

SEVENTY-EIGHTH DAY

TUESDAY, MAY 22, 2001

PROCEEDINGS

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

The roll was called and the following Senators were present: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini, Mr. President.

The President announced that a quorum of the Senate was present.

The Most Reverend James A. Tamayo, D.D., Bishop of the Diocese of Laredo, offered the invocation as follows:

God of all creation, God of all peoples and nations, in Your wisdom and love, You created man and woman and called us to be stewards of Your creation. As this new day begins for the Senate of the State of Texas, we invoke Your presence in our deliberations and activities.

We represent communities from diverse parts of this great state. Although we travel to our State Capitol from different directions, as legislators of this state, let us be steadfast in our solidarity to seek the common path that leads to the betterment of all people in our state. Strengthen our resolve to do good. We accept the challenge to listen to one another, to support one another, and to respond generously to those most in need. This we pray in Your holy name. Amen.

On motion of Senator Truan and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

SENATE BILL 115 WITH HOUSE AMENDMENTS

Senator Madla called **SB 115** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1

Amend **SB 115** as follows:

(1) In SECTION 2 of the bill, in amended Section 106.026, Health and Safety Code, (page 6, line 11, engrossed version), between "LEGISLATURE." and "No" insert "(a)".

(2) In SECTION 2 of the bill, in amended Section 106.026, Health and Safety Code, (page 6, between lines 15 and 16, engrossed version), insert the following subsection:

(b) The center shall obtain information from each state agency, university, medical school, rural community, or any other rural health care provider that has expended public funds to perform a study, conduct a demonstration project or grant, or develop programs relating to rural health care during the biennium. The center shall include the information obtained under this subsection in the center's report to the legislature.

Floor Amendment No. 2

Amend Committee Amendment No. 1 to **SB 115** on line 9 between "obtain" and "information" by inserting "information from each county about indigent health care provided in the county and".

Floor Amendment No. 3

Amend **SB 115** (house committee report) as follows:

(1) In SECTION 1 of the bill, in the chapter heading for proposed Chapter 110, Health and Safety Code (page 1, line 7), strike "RURAL HEALTH FOUNDATION" and substitute "RURAL FOUNDATION".

(2) In SECTIONS 1 and 2 of the bill, in proposed Chapter 110, Health and Safety Code, and in amended Section 106.026, Health and Safety Code (page 1, line 8 through page 6, line 15), strike "Rural Health Foundation" in each place the phrase appears in those SECTIONS and substitute "Rural Foundation".

(3) In SECTION 3 of the bill (page 6, lines 16-24), strike "Rural Health Foundation" in each place the phrase appears in that section and substitute "Rural Foundation".

Floor Amendment No. 4

Amend **SB 115** in SECTION 1 of the bill, in added Chapter 110, Health and Safety Code (House committee printing, page 6, between lines 8 and 9), by adding the following section:

Sec. 110.013. ABORTION SERVICES PROHIBITED. Funds administered by the Rural Health Foundation may not be used to provide abortion services, including providing a referral for an abortion.

The amendments were read.

Senator Madla moved that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The President asked if there were any motions to instruct the conference committee on **SB 115** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Madla, Chair; Moncrief, Sibley, Nelson, and Van de Putte.

SENATE BILL 1210 WITH HOUSE AMENDMENT

Senator West called **SB 1210** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1210** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to certain attorneys and law clerks employed by a court.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle D, Title 2, Government Code, is amended by adding Chapter 57 to read as follows:

CHAPTER 57. STAFF ATTORNEYS AND
LAW CLERKS; CONFLICT OF INTEREST

Sec. 57.001. APPLICABILITY OF CHAPTER. This chapter applies only to an attorney or law clerk employed by a court of this state for a specified and limited term.

Sec. 57.002. CERTAIN CONDUCT PROHIBITED. Except as provided by Section 57.003 or 57.004, during the term of employment with the court, an attorney or law clerk subject to this chapter may not:

(1) negotiate for or accept employment with a law firm or another private entity; or

(2) accept a benefit from a law firm or another private entity in connection with anticipated employment by the entity if offering, conferring, or agreeing to confer the benefit, or soliciting, accepting, or agreeing to accept the benefit, violates Chapter 36, Penal Code.

Sec. 57.003. PRIOR OFFER OF EMPLOYMENT. This chapter does not prohibit the employment of an attorney or law clerk by a court solely because, before employment with the court begins, the attorney or law clerk:

(1) accepts an offer of employment with a law firm or other private entity that begins after the date the attorney's or law clerk's employment with the court terminates; or

(2) accepts a benefit from a law firm or another private entity in connection with anticipated employment by the entity if offering, conferring, or agreeing to confer the benefit, or soliciting, accepting, or agreeing to accept the benefit, does not violate Chapter 36, Penal Code.

Sec. 57.004. PERMITTED NEGOTIATIONS. An attorney or law clerk subject to this chapter may negotiate for or accept employment with a law firm or another private entity after the 91st day before the date the attorney's or law clerk's term of employment with the court is to end.

Sec. 57.005. DISCLOSURE. (a) An attorney or law clerk subject to this chapter who has, in accordance with Section 57.003 or 57.004, entered into an agreement for employment with or accepted a benefit from a law firm or another private entity shall file a statement with the clerk of the court or a public information officer designated by the court. The statement must include:

(1) the name of the attorney or law clerk;

(2) the name of the law firm or other private entity;

(3) any benefit the attorney or law clerk has received or anticipates receiving from the law firm or other private entity in connection with the employment; and

(4) any other information required by court rule.

(b) Information filed under this section is a public record and shall be made available to any person on request.

Sec. 57.006. REQUIRED RECUSAL. (a) An attorney or law clerk subject to this chapter who, in accordance with Section 57.003 or 57.004, entered into an agreement for employment with or accepted a benefit from a law firm or another private entity may not participate during the employment with the court in any matter before the court that involves the law firm or private entity. After the termination of employment with the court and before the second anniversary of the date of the termination, the attorney or law clerk may not participate on behalf of the law firm or private entity in any matter before the court.

(b) A recusal from participation in a matter under Subsection (a) must be made by public order of the court.

Sec. 57.007. SANCTIONS. An attorney who violates this chapter is subject to sanctions by the state bar.

SECTION 2. 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, 2001.

The amendment was read.

Senator West moved that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The President asked if there were any motions to instruct the conference committee on **SB 1210** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators West, Chair; Bernsen, Duncan, Shapiro, and Jackson.

SENATE RESOLUTION 1043

Senator Harris offered the following resolution:

WHEREAS, The Senate of the State of Texas is pleased to recognize Estelle Teague for her outstanding work on behalf of the Model Project for the Prevention of Abandoned Children in Texas; and

WHEREAS, The Model Project for the Prevention of Abandoned Children in Texas is a specialized unit within the Tarrant County Child Protective Services program that serves pregnant and parenting substance-addicted women and their families; and

WHEREAS, A former nurse and a parent of two sets of twins, Estelle has served two terms as Chairman of the Board of Tarrant County Child Protective Services, and she is well known throughout the state as a passionate advocate for abused and neglected children; and

WHEREAS, In her leadership position at Tarrant County Child Protective Services, Estelle has shown outstanding support for the Model Project for the Prevention of Abandoned Children in Texas; since 1996, when the program's federal funds were depleted, she has managed to secure other sources of funding for the continuation of the program; and

WHEREAS, For her determined efforts on behalf of Texas children, Estelle has been honored many times over; recently, the Model Project for the Prevention of Abandoned Children in Texas was renamed the "Estelle Teague MPPACT Unit" in recognition of her dedication; and

WHEREAS, Admired and respected for her commitment to protecting children, Estelle Teague has made a tremendous difference in the lives of thousands of Texans, and she is truly worthy of legislative recognition; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 77th Legislature, hereby commend Estelle Teague for her work on behalf of the Model Project for the Prevention of Abandoned Children in Texas and for her continued efforts on behalf of Texas children and their families; 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.

The resolution was again read.

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

The resolution was previously adopted on Monday, May 14, 2001.

GUESTS PRESENTED

Senator Harris was recognized and introduced to the Senate Estelle Teague, accompanied by her family.

The Senate welcomed Ms. Teague and her family.

SENATE BILL 312 WITH HOUSE AMENDMENTS

Senator Zaffirini called **SB 312** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 312** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED AN ACT

relating to the review and functions of the Texas Water Development Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 6.013, Water Code, is amended to read as follows:

Sec. 6.013. **SUNSET PROVISION.** The Texas Water Development Board is subject to review under Chapter 325, Government Code (Texas Sunset Act), but is not abolished under that chapter. The board shall be reviewed during the period in which state agencies abolished in 2013 [~~2001~~] and every 12th year after 2013 [~~2001~~] are reviewed.

SECTION 2. Section 6.052(c), Water Code, is amended to read as follows:

(c) Appointments to the board shall be made without regard to the race, color, disability [~~handicap~~], sex, religion, age, or national origin of the appointees.

SECTION 3. Sections 6.054, 6.057, and 6.058, Water Code, are amended to read as follows:

Sec. 6.054. REMOVAL OF BOARD MEMBERS. (a) It is a ground for removal from the board that [~~if~~] a member:

(1) does not have at the time of taking office [~~appointment~~] the qualifications required for appointment to the board;

(2) does not maintain during [~~the~~] service on the board the qualifications required for appointment to the board;

(3) is ineligible for membership under [~~violates a prohibition established by~~] Sections 6.053, 6.057, and 6.058 [~~of this code~~];

(4) cannot, because of illness or disability, [is unable to] discharge the member's [~~his~~] duties for a substantial part [~~portion~~] of the member's term [~~for which he was appointed because of illness or disability~~]; or

(5) is absent from more than half [~~one-half~~] of the regularly scheduled board meetings that the member is eligible to attend during a [~~each~~] calendar year without an excuse approved [~~, except when the absence is excused~~] by a majority vote of the board.

(b) The validity of an action of the board is not affected by the fact that it is [~~was~~] taken when a ground for removal of a board member exists [~~of the board existed~~].

(c) If the executive administrator [~~a board member~~] has knowledge that a potential ground for removal exists, the executive administrator [~~he~~] shall notify the chairman of the board of the potential [~~that~~] ground. The chairman of the board shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal includes the chairman of the board, the executive administrator shall notify the next highest ranking officer of the board, who shall then notify the governor and the attorney general that a potential ground for removal exists.

Sec. 6.057. CONFLICT OF INTEREST. (a) In this section, "Texas trade association" means a cooperative and voluntarily joined association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not be a member of the board and may not be a board employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.), and its subsequent amendments, if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of water planning or water financing; or

(2) the person's spouse is an officer, employee, or paid consultant of a Texas trade association in the field of water planning or water financing. [An officer, employee, or paid consultant of a trade association in an industry regulated by the board may not be a member or employee of the board, nor may a person who cohabits with or is the spouse of an officer, managerial employee, or paid consultant of a trade association in an industry regulated by the board be a member of the board or an

employee of the board grade 17 or over, including exempt employees, according to the position classification schedule under the General Appropriations Act.]

Sec. 6.058. LOBBYIST PROHIBITION. A person may not be a member of the board or act as the general counsel to the board if the person [who] is required to register as a lobbyist under Chapter 305, Government Code, because of the person's [by virtue of his] activities for compensation [in or] on behalf of a profession related to the operation of the board [may not serve as a member of the board or act as the general counsel to the board].

SECTION 4. Section 6.060, Water Code, is amended by adding Subsection (d) to read as follows:

(d) The board shall meet annually with the board of the Texas Department of Housing and Community Affairs to address the agencies' progress in meeting the needs of colonia residents and to receive an update and recommendations from the Colonia Water and Wastewater Infrastructure Advisory Committee, as provided by Section 2306.5851, Government Code. For purposes of this subsection, "colonia" has the meaning assigned by Section 2306.581, Government Code.

SECTION 5. Subchapter C, Chapter 6, Water Code, is amended by adding Section 6.062 to read as follows:

Sec. 6.062. REQUIRED TRAINING FOR BOARD MEMBERS. (a) A person who is appointed to and qualifies for office as a member of the board may not vote, deliberate, or be counted as a member in attendance at a meeting of the board until the person completes a training program that complies with this section.

(b) The training program must provide the person with information regarding:

- (1) the legislation that created the board;
- (2) the programs operated by the board;
- (3) the role and functions of the board;
- (4) the rules of the board, with an emphasis on the rules that relate to disciplinary and investigatory authority;
- (5) the current budget for the board;
- (6) the results of the most recent formal audit of the board;
- (7) the requirements of:
 - (A) the open meetings law, Chapter 551, Government Code;
 - (B) the public information law, Chapter 552, Government Code;
 - (C) the administrative procedure law, Chapter 2001, Government Code; and
 - (D) other laws relating to public officials, including conflict of interest laws; and
- (8) any applicable ethics policies adopted by the board or the Texas Ethics Commission.

(c) A person appointed to the board is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.

SECTION 6. Section 6.106, Water Code, is amended to read as follows:

Sec. 6.106. STANDARDS OF CONDUCT. The executive administrator or the executive administrator's designee [board] shall provide to [its] members of the board and to agency[-, appointees, and] employees, as often as is necessary, information regarding the requirements for office or employment [their qualifications] under this

code, including information regarding a person's ~~[and their]~~ responsibilities under applicable laws relating to standards of conduct for state officers or ~~[and]~~ employees.

SECTION 7. Subchapter D, Chapter 6, Water Code, is amended by adding Sections 6.110 and 6.111 to read as follows:

Sec. 6.110. CAPITAL SPENDING PLAN. (a) Each biennium, the executive administrator shall develop and submit to the board for its approval a capital spending plan for state-funded programs, including the Texas water development fund II, the agricultural water conservation fund, and the water assistance fund.

(b) The plan must:

(1) identify water funding needs in the state and set forth a basis for allocating state-supported funding to address those needs; and

(2) if applicable, provide details about:

(A) the reasons state-supported funding was not allocated according to the methodologies identified in prior plans; and

(B) any adjustments to the plan from prior plans in response to changing water priorities.

(c) In developing the plan, the executive administrator shall consider:

(1) any commission compliance issues;

(2) information derived from facility needs assessments or other water and wastewater needs assessments;

(3) regional planning group plans required under Section 16.053; and

(4) any other appropriate information.

(d) The board shall consider the plan at a regularly scheduled meeting and, on approval, submit it to the legislature and the Legislative Budget Board before January 1 of each odd-numbered year. The board may include the plan as part of its legislative appropriations request.

Sec. 6.111. SEPARATION OF RESPONSIBILITIES. The board shall develop and implement policies that clearly separate the policy-making responsibilities of the board and the management responsibilities of the executive administrator and the staff of the board.

