
 - (A) restaurants, bars, and retail establishments; and
 - (B) swimming pools and swimming facilities owned or operated by the related qualified hotel;
- (5) for a municipality described by Subsection (b)(5), restaurants, bars, and retail establishments;
- (6) for a municipality described by Subsection (b)(6), restaurants, bars, and retail establishments;
- (7) for a municipality described by Subsection (b)(7), restaurants, bars, and retail establishments;
- (8) for a municipality described by Subsection (b)(8), restaurants, bars, and retail establishments;
- (9) for a municipality described by Subsection (b)(9), restaurants, bars, and retail establishments;
- (10) for a municipality described by Subsection (b)(10):
 - (A) restaurants, bars, and retail establishments; and
 - (B) swimming pools and swimming facilities owned or operated by the related qualified hotel; and
- (11) for a municipality described by Subsection (b)(11):
 - (A) restaurants, bars, and retail establishments; and
 - (B) swimming pools and swimming facilities owned or operated by the related qualified hotel.

(e) A municipality to which this section applies is not entitled to receive revenue under Subsection (d) unless the municipality commences a qualified project under this subchapter before September 1, 2027 [~~2023~~].

The amendment to **CSHB 4305** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1 on Third Reading.

Senator Buckingham offered the following amendment to the bill:

Floor Amendment No. 2 on Third Reading

Amend **CSHB 4305** (senate committee report) on third reading by adding the following appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill appropriately:

SECTION ____. Section 352.002, Tax Code, is amended by adding Subsection (aa) to read as follows:

(aa) The commissioners court of a county that contains a headquarters and visitor center for a national historical park dedicated to a former president of the United States may impose a tax authorized by Subsection (a). The tax imposed under this subsection does not apply to a hotel located in a municipality that imposes a tax under Chapter 351 applicable to the hotel.

The amendment to **CSHB 4305** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2 on Third Reading.

CSHB 4305 as again amended was again finally passed by the following vote: Yeas 26, Nays 5.

Yeas: Alvarado, Birdwell, Blanco, Buckingham, Campbell, Eckhardt, Gutierrez, Hancock, Hinojosa, Huffman, Johnson, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Bettencourt, Creighton, Hall, Hughes, Kolkhorst.

VOTES RECONSIDERED ON HOUSE BILL 558

On motion of Senator Hall and by unanimous consent, the vote by which **HB 558** was finally passed was reconsidered:

HB 558, Relating to the taking of a blood specimen on arrest for certain intoxication offenses.

Question: Shall **HB 558** be finally passed?

On motion of Senator Hall and by unanimous consent, the vote by which **HB 558** was passed to third reading was reconsidered.

Question: Shall **HB 558** be passed to third reading?

On motion of Senator Hall and by unanimous consent, the vote by which Floor Amendment No. 1 was adopted was reconsidered.

Question: Shall Floor Amendment No. 1 to **HB 558** be adopted?

Senator Hall withdrew Floor Amendment No. 1.

HB 558 was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HB 558 was finally passed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Creighton, Eckhardt, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Lucio, Menéndez, Miles, Nelson, Paxton, Powell, Schwertner, Seliger, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Buckingham, Kolkhorst, Nichols, Perry.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4509 ON SECOND READING**

On motion of Senator Taylor and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 4509** at this time on its second reading:

CSHB 4509, Relating to instruction on informed American patriotism in public schools.

The bill was read second time and 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:

Nays: Eckhardt, Miles.

**COMMITTEE SUBSTITUTE
HOUSE BILL 4509 ON THIRD READING**

Senator Taylor moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 4509** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Gutierrez, Hall, Hancock, Hinojosa, Huffman, Hughes, Johnson, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Paxton, Perry, Powell, Schwertner, Seliger, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Eckhardt, Miles.

HOUSE BILL 1753 ON SECOND READING

On motion of Senator Schwertner and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1753** at this time on its second reading:

HB 1753, Relating to certain required reports under the Texas workers' compensation system.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 1753 ON THIRD READING

Senator Schwertner moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1753** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

COMMITTEE SUBSTITUTE HOUSE BILL 2519 ON SECOND READING

On motion of Senator Zaffirini and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2519** at this time on its second reading:

CSHB 2519, Relating to matters regarding educators, including the composition of the State Board for Educator Certification, the issuance of certain sanctions by the board, and requiring a school district to notify a teacher regarding the submission of certain complaints to the board.

The bill was read second time.

Senator Zaffirini offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2519** (senate committee printing) in SECTION 2 of the bill, in added Section 21.065(b), Education Code (page 1, lines 44 and 45), by striking "by certified mail".

The amendment to **CSHB 2519** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 2519 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.

COMMITTEE SUBSTITUTE HOUSE BILL 2519 ON THIRD READING

Senator Zaffirini moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2519** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 3289 ON SECOND READING

On motion of Senator Blanco and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3289** at this time on its second reading:

HB 3289, Relating to the penalties for a violation of a quarantine or rule to protect pecans or pecan trees from diseases or pests; increasing civil penalties.

The bill was read second time and 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:

Nays: Hancock, Hughes, Nichols, Paxton.

HOUSE BILL 3289 ON THIRD READING

Senator Blanco moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3289** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 4.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Buckingham, Campbell, Creighton, Eckhardt, Gutierrez, Hall, Hinojosa, Huffman, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Perry, Powell, Schwertner, Seliger, Springer, Taylor, West, Whitmire, Zaffirini.