SECTION 8. Sections 6.154, 6.155, and 6.188, Water Code, are amended to read as follows:

Sec. 6.154. COMPLAINT FILE. (a) The board shall maintain a file on each written complaint filed with the board. The file must include:

(1) the name of the person who filed the complaint;

(2) the date the complaint is received by the board;

(3) the subject matter of the complaint;

(4) the name of each person contacted in relation to the complaint;

(5) a summary of the results of the review or investigation of the complaint; and

(6) an explanation of the reason the file was closed, if the agency closed the file without taking action other than to investigate the complaint.

(b) The board shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the board's policies and procedures relating to complaint investigation and resolution [keep an information file about each complaint filed with the board relating to an entity regulated by the board].

Sec. 6.155. NOTICE OF COMPLAINT. The [If a written complaint is filed with the board relating to an entity regulated by the board, the] board, at least [as frequently

as] quarterly [and] until final disposition of the complaint, shall notify the person filing the complaint and each person who is a subject of [parties to] the complaint of the status of the investigation [complaint] unless the notice would jeopardize an undercover investigation.

Sec. 6.188. EQUAL EMPLOYMENT OPPORTUNITY POLICY. (a) The executive administrator or the executive administrator's [his] designee shall prepare and maintain a written policy statement that implements [to assure implementation of] a program of equal employment opportunity to ensure that all personnel decisions [whereby all personnel transactions] are made without regard to race, color, disability [handicap], sex, religion, age, or national origin.

(b) The policy statement must include:

(1) personnel policies, including policies relating to recruitment, evaluation, selection, [appointment,] training, and promotion of personnel, that show the intent of the board to avoid the unlawful employment practices described by Chapter 21, Labor Code; and

(2) an [a comprehensive] analysis of the extent to which the composition of the board's personnel is in accordance with state and federal law and a description of reasonable methods to achieve compliance with state and federal law.

(c) The policy statement must:

(1) be updated annually;

(2) be reviewed by the state Commission on Human Rights for compliance with Subsection (b)(1); and

(3) be filed with the governor's office [work force that meets federal and state guidelines;

~~(3) procedures by which a determination can be made of significant underutilization in the board's work force of all persons for whom federal or state guidelines encourage a more equitable balance; and~~

~~(4) reasonable methods to address appropriately areas of significant underutilization in the board's work force of all persons for whom federal or state guidelines encourage a more equitable balance.~~

~~[(b) The policy statement shall be filed with the governor's office before November 1, 1985, cover an annual period, and be updated at least annually. The governor's office shall develop a biennial report to the legislature based on the information submitted. This report may be made individually or as a part of other biennial reports made to the legislature].~~

SECTION 9. Subchapter F, Chapter 6, Water Code, is amended by adding Section 6.196 to read as follows:

Sec. 6.196. TRAINING ON STATE EMPLOYEE INCENTIVE PROGRAM. The executive administrator or the executive administrator's designee shall provide to agency employees information and training on the benefits and methods of participation in the state employee incentive program under Subchapter B, Chapter 2108, Government Code.

SECTION 10. Section 15.011(b), Water Code, is amended to read as follows:

(b) After notice and hearing and subject to any limitations established by the General Appropriations Act, the board may transfer money from the fund to the loan fund created under Subchapter C of this chapter, the storage acquisition fund created under Subchapter E of this chapter, the research and planning fund created under Subchapter F of this chapter, the hydrographic survey account created under

Subchapter M of this chapter, provided the hydrographic survey account transfer does not exceed \$425,000, ~~and~~ the aquatic vegetation management fund created under Subchapter N of this chapter, and the rural community water and wastewater loan fund created under Subchapter O of this chapter.

SECTION 11. Section 15.012(c), Water Code, is amended to read as follows:

(c) Money appropriated to the fund by the legislature for a specific purpose stated in Subchapter C, E, F, M, ~~or~~ N, or O of this chapter shall be placed in the appropriate fund created by that subchapter.

SECTION 12. Section 15.102(b), Water Code, is amended to read as follows:

(b) The loan fund may also be used by the board to provide grants for projects:

- (1) that include supplying water and wastewater services in economically distressed areas, including projects involving retail distribution of those services;
- (2) for which federal grant funds are placed in the loan fund; or
- (3) on specific legislative appropriation for those projects.

SECTION 13. Section 15.104, Water Code, is amended to read as follows:

Sec. 15.104. FINDINGS REGARDING PERMITS. (a) The board shall not release funds for the construction of that portion of a project that proposes surface water or groundwater development ~~deliver funds pursuant to an application for financial assistance from the loan fund~~ until the executive administrator makes a written finding:

(1) that an applicant proposing surface-water development has the necessary water right authorizing it to appropriate and use the water that the project will provide; or

(2) that an applicant proposing underground water development has the right to use water that the project will provide.

(b) The board may release funds for the costs of planning, engineering, architectural, legal, title, fiscal, or economic investigation, studies, surveys, or designs before making the finding required under Subsection (a) if the executive administrator determines that a reasonable expectation exists that the finding will be made before the release of funds for construction.

(c) If an applicant includes a proposal for a waste water treatment plant, the board may not deliver funds for the waste water treatment plant until the applicant has received a permit for construction and operation of the waste water treatment plant and approval of the plans and specifications from the commission. If the applicant proposes a waste water treatment plant that is located outside of the jurisdiction of this state and that is not subject to the permitting authority of the commission, the board must review the plans and specifications in coordination with the commission and find that the waste water treatment plant is capable of producing effluent that will meet federal and state-approved water quality standards.

SECTION 14. Section 15.601(a), Water Code, is amended to read as follows:

(a) The state water pollution control revolving fund shall be administered by the board under this subchapter and rules adopted by the board. The fund shall be used to provide financial assistance to political subdivisions for construction of treatment works and to persons for nonpoint source pollution control and abatement projects under Section 15.603(h), in accordance with the capitalization grant program established under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

SECTION 15. Section 15.603, Water Code, is amended by amending Subsection (a) and adding Subsection (h) to read as follows:

(a) The revolving fund is held separately from other funds by the board outside the State Treasury to provide financial assistance to political subdivisions for construction of treatment works and to persons for nonpoint source pollution control and abatement projects under Subsection (h).

(h) The board may establish a separate account in the revolving fund, to be used solely for providing financial assistance to persons for nonpoint source pollution control and abatement projects. The account shall be composed solely of funds appropriated by the legislature, funds provided as gifts or grants by the United States, interest earnings on amounts credited to the account, and repayments of loans made from the account. The board shall adopt rules establishing the criteria for eligibility and the terms of assistance for persons that receive financial assistance from the account.

SECTION 16. Section 15.804(a), Water Code, is amended to read as follows:

(a) On the request of a political subdivision or agency of this state or a neighboring state or a federal agency, the board may perform [~~for the political subdivision~~] a hydrographic survey in this state or outside of this state if the information collected will benefit this state. The board may perform a survey under this section:

- (1) to determine:
 - (A) reservoir storage capacity;
 - (B) sedimentation levels;
 - (C) rates of sedimentation;
 - (D) projected water supply availability; or [and]
 - (E) potential mitigative measures; [and]
- (2) to conduct [for] other bathymetric studies; or
- (3) to collect information relating to water-bearing formations.

SECTION 17. Chapter 15, Water Code, is amended by adding Subchapter O to read as follows:

SUBCHAPTER O. PILOT PROGRAM FOR
WATER AND WASTEWATER
LOANS FOR RURAL COMMUNITIES

Sec. 15.901. DEFINITIONS. In this subchapter:

- (1) "Fund" means the rural community water and wastewater loan fund.
- (2) "Political subdivision" means a municipality, a county, or a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution.
- (3) "Rural community" means:
 - (A) a municipality or county with a population of less than 5,000; or
 - (B) a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, with a population of less than 5,000 that is located outside the boundaries or extraterritorial jurisdiction of a municipality.

Sec. 15.902. RURAL COMMUNITY WATER AND WASTEWATER LOAN FUND. (a) The rural community water and wastewater loan fund is an account in the water assistance fund.

(b) The fund consists of:

- (1) money transferred to the fund from the water assistance fund under Section 15.011(b);
- (2) proceeds from the sale of political subdivision bonds by the board to the Texas Water Resources Finance Authority as provided by Section 17.0871; and
- (3) repayments of loans made from the fund.

Sec. 15.903. FINANCIAL ASSISTANCE. (a) The fund may be used by the board to provide loans of financial assistance to rural communities for the construction, acquisition, or improvement of water and wastewater projects.

(b) The board may make financial assistance available to a rural community by entering into a loan agreement and promissory note with the rural community, as provided by this subchapter. A rural community may apply for and accept the financial assistance.

(c) The loan agreement must provide for the payment of principal and interest on the debt incurred for the project at a rate to be determined by the board.

(d) The loan agreement must provide for the issuance of a promissory note payable to the board to evidence the obligation of the rural community to repay the loan made in accordance with the terms of the loan agreement.

(e) A loan provided under this subchapter may not exceed \$250,000 for each project, and the term of a loan may not exceed 20 years.

Sec. 15.904. USE OF SALES TAX AS LOAN SECURITY. (a) A rural community that is a municipality or county may pledge a percentage of the sales and use tax revenue received under Chapter 321 or 323, Tax Code, as applicable, to the payment of debt incurred under a loan agreement entered into with the board under this subchapter if a majority of the voters voting at an election called and held for that purpose authorize the municipality or county to pledge a portion of that revenue for that purpose.

(b) Sections 321.506, 321.507, and 323.505, Tax Code, do not apply to taxes pledged under this subchapter.

Sec. 15.905. REVIEW AND APPROVAL OF LOAN AGREEMENT BY ATTORNEY GENERAL. (a) Before a loan agreement may become effective, a record of the proceedings of the board and the rural community authorizing the execution of the loan agreement, the loan agreement, the promissory note, and any contract providing revenue or security to pay the promissory note must be submitted to the attorney general for review and approval.

(b) If the attorney general finds that the loan agreement and the promissory note are valid and binding obligations of the rural community, the attorney general shall approve the documents and deliver them to the comptroller, the board, and the rural community, together with a copy of the attorney general's legal opinion stating that approval.

Sec. 15.906. REGISTRATION. On receipt of the documents required by Section 15.905(b), the comptroller shall register the record of the proceedings relating to the execution of a loan agreement.

Sec. 15.907. VALIDITY AND INCONTESTABILITY. On approval by the attorney general and registration by the comptroller, the loan agreement, the promissory note, a contract providing revenue or security, and any other obligation evidencing the debt are incontestable in a court and are valid, binding, and enforceable according to their terms.

Sec. 15.908. ENFORCEMENT BY MANDAMUS. Payment of obligations incurred under a loan agreement and other requirements of this subchapter may be enforced in a court by mandamus or other appropriate proceedings.

Sec. 15.909. RULES. The board shall adopt necessary rules to administer this subchapter, including rules establishing procedures for application for and award of loans.

Sec. 15.910. APPLICATION FOR ASSISTANCE. (a) In an application to the board for financial assistance from the fund, the rural community must include:

- (1) the name of the rural community and its principal officers;
- (2) a citation of the law under which the rural community operates and was created;
- (3) a description of the water or wastewater project for which the financial assistance will be used;
- (4) the total cost of the project;
- (5) the amount of state financial assistance requested;
- (6) the plan for repaying the total cost of the project; and
- (7) any other information the board requires in order to perform its duties and to protect the public interest.

(b) The board may not accept an application for a loan of financial assistance from the fund unless it is submitted in affidavit form by the officials of the rural community. The board shall prescribe the affidavit form in its rules.

(c) If a rural community has a program of water conservation, the rural community shall state in the application that the rural community has such a program.

Sec. 15.911. FINDINGS REGARDING PERMITS. (a) The board may not release funds for the construction phase of that portion of a project that proposes surface water or groundwater development until the executive administrator makes a written finding:

- (1) that a rural community proposing surface water development has the necessary water right authorizing it to appropriate and use the water that the project will provide; or
- (2) that a rural community proposing underground water development has the right to use water that the project will provide.

(b) If a rural community includes a proposal for a wastewater treatment project, the board may not release funds for the project construction until the rural community has received a permit for the construction and operation of the project and approval of the plans and specifications for the project in a manner that will satisfy commission requirements for design criteria and permit conditions that apply to construction activities.

Sec. 15.912. CONSIDERATIONS IN ACTING ON APPLICATION. In acting on an application for financial assistance, the board shall consider:

- (1) the needs of the area to be served by the project and the benefit of the project to the area in relation to the needs of other areas requiring state assistance in any manner and the benefits of those projects to the other areas;
- (2) the availability of revenue to the rural community from all sources for the ultimate repayment of the cost of the project, including all interest;
- (3) the relationship of the project to overall statewide needs; and
- (4) any other factors that the board considers relevant.

Sec. 15.913. APPROVAL OF APPLICATION. The board by resolution may approve an application for a loan if, after considering the factors listed in Section 15.912 and any other relevant factors, the board finds that:

- (1) the public interest requires state participation in the project; and
- (2) the revenue or taxes pledged by the rural community will be sufficient to meet all the obligations assumed by the rural community during the succeeding period of not more than 20 years.

Sec. 15.914. CONSTRUCTION CONTRACT REQUIREMENTS. The governing body of each rural community receiving financial assistance from the board under this subchapter shall require in all contracts for the construction of a project that:

(1) each bidder furnish a bid guarantee equivalent to five percent of the bid price;

(2) each contractor awarded a construction contract furnish performance and payment bonds as follows:

(A) the performance bond must include guarantees that work done under the contract will be completed and performed according to approved plans and specifications and in accordance with sound construction principles and practices; and

(B) the performance and payment bonds must be in a penal sum of not less than 100 percent of the contract price and remain in effect for one year after the date of approval by the engineer of the political subdivision;

(3) payment be made in partial payments as the work progresses;

(4) each partial payment not exceed 95 percent of the amount due at the time of the payment as shown by the engineer of the project, but, if the project is substantially complete, a partial release of the five percent retainage may be made by the rural community with approval of the executive administrator;

(5) payment of the retainage remaining due on completion of the contract be made only after:

(A) approval by the engineer for the rural community as required under the bond proceedings;

(B) approval by the governing body of the rural community by a resolution or other formal action; and

(C) certification by the executive administrator in accordance with the rules of the board that the work to be done under the contract has been completed and performed in a satisfactory manner and in accordance with sound engineering principles and practices;

(6) no valid approval be granted unless the work done under the contract has been completed and performed in a satisfactory manner according to approved plans and specifications; and

(7) labor from inside the rural community be used to the extent possible.

Sec. 15.915. FILING CONSTRUCTION CONTRACT. The rural community shall file with the board a certified copy of each construction contract it enters into for the construction of all or part of a project. Each contract must contain or have attached to it the specifications, plans, and details of all work included in the contract.

Sec. 15.916. INSPECTION OF PROJECTS. (a) The board may inspect the construction of a project at any time to assure that:

(1) the contractor is substantially complying with the approved engineering plans of the project; and

(2) the contractor is constructing the project in accordance with sound engineering principles.