Nays: Hancock, Hughes, Nichols, Paxton.

COMMITTEE SUBSTITUTE

HOUSE BILL 3006 ON SECOND READING

Senator Springer, on behalf of Senator Creighton, moved to suspend the regular order of business to take up for consideration **CSHB 3006** at this time on its second reading:

CSHB 3006, Relating to the creation of the Trinity Bay Special Utility District and the powers and duties of the Trinity Bay Conservation District; providing authority to issue bonds; providing authority to impose assessments or fees.

Senator Springer withdrew the motion to suspend the regular order of business.

HOUSE BILL 2831 ON SECOND READING

On motion of Senator Miles and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2831** at this time on its second reading:

HB 2831, Relating to the confinement in county jail of persons with intellectual or developmental disabilities.

The bill was read second time.

Senator Buckingham offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2831** (senate committee printing) as follows:

(1) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION 1. Section 511.009(a-1), Government Code, is amended to read as follows:

(a-1) A county jail that as of September 1, 2015, has incurred significant design, engineering, or construction costs to provide prisoner visitation that does not comply with a rule or procedure adopted under Subsection (a)(20), or does not have the physical plant capability to provide the in-person prisoner visitation required by a rule or procedure adopted under Subsection (a)(20), is not required to comply with any commission rule or procedure adopted under Subsection (a)(20). Any addition to or renovation of a county jail to which this subsection applies is not required to comply with any commission rule or procedure adopted under Subsection (a)(20).

The amendment to **HB 2831** was read.

Senator Buckingham withdrew Floor Amendment No. 1.

HB 2831 was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 2831 ON THIRD READING

Senator Miles moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2831** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 707 ON SECOND READING

Senator Blanco moved to suspend the regular order of business to take up for consideration **HB 707** at this time on its second reading:

HB 707, Relating to a study on expanding recovery housing in this state.

The motion prevailed by the following vote: Yeas 25, Nays 6.

Yeas: Alvarado, Bettencourt, Blanco, Buckingham, Campbell, Eckhardt, Gutierrez, Hall, Hinojosa, Huffinan, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Seliger, Taylor, West, Whitmire, Zaffirini.

Nays: Birdwell, Creighton, Hancock, Hughes, Schwertner, Springer.

The bill was read second time and was passed to third reading by the following vote: Yeas 25, Nays 6. (Same as previous roll call)

HOUSE BILL 707 ON THIRD READING

Senator Blanco moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 707** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 6.

Yeas: Alvarado, Bettencourt, Blanco, Buckingham, Campbell, Eckhardt, Gutierrez, Hall, Hinojosa, Huffman, Johnson, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Paxton, Perry, Powell, Seliger, Taylor, West, Whitmire, Zaffirini.

Nays: Birdwell, Creighton, Hancock, Hughes, Schwertner, Springer.

The bill was read third time and was passed by the following vote: Yeas 25, Nays 6. (Same as previous roll call)

HOUSE BILL 4124 ON SECOND READING

On motion of Senator Perry and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 4124** at this time on its second reading:

HB 4124, Relating to student enrollment in certain special-purpose districts and the allotment under the public school finance system for those districts.

The bill was read second time.

Senator Perry offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 4124** by adding the following appropriately numbered SECTIONS to the bill and renumbering the subsequent SECTIONS of the bill appropriately:

SECTION ____ . Section 11.1511(b), Education Code, is amended to read as follows:

(b) The board shall:

(1) seek to establish working relationships with other public entities to make effective use of community resources and to serve the needs of public school students in the community;

(2) adopt a vision statement and comprehensive goals for the district and the superintendent and monitor progress toward those goals;

(3) establish performance goals for the district concerning:

(A) the academic and fiscal performance indicators under Subchapters C, D, and J, Chapter 39; and

(B) any performance indicators adopted by the district;

(4) ensure that the superintendent:

(A) is accountable for achieving performance results;

(B) recognizes performance accomplishments; and

(C) takes action as necessary to meet performance goals;

(5) adopt a policy to establish a district- and campus-level planning and decision-making process as required under Section 11.251;

(6) publish an annual educational performance report as required under Section 39.306;

(7) adopt an annual budget for the district as required under Section 44.004;

(8) adopt a tax rate each fiscal year as required under Section 26.05, Tax Code;

(9) monitor district finances to ensure that the superintendent is properly maintaining the district's financial procedures and records;

(10) ensure that district fiscal accounts are audited annually as required under Section 44.008;

(11) publish an end-of-year financial report for distribution to the community;

(12) conduct elections as required by law;

(13) by rule, adopt a process through which district personnel, students or the parents or guardians of students, and members of the public may obtain a hearing from the district administrators and the board regarding a complaint that must:

(A) unless otherwise provided by law, include :

(i) an initial administrative hearing; and

(ii) an opportunity to appeal the administrative decision following

the initial hearing; and

(B) unless otherwise agreed to by the parties, provide for a resolution of the complaint not later than 120 calendar days after the date on which the complaint was filed;

(14) make decisions relating to terminating the employment of district employees employed under a contract to which Chapter 21 applies, including terminating or not renewing an employment contract to which that chapter applies; and

(15) carry out other powers and duties as provided by this code or other law.

SECTION ____. The board of trustees of a school district shall adopt a process for a hearing in accordance with Section 11.1511(b), Education Code, as amended by this Act, as soon as practicable after the effective date of this Act.

The amendment to **HB 4124** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

Senator Perry offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 4124** by adding the following appropriately numbered SECTIONS to the bill and renumbering the subsequent SECTIONS of the bill appropriately:

SECTION ____. Section 38.154, Education Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) A school district or open-enrollment charter school may include any person licensed under Chapter 201 or 453, Occupations Code, as a member of the district or charter school concussion oversight team, provided that the person meets the training requirement under Subsection (c).

SECTION ____. Section 38.156, Education Code, is amended to read as follows:

Sec. 38.156. REMOVAL FROM PLAY IN PRACTICE OR COMPETITION FOLLOWING CONCUSSION. A student shall be removed from an interscholastic athletics practice or competition immediately if one of the following persons believes the student might have sustained a concussion during the practice or competition:

- (1) a coach;
- (2) a physician;
- (3) a licensed health care professional;
- (4) a person licensed under Chapter 201 or 453, Occupations Code;
- (5) a school nurse; or
- (6) the student's parent or guardian or another person with legal authority to make medical decisions for the student.

The amendment to **HB 4124** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

HB 4124 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.

HOUSE BILL 4124 ON THIRD READING

Senator Perry moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 4124** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

HOUSE BILL 1526 ON SECOND READING

On motion of Senator Campbell and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1526** at this time on its second reading:

HB 1526, Relating to cemeteries in certain municipalities.

The bill was read second time and was passed to third reading by a viva voce vote.

All Members are deemed to have voted "Yea" on the passage to third reading.

HOUSE BILL 1526 ON THIRD READING

Senator Campbell moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1526** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**COMMITTEE SUBSTITUTE
HOUSE BILL 3898 ON SECOND READING**

On motion of Senator Huffman and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 3898** at this time on its second reading:

CSHB 3898, Relating to the funding of public retirement systems.

The bill was read second time.

Senator Huffman offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3898** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 802.109, Government Code, is amended by amending Subsections (a), (d), (e), (f), and (h) and adding Subsection (e-1) to read as follows:

(a) Except as provided by Subsection (e) and subject to Subsections (c) and (k), a public retirement system shall select an independent firm with substantial experience in evaluating institutional investment practices and performance to evaluate the appropriateness, adequacy, and effectiveness of the retirement system's investment practices and performance and to make recommendations for improving the retirement system's investment policies, procedures, and practices. Each evaluation must include:

(1) a summary of the independent firm's experience in evaluating institutional investment practices and performance and a statement that the firm's experience meets the experience required by this subsection;

(2) a statement indicating the nature of any existing relationship between the independent firm and the public retirement system and confirming that the firm and any related entity are not involved in directly or indirectly managing the investments of the system;

(3) a list of the types of remuneration received by the independent firm from sources other than the public retirement system for services provided to the system;

(4) a statement identifying any potential conflict of interest or any appearance of a conflict of interest that could impact the analysis included in the evaluation due to an existing relationship between the independent firm and:

(A) the public retirement system; or

(B) any current or former member of the governing body of the system;

and

(5) an explanation of the firm's determination regarding whether to include a recommendation for each of the following evaluated matters:

(A) an analysis of any investment policy or strategic investment plan adopted by the retirement system and the retirement system's compliance with that policy or plan;

(B) ~~(2)~~ a detailed review of the retirement system's investment asset allocation, including:

(i) ~~(A)~~ the process for determining target allocations;

(ii) ~~[(B)]~~ the expected risk and expected rate of return, categorized by asset class;

(iii) ~~[(C)]~~ the appropriateness of selection and valuation methodologies of alternative and illiquid assets; and

(iv) ~~[(D)]~~ future cash flow and liquidity needs;

(C) ~~[(3)]~~ a review of the appropriateness of investment fees and commissions paid by the retirement system;

(D) ~~[(4)]~~ a review of the retirement system's governance processes related to investment activities, including investment decision-making processes, delegation of investment authority, and board investment expertise and education; and

(E) ~~[(5)]~~ a review of the retirement system's investment manager selection and monitoring process.

(d) A public retirement system shall conduct the evaluation described by Subsection (a):

(1) once every three years, if the total assets of the retirement system ~~[has total assets the book value of which,]~~ as of the last day of the preceding [last] fiscal year ~~were [considered in an evaluation under this section, was]~~ at least \$100 million; or

(2) once every six years, if the total assets of the retirement system ~~[has total assets the book value of which,]~~ as of the last day of the preceding [last] fiscal year ~~were [considered in an evaluation under this section, was]~~ at least \$30 million and less than \$100 million.

(e) A public retirement system is not required to conduct the evaluation described by Subsection (a) if the total assets of the retirement system ~~[has total assets the book value of which,]~~ as of the last day of the preceding fiscal year ~~were[, was]~~ less than \$30 million.

(e-1) Not later than the 30th day after the date an independent firm completes an evaluation described by Subsection (a), the independent firm shall:

(1) submit to the public retirement system for purposes of discussion and clarification a substantially completed preliminary draft of the evaluation report; and

(2) request in writing that the system, on or before the 30th day after the date the system receives the preliminary draft, submit to the firm:

(A) a description of any action taken or expected to be taken in response to a recommendation made in the evaluation; and

(B) any written response of the system that the system wants to accompany the final evaluation report.