(b) Inspection of a project by the board does not subject the state to any civil liability.

Sec. 15.917. ALTERATION OF PLANS. After the executive administrator approves the engineering plans, a rural community may not make any substantial or material alteration in the plans unless the executive administrator authorizes the alteration. The board shall review and approve or disapprove plans and specifications

for all sewage collection, treatment, and disposal systems for which financial assistance is provided from the fund in a manner that will satisfy commission requirements for design criteria and permit conditions that apply to construction activities.

Sec. 15.918. CERTIFICATE OF APPROVAL. The executive administrator may consider the following as grounds for refusal to give a certificate of approval for any construction contract:

- (1) failure to construct the project according to the approved plans;
- (2) failure to construct the works in accordance with sound engineering principles; or
- (3) failure to comply with any term of the contract.

Sec. 15.919. REPORT TO LEGISLATURE. (a) Not later than January 1, 2005, the board shall report to the legislature on the program established under this subchapter.

(b) The report must include:

- (1) the number of applications received;
- (2) the number of loans funded;
- (3) the types of projects funded;
- (4) the total funds allocated;
- (5) available performance measures; and
- (6) the expected feasibility of and demand for an expanded rural community water and wastewater loan program.

Sec. 15.920. AUTHORITY OF RURAL COMMUNITIES. Rural communities that receive financial assistance from the fund are granted all necessary authority to enter into loan agreements and issue promissory notes in connection with the financial assistance granted under this subchapter.

SECTION 18. Subchapter B, Chapter 16, Water Code, is amended by amending Section 16.021 and adding Section 16.022 to read as follows:

Sec. 16.021. TEXAS NATURAL RESOURCES INFORMATION SYSTEM. (a) The executive administrator shall establish the Texas Natural Resources Information System (TNRIS) to serve Texas agencies and citizens as a centralized clearinghouse and referral center for natural resource, census, and other socioeconomic data.

(b) The executive administrator may, on behalf of TNRIS, enter into partnerships with private entities to provide additional funding for improved access to TNRIS information. The board shall adopt administrative rules to describe the process of establishing partnerships, define the types of partnerships that may be formed, establish the fee collection process, and define the nondiscriminatory methods used to determine which private entities may enter into partnerships. Any process developed by the board must comply with all applicable laws regarding ethics, purchasing, and contracts.

(c) The Texas Geographic Information Council (TGIC) is created to provide strategic planning and coordination in the acquisition and use of geo-spatial data and related technologies in the State of Texas. The executive administrator and the executive director of the Department of Information Resources shall designate entities to be members of the TGIC. The chief administrative officer of each member entity shall select one representative to serve on the TGIC. The duties of the TGIC shall include providing guidance to the executive administrator in carrying out the

executive administrator's [his] duties under this section and guidance to the Department of Information Resources for development of rules related to statewide geo-spatial data and technology standards.

(d) Member entities of the TGIC that are state agencies shall, and member entities that are not state agencies may, provide information to the TGIC about their investments in geographic information and plans for its use. Not later than September 1 of each even-numbered year, the TGIC shall prepare and provide to the board, the Department of Information Resources, the governor, and the legislature a plan that inventories known state agency geographic information systems projects and recommends initiatives to improve the state's geographic information systems programs.

(e) [(e)] Under the guidance of the TGIC, the executive administrator shall:

(1) further develop the Texas Natural Resources Information System by promoting and providing for effective acquisition, archiving, documentation, indexing, and dissemination of natural resource and related digital and nondigital data and information;

(2) obtain information in response to disagreements regarding names and name spellings for natural and cultural features in the state and provide this information to the Board on Geographic Names of the United States Department of the Interior;

(3) make recommendations to the Board on Geographic Names of the United States Department of the Interior for naming any natural or cultural feature subject to the limitations provided by Subsection (f) [(d) of this section];

(4) make recommendations to the Department of Information Resources to adopt and promote standards that facilitate sharing of digital natural resource data and related socioeconomic data among federal, state, and local governments and other interested parties;

(5) acquire and disseminate natural resource and related socioeconomic data describing the Texas-Mexico border region; and

(6) coordinate, conduct, and facilitate the development, maintenance, and use of mutually compatible statewide digital base maps depicting natural resources and man-made features.

(f) [(d)] A recommendation may not be made under [~~Subdivision (3) of~~] Subsection (e)(3) [(e) of this section] for:

(1) a feature previously named under statutory authority or recognized by an agency of the federal government, the state, or a political subdivision of the state;

(2) a feature located on private property for which consent of the property owner cannot be obtained; or

(3) naming a natural or cultural feature for a living person.

Sec. 16.022. WATER CONSERVATION STUDY. (a) The board and the State Soil and Water Conservation Board shall jointly conduct a study of the ways to improve or expand water conservation efforts and report to the legislature.

(b) The report must include:

(1) an assessment of both agricultural and municipal water conservation issues;

(2) information on existing conservation efforts by the board and the State Soil and Water Conservation Board;

(3) information on existing conservation efforts by municipalities receiving funding from the board, as specified in water conservation plans submitted by the municipalities as part of their applications for assistance;

(4) a discussion of future conservation needs;

(5) an analysis of programmatic approaches and funding for additional conservation efforts;

(6) an assessment of existing statutory authority and whether changes are needed to more effectively promote and fund conservation projects; and

(7) an assessment of the board's agricultural water conservation program.

(c) The report shall be issued as part of, or as a supplement to, the state water plan.

SECTION 19. Section 16.053(j), Water Code, is amended to read as follows:

(j) The board may provide financial assistance to political subdivisions under Subchapters E and F of this chapter, Subchapters C, D, E, F, ~~and~~ J, and O, Chapter 15, and Subchapters D, I, K, and L, Chapter 17, for water supply projects only if:

(1) the board determines that the needs to be addressed by the project will be addressed in a manner that is consistent with the state water plan; and

(2) beginning January 5, 2002, the board:

(A) has approved a regional water plan as provided by Subsection (i), and any required updates of the plan, for the region of the state that includes the area benefiting from the proposed project; and

(B) determines that the needs to be addressed by the project will be addressed in a manner that is consistent with that regional water plan.

SECTION 20. Section 16.136, Water Code, is amended to read as follows:

Sec. 16.136. FACILITIES WANTED BY POLITICAL SUBDIVISION. The board may acquire all or part [up to 50 percent] of any authorized facility to the extent that the board finds that the political subdivision:

(1) is willing and reasonably able to finance that portion [at least 50 percent] of the cost of the facility that the board does not acquire;

(2) has obtained all necessary permits;

(3) has proposals that are consistent with the objectives of the state water plan; and

(4) has a program of water conservation for the more efficient use of water as required by Section 15.106 of this code.

SECTION 21. Section 17.0871(g), Water Code, is amended to read as follows:

(g) The accrued interest portion of proceeds from the sale of political subdivision bonds shall be disposed of as otherwise provided by this chapter. Money not applied to discharges, payments, or redemptions shall be deposited in the development fund, the administrative fund, the water assistance fund, or the agricultural water conservation fund, as appropriate, to be used for the purposes provided by law.

SECTION 22. Section 17.123, Water Code, is amended to read as follows:

Sec. 17.123. FINDINGS REGARDING PERMITS. (a) The board shall not release funds for the construction of that portion of a project that proposes surface water or groundwater development [deliver funds pursuant to an application for financial assistance] until the executive administrator makes a written finding:

(1) that an applicant proposing surface-water development has the necessary water right authorizing it to appropriate and use the water which the water supply project will provide; or

(2) that an applicant proposing underground water development has the right to use water that the water supply project will provide.

(b) The board may release funds for the costs of planning, engineering, architectural, legal, title, fiscal, or economic investigation, studies, surveys, or designs before making the finding required under Subsection (a) if the executive administrator determines that a reasonable expectation exists that the finding will be made before the release of funds for construction.

SECTION 23. Subdivision (7), Section 17.871, Water Code, is amended to read as follows:

(7) "Loan" means a loan from the board to a lender district under this subchapter, except as provided by Section 17.894(b).

SECTION 24. Section 17.894, Water Code, is amended to read as follows:

Sec. 17.894. USE OF FUND. (a) The board may use money in the fund to make conservation loans directly to borrower districts, to make loans to lender districts, and to pay the cost of bond issuance.

(b) The board may use money in the fund:

(1) to make loans to political subdivisions other than lender districts for agricultural water conservation projects;

(2) to make grants to political subdivisions for agricultural water conservation projects; or

(3) to make grants to a state agency for the funding of any agricultural water conservation project of that agency, including a project in which the state agency provides funding to a political subdivision or a person for agricultural water conservation.

SECTION 25. Section 17.903, Water Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The board by rule may establish:

(1) procedures for applying for a loan or grant under Section 17.894(b);

(2) procedures for considering and approving applications and for making loans or grants under Section 17.894(b); and

(3) the rate of interest the board charges, if any, for loans under Section 17.894(b).

(c) The board shall have the power to enter into any contracts to carry out the provisions of this subchapter.

SECTION 26. Section 17.928, Water Code, is amended to read as follows:

Sec. 17.928. FINDINGS REGARDING PERMITS. (a) The board ~~shall~~ [may] ~~not release funds for the construction of that portion of a project that proposes surface water or groundwater development [deliver funds pursuant to an application for financial assistance]~~ until the executive administrator makes a written finding:

(1) that an applicant proposing surface-water development has the necessary water right authorizing it to appropriate and use the water that the water supply project will provide; or

(2) that an applicant proposing underground water development has the right to use water that the water supply project will provide.

(b) The board may release funds for the costs of planning, engineering, architectural, legal, title, fiscal, or economic investigation, studies, surveys, or designs before making the finding required under Subsection (a) if the executive administrator determines that a reasonable expectation exists that the finding will be made before the release of funds for construction.

(c) If an applicant includes a proposal for treatment works, the board may not deliver funds for the treatment works until the applicant has received a permit for construction and operation of the treatment works and approval of the plans and specifications from the commission or unless such permit is not required by the commission.

SECTION 27. Subchapter K, Chapter 17, Water Code, is amended by adding Section 17.937 to read as follows:

Sec. 17.937. LIMITATION ON ANNEXATION OF DISTRICTS THAT RECEIVE FINANCIAL ASSISTANCE. A local government may not annex a district that receives or has received financial assistance under this subchapter for which repayment is required until the district has repaid the financial assistance in the form, manner, and time provided by board rules and by the agreement between the board and the district.

SECTION 28. The heading to Subchapter Z, Chapter 2306, Government Code, is amended to read as follows:

SUBCHAPTER Z. COLONIAS
[~~COLONIA SELF-HELP CENTERS~~]

SECTION 29. Sections 2306.584 and 2306.585, Government Code, are amended to read as follows:

Sec. 2306.584. COLONIA SELF-HELP CENTER ADVISORY COMMITTEE.

(a) The department shall appoint not fewer than five persons who are residents of colonias to serve on the Colonia Self-Help Center Advisory Committee [~~an advisory committee~~]. The members of the advisory committee shall be selected from lists of candidates submitted to the department by local nonprofit organizations and the commissioners court of a county in which a self-help center is located.

(b) The department shall appoint one committee member to represent each of the counties in which self-help centers are located. Each committee member:

- (1) must be a resident of a colonia in the county the member represents; and
- (2) may not be a board member, contractor, or employee of or have any ownership interest in an entity that is awarded a contract under this subchapter.

Sec. 2306.585. DUTIES OF COLONIA SELF-HELP CENTER ADVISORY COMMITTEE. (a) The Colonia Self-Help Center Advisory Committee [~~committee~~] shall advise the department regarding:

- (1) the needs of colonia residents;
- (2) appropriate and effective programs that are proposed or are operated through the self-help centers; and
- (3) activities that may be undertaken through the self-help centers to better serve the needs of colonia residents.

(b) The committee shall meet before the 30th day preceding the date on which a contract is scheduled to be awarded for the operation of a self-help center and may meet at other times.

SECTION 30. Subchapter Z, Chapter 2306, Government Code, is amended by adding Section 2306.5851 to read as follows:

Sec. 2306.5851. COLONIA WATER AND WASTEWATER INFRASTRUCTURE ADVISORY COMMITTEE. (a) The Colonia Water and Wastewater Infrastructure Advisory Committee is composed of seven members appointed by the governor as follows:

- (1) one colonia resident;
- (2) one representative of a nonprofit organization that serves colonia residents;

(3) one local government representative;
(4) one person to represent private interests in banking or land development;
(5) one representative of a nonprofit utility;
(6) one representative of an engineering consultant firm involved in economically distressed areas program projects under Subchapter K, Chapter 17, Water Code; and

(7) one public member.

(b) Each committee member, except the public member, must reside within 100 miles of the Texas-Mexico border.

(c) The secretary of state is an ex officio member of the committee.

(d) The committee shall review the progress of water and wastewater infrastructure projects affecting colonias.

(e) The committee shall present an update and make recommendations to the board and the Texas Water Development Board annually at the joint meeting required by Section 6.060(d), Water Code, regarding:

(1) efforts to ensure that colonia residents are connected to the infrastructure funded by state agencies;

(2) the financial, managerial, and technical capabilities of project owners and operators;

(3) the agencies' management of their colonia programs and the effectiveness of their policies regarding underperforming projects; and

(4) any other issues related to the effect of state-managed infrastructure programs on colonia residents.

SECTION 31. (a) The Texas Water Development Board shall adopt, not later than March 1, 2002, necessary rules to administer the pilot program for water and wastewater loans for rural communities created by Subchapter O, Chapter 15, Water Code, as added by this Act.

(b) The Texas Water Development Board shall begin, not later than September 1, 2002, to provide loans under Subchapter O, Chapter 15, Water Code, as added by this Act.

SECTION 32. The changes in law made by this Act in the prohibitions and qualifications applying to members of the Texas Water Development Board do not affect the entitlement of a member serving on the board immediately before September 1, 2001, to continue to serve and function as a member of the board for the remainder of the member's term. The changes in law apply only to a member appointed on or after September 1, 2001.

SECTION 33. This Act takes effect September 1, 2001.