(f) The independent firm shall file the final evaluation report, including the evaluation results and any response received from the public retirement system, [A report of an evaluation under this section must be filed] with the governing body of the ~~[public retirement]~~ system:

(1) not earlier than the 31st day after the date on which the preliminary draft is submitted to the system; and

(2) not later than the later of:

(A) the 60th day after the date on which the preliminary draft is submitted to the system; or

(B) May 1 in the ~~[of each]~~ year following the year in which the system is evaluated under Subsection (a) ~~[(d)]~~.

(h) A governmental entity that is the employer of active members of a public retirement system evaluated under Subsection (a) may pay all or part of the costs of the evaluation. The [A] public retirement system shall pay any remaining unpaid [the] costs of the [each] evaluation [of the system under this section].

SECTION _____. Section 802.109, Government Code, as amended by this Act, applies only to an evaluation commenced on or after the effective date of this Act. An evaluation commenced before the effective date of this Act is governed by the law in effect on the date the evaluation was commenced, and the former law is continued in effect for that purpose.

The amendment to **CSHB 3898** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

CSHB 3898 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.

COMMITTEE SUBSTITUTE HOUSE BILL 3898 ON THIRD READING

Senator Huffman moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 3898** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

COMMITTEE SUBSTITUTE HOUSE BILL 133 ON SECOND READING

On motion of Senator Kolkhorst and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 133** at this time on its second reading:

CSHB 133, Relating to the provision of certain benefits under Medicaid and the Healthy Texas Women program, including the transition of case management for children and pregnant women program services and Healthy Texas Women program services to a managed care program.

The bill was read second time and 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:

Nays: Hall.

**COMMITTEE SUBSTITUTE
HOUSE BILL 133 ON THIRD READING**

Senator Kolkhorst moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 133** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 1.

Nays: Hall.

RECESS AND MOTION TO ADJOURN

On motion of Senator Whitmire and by unanimous consent, the Senate at 3:12 a.m. Thursday, May 27, 2021, agreed to recess until 3:30 a.m. today for the Local and Uncontested Calendar Session.

The Senate further agreed to adjourn, in memory of George Floyd, upon conclusion of the Local and Uncontested Calendar Session, until 1:30 p.m. today.

AFTER RECESS

The Senate met at 4:00 a.m. and was called to order by Senator Springer.

**SESSION HELD FOR
LOCAL AND UNCONTESTED CALENDAR**

The Presiding Officer announced that the time had arrived to consider bills and resolutions placed on the Local and Uncontested Calendar.

Pursuant to Senate Rule 9.03(d), the following bills and resolutions were laid before the Senate in the order listed, read second time, amended where applicable, passed to engrossment or third reading, read third time, and passed. The votes on passage to engrossment or third reading, suspension of the Constitutional Three-day Rule, and final passage are indicated after each caption. All Members are deemed to have voted "Yea" on viva voce votes unless otherwise indicated.

HB 222 (Springer)

Relating to liability of burn bosses in connection with certain prescribed burns.
(viva voce vote) (31-0) (31-0)

HB 465 (Huffman)

Relating to changing the eligibility for release on parole of certain inmates serving sentences for trafficking offenses involving one or more child victims.
(viva voce vote) (31-0) (31-0)

HB 787 (Miles)

Relating to conditions of community supervision prohibiting contact with certain persons.
(viva voce vote) (31-0) (31-0)

CSHB 1027 (Creighton)

Relating to the disclosure of certain information regarding course materials by public institutions of higher education.

(viva voce vote) (31-0) (31-0)

HB 1115 (Springer)

Relating to the designation of a portion of State Highway 114 in Wise County as the Sergeant Randy D. White Memorial Highway.

(viva voce vote) (31-0) (31-0)

HB 1193 (Whitmire)

Relating to the jurisdiction of a juvenile court over certain persons and to the sealing and nondisclosure of certain juvenile records.

(viva voce vote) (31-0) (31-0)

HB 1321 (Nichols)

Relating to the designation of a portion of State Highway 198 in Henderson County as the Deputy Sheriff Tony Ogburn and Deputy Sheriff Paul Habelt Memorial Highway.

(viva voce vote) (31-0) (31-0)

CSHB 1410 (Creighton)

Relating to the issuance of bonds by certain conservation and reclamation districts.

(viva voce vote) (29-2) "Nays" Hall, Hughes (29-2) "Nays" Hall, Hughes

CSHB 1480 (Kolkhorst)

Relating to the protection of animal and crop facilities; creating a criminal offense.

(viva voce vote) (31-0) (31-0)

HB 1554 (Buckingham)

Relating to use of project funds of municipal development districts.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 1558 (Johnson)

Relating to the system by which an application for a low income housing tax credit is scored.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 1564 (Blanco)

Relating to the appointment of a receivership for and disposition of certain platted lots that are abandoned, unoccupied, and undeveloped in certain counties.

(viva voce vote) (31-0) (31-0)

CSHB 1659 (Creighton)

Relating to the amendment of a residential subdivision's declaration to affect certain types of property located in the subdivision.

(viva voce vote) (31-0) (31-0)

HB 1706 (Huffman)

Relating to a specialty court program to provide victim services in sexual assault cases.