Floor Amendment No. 1

Amend **CSSB 312** (House committee printing) as follows:

(1) Between the enacting clause and SECTION 1 of the bill (page 1, between lines 4 and 5), insert the following SECTION and renumber the subsequent SECTIONS accordingly:

SECTION 1. The legislature finds that:

(1) economically distressed subdivisions commonly called colonias are found throughout those counties located within 50 miles of the international border of this state;

(2) a substantial number of homes in the economically distressed subdivisions lack an adequate potable water supply and sewer services, creating a

serious and unacceptable health hazard from contagious and other serious illnesses and posing a clear and substantial threat not only to the environment of the border region but also to the environment of the entire state;

(3) although significant improvement has been made by this state and the political subdivisions of the border area in addressing the public health hazard created in those economically distressed subdivisions, many of those economically distressed subdivisions are located in isolated rural areas far from water or wastewater providers or are otherwise situated so as to make the provision of water or wastewater services by political subdivisions to those areas difficult or impossible using conventional capital improvement strategies;

(4) the lack of an adequate potable water supply and wastewater services, coupled with the location of those subdivisions, erodes the economic stability of the counties that contain those subdivisions and that depend on a healthy and safe environment for the residents of the subdivisions and counties;

(5) the economic stability of those counties is necessary for the mutual development of trade, transportation, and commerce in the border region and affects not only the border region, but all regions of the state involved in those reciprocal economic activities;

(6) alternative capital improvement mechanisms are necessary to ensure that the maximum number of economically distressed subdivisions obtain adequate water or wastewater services to eliminate public health problems and encourage the development and diversification of the economy in those counties and the entire state;

(7) nonprofit organizations have succeeded in planning, platting, engineering, designing, and constructing water and wastewater projects to serve those inaccessible, economically distressed subdivisions using assistance from the residents immediately benefiting from the water or wastewater services, thus creating an alternative capital improvement mechanism with a proven record of success that deserves state support;

(8) many residents of colonias are motivated to improve their situation and have worked with nonprofit organizations on self-help projects to build their own infrastructure, ultimately saving on the total cost of water and wastewater projects; and

(9) creating a program to provide public funds to those nonprofit organizations for self-help projects will assist in the reduction of the public health problems created by the lack of adequate water and wastewater services and will encourage the development and diversification of the economy of the counties in which those subdivisions are located as well as throughout the entire state.

(2) Between SECTIONS 9 and 10 of the bill (page 10, between lines 7 and 8), insert the following appropriately numbered SECTION and renumber the subsequent SECTIONS accordingly:

SECTION _____. Section 15.008, Water Code, is amended to read as follows:

Sec. 15.008. GRANT STANDARDS. The law regarding uniform grants and contract management, Chapter 783, Government Code, [Uniform Grant and Contract Management Act of 1981 (Article 4413(32g), Vernon's Texas Civil Statutes)] does not apply to a contract under Subchapter F, H, [or] K, or P [of this chapter].

(3) In SECTION 10 of the bill (page 10, line 19), strike "and the rural" and substitute "the rural".

(4) In SECTION 10 of the bill, between "chapter" and the period (page 10, line 20), insert ", and the colonia self-help account created under Subchapter P of this chapter".

(5) In SECTION 11 of the bill (page 10, line 24), strike "or O" and substitute "O, or P".

(6) In SECTION 11 of the bill, between "fund" and "created" (page 10, line 25), insert "or account".

(7) Between SECTIONS 17 and 18 of the bill (page 23, between lines 3 and 4), insert the following appropriately numbered SECTION and renumber the subsequent SECTIONS accordingly:

SECTION _____. Chapter 15, Water Code, is amended by adding Subchapter P to read as follows:

SUBCHAPTER P. COLONIA SELF-HELP PROGRAM

Sec. 15.951. DEFINITIONS. In this subchapter:

(1) "Account" means the colonia self-help account.

(2) "Colonia" means a geographic area that:

(A) is an economically distressed area as defined by Section 17.921; and

(B) is located in a county any part of which is within 50 miles of an international border.

(3) "Program" means the colonia self-help program established under this subchapter.

(4) "Retail public utility" has the meaning assigned by Section 13.002.

(5) "Self-help project" means a project in which the people who will benefit from the project actively participate.

Sec. 15.952. CREATION OF ACCOUNT. (a) The colonia self-help account is an account in the general revenue fund that may be appropriated only for the purposes of this subchapter.

(b) The account consists of:

(1) money transferred by the legislature directly to the account;

(2) money transferred at the board's discretion from the fund;

(3) gifts, grants, or donations to the account; and

(4) interest earned on money credited to the account.

(c) Sections 403.095 and 404.071, Government Code, do not apply to the account.

Sec. 15.953. USE OF ACCOUNT. (a) The board may use funds in the account only to reimburse nonprofit organizations eligible under Section 15.954 for expenses incurred in a self-help project that results in the provision of adequate water or wastewater services to a colonia. Expenses that may be reimbursed include:

(1) construction expenses;

(2) facility planning expenses;

(3) platting expenses;

(4) surveying expenses;

(5) engineering expenses;

(6) equipment expenses; and

(7) other expenses necessary to provide water or wastewater services to the colonia, as determined appropriate by the board.

(b) The board may award a grant under the program directly to a nonprofit organization to reimburse the organization for expenses incurred in a self-help project described by Subsection (a).

Sec. 15.954. ELIGIBLE NONPROFIT ORGANIZATIONS. To be eligible to receive a grant under the program, an organization must:

- (1) apply for the grant;
- (2) qualify for an exemption from federal income taxes under Section 501(c)(3), Internal Revenue Code of 1986, as amended; and
- (3) as of January 1, 2001, have a demonstrated record of completing in coordination with a retail public utility construction of self-help projects described by Section 15.953(a).

Sec. 15.955. GRANT APPLICATION. An eligible nonprofit organization must apply to the board for a grant under the program before incurring any expense associated with a self-help project described by Section 15.953(a). The application must include:

- (1) the name of the nonprofit organization, the names of the organization's principal officers, and verification of the organization's 501(c)(3) status;
- (2) a description of the project area, the anticipated number of water and wastewater connections to be made, and the anticipated number of colonia residents to be served;
- (3) a description of the existing water and wastewater facilities in the colonia;
- (4) a description of the project and the aspect of the project for which the grant will be used;
- (5) a description of the anticipated participation in the project by residents of the colonia;
- (6) the estimated total cost of both the project and the aspect of the project for which the grant will be used;
- (7) the amount of the grant that is requested from the colonia self-help account and the sources of funding for the entire project;
- (8) from a retail public utility authorized to provide water or wastewater services to the colonia, a resolution in which the retail public utility:
 - (A) agrees to inspect the project during and after construction to ensure the adequacy of the project; and
 - (B) commits to provide the water or wastewater services that the project intends to use; and
- (9) any other information required by the board.

Sec. 15.956. BOARD CONSIDERATIONS IN EVALUATING GRANT APPLICATION. In evaluating an application for a grant under the program, the board shall consider:

- (1) the number, quality, and character of projects previously completed by the applicant; and
- (2) the capability of the retail public utility to provide water or wastewater services to the colonia on completion of the project.

Sec. 15.957. ACTION ON GRANT APPLICATION. (a) Not later than the 60th day after the date the board receives a complete application for a grant under the program, the board by written resolution shall:

- (1) approve the application; or
 - (2) disapprove the application.
- (b) On approval of an application, the board shall authorize the executive administrator of the board to execute a contract with the applicant for a grant to reimburse eligible expenses. The contract may provide a budget, schedule, terms for payment of funds, and any other terms the board or its executive administrator considers appropriate.

Sec. 15.958. RULES. The board shall adopt rules necessary to administer the program established under this subchapter.

Sec. 15.959. CO-ADMINISTRATION. The program shall be co-administered by the office of the secretary of state until the second anniversary of the date on which the program begins operations under this subchapter.

(8) Between SECTIONS 20 and 21 of the bill (page 27, between lines 25 and 26), insert the following appropriately numbered SECTION and renumber the subsequent SECTIONS accordingly:

SECTION _____. Subsection (g), Section 16.343, Water Code, is amended to read as follows:

(g) Before ~~[filing]~~ an application for funds ~~[for facility engineering]~~ under Section 15.407 ~~or Subchapter P, Chapter 15, [of this code] or [financial assistance under]~~ Subchapter K, Chapter 17, may be considered by the board [of this code], a political subdivision must adopt the model rules pursuant to this section. If the applicant is [or, in the case of] a district, [or] nonprofit water supply corporation, or colonia, the applicant must be located in a city or county that has adopted such rules. Applicants for funds under Section 15.407 or Subchapter P, Chapter 15, or Subchapter K, Chapter 17, may not receive funds under those provisions unless the applicable political subdivision [An affected county may not receive funds under either Section 15.407 of this code or Subchapter K, Chapter 17, of this code unless the county] adopts and enforces the model rules.

(9) Between SECTIONS 31 and 32 of the bill (page 34, between lines 12 and 13), insert the following appropriately numbered SECTION and renumber the subsequent SECTIONS accordingly:

SECTION _____. The Texas Water Development Board is required to implement the colonia self-help program under Subchapter P, Chapter 15, Water Code, as added by 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 Water Development Board may, but is not required to, implement the colonia self-help program using other appropriations available for that purpose.

Floor Amendment No. 2

Amend **CSSB 312** (House committee printing) as follows:

(1) In SECTION 4 of the bill, in added Section 6.060(d), Water Code (page 4, line 10), strike "to address" and substitute ", or the successor agency that administers the portion of the federal community development block grant nonentitlement program that addresses the infrastructure needs of colonias, to assess".

(2) In SECTION 4 of the bill, in added Section 6.060(d), Water Code (page 4, lines 12-14), strike "Water and Wastewater Infrastructure Advisory Committee, as provided by Section 2306.5851" and substitute "Initiatives Advisory Committee, as provided by Section 2306.590".

(3) In SECTION 29 of the bill, in amended Section 2306.584, Government Code (page 31, line 23), strike "SELF-HELP CENTER" and substitute "RESIDENT".

(4) In SECTION 29 of the bill, in amended Section 2306.584, Government Code (page 31, line 25), strike "Self-Help Center" and substitute "Resident".

(5) In SECTION 29 of the bill, in amended Section 2306.585, Government Code (page 32, lines 12 and 13), strike "SELF-HELP CENTER ADVISORY COMMITTEE. (a) The Colonia Self-Help Center" and substitute "RESIDENT ADVISORY COMMITTEE. (a) The Colonia Resident".

(6) In SECTION 29 of the bill, in amended Section 2306.585(b), Government Code (page 32, line 20), between "The" and "committee", insert "advisory".

(7) In SECTION 30 of the bill, in the introductory language (page 32, line 24), strike "2306.5851" and substitute "2306.590".

(8) In SECTION 30 of the bill, in added Section 2306.5851, Government Code (page 32, lines 25-27), strike "Sec. 2306.5851. COLONIA WATER AND WASTEWATER INFRASTRUCTURE ADVISORY COMMITTEE. (a) The Colonia Water and Wastewater Infrastructure" and substitute "Sec. 2306.590. COLONIA INITIATIVES ADVISORY COMMITTEE. (a) The Colonia Initiatives".

(9) In SECTION 30 of the bill, in added Section 2306.5851(a)(3), Government Code (page 33, line 5), strike "local government representative" and substitute "representative of a political subdivision that contains all or part of a colonia".

(10) In SECTION 30 of the bill, in added Section 2306.5851(b), Government Code (page 33, line 14), strike "100" and substitute "150".

(11) In SECTION 30 of the bill, in added Section 2306.5851, Government Code (page 33, line 17, through page 34, line 4), strike Subsections (d) and (e) and substitute the following:

(d) The committee shall:

(1) review the progress of colonia water and wastewater infrastructure projects managed by the Texas Water Development Board and the state agency responsible for administering the portion of the federal community development block grant nonentitlement program that addresses the infrastructure needs of colonias;

(2) present an update and make recommendations to the board and the Texas Water Development Board annually at the joint meeting required by Section 6.060(d), Water Code, regarding:

(A) efforts to ensure that colonia residents are connected to the infrastructure funded by state agencies;

(B) the financial, managerial, and technical capabilities of project owners and operators;

(C) the agencies' management of their colonia programs and the effectiveness of their policies regarding underperforming projects; and

(D) any other issues related to the effect of state-managed infrastructure programs on colonia residents;

(3) review public comments regarding the colonia needs assessment incorporated into the state low income housing plan under Section 2306.0721; and

(4) based on the public comments reviewed under Subdivision (3), recommend to the board new colonia programs or improvements to existing colonia programs.

(12) Between SECTIONS 32 and 33 of the bill (page 34, between lines 19 and 20), insert the following appropriately numbered SECTION and renumber the subsequent SECTION accordingly:

SECTION _____. If S.B. No. 322, 77th Legislature, Regular Session, 2001, becomes law and if that bill provides for the creation of a Colonia Resident Advisory Committee, a Colonia Initiatives Advisory Committee, or a committee having another name that has functions similar to those of the Colonia Resident Advisory Committee or the Colonia Initiatives Advisory Committee created by this Act, it is the intent of the legislature that this Act govern all matters relating to the committees and that the provisions of S.B. No. 322 relating to the committees have no effect.

Floor Amendment No. 3

Amend **CSSB 312** (House committee printing) as follows:

(1) In SECTION 24 of the bill, in added Section 17.894(b)(2), Water Code (page 29, line 17), between "projects" and the semicolon, insert "as provided by legislative appropriation".

(2) In SECTION 24 of the bill, in added Section 17.894(b)(3), Water Code (page 29, lines 19 and 20), strike "project of that agency, including a project" and substitute "program of that agency, including a program".

(3) In SECTION 24 of the bill, in added Section 17.894(b)(3), Water Code (page 29, line 22), between "conservation" and the period, insert ", as provided by legislative appropriation".

Floor Amendment No. 4

Amend **CSSB 312** (House Committee Report Version) to read as follows:

(1) On page 31, line 16, between the words "rules" and "board", strike "and by the agreement between the" and substitute "or with agreement from the".

Floor Amendment No. 5

Amend **CSSB 312** (House committee printing) by adding the following appropriately numbered SECTION to the bill and appropriately renumbering subsequent SECTIONS of the bill:

SECTION _____. (a) Chapter 9, Water Code, as added by Senate Bill No. 2, Acts of the 77th Legislature, Regular Session, 2001, is amended by adding Section 9.017 to read as follows:

Sec. 9.017. DISSOLUTION OF COUNCIL AND ACCOUNT. Unless extended by the 78th Legislature, this chapter expires and the council and the interagency water advisory account created by this chapter are abolished on September 1, 2003.

(b) If a joint committee on water infrastructure required to conduct an interim study on water marketing, water financing, water conveyance systems, the appropriation, reservation, or acquisition of water for instream users, or the recodification of special laws creating and governing river authorities is created by an Act of the 77th Legislature at its regular session that is enacted and becomes law, that committee shall include in its interim study the continuation of the Texas Water Advisory Council, if that council is created by an Act of the 77th Legislature at its regular session that is enacted and becomes law.

(c) Subsection (a) of this section takes effect only if Senate Bill No. 2, or another Act of the 77th Legislature, Regular Session, 2001, adding Chapter 9, Water Code, which creates the Texas Water Advisory Council, is enacted and becomes law.

(d) This section takes effect September 1, 2001.

Floor Amendment No. 1 on Third Reading

Amend **CSSB 312** on third reading by inserting the following new SECTION 28 between lines 17 and 18 on page 31 of the committee substitute to read as follows, and renumbering subsequent sections accordingly:

SECTION 28. Section 36.001, Water Code, is amended by inserting a new Subdivision (18) to read as follows:

(18) "Public water supply well" means, for purposes of a district governed by this chapter, a well that produces the majority of its water for use by a public water system.

Floor Amendment No. 2 on Third Reading

Amend **CSSB 312** on third reading by inserting the appropriately numbered Sections, to read as follows:

SECTION _____. Section 11.002, Water Code, is amended by adding Subdivision (1) to read as follows:

(1) "River basin" means a river or coastal basin designated by the board as a river basin under Section 16.051. The term does not include waters originating in the bays or arms of the Gulf of Mexico.

SECTION _____. Subsection (p), Section 11.085, Water Code, is amended to read as follows:

~~(p) [For the purposes of this section, a basin is designated as provided in accordance with Section 16.051 of this code.]~~ A river basin may not be redesignated in order to allow a transfer or diversion of water otherwise in violation of this section.

SECTION _____. Subsection (b), Section 15.102, Water Code, is amended to read as follows:

(b) The loan fund may also be used by the board to provide grants for:

(1) projects that include supplying water and wastewater services in economically distressed areas, including projects involving retail distribution of those services; and

(2) desalination, brush control, weather modification, regionalization, and projects providing regional water quality enhancement services as defined by board rule, including regional conveyance systems.

SECTION _____. Subsections (4), (5) and (6), Section 15.434, Water Code, are amended to read as follows:

(4) grants made to groundwater ~~[underground water]~~ conservation districts and political subdivisions for the purchase of equipment under programs established by Subchapter H of this chapter;

(5) research in water utilization and conservation including artificial recharge and secondary recovery of groundwater ~~[underground water]~~;

(6) desalination ~~[desalinization]~~;

SECTION _____. Section 11.32, Tax Code, is amended to read as follows:

Sec. 11.32. CERTAIN WATER CONSERVATION INITIATIVES. The governing body of a taxing unit by official action of the governing body adopted in the manner required by law for official actions may exempt from taxation part or all of the assessed value of property on which approved water conservation initiatives, desalination projects, or brush control initiatives have been implemented. For purposes of this section, approved water conservation, desalination, and brush control initiatives shall be designated pursuant to an ordinance or other law adopted by the governing unit.

SECTION _____. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.355 to read as follows:

Sec. 151.355. WATER RELATED EXEMPTIONS. The following are exempted from taxes imposed by this chapter:

(1) rainwater harvesting equipment or supplies, water recycling and reuse equipment or supplies, or other equipment, services, or supplies used to reduce or eliminate water use;

(2) equipment, services, or supplies used for desalination of surface water or groundwater;

(3) equipment, services, or supplies used for brush control designed to enhance the availability of water;

(4) equipment, services, or supplies used for precipitation enhancement;

(5) equipment, services, or supplies used to construct or operate a water or wastewater system certified by the Texas Natural Resource Conservation Commission as a regional system; and

(6) equipment, services, or supplies used to construct or operate a water supply or wastewater system by a private entity as a public-private partnership, as certified by the political subdivision that is a party to the project.

The amendments were read.

Senator Zaffirini moved that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The President asked if there were any motions to instruct the conference committee on **SB 312** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Zaffirini, Chair; Brown, Barrientos, Bernsen, and Haywood.

SENATE BILL 516 WITH HOUSE AMENDMENTS

Senator Madla called **SB 516** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1

Amend **SB 516** as follows:

(1) In SECTION 1 of the bill, in added Section 106.258(a), Health and Safety Code (engrossed version, page 4, line 4), strike "and".

(2) In SECTION 1 of the bill, in added Section 106.258(a), Health and Safety Code (engrossed version, page 4, line 6), between "Examiners" and the period insert "; and

(8) an administrator or a chief executive officer of a hospital located in a rural county".

Floor Amendment No. 2

Amend Committee Amendment No. 1 to **SB 516** (on page 5, lines 2-10, House Committee Report) by striking the text of the amendment and substituting the following:

Amend **SB 516** in SECTION 1 of the bill, in added Subchapter H, Chapter 106, Health and Safety Code, by striking added Section 106.258, Health and Safety Code (House committee printing, page 3, lines 16-26 and page 4, lines 1-8).

Floor Amendment No. 3

Amend **SB 516** (house committee printing) as follows:

(1) In SECTION 1 of the bill, strike proposed Subdivision (2) of Section 106.251, Health and Safety Code (page 1, lines 10 through 13), and substitute the following:

(2) "Relief services" means:

(A) the temporary coverage of a physician's practice by another physician for a predetermined time during the physician's absence and before the physician's return; or

(B) the intended practice of medicine by a person who is applying for a license as a physician in this state and who promises to practice medicine in a rural area.

(2) In SECTION 1 of the bill, in added Section 106.252, Health and Safety Code (page 1, line 24), between "PROGRAM." and "The center", insert "(a)".

(3) In SECTION 1 of the bill, at the end of added Section 106.252, Health and Safety Code (page 2, between lines 4 and 5), insert the following:

(b) As part of the program under this subchapter, the center shall provide the statement required by Section 155.056(c), Occupations Code, for an applicant for a license as a physician who promises to provide relief services as described by Section 106.251(2)(B).

(4) Add the following appropriately numbered section to the bill:

SECTION _____. Section 155.056, Occupations Code, is amended by adding Subsection (c) to read as follows:

(c) In addition to any other reexamination allowed under this section, an applicant who otherwise qualifies for a license under this subtitle is entitled to an additional reexamination on one part of the examination not previously passed if the applicant:

(1) submits an affidavit with the application that the applicant intends to provide relief services, as described by Section 106.251(2)(B), Health and Safety Code;

(2) provides a statement from the Center for Rural Health Initiatives that the services the applicant promises to provide qualify as relief services under Section 106.251, Health and Safety Code; and

(3) has completed, in this state, at least three years of postgraduate medical training approved by the board.

(5) Renumber the sections of the bill accordingly.

Floor Amendment No. 1 on Third Reading

Amend **SB 516** on third reading by adding the following appropriately numbered SECTIONS of the bill and renumbering subsequent SECTIONS of the bill as appropriate:

SECTION _____. Subchapter C, Chapter 155, Occupations Code, is amended by adding Section 155.1025 to read as follows:

Sec. 155.1025. EXPEDITED PROCESS FOR CERTAIN APPLICANTS. (a) The board shall adopt rules for expediting any application for a license under this subtitle made by a person who is licensed to practice medicine in another state or country and who submits an affidavit with the application stating that:

(1) the applicant intends to practice in a rural community, as determined by the Center for Rural Health Initiatives; or

(2) the applicant intends to:

(A) accept employment with an entity located in a medically underserved area or health professional shortage area, designated by the United States Department of Health and Human Services, and affiliated with or participating in a public university-sponsored graduate medical education program;

(B) serve on the faculty of the public university-sponsored graduate medical education program; and

(C) engage in the practice of medicine and teaching in a specialty field of medicine that is necessary to obtain or maintain the accreditation of the public university-sponsored graduate medical education program by the Accreditation Council for Graduate Medical Education.

(b) The board shall notify the Texas Department of Health on receipt of an application for expedited processing under Subsection (a)(2).

SECTION _____. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.947 to read as follows:

Sec. 51.947. IMMIGRATION VISA WAIVERS FOR FACULTY PHYSICIANS. On receipt of an application from a foreign applicant for the expedited processing of a license under Section 155.1025(a)(2), Occupations Code, the Texas Department of Health shall request the United States Department of State to recommend the waiver of 8 U.S.C. Section 1182(e) under exceptions provided by 8 U.S.C. Section 1184(l) for not more than 20 qualified alien physicians each year who agree, beginning not later than the 90th day after the date of approval of the waiver and continuing for at least three years, to:

(1) accept employment with an entity:

(A) located in a medically underserved area or health professional shortage area, as designated by the United States Department of Health and Human Services; and

(B) affiliated with or participating in a public university-sponsored graduate medical education program;

(2) serve on the faculty of the public university-sponsored graduate medical education program;

(3) engage in the practice of medicine and teaching in a specialty field of medicine that is necessary to obtain or maintain the accreditation of the public university-sponsored graduate medical education program by the Accreditation Council for Graduate Medical Education; and

(4) join a medical practice located in a medically underserved area or health professional shortage area, as designated by the United States Department of Health and Human Services.

The amendments were read.

Senator Madla moved that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The President asked if there were any motions to instruct the conference committee on **SB 516** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Madla, Chair; Carona, Staples, Harris, and Lucio.

SENATE BILL 730 WITH HOUSE AMENDMENTS

Senator Harris called **SB 730** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 730**, in Section 1 of the bill, added Article 45.051(g), Code of Criminal Procedure (House Committee Printing, page 3), by striking lines 16-20.

Floor Amendment No. 2

Amend **SB 730** by adding the following new sections to the bill, appropriately numbered, and renumbering subsequent sections accordingly:

SECTION _____. Section 543.004, Transportation Code, is amended to read as follows:

Sec. 543.004. NOTICE TO APPEAR REQUIRED[~~—CERTAIN OFFENSES~~].

(a) The issuance of a written notice to appear as provided by Section 543.003 is mandatory and an [An] officer shall issue a written notice to appear if:

(1) the offense charged is a misdemeanor punishable by fine only [speeding or a violation of the open container law, Section 49.03, Penal Code]; [and]

(2) the person displays:

(A) an unexpired driver's license or permit issued to the person by the department or by another state or country; or

(B) an unexpired personal identification certificate issued to the person by the department; and

(3) the person makes a written promise to appear in court as provided by Section 543.005.

(b) If the person is a resident of or is operating a vehicle licensed in a state or country other than this state, Subsection (a) applies only as provided by Chapter 703.

~~[(c) The offenses specified by Subsection (a) are the only offenses for which issuance of a written notice to appear is mandatory.]~~

SECTION _____. Article 14.06, Code of Criminal Procedure, is amended to read as follows:

Art. 14.06. MUST TAKE OFFENDER BEFORE MAGISTRATE. (a) Except as provided by Subsections [Subsection] (b), (c), and (d), in each case enumerated in this Code, the person making the arrest shall take the person arrested or have the person [him] taken without unnecessary delay before the magistrate who may have ordered the arrest, before some magistrate of the county where the arrest was made without an order, or, if necessary to provide more expeditiously to the person arrested the warnings described by Article 15.17 of this Code, before a magistrate in a county bordering the county in which the arrest was made. The magistrate shall immediately perform the duties described in Article 15.17 of this Code.

(b) A peace officer who is charging a person, including a child, with committing an offense that is a Class C misdemeanor, other than an offense under Section 49.02, Penal Code, or a traffic offense, may, instead of taking the person before a magistrate, issue a citation to the person that contains written notice of the time and place the person must appear before a magistrate, the name and address of the person charged, and the offense charged.

(c) A peace officer who is charging a person, including a child, with committing a traffic offense that is a Class C misdemeanor, including an offense under Section 49.03, Penal Code, shall, instead of taking the person before a magistrate, issue a citation to the person that contains written notice of the time and place the person must appear before a magistrate, the name and address of the person charged, and the offense charged, if the person displays:

(1) an unexpired driver's license or permit issued to the person by the Department of Public Safety or by another state or country; or

(2) an unexpired personal identification certificate issued to the person by the department.

(d) If a person charged as described by Subsection (c) is a resident of or is operating a vehicle licensed in a state or country other than this state, Subsection (c) applies only as provided by Chapter 703, Transportation Code.

Floor Amendment No. 1 on Third Reading

Amend **SB 730** on third reading as follows:

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

SECTION _____. Section 543.004, Transportation Code, is amended by adding Subsection (c) to read as follows:

(c) This section may not be construed to limit an officer's authority to make a warrantless arrest for any offense under a law not included in this subtitle.

(2) Strike the SECTION of 2nd reading amendment No. 2 by P. King that amends Article 14.06, Code of Criminal Procedure.

The amendments were read.

Senator Harris moved that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The President asked if there were any motions to instruct the conference committee on **SB 730** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Harris, Chair; Armbrister, West, Ogden, and Staples.

BILLS AND RESOLUTION SIGNED

The President announced the signing of the following enrolled bills and resolution in the presence of the Senate after the captions had been read:

SB 414, SB 789, SCR 28.

PHYSICIAN OF THE DAY

Senator Fraser was recognized and presented Dr. Ernesto Malave of Temple as the Physician of the Day.

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

REPORT OF COMMITTEE ON NOMINATIONS

Senator Nelson submitted the following report from the Committee on Nominations:

We, your Committee on Nominations, to which were referred the following appointments, have had same under consideration and report them back to the Senate with a recommendation that they be confirmed.

Members, Texas School for the Deaf Governing Board: Theresa Johnson, Harris County; Kenneth D. Kesterson, Howard County.

Members, Upper Neches River Municipal Water Authority Board of Directors: Joe M. Crutcher, Anderson County; Robert E. McKelvey, Anderson County.

Presiding Officer, Board of Pardons and Paroles: Gerald Garrett, Travis County.

Members, Board of Pardons and Paroles: James E. Bush, Walker County; Roy Anthony Garcia, Anderson County.

Member, State Cemetery Committee: George E. Christian, Sr., Travis County.

Members, Commission on Jail Standards: Lee Hamilton, Taylor County; Evelyn "Kelly" McVay, Nacogdoches County.

Chair, Texas Diabetes Council: Lawrence B. Harkless, D.P.M., Bexar County.

Members, Texas Diabetes Council: Mary-Ann Galley, Harris County; Lenore Frances Pressman Katz, Dallas County; Margaret G. Pacillas, El Paso County; Jeffrey A. Ross, D.P.M., Harris County.

Members, Texas Board of Architectural Examiners: Gordon E. Landreth, Nueces County; Janet Forgey Parnell, Hemphill County; Linda Diane Steinbrueck, Hays County.

Members, Texas Commission on Private Security: Joan T. Neuhaus, Harris County; Cephus S. "Dusty" Rhodes, El Paso County; Linda J. Sadler, Lubbock County.

NOTICE OF CONSIDERATION OF NOMINATIONS

Senator Nelson gave notice that she would tomorrow at the conclusion of morning call submit to the Senate for consideration nominations to agencies, boards, and commissions of the state.

SENATE CONCURRENT RESOLUTION 65

The President laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 732 has passed the Texas Senate and the Texas House of Representatives and is now in the office of the governor; and

WHEREAS, Further consideration of the bill by the senate and house of representatives is necessary; now, therefore, be it

RESOLVED by the 77th Legislature, That the governor be hereby requested to return Senate Bill No. 732 to the senate for further consideration; and, be it further

RESOLVED, That the action of the President of the Senate and the Speaker of the House in signing Senate Bill No. 732 be declared null and void and that the two presiding officers be authorized to remove their signatures from the enrolled bill.

BARRIENTOS

The resolution was read.