(viva voce vote) (31-0) (31-0)

HB 1966 (Powell)

Relating to the designation of July as Uterine Fibroids Awareness Month.
(viva voce vote) (31-0) (31-0)

HB 2063 (Schwertner)

Relating to the establishment of a state employee family leave pool.
(viva voce vote) (31-0) (31-0)

HB 2201 (Nichols)

Relating to the location of pits used in the production of oil and gas.
(viva voce vote) (31-0) (31-0)

CSHB 2205 (Schwertner)

Relating to applicability of the International Swimming Pool and Spa Code to certain pools, spas, and other swimming areas.
(viva voce vote) (31-0) (31-0)

HB 2235 (Schwertner)

Relating to the creation of the 7S Ranch Municipal Utility District; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.
(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 2448 (Hinojosa)

Relating to the verification of the incarceration of an accused person in a criminal case for the purpose of discharging a surety's liability on a bail bond.
(viva voce vote) (31-0) (31-0)

HB 2521 (Nichols)

Relating to the designation of State Loop 256 in Palestine as the Bascom W. Bentley III Memorial Loop.
(viva voce vote) (31-0) (31-0)

HB 2535 (Perry)

Relating to the appraisal for ad valorem tax purposes of real property that includes certain improvements used for the noncommercial production of food for personal consumption.
(viva voce vote) (31-0) (31-0)

HB 2595 (Nelson)

Relating to a parity complaint portal and educational materials and parity law training regarding benefits for mental health conditions and substance use disorders to be made available through the portal and otherwise; designating October as mental health condition and substance use disorder parity awareness month.
(viva voce vote) (31-0) (31-0)

HB 2633 (Huffman)

Relating to resources provided to human trafficking victims and the establishment of the trafficked persons grant program.
(viva voce vote) (31-0) (31-0)

HB 2730 (Kolkhorst)

Relating to the acquisition of real property by an entity with eminent domain authority and the regulation of easement or right-of-way agents.

(viva voce vote) (31-0) (31-0)

HB 2803 (Huffman)

Relating to a commercial landlord's or tenant's remedies regarding certain unlawful activities in a multiunit commercial property.

(viva voce vote) (31-0) (31-0)

HB 2807 (Perry)

Relating to the designation of a portion of Farm-to-Market Road 570 in Eastland County as the Deputy Kenneth Maltby Memorial Highway.

(viva voce vote) (31-0) (31-0)

HB 2835 (Springer)

Relating to the powers and duties of the Morningstar Ranch Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 2850 (Springer)

Relating to the liability of certain volunteers who provide veterinary care or treatment and certain confidential or privileged information related to veterinary care or treatment.

(viva voce vote) (31-0) (31-0)

CSHB 2857 (Hancock)

Relating to certain information regarding taxpayers subject to an audit that is provided to members of the public.

(viva voce vote) (31-0) (31-0)

HB 2950 (Huffman)

Relating to the composition of and actions transferred by the judicial panel on multidistrict litigation.

(viva voce vote) (31-0) (31-0)

HB 2951 (Kolkhorst)

Relating to the appointment and removal of directors of a levee improvement district; validating certain appointments and actions of certain levee improvement districts.

(viva voce vote) (31-0) (31-0)

HB 3009 (Zaffirini)

Relating to child custody evaluations.

(viva voce vote) (31-0) (31-0)

(Senator Menéndez in Chair)

HB 3115 (Buckingham)

Relating to the release of a judgment lien on homestead property.

(viva voce vote) (31-0) (31-0)

HB 3135 (Eckhardt)

Relating to the powers and duties, authority to issue bonds, and authority to impose a tax of the SH130 Municipal Management District No. 1.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 3140 (Kolkhorst)

Relating to the creation of the Harris-Waller Counties Municipal Utility District No. 7; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 3217 (Nichols)

Relating to the authority of certain counties to impose a hotel occupancy tax and the use of revenue from that tax.

(viva voce vote) (27-4) "Nays" Creighton, Hall, Hughes, Kolkhorst (27-4) "Nays" Creighton, Hall, Hughes, Kolkhorst

HB 3257 (Alvarado)

Relating to the creation of the Texas Holocaust, Genocide, and Antisemitism Advisory Commission.

(viva voce vote) (31-0) (31-0)

CSHB 3286 (Alvarado)

Relating to the overnight parking of a commercial motor vehicle near certain apartment complexes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 3324 (Blanco)

Relating to the designation of a portion of Interstate Highway 10 as the U.S. Border Patrol Agent Rogelio Martinez Memorial Highway.

(viva voce vote) (31-0) (31-0)

HB 3374 (Paxton)

Relating to the requirement to compare and verify signatures when renting a motor vehicle.

(viva voce vote) (31-0) (31-0)

HB 3433 (Hughes)

Relating to prohibited discrimination on the basis of an individual's political affiliation or expression by certain insurers.

(viva voce vote) (31-0) (31-0)

HB 3436 (Kolkhorst)

Relating to the creation of the Waller County Municipal Utility District No. 40; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 3512 (Schwertner)

Relating to the designation of portions of the state highway system as memorial highways for certain deceased peace officers.

(viva voce vote) (31-0) (31-0)

HB 3521 (Huffman)

Relating to the definition of coercion for purposes of trafficking of persons.

(viva voce vote) (31-0) (31-0)

HB 3530 (Johnson)

Relating to the nonsubstantive revision of certain local laws concerning water and wastewater special districts, including a conforming amendment.

(viva voce vote) (31-0) (31-0)

HB 3584 (Buckingham)

Relating to monuments, markers, medallions, and antiquities controlled by or in the custody of the Texas Historical Commission; authorizing civil penalties.