On motion of Senator Barrientos and by unanimous consent, the resolution was considered immediately and was adopted by a viva voce vote.

MESSAGE FROM THE GOVERNOR

The following Message from the Governor was read and was filed with the Secretary of the Senate:

OFFICIAL MEMORANDUM
STATE OF TEXAS
OFFICE OF THE GOVERNOR

May 22, 2001
Austin, Texas

MESSAGE

TO THE MEMBERS OF THE SENATE AND HOUSE OF REPRESENTATIVES
OF THE SEVENTY-SEVENTH TEXAS LEGISLATURE, REGULAR SESSION:

Article 4, Section 14, of the Texas Constitution directs and regulates when and how the Governor can approve or disapprove any bill passed by both houses of the Legislature.

The Legislature has passed Senate Concurrent Resolution No. 65 requesting that I return Senate Bill No. 732 by Barrientos to the Senate for further consideration. In this instance, I have taken no formal action on Senate Bill No. 732 and I am agreeing to the request of the Legislature.

While under no obligation to comply with this request and pursuant to established case law, I hereby return the enrolled copy of Senate Bill No. 732 with this message to the Senate for further consideration.

IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 22nd day of May, 2001.

/s/Rick Perry
Governor of Texas

ATTESTED BY:

/s/Henry Cuellar, Ph.D.
Secretary of State

CONFERENCE COMMITTEE ON HOUSE BILL 6

Senator Bivins called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 6** and moved that the request be granted.

The motion prevailed.

The President asked if there were any motions to instruct the conference committee on **HB 6** before appointment.

There were no motions offered.

Accordingly, the President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Bivins, Chair; Nelson, Staples, Shapiro, and Armbrister.

GUESTS PRESENTED

Senator Sibley was recognized and introduced to the Senate the first class of Bullock Scholars: Jonathan Sibley, Josh Tetens, Sarah Thompson, Kathy Zarate, and Kelley Stripling.

The Senate welcomed its guests.

HOUSE CONCURRENT RESOLUTION 296

The President laid before the Senate the following resolution:

HCR 296, Instructing the enrolling clerk of the house to make corrections in **HB 1072**.

MONCRIEF

The resolution was read.

On motion of Senator Moncrief and by unanimous consent, the resolution was considered immediately and was adopted by a viva voce vote.

SENATE RESOLUTION 1130

Senator Ellis offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 77th Legislature, Regular Session, 2001, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on House Joint Resolution No. 97, proposing a constitutional amendment authorizing the issuance of general obligation bonds for construction and repair projects and for the purchase of needed equipment, to consider and take action on the following matter:

Senate Rule 12.03(3) is suspended to permit the committee to add new text to Subsection (b), Section 50-f, Article III, Texas Constitution, as added by the joint resolution, so that Subsection (b) reads as follows:

(b) Proceeds from the sale of the bonds shall be deposited in a separate fund or account within the state treasury created by the comptroller for that purpose. Money in the separate fund or account may be used only to pay for:

(1) construction and repair projects authorized by the legislature by general law or the General Appropriations Act and administered by or on behalf of the General Services Commission, the Texas Youth Commission, the Texas Department of Criminal Justice, the Texas Department of Mental Health and Mental Retardation, the Parks and Wildlife Department, the adjutant general's department, the Texas School for the Deaf, the Department of Agriculture, the Department of Public Safety of the State of Texas, the State Preservation Board, the Texas Department of Health, the Texas Historical Commission, or the Texas School for the Blind and Visually Impaired; or

(2) the purchase, as authorized by the legislature by general law or the General Appropriations Act, of needed equipment by or on behalf of a state agency listed in Subdivision (1) of this subsection.

Explanation: The added text is necessary to allow the Texas Department of Health and the Texas Historical Commission to be eligible to use the proceeds of bonds authorized by the constitutional amendment for construction and repair projects and for the purchase of needed equipment.

The resolution was read and was adopted by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

CONCLUSION OF MORNING CALL

The President at 10:38 a.m. announced the conclusion of morning call.

HOUSE BILL 3244 ON SECOND READING

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

HB 3244, Relating to authorizing the Texas Department of Health to temporarily transfer money appropriated for the purpose of a tobacco endowment program administered by the department to use for another tobacco endowment program administered by the department.

The bill was read second time.

Senator Duncan offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3244** as follows:

(1) In SECTION 1 of the bill, in the second sentence of added Section 403.105(h), Government Code (page 1, line 24, senate committee printing), between "the transfer" and the comma insert "but not later than the 90th day after the date of the transfer".

(2) In SECTION 2 of the bill, in the second sentence of added Section 403.1055(h), Government Code (page 1, line 39, senate committee printing), between "the transfer" and the comma insert "but not later than the 90th day after the date of the transfer".

(3) In SECTION 3 of the bill, in the second sentence of added Section 403.106(h), Government Code (page 1, line 54, senate committee printing), between "the transfer" and the comma insert "but not later than the 90th day after the date of the transfer".

(4) In SECTION 4 of the bill, in the second sentence of added Section 403.1066(i), Government Code (page 2, line 6, senate committee printing), between "the transfer" and the comma insert "but not later than the 90th day after the date of the transfer".

The amendment was read and was adopted by a viva voce vote.

Senator Armbrister offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 3244** by amending SECTION 1 of the bill, to amend Section 403.105 Government Code, Subsection (h) and add new Subsection (i) to read as follows:

Sec. 403.105. PERMANENT FUND FOR TOBACCO EDUCATION AND ENFORCEMENT.

(h) The department may direct the comptroller to temporarily transfer money appropriated under Subsection (c) to pay an obligation that the department is authorized to incur under and for which money is appropriated under Section 403.1055(c), 403.106(c), or 403.1066(c) if the department determines that the transfer is necessary for cash management purposes. Notwithstanding any other law, in order to protect the revenue stream that funds various programs identified in Subsection (b) of this Section, when the judgment debtor in any action or litigation is a tobacco product manufacturer that is a party to the comprehensive Settlement Agreement and Release identified in Subsection (d), the security or bond that must be posted in order to prevent execution on the judgment during the pendency of all appeals, either appeals of right or discretionary appeals, shall be in an amount not to exceed the lesser of \$25 million or 100 percent of the amount of the judgment, exclusive of interest and costs. On proof by a preponderance of the evidence that a judgment debtor herein described is intentionally dissipating or diverting assets outside of the ordinary course of its business for the purpose of evading ultimate payment of the judgment, the trial court may enter any order necessary to prevent the dissipation or diversion or may require the judgment debtor to post security in an amount equal to the full amount of the judgment.

(i) As soon as possible after the transfer, the department shall direct the comptroller to transfer back the transferred amount from amounts appropriated under Section 403.1055(c), 403.106(c), or 403.1066(c), as applicable, to the appropriation item for Subsection (c).

The amendment was read and was adopted by a viva voce vote.

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

HB 3244 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 3244 ON THIRD READING

Senator Duncan moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3244** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

SENATE RESOLUTION 1119

Senator Bivins offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 77th Legislature, Regular Session, 2001, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on Senate Bill No. 1596, relating to the establishment and operation of the Toward EXcellence, Access, & Success (TEXAS) grant II program, to consider and take action on the following matter:

Senate Rule 12.03(1) is suspended to permit the committee to amend proposed Section 56.357(g), Education Code, to read as follows:

(g) An institution may use other available sources of financial aid, other than a loan or a Pell grant, to cover any difference in the amount of a TEXAS grant II and the actual amount of tuition and required fees at the institution.

Explanation: Subsection (g) is amended to conform to Section 56.307(j), Education Code, which provides that a loan or Pell grant may not be used to cover any difference in the amount of a TEXAS grant and the actual amount of tuition and required fees at an institution. The change is necessary to provide consistency between the TEXAS grant II program and the TEXAS grant program.

The resolution was read and was adopted by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

HOUSE BILL 1823 ON SECOND READING

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

HB 1823, Relating to damages in an action for interception of communications.

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

HOUSE BILL 1823 ON THIRD READING

Senator Armbrister moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1823** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 3665 ON THIRD READING**

On motion of Senator Sibley and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its third reading and final passage:

CSHB 3665, Relating to the creation, administration, powers, duties, operation, and financing of the Middle Trinity Groundwater Conservation District.

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

HOUSE BILL 820 ON SECOND READING

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

HB 820, Relating to the number of qualified businesses designated as enterprise projects in certain municipalities.

The bill was read second time.

Senator West offered the following committee amendment to the bill:

Committee Amendment No. 1

Amend **HB 820** (house engrossment) as follows:

(1) In SECTION 2 of the bill, in added Section 2303.406(d), Government Code (page 1, lines 18-19), strike "in each municipality" and substitute "for each nominating body".

(2) In SECTION 2 of the bill, in added Section 2303.406(d)(1), Government Code (page 1, line 21), between "municipality" and "with" insert "or county".

(3) In SECTION 2 of the bill, in added Section 2303.406(d)(2), Government Code (page 1, line 24), between "municipality" and "with" insert "or county".

The committee amendment was read and was adopted by a viva voce vote.

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

HB 820 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 820 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 820** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 3348 ON SECOND READING

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

HB 3348, Relating to the Texas Energy Resource Council; authorizing the imposition of an assessment on producers of oil, gas, and condensate.

The bill was read second time.

Senator Haywood offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3348** as follows:

(1) In SECTION 1 of the bill, strike added Subsections (b)-(d), Section 2.01, Article 4413(47g), Revised Statutes (Senate Committee Printing page 1, lines 33-56), and substitute the following:

(b) The executive officer, or a person designated by the executive officer, of each of the following organizations serves on the council:

(1) the Texas Oil & Gas Association;

(2) the Texas Independent Producers and Royalty Owners Association;

(3) the Permian Basin Petroleum Association;

(4) The Texas Alliance of Energy Producers;

(5) The Panhandle Producers and Royalty Owners Association; and

(6) The National Association of Royalty Owners-Texas.

(c) The governor shall appoint to serve on the council seven members from lists of nominees provided by the organizations listed in Subsection (b) of this section.

(d) The members of the council by majority vote shall appoint to serve on the council two members as follows:

(1) one representative of the crude oil purchasing industry; and

(2) one representative of the pipeline industry.

(2) In SECTION 1 of the bill, in added Subsection (a), Section 2.02, Article 4413(47g), Revised Statutes, between "council" and "serve" (Senate Committee Printing page 1, between lines 57 and 58), insert "appointed under Sections 2.01(c) and (d) of this article".

(3) In SECTION 1 of the bill, in added Subsection (a), Section 2.02, Article 4413(47g), Revised Statutes (Senate Committee Printing page 1, line 58), strike "five members" and substitute "two or three members, as applicable".

(4) In SECTION 1 of the bill, in added Subsection (b), Section 2.02, Article 4413(47g), Revised Statutes, between "vacancy" and "on" (Senate Committee Printing page 1, line 60), insert "in an appointive position".

(5) In SECTION 1 of the bill, at the end of added Subsection (b), Section 5.01, Article 4413(47g), Revised Statutes (Senate Committee Printing page 2, line 43), add "For purposes of the limitation provided by this subsection on assessments imposed on a producer, assessments imposed on an affiliate or subsidiary, as defined by Article 13.02, Texas Business Corporation Act, of a producer are considered to have been imposed on the producer."

(6) Strike SECTION 2 of the bill (Senate Committee Printing page 3, lines 43-59), and substitute the following:

SECTION 2. (a) As soon as practicable after receiving the lists described by Section 2.01(c), Article 4413(47g), Revised Statutes, as added by this Act, the governor shall appoint persons to serve on the Texas Energy Resource Council. The governor shall designate two persons to serve on the council for terms expiring February 1, 2003, two persons to serve on the council for terms expiring February 1, 2005, and three persons to serve on the council for terms expiring February 1, 2007.

(b) As soon as practicable after taking office, the members of the Texas Energy Resource Council designated or appointed under Sections 2.01(b) and (c), Article 4413(47g), Revised Statutes, as added by this Act, shall appoint one person to serve on the council for a term expiring February 1, 2003, and one person to serve on the council for a term expiring February 1, 2005.

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTES

Senators Moncrief and Ogden asked to be recorded as "Present-not voting" on the adoption of Floor Amendment No. 1.

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

HB 3348 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTES

Senators Moncrief and Ogden asked to be recorded as "Present-not voting" on the passage of **HB 3348** to third reading.

HOUSE BILL 3348 ON THIRD READING

Senator Haywood moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3348** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 0, Present-not voting 3.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Nelson, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Present-not voting: Moncrief, Ogden, Mr. President.

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

RECORD OF VOTES

Senators Moncrief and Ogden asked to be recorded as "Present-not voting" on the final passage of **HB 3348**.

HOUSE BILL 2778 ON SECOND READING

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

HB 2778, Relating to the membership of the interagency work group on unfunded mandates on political subdivisions.

The bill was read second time.

Senator Madla offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2778** (Senate Committee Printing) as follows:

(1) In SECTION 1 of the bill, in amended Section 320.002(a), Government Code (page 1, line 23), strike the first reference to "county officer" and substitute "officer of a political subdivision".

(2) In SECTION 1 of the bill, in amended Section 320.002(a), Government Code (page 1, line 25), strike "county employee or county officer" and substitute "employee or officer of a political subdivision".

The amendment was read and was adopted by a viva voce vote.

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

HB 2778 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 2778 ON THIRD READING

Senator Madla moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2778** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 1316 ON SECOND READING

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

HB 1316, Relating to the consideration of a trust as property liable for the support of clients at mental health community centers or patients at state hospitals.

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

RECORD OF VOTES

Senators Duncan, Haywood, Shapiro, Staples, and Wentworth asked to be recorded as voting "Nay" on the passage of **HB 1316** to third reading.

HOUSE BILL 1316 ON THIRD READING

Senator Moncrief moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1316** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 5, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Ellis, Fraser, Gallegos, Harris, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Ogden, Shapleigh, Sibley, Truan, Van de Putte, West, Whitmire, Zaffirini.

Nays: Duncan, Haywood, Shapiro, Staples, Wentworth.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 25, Nays 5, Present-not voting 1. (Same as previous roll call)

GUESTS PRESENTED

Senator Lindsay was recognized and introduced to the Senate fifth-grade students and teachers from Willow Creek Elementary School in Kingwood.

The Senate welcomed its guests.

HOUSE BILL 981 ON SECOND READING

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

HB 981, Relating to oil and gas royalty reporting standards.

The bill was read second time.

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 981** (Senate Committee Printing) by creating a new SECTION 1 and renumbering the subsequent SECTIONS accordingly.