(viva voce vote) (31-0) (31-0)

HB 3607 (Johnson)

Relating to nonsubstantive additions to, revisions of, and corrections in enacted codes, to the nonsubstantive codification or disposition of various laws omitted from enacted codes, and to conforming codifications enacted by the 86th Legislature to other Acts of that legislature.

(viva voce vote) (31-0) (31-0)

HB 3630 (Creighton)

Relating to the designation of a portion of State Highway 242 in Montgomery County as the Sergeant Stacey Baumgartner Memorial Highway.

(viva voce vote) (31-0) (31-0)

CSHB 3665 (Blanco)

Relating to expanding the definition of bicycle to include devices with more than two wheels, including to accommodate modifications necessary for adaptive riding by persons with disabilities.

(viva voce vote) (31-0) (31-0)

HB 3833 (Hancock)

Relating to the appraisal of certain real property for ad valorem tax purposes.

(viva voce vote) (31-0) (31-0)

CSHB 4018 (Nelson)

Relating to legislative oversight and funding of improvement and modernization projects for state agency information resources.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4048 (Johnson)

Relating to the authority of an advanced practice registered nurse or physician assistant regarding death certificates.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4218 (Hughes)

Relating to a cause of action for the bad faith washout of an overriding royalty interest in an oil and gas lease.

(viva voce vote) (31-0) (31-0)

CSHB 4294 (Hancock)

Relating to the organization and efficient operation of the legislative branch of state government through joint entities.

(viva voce vote) (31-0) (31-0)

CSHB 4374 (Zaffirini)

Relating to the use of executory contracts for the purchase of land to be used as a residence in certain counties.

(viva voce vote) (31-0) (31-0)

HB 4474 (Paxton)

Relating to the control of virtual currency and the rights of purchasers who obtain control of virtual currency for purposes of the Uniform Commercial Code.

(viva voce vote) (31-0) (31-0)

HB 4578 (Springer)

Relating to the creation of the Lakeview Point Municipal Utility District of Palo Pinto County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 4580 (Creighton)

Relating to the creation of the Montgomery County Municipal Utility District No. 202; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4588 (Kolkhorst)

Relating to the creation of the Fort Bend County Municipal Utility District No. 251; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4589 (Springer)

Relating to the creation of the LC Municipal Utility District No. 1 of Collin County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose fees and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

(Senator Schwertner in Chair)

HB 4591 (Springer)

Relating to the creation of the Blue Meadow Municipal Utility District No. 1 of Collin County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4592 (Kolkhorst)

Relating to the creation of the Harris County Water Control and Improvement District No. 164; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4594 (Kolkhorst)

Relating to the creation of the Harris County Municipal Utility District No. 576; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4605 (Schwertner)

Relating to the creation of the New Waverly Municipal Management District No. 1; providing authority to issue bonds and impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4606 (Taylor)

Relating to the creation of the Brazoria County Water Control and Improvement District No. 10; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 4609 (Schwertner)

Relating to the creation of the Williamson County Municipal Utility District No. 40; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 4611 (Creighton)

Relating to the creation of the Montgomery County Municipal Utility District No. 206; granting a limited power of eminent domain; providing authority to issue bonds.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 4612 (Taylor)

Relating to the creation of the Brazoria County Management District No. 2; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 4614 (Taylor)

Relating to the authority of the Brazoria Drainage District Number Four to impose a maintenance tax and the validation of certain acts of the Brazoria Drainage District Number Four.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4615 (Kolkhorst)

Relating to the creation of the Fort Bend County Municipal Utility District No. 249; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4616 (Kolkhorst)

Relating to the creation of the Fort Bend County Municipal Utility District No. 246; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4626 (Springer)

Relating to the creation of the Mesquaukee Ranch Municipal Utility District of Collin County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4634 (Kolkhorst)

Relating to the creation of the Fort Bend County Municipal Utility District No. 250; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4635 (Kolkhorst)

Relating to the creation of the Waller County Municipal Utility District No. 38; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4641 (Creighton)

Relating to the creation of the Montgomery County Municipal Utility District No. 209; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4642 (Kolkhorst)

Relating to the creation of the Fort Bend County Municipal Utility District No. 253; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 4646 (Zaffirini)

Relating to the creation of the Creedmoor Municipal Utility District; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4649 (Creighton)

Relating to the creation of the Montgomery County Municipal Utility District No. 198; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4650 (Zaffirini)

Relating to the creation of the East Central Travis County Conservation and Reclamation District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (29-2) "Nays" Hancock, Hughes (29-2) "Nays" Hancock, Hughes

CSHB 4651 (Creighton)

Relating to the creation of the Montgomery County Municipal Utility District No. 203; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 4652 (Creighton)

Relating to the creation of the Montgomery County Municipal Utility District No. 208; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4654 (Creighton)

Relating to the creation of the Montgomery County Municipal Utility District No. 210; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

CSHB 4658 (Schwertner)

Relating to the creation of the Huntsville Municipal Utility District No. 1 of Walker County, Texas; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4659 (Taylor)

Relating to the authority of the City of Kemah Municipal Management District No. 1 to provide water and sewer service, exercise certain powers, issue bonds, and impose fees, taxes, and assessments and to the validation of certain acts and proceedings of the district.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4662 (Taylor)

Relating to the creation of the Brazoria County Municipal Utility District No. 86; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4665 (Springer)

Relating to the creation of the Raintree Municipal Utility District No. 1 of Collin County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4666 (Birdwell)

Relating to the creation of the Lorena Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HB 4669 (Creighton)

Relating to the boundaries of the Harris County Water Control and Improvement District No. 70.

(viva voce vote) (30-1) "Nay" Hughes (30-1) "Nay" Hughes

HCR 24 (Perry)

Designating San Angelo as the official Visual Arts Capital of Texas for a 10-year period beginning in 2021.

(31-0)

HCR 29 (Miles)

Designating November 5 as Type 1.5 Diabetes Awareness Day for a 10-year period beginning in 2021.

(31-0)

HCR 46 (Hinojosa)

Designating April as Beach Safety and Rip Current Awareness Month for a 10-year period beginning in 2021.

(31-0)

HCR 54 (Johnson)

Approving the SNAP settlement agreement between the U.S. Department of Justice and the Texas Health and Human Services Commission.

(30-1) "Nay" Hughes

HCR 84 (Campbell)

Recognizing the vital importance of the enduring friendship between Texas and the United Kingdom.

(31-0)

HCR 89 (Schwertner)

Authorizing the lieutenant governor and speaker to appoint joint committees.

(31-0)

**BILLS REMOVED FROM
LOCAL AND UNCONTESTED CALENDAR**

Senator Kolkhorst and Senator Schwertner requested in writing that **HB 2345** be removed from the Local and Uncontested Calendar.

Senator Hancock and Senator Schwertner requested in writing that **HB 3388** be removed from the Local and Uncontested Calendar.

Senator Kolkhorst and Senator Schwertner requested in writing that **HB 3469** be removed from the Local and Uncontested Calendar.

Pursuant to Senate Rule 9.03(c), the following bills were removed from the Local and Uncontested Calendar and returned to the regular order of business for consideration of floor amendments:

HB 53, HB 148, HB 193, HB 297, HB 448, HB 451, HB 460, HB 466, HB 548, HB 639, HB 853, HB 964, HB 978, HB 1097, HB 1135, HB 1159, HB 1181, HB 1268, HB 1461, HB 1739, HB 1824, HB 1852, HB 1993, HB 2052, HB 2057, HB 2120, HB 2136, HB 2139, HB 2148, HB 2179, HB 2182, HB 2183, HB 2199,

HB 2238, HB 2240, HB 2267, HB 2274, HB 2295, HB 2305, HB 2308, HB 2428, HB 2446, HB 2450, HB 2505, HB 2555, HB 2625, HB 2645, HB 2696, HB 2709, HB 2710, HB 2743, HB 2758, HB 2792, HB 2867, HB 2903, HB 3078, HB 3134, HB 3162, HB 3216, HB 3240, HB 3252, HB 3276, HB 3333, HB 3354, HB 3360, HB 3366, HB 3385, HB 3387, HB 3408, HB 3449, HB 3457, HB 3474, HB 3503, HB 3522, HB 3568, HB 3600, HB 3616, HB 3618, HB 3626, HB 3682, HB 3690, HB 3706, HB 3745, HB 3750, HB 3773, HB 3849, HB 3850, HB 3868, HB 4016, HB 4025, HB 4073, HB 4094, HB 4153, HB 4210, HB 4220, HB 4295, HB 4296, HB 4338, HB 4383, HB 4429, HB 4661, HCR 23, HCR 50, HCR 71, HCR 83, HCR 103.

**SESSION CONCLUDED FOR
LOCAL AND UNCONTESTED CALENDAR**

Senator Schwertner announced that the session to consider bills and resolutions placed on the Local and Uncontested Calendar was concluded.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 5**

Senator Nichols submitted the following Conference Committee Report:

Austin, Texas
May 24, 2021

Honorable Dan Patrick
President of the Senate

Honorable Dade Phelan
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 5** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

NICHOLS
HANCOCK
HINOJOSA
PERRY
WEST

On the part of the Senate

ASHBY
ANDERSON
C. MORALES
PADDIE
ROSE

On the part of the House

The Conference Committee Report on **HB 5** was filed with the Secretary of the Senate.

CO-SPONSOR OF HOUSE BILL 129

On motion of Senator Zaffirini, Senator Blanco will be shown as Co-sponsor of **HB 129**.

CO-SPONSORS OF HOUSE BILL 133

On motion of Senator Kolkhorst, Senators Buckingham, Huffman, Lucio, Menéndez, Nelson, Seliger, Whitmire, and Zaffirini will be shown as Co-sponsors of **HB 133**.

CO-SPONSOR OF HOUSE BILL 159

On motion of Senator Lucio, Senator Alvarado will be shown as Co-sponsor of **HB 159**.

CO-SPONSOR OF HOUSE BILL 290

On motion of Senator Kolkhorst, Senator Whitmire will be shown as Co-sponsor of **HB 290**.

CO-SPONSOR OF HOUSE BILL 572

On motion of Senator Lucio, Senator Buckingham will be shown as Co-sponsor of **HB 572**.

CO-SPONSORS OF HOUSE BILL 1262

On motion of Senator Hughes, Senators Blanco and Hinojosa will be shown as Co-sponsors of **HB 1262**.

CO-SPONSORS OF HOUSE BILL 1468

On motion of Senator Taylor, Senators Bettencourt, Lucio, and Paxton will be shown as Co-sponsors of **HB 1468**.

CO-SPONSOR OF HOUSE BILL 1504

On motion of Senator Alvarado, Senator Blanco will be shown as Co-sponsor of **HB 1504**.