SECTION 1. Subchapter J, Chapter 91, Natural Resources Code, is amended by adding Section 91.409 to read as follows:

Sec. 91.409. NOTIFICATION TO NONOPERATORS AND ROYALTY OWNERS OF ADDITIONAL PAYMENT RECEIVED BY OPERATOR. (a) An operator of an oil and/or gas property who receives from the first purchaser a payment for crude oil, condensate, or gas in addition to the price per barrel or per MCF of oil or gas sold, regardless of how the payment is described, must give written notice of the receipt of such payment and describe the nature and purpose of the payment to the nonoperators for which the operator is selling production and the royalty owners to whom the operator is obligated to make royalty payments. The notification is considered timely if made as of the later of:

(1) the 90th day after the date of receipt of such payment; or

(2) the date on which the next payment to the nonoperator or royalty owner is made in accordance with Section 91.402.

(b) Accounting adjustments made in the normal course of business for the purchase price of the crude oil or condensate at the operated property are not considered additional payments under this section.

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTE

Senator Moncrief asked to be recorded as "Present-not voting" on the adoption of the amendment.

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

HB 981 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTE

Senator Moncrief asked to be recorded as "Present-not voting" on the passage of **HB 981** to third reading.

HOUSE BILL 981 ON THIRD READING

Senator Armbrister moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 981** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 0, Present-not voting 2.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Present-not voting: Moncrief, Mr. President.

The bill was read third time.

On motion of Senator Armbrister and by unanimous consent, further consideration of **HB 981** was postponed to a time certain of 11:30 a.m. today.

Question—Shall **HB 981** be finally passed?

HOUSE BILL 2686 ON SECOND READING

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

HB 2686, Relating to tax incentives for certain businesses located in enterprise zones, defense readjustment zones, or strategic investment areas.

The bill was read second time.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2686** by striking all below the enacting clause and substituting the following:

ARTICLE 1

SECTION 1.01. Section 2303.407, Government Code, is amended to read as follows:

Sec. 2303.407. ALLOCATION OF JOBS ELIGIBLE FOR TAX REFUND. When the department designates a business as an enterprise project, the department shall allocate to the project the maximum number of new permanent jobs or retained jobs eligible to be included in a computation of a tax refund for the project. The number may not exceed 250 [~~625~~] or a number equal to 110 percent of the number of anticipated new permanent jobs or retained jobs specified in the application for designation of the business as an enterprise project under Section 2303.405, whichever is less.

SECTION 1.02. Section 2303.504, Government Code, is amended to read as follows:

Sec. 2303.504. STATE TAX REFUNDS AND CREDITS [~~DEDUCTION~~]; REPORT. (a) Subject to Section 2303.516, an [~~An~~] enterprise project is entitled to:

(1) a refund of state taxes under Section 151.429, Tax Code; and

(2) a franchise tax credit under Subchapter P or Q, Chapter 171 [~~deduction from taxable capital under Section 171.1015~~], Tax Code.

(b) Subject to Section 2303.516, a [~~A~~] qualified business is entitled to a refund of state taxes under Sections 151.431 and 171.501, Tax Code.

(c) Not later than the 60th day after the last day of each fiscal year, the comptroller shall report to the department the statewide total of the tax refunds and credits made under this section during that fiscal year.

SECTION 1.03. Subchapter G, Chapter 2303, Government Code, is amended by adding Section 2303.516 to read as follows:

Sec. 2303.516. (a) The department may monitor a qualified business or enterprise project to determine whether and to what extent the business or project has followed through on any commitments made by it or on its behalf under this chapter.

(b) The department may determine that the business or project is not entitled to a refund or credit of state taxes under Section 2303.504 if the department finds that:

(1) the business or project is not willing to cooperate with the department in providing the department with the information the department needs to make the determination under Subsection (a); or

(2) the business or project has substantially failed to follow through on any commitments made by it or on its behalf under this chapter.

SECTION 1.04. Section 2310.404, Government Code, is amended to read as follows:

Sec. 2310.404. STATE TAX REFUNDS AND CREDITS [~~DEDUCTION~~]; REPORT. (a) Subject to Section 2310.413, a [~~A~~] defense readjustment project is eligible for:

(1) a refund of state taxes under Section 151.4291, Tax Code;

(2) a franchise tax credit under Subchapter P or Q, Chapter 171 [~~deduction from taxable capital under Section 171.1016~~], Tax Code; and

(3) the exclusion of receipts from service performed in a readjustment zone in the determination of gross receipts from business done in this state under Sections 171.103 and 171.1032, Tax Code.

(b) Not later than the 60th day after the last day of each fiscal year, the comptroller shall report to the department the statewide total of the tax refunds or credits made under this section during that fiscal year.

SECTION 1.05. Subchapter F, Chapter 2303, Government Code, is amended by adding Section 2310.413 to read as follows:

Sec. 2310.413. (a) The department may monitor a defense readjustment project to determine whether and to what extent the project has followed through on any commitments made by it or on its behalf under this chapter.

(b) The department may determine that the defense readjustment project is not eligible for state tax refunds and credits under Section 2310.404 if the department finds that:

(1) the project is not willing to cooperate with the department in providing the department with the information the department needs to make the determination under Subsection (a); or

(2) the project has substantially failed to follow through on its commitments made by it or on its behalf under this chapter.

SECTION 1.06. Sections 151.429(a) and (b), Tax Code, are amended to read as follows:

(a) An enterprise project is eligible for a refund in the amount provided by this section of the taxes imposed by this chapter on purchases of:

(1) equipment or machinery sold to an enterprise project for use in an enterprise zone;

(2) building materials sold to an enterprise project for use in remodeling, rehabilitating, or constructing a structure in an enterprise zone;

(3) labor for remodeling, rehabilitating, or constructing a structure by an enterprise project in an enterprise zone; ~~and~~

(4) electricity and natural gas purchased and consumed in the normal course of business in the enterprise zone;

(5) tangible personal property purchased and consumed in the normal course of business in the enterprise zone; and

(6) taxable services.

(b) Subject to the limitations provided by Subsection (c) of this section, an enterprise project qualifies for a refund of taxes under this section of \$5,000 ~~[\$2,000]~~ for each new permanent job or job that has been retained by the enterprise project for a qualified employee.

SECTION 1.07. Section 151.4291(a), Tax Code, is amended to read as follows:

(a) A defense readjustment project is eligible for a refund in the amount provided by this section of the taxes imposed by this chapter on purchases of:

(1) equipment or machinery sold to a defense readjustment project for use in a readjustment zone;

(2) building materials sold to a defense readjustment project for use in remodeling, rehabilitating, or constructing a structure in a readjustment zone;

(3) labor for remodeling, rehabilitating, or constructing a structure by a defense readjustment project in a readjustment zone; ~~and~~

(4) electricity and natural gas purchased and consumed in the normal course of business in the readjustment zone;

(5) tangible personal property purchased and consumed in the normal course of business in the readjustment zone; and

(6) taxable services.

SECTION 1.08. Section 171.751, Tax Code, is amended by amending Subdivision (9) and adding Subdivisions (13)-(16) to read as follows:

- (9) "Qualifying job" means a new permanent full-time job that:
- (A) is located in:
 - (i) a strategic investment area; ~~or~~
 - (ii) a county within this state with a population of less than 50,000, if the job is created by a business primarily engaged in agricultural processing; or
 - (iii) an enterprise zone or a readjustment zone, regardless of whether the job meets the qualifications prescribed by Paragraphs (B)-(F), if the job is created by a qualified business that has been designated as an enterprise project or defense readjustment project, respectively;
 - (B) requires at least 1,600 hours of work a year;
 - (C) pays at least 110 percent of the county average weekly wage for the county where the job is located;
 - (D) is covered by a group health benefit plan for which the business pays at least 80 percent of the premiums or other charges assessed under the plan for the employee;
 - (E) is not transferred from one area in this state to another area in this state; and
 - (F) is not created to replace a previous employee.

(13) "Defense readjustment project" means a person designated by the Texas Department of Economic Development as a defense readjustment project under Chapter 2310, Government Code, on or after September 1, 2001.

(14) "Enterprise project" means a person designated by the Texas Department of Economic Development as an enterprise project under Chapter 2303, Government Code, on or after September 1, 2001.

(15) "Enterprise zone" has the meaning assigned that term by Section 2303.003, Government Code.

(16) "Readjustment zone" has the meaning assigned that term by Section 2310.001, Government Code.

SECTION 1.09. Section 171.752(b), Tax Code, is amended to read as follows:

(b) A corporation may claim a credit or take a carryforward credit without regard to whether the strategic investment area, enterprise zone, or readjustment zone in which it created the qualifying jobs subsequently loses its designation as a strategic investment area, enterprise zone, or readjustment zone, if applicable.

SECTION 1.10. Section 171.754, Tax Code, is amended to read as follows:

Sec. 171.754. LENGTH OF CREDIT. (a) Except as provided by Subsection (b), the [The] credit established shall be claimed in five equal installments of one-fifth the credit amount over the five consecutive reports beginning with the report based upon the period during which the qualifying jobs were created.

(b) Subject to Section 171.755, a corporation that has been designated as an enterprise project or as a defense readjustment project may claim the entire credit earned during an accounting period against the taxes imposed for the corresponding reporting period.

SECTION 1.11. Section 171.801, Tax Code, is amended by amending Subdivision (2) and adding Subdivision (4) to read as follows:

(2) "Qualified capital investment" means tangible personal property first placed in service in a strategic investment area, [or] first placed in service in a county with a population of less than 50,000 by a corporation primarily engaged in agricultural processing, or first placed in service in an enterprise zone or defense

readjustment zone by a qualified business that has been designated as an enterprise project or readjustment project, respectively, and that is described in Section 1245(a), Internal Revenue Code, such as engines, machinery, tools, and implements used in a trade or business or held for investment and subject to an allowance for depreciation, cost recovery under the accelerated cost recovery system, or amortization. The term does not include real property or buildings and their structural components. Property that is leased under a capitalized lease is considered a "qualified capital investment," but property that is leased under an operating lease is not considered a "qualified capital investment." Property expensed under Section 179, Internal Revenue Code, is not considered a "qualified capital investment."

(4) "Defense readjustment project," "enterprise project," "enterprise zone," and "readjustment zone" have the meanings assigned by Section 171.751.

SECTION 1.12. Section 171.802(c), Tax Code, is amended to read as follows:

(c) A corporation may claim a credit or take a carryforward credit without regard to whether the strategic investment area, enterprise zone, or readjustment zone in which it made the qualified capital investment subsequently loses its designation as a strategic investment area, enterprise zone, or readjustment zone, if applicable.

SECTION 1.13. Section 171.804, Tax Code, is amended to read as follows:

Sec. 171.804. LENGTH OF CREDIT. (a) Except as provided by Subsection (b), the [The] credit established shall be claimed in five equal installments of one-fifth the credit amount over the five consecutive reports beginning with the report based upon the period during which the qualified capital investment was made.

(b) Subject to Section 171.805, a corporation that has been designated as an enterprise project or as a defense readjustment project may claim the entire credit earned during an accounting period against the taxes imposed for the corresponding reporting period.

SECTION 1.14. Section 171.721, Tax Code, is amended to read as follows:

Sec. 171.721. DEFINITIONS. In this subchapter:

(1) "Base amount," "basic research payment," and "qualified research expense" have the meanings assigned those terms by Section 41, Internal Revenue Code, except that all such payments and expenses must be for research conducted within this state.

(2) "Strategic investment area" means an area that is determined by the comptroller under Section 171.726 that is:

(A) a county within this state with above state average unemployment and below state average per capita income; ~~or~~

(B) an area within this state that is a federally designated urban enterprise community or an urban enhanced enterprise community; ~~or~~

(C) a county within this state that has a spaceport, as defined by Section 4D, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), as added by Chapter 1537, Acts of the 76th Legislature, Regular Session, 1999, within its boundaries.

SECTION 1.15. Sections 171.1015, 171.1016, and 171.805(c), Tax Code, are repealed.

SECTION 1.16. (a) Except as provided by Subsection (b) of this section, this Article takes effect September 1, 2001. The changes in law made by this Article apply only to an enterprise project or defense readjustment project designated by the Texas Department of Economic Development as such a project on or after

September 1, 2001. An enterprise project or defense readjustment project designated before that date is governed by the law in effect on the date it was designated, and that law is continued in effect for that purpose.

(b) Sections 1.08-1.14 of this Article take effect September 1, 2003, and apply to a report originally due on or after that date. Notwithstanding any other law, an enterprise project or defense readjustment project designated on or after September 1, 2001, may, beginning on the date the project is designated, establish credits as provided by the changes in law made by Sections 1.08-1.13 of this Article but may only claim the credits on reports originally due on or after September 1, 2003.

(c) Subject to Section 151.429(f), Tax Code, an enterprise project or defense readjustment project designated on or after September 1, 2001, may apply for a refund for which the project is entitled under Sections 151.429(a)(1)-(4), Tax Code, as provided by Section 151.429, Tax Code. The comptroller may pay the refund as provided by Section 151.429, Tax Code, and other law.

(d) Subject to Section 151.429(f), Tax Code, an enterprise project or defense readjustment project designated on or after September 1, 2001, may accrue the right to a refund for which the project is entitled under Sections 151.429(a)(5) and (6), Tax Code, as added by this Article, and may apply for that refund as provided by Section 151.429, Tax Code. However, the comptroller may not pay a refund described by this subsection before September 1, 2003. Notwithstanding any other law, for purposes of determining whether interest accrues on a refund application submitted before September 1, 2003, the comptroller is considered to have made a final decision on the application for the refund on September 1, 2003.

(e) The change in law made by this Article does not affect taxes imposed before the effective date of this Article, and the former law is continued in effect for purposes of the liability for and collection of those taxes.

ARTICLE 2

SECTION 2.01. Section 2303.407, Government Code, is amended to read as follows:

Sec. 2303.407. ALLOCATION OF JOBS ELIGIBLE FOR TAX REFUND. When the department designates a business as an enterprise project, the department shall allocate to the project the maximum number of new permanent jobs or retained jobs eligible to be included in a computation of a tax refund for the project. The number may not exceed 625 or a number equal to 110 percent of the number of anticipated new permanent jobs or retained jobs specified in the application for designation of the business as an enterprise project under Section 2303.405, whichever is less.

SECTION 2.02. Section 2303.504, Government Code, is amended to read as follows:

Sec. 2303.504. STATE TAX REFUNDS [~~AND DEDUCTION~~]; REPORT.

(a) Subject to Section 2303.516, an [An] enterprise project is entitled to[
 [(+)] a refund of state taxes under Section 151.429, Tax Code[; and
 [(2) a deduction from taxable capital under Section 171.1015, Tax Code].

(b) Subject to Section 2303.516, a [A] qualified business is entitled to a refund of state taxes under Sections 151.431 and 171.501, Tax Code.

(c) Not later than the 60th day after the last day of each fiscal year, the comptroller shall report to the department the statewide total of the tax refunds made under this section during that fiscal year.