CO-SPONSORS OF HOUSE BILL 1525

On motion of Senator Taylor, Senators Lucio and Paxton will be shown as Co-sponsors of **HB 1525**.

CO-SPONSOR OF HOUSE BILL 1526

On motion of Senator Campbell, Senator Zaffirini will be shown as Co-sponsor of **HB 1526**.

CO-SPONSOR OF HOUSE BILL 2124

On motion of Senator Blanco, Senator Alvarado will be shown as Co-sponsor of **HB 2124**.

CO-SPONSORS OF HOUSE BILL 2256

On motion of Senator Creighton, Senators Alvarado, Blanco, and Hinojosa will be shown as Co-sponsors of **HB 2256**.

CO-SPONSOR OF HOUSE BILL 2462

On motion of Senator Paxton, Senator Blanco will be shown as Co-sponsor of **HB 2462**.

CO-SPONSORS OF HOUSE BILL 2497

On motion of Senator Creighton, Senators Bettencourt and Kolkhorst will be shown as Co-sponsors of **HB 2497**.

CO-SPONSOR OF HOUSE BILL 2555

On motion of Senator Paxton, Senator Alvarado will be shown as Co-sponsor of **HB 2555**.

CO-SPONSORS OF HOUSE BILL 2706

On motion of Senator Nelson, Senators Alvarado and Menéndez will be shown as Co-sponsors of **HB 2706**.

CO-SPONSOR OF HOUSE BILL 2781

On motion of Senator Whitmire, Senator Alvarado will be shown as Co-sponsor of **HB 2781**.

CO-SPONSORS OF HOUSE BILL 3121

On motion of Senator Johnson, Senators Lucio and Zaffirini will be shown as Co-sponsors of **HB 3121**.

CO-SPONSOR OF HOUSE BILL 3298

On motion of Senator Paxton, Senator Hinojosa will be shown as Co-sponsor of **HB 3298**.

CO-SPONSOR OF HOUSE BILL 3606

On motion of Senator Bettencourt, Senator Lucio will be shown as Co-sponsor of **HB 3606**.

CO-SPONSORS OF HOUSE BILL 3774

On motion of Senator Huffman, Senators Hinojosa and Zaffirini will be shown as Co-sponsors of **HB 3774**.

CO-SPONSOR OF HOUSE BILL 3880

On motion of Senator Paxton, Senator Lucio will be shown as Co-sponsor of **HB 3880**.

CO-SPONSORS OF HOUSE BILL 4509

On motion of Senator Taylor, Senators Buckingham, Kolkhorst, Paxton, and Springer will be shown as Co-sponsors of **HB 4509**.

CO-SPONSORS OF HOUSE BILL 4545

On motion of Senator Taylor, Senators Bettencourt and West will be shown as Co-sponsors of **HB 4545**.

CO-SPONSOR OF HOUSE CONCURRENT RESOLUTION 51

On motion of Senator Alvarado, Senator Hinojosa will be shown as Co-sponsor of **HCR 51**.

CO-SPONSOR OF HOUSE CONCURRENT RESOLUTION 62

On motion of Senator West, Senator Blanco will be shown as Co-sponsor of **HCR 62**.

CO-SPONSOR OF HOUSE CONCURRENT RESOLUTION 84

On motion of Senator Campbell, Senator Blanco will be shown as Co-sponsor of **HCR 84**.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolution

SR 494 by Lucio, In memory of Maria Isabel Hernandez.

Congratulatory Resolutions

SR 491 by Hinojosa, Recognizing Ruben and Matilda Saenz on the occasion of their 50th wedding anniversary.

SR 492 by Hinojosa, Recognizing John H. Krouse for his service to The University of Texas Rio Grande Valley School of Medicine.

SR 493 by Hinojosa, Recognizing the Rivas family members for their service in the United States Armed Forces.

SR 495 by Nichols, Recognizing James M. Bass on the occasion of his retirement.

ADJOURNMENT

Pursuant to a previously adopted motion, the Senate at 4:49 a.m. Thursday, May 27, 2021, adjourned, in memory of George Floyd, until 1:30 p.m. today.

APPENDIX

COMMITTEE REPORT

The following committee report was received by the Secretary of the Senate:

May 26, 2021

ADMINISTRATION — **HCR 67**

BILLS AND RESOLUTIONS ENROLLED

May 25, 2021

SB 4, SB 62, SB 109, SB 335, SB 403, SB 484, SB 678, SB 741, SB 783, SB 793, SB 797, SB 907, SB 938, SB 957, SB 1111, SB 1179, SB 1341, SB 1387, SB 1427, SB 1582, SB 1602, SB 1697, SB 1764, SB 1780, SB 2158, SCR 29, SR 463, SR 468, SR 470, SR 471, SR 472, SR 474, SR 475, SR 476, SR 477, SR 478, SR 479, SR 480, SR 481, SR 482, SR 483, SR 484, SR 485, SR 486, SR 488

SENT TO GOVERNORMay 26, 2021**SB 48, SB 50, SB 56, SB 59, SB 179, SB 220, SB 263, SB 291, SB 480, SB 560, SB 776, SB 798, SB 873, SB 993, SB 1257, SB 1258, SB 1270, SB 1444, SB 1524, SB 1907, SB 1955, SB 2046****SIGNED BY GOVERNOR**May 26, 2021**SB 230, SB 1126, SB 1230, SB 1448, SB 1774, SB 2093**