SECTION 2.03. Section 2310.404, Government Code, is amended to read as follows:

Sec. 2310.404. STATE TAX REFUNDS [~~AND DEDUCTION~~]; REPORT. (a) SUBJECT TO SECTION 2310.413, a [~~A~~] defense readjustment project is eligible for:

(1) a refund of state taxes under Section 151.4291, Tax Code; and
 (2) [~~a deduction from taxable capital under Section 171.1016, Tax Code; and~~
 [~~3~~] the exclusion of receipts from service performed in a readjustment zone in the determination of gross receipts from business done in this state under Sections 171.103 and 171.1032, Tax Code.

(b) Not later than the 60th day after the last day of each fiscal year, the comptroller shall report to the department the statewide total of the tax refunds made under this section during that fiscal year.

SECTION 2.04. Sections 151.429(a) and (b), Tax Code, are amended to read as follows:

(a) An enterprise project is eligible for a refund in the amount provided by this section of the taxes imposed by this chapter on purchases of:

(1) equipment or machinery sold to an enterprise project for use in an enterprise zone;

(2) building materials sold to an enterprise project for use in remodeling, rehabilitating, or constructing a structure in an enterprise zone;

(3) labor for remodeling, rehabilitating, or constructing a structure by an enterprise project in an enterprise zone; and

(4) electricity and natural gas purchased and consumed in the normal course of business in the enterprise zone.

(b) Subject to the limitations provided by Subsection (c) of this section, an enterprise project qualifies for a refund of taxes under this section of \$2,000 for each new permanent job or job that has been retained by the enterprise project for a qualified employee.

SECTION 2.05. Section 151.4291(a), Tax Code, is amended to read as follows:

(a) A defense readjustment project is eligible for a refund in the amount provided by this section of the taxes imposed by this chapter on purchases of:

(1) equipment or machinery sold to a defense readjustment project for use in a readjustment zone;

(2) building materials sold to a defense readjustment project for use in remodeling, rehabilitating, or constructing a structure in a readjustment zone;

(3) labor for remodeling, rehabilitating, or constructing a structure by a defense readjustment project in a readjustment zone; and

(4) electricity and natural gas purchased and consumed in the normal course of business in the readjustment zone.

SECTION 2.06. Section 171.751(9), Tax Code, is amended to read as follows:

(9) "Qualifying job" means a new permanent full-time job that:

(A) is located in:

(i) a strategic investment area; or

(ii) a county within this state with a population of less than 50,000, if the job is created by a business primarily engaged in agricultural processing;

(B) requires at least 1,600 hours of work a year;

(C) pays at least 110 percent of the county average weekly wage for the county where the job is located;

(D) is covered by a group health benefit plan for which the business pays at least 80 percent of the premiums or other charges assessed under the plan for the employee;

(E) is not transferred from one area in this state to another area in this state; and

(F) is not created to replace a previous employee.

SECTION 2.07. Section 171.752(b), Tax Code, is amended to read as follows:

(b) A corporation may claim a credit or take a carryforward credit without regard to whether the strategic investment area in which it created the qualifying jobs subsequently loses its designation as a strategic investment area, if applicable.

SECTION 2.08. Section 171.754, Tax Code, is amended to read as follows:

Sec. 171.754. LENGTH OF CREDIT. The credit established shall be claimed in five equal installments of one-fifth the credit amount over the five consecutive reports beginning with the report based upon the period during which the qualifying jobs were created.

SECTION 2.09. Section 171.801(2), Tax Code, is to read as follows:

(2) "Qualified capital investment" means tangible personal property first placed in service in a strategic investment area, or first placed in service in a county with a population of less than 50,000 by a corporation primarily engaged in agricultural processing, and that is described in Section 1245(a), Internal Revenue Code, such as engines, machinery, tools, and implements used in a trade or business or held for investment and subject to an allowance for depreciation, cost recovery under the accelerated cost recovery system, or amortization. The term does not include real property or buildings and their structural components. Property that is leased under a capitalized lease is considered a "qualified capital investment," but property that is leased under an operating lease is not considered a "qualified capital investment." Property expensed under Section 179, Internal Revenue Code, is not considered a "qualified capital investment."

SECTION 2.10. Section 171.802(c), Tax Code, is amended to read as follows:

(c) A corporation may claim a credit or take a carryforward credit without regard to whether the strategic investment area in which it made the qualified capital investment subsequently loses its designation as a strategic investment area, if applicable.

SECTION 2.11. Section 171.804, Tax Code, is amended to read as follows:

Sec. 171.804. LENGTH OF CREDIT. The credit established shall be claimed in five equal installments of one-fifth the credit amount over the five consecutive reports beginning with the report based upon the period during which the qualified capital investment was made.

SECTION 2.12. Section 171.721, Tax Code, is amended to read as follows:

Sec. 171.721. DEFINITIONS. In this subchapter:

(1) "Base amount," "basic research payment," and "qualified research expense" have the meanings assigned those terms by Section 41, Internal Revenue Code, except that all such payments and expenses must be for research conducted within this state.

(2) "Strategic investment area" means an area that is determined by the comptroller under Section 171.726 that is:

(A) a county within this state with above state average unemployment and below state average per capita income; or

(B) an area within this state that is a federally designated urban enterprise community or an urban enhanced enterprise community.

SECTION 2.13. Sections 171.751(13)-(16), and Section 171.801(4), Tax Code, are repealed.

SECTION 2.14. (a) Except as provided by Subsection (b) of this section, this Article takes effect September 1, 2005.

(b) Sections 2.06-2.13 of this Article take effect January 1, 2005, and apply to a report originally due on or after that date.

(c) The change in law made by this Article does not affect taxes imposed before the effective date of this Article, and the former law is continued in effect for purposes of the liability for and collection of those taxes.

The amendment was read and was adopted by a viva voce vote.

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

HB 2686 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 2686 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 2686** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 2529 ON SECOND READING

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

HB 2529, Relating to the ratification of the creation of and to the administration, powers, duties, operation, taxing authority, and financing of the Lone Wolf Groundwater Conservation District.

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

HOUSE BILL 2529 ON THIRD READING

Senator Fraser moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2529** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 1776 ON SECOND READING**

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

CSHB 1776, Relating to the establishment of Celebrate Freedom Week in public schools.

The bill was read second time.

Senator Nelson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1776** in SECTION 1 of the bill, in proposed Section 29.903, Education Code (Senate Committee Printing page 1, line 39), after "Governed . . .", by inserting:

"The agency, in cooperation with other state agencies who voluntarily participate, may promote Celebrate Freedom Week through a coordinated program. Nothing in this subchapter shall give any other state agency the authority to develop a program that provides instruction unless funds are specifically appropriated to that agency for that purpose."

The amendment was read and was adopted by a viva voce vote.

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

CSHB 1776 as amended was passed to third reading by a viva voce vote.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1776 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 1776** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 3181 ON SECOND READING

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

HB 3181, Relating to information concerning registered voters.

The bill was read second time.

Senator Shapiro offered the following committee amendment to the bill:

Committee Amendment No. 1

Amend **HB 3181** (Engrossed printing) as follows:

On page 2, line 5, after the word "week" insert the following ". on a day specified by the Secretary of State.".

On page 2, line 27, after the word "week" insert the following ". on a day specified by the Secretary of State.".

On page 4, line 24, after the word "week." insert the following "on a day specified by the Secretary of State."

The committee amendment was read and was adopted by a viva voce vote.

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

HB 3181 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 3181 ON THIRD READING

Senator Shapiro moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3181** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 1387 ON SECOND READING

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

HB 1387, Relating to the application of the higher education uniform admission policy to graduates of certain special high school programs.

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

RECORD OF VOTES

Senators Haywood, Ogden, and Staples asked to be recorded as voting "Nay" on the passage of **HB 1387** to third reading.

HOUSE BILL 1387 ON THIRD READING

Senator Barrientos moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1387** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 27, Nays 3, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson,

Shapiro, Shapleigh, Sibley, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Haywood, Ogden, Staples.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 3, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 981 ON THIRD READING

The President laid before the Senate as postponed business **HB 981**. The bill was read third time and was postponed to a time certain of 11:30 a.m. today:

HB 981, Relating to oil and gas royalty reporting standards.

Question—Shall **HB 981** be finally passed?

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 981** as follows:

In SECTION 2 of the bill, in Section 91.504. Natural Resources Code (Senate Committee Printing, page 2, line 2), between "payments" and "the" insert "during the preceding calendar year."

By unanimous consent, the amendment was read and was adopted by a viva voce vote.

RECORD OF VOTE

Senator Moncrief asked to be recorded as "Present-not voting" on the adoption of the amendment.

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

HB 981 as again amended was finally passed by a viva voce vote.

RECORD OF VOTE

Senator Moncrief asked to be recorded as "Present-not voting" on the final passage of **HB 981**.

HOUSE BILL 1317 ON SECOND READING

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

HB 1317, Relating to financial security requirements for certain oil well operators.

The bill was read second time.

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1317**, in Section 1 of the bill by adding the following Subsection (e) to read as follows:

"(e) If the Railroad Commission finds that blanket bonds as specified in Subsections (a)(1), (2), or (3) are not obtainable at reasonable prices, the commission may permit a nonrefundable annual fee of \$1000, if the person can demonstrate to the commission an acceptable record of compliance with all commission rules, orders, licenses, permits, or certificates that relate to safety or the prevention or control of pollution for the previous 48 months and the person and, if a firm, partnership, joint stock association, corporation, or other organization, its officers, directors, general partners, or owners of more than 25 percent ownership interest or any trustee:

(A) has no outstanding violations of such commission rules, orders, licenses, permits, or certificates;

(B) has paid all administrative, civil, and criminal penalties, if any, relating to any violation of such commission rules, orders, licenses, permits, or certificates; and

(C) has paid all reimbursements of any costs and expenses incurred by the commission in relation to any violation of such commission rules, orders, licenses, permits, or certificates."

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTE

Senator Moncrief asked to be recorded as "Present-not voting" on the adoption of the amendment.

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

HB 1317 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTE

Senator Moncrief asked to be recorded as "Present-not voting" on the passage of **HB 1317** to third reading.

HOUSE BILL 1317 ON THIRD READING

Senator Haywood moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1317** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 0, Present-not voting 2.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Present-not voting: Moncrief, Mr. President.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 0, Present-not voting 2. (Same as previous roll call)

BILLS AND RESOLUTIONS SIGNED

The President announced the signing of the following enrolled bills and resolutions in the presence of the Senate after the captions had been read:

HB 59, HB 156, HB 323, HB 476, HB 546, HB 776, HB 1368, HB 1566, HB 1649, HB 2087, HB 2098, HB 2586, HB 2839, HB 2950, HB 3038, HB 3067, HB 3231, HCR 92, HCR 137, HCR 293.

HOUSE BILL 674 ON SECOND READING

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

HB 674, Relating to stopping, standing, or parking a vehicle on a sidewalk.

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

HOUSE BILL 674 ON THIRD READING

Senator Lindsay moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 674** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

GUESTS PRESENTED

Senator Barrientos was recognized and introduced to the Senate first-grade students and their teachers from Hill Elementary School in Austin.

The Senate welcomed its guests.

HOUSE BILL 3153 ON SECOND READING

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

HB 3153, Relating to the authority of chiropractors to form certain professional associations.

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

HOUSE BILL 3153 ON THIRD READING

Senator Gallegos moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3153** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 3498 ON SECOND READING

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

HB 3498, Relating to improving the collection of costs, fees, and fines in criminal cases.

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

HOUSE BILL 3498 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 3498** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 2585 ON SECOND READING

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

HB 2585, Relating to motorcycle operator and passenger safety.

The bill was read second time.

Senator Shapleigh offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2585** (Committee Printing) by striking SECTION 1 of the bill and substituting the following:

SECTION 1. Sections 661.003(a) and (d), Transportation Code, are amended to read as follows:

Sec. 661.003. OFFENSES RELATING TO NOT WEARING PROTECTIVE HEADGEAR. (a) A person commits an offense if the person:

(1) operates or rides as a passenger on a motorcycle on a public street or highway; ~~and~~

(2) is not wearing protective headgear that meets safety standards adopted by the department; ~~and~~

(3) the motorcycle operated or ridden by the person is not displaying a valid sticker issued by the department under Subsection (d).

- (d) The department shall issue a sticker to a person at least 21 years old who:
- (1) applies to the department on a form provided by the department;
 - (2) provides the department with evidence satisfactory to the department showing that the person:
 - (A) is the owner of a motorcycle that is currently registered in this state; and
 - (B) has successfully completed the training and safety course described by Subsection (c) or has the insurance coverage described by that subsection; and
 - (3) pays a fee of \$5 for the sticker.

The amendment was read and was adopted by a viva voce vote.

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

HB 2585 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 2585 ON THIRD READING

Senator Shapleigh moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2585** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

(Senator Brown in Chair)

HOUSE BILL 2382 ON SECOND READING

Senator Wentworth asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

HB 2382, Relating to coverage under a health benefit plan for prescription contraceptive drugs and devices and related services.

There was objection.

Senator Wentworth then moved to suspend the regular order of business and take up **HB 2382** for consideration at this time.

The motion prevailed by the following vote: Yeas 27, Nays 2, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Ellis, Fraser, Gallegos, Harris, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Duncan, Ogden.

Present-not voting: Mr. President.

Absent: Haywood.

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

HOUSE BILL 2382 ON THIRD READING

Senator Wentworth moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2382** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 27, Nays 2, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Ellis, Fraser, Gallegos, Harris, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Duncan, Ogden.

Present-not voting: Mr. President.

Absent: Haywood.

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

RECORD OF VOTES

Senators Duncan and Ogden asked to be recorded as voting "Nay" on the final passage of **HB 2382**.

HOUSE BILL 3305 ON SECOND READING

On motion of Senator Van de Putte and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

HB 3305, Relating to changing the deadlines and authority for ordering the election and filing for candidacy in political subdivision elections.

The bill was read second time.

Senator Van de Putte offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3305** as follows:

Delete Section 1 and renumber the subsequent sections accordingly.

The amendment was read and was adopted by a viva voce vote.

Senator Van de Putte offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 3305**, by adding new Section 12, and renumbering subsequent sections, to read as follows:

SECTION 12. Section 11.055(a), Education Code, is amended to read as follows:

(a) An application of a candidate for a place on the ballot must be filed not later than 5 p.m. of the 45th day before the earliest allowable date for the beginning of early voting by personal appearance in [date of] the election. An application may not be filed earlier than the 30th day before the date of the filing deadline.

The amendment was read and was adopted by a viva voce vote.

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

HB 3305 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 3305 ON THIRD READING

Senator Van de Putte moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3305** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE CONCURRENT RESOLUTION 254 ON SECOND READING

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

HCR 254, Directing the Department of Protective and Regulatory Services in conjunction with the United Ways of Texas to develop a multiagency and local effort to study issues relating to at-risk youth in nonurban areas.

The resolution was read second time and was adopted by a viva voce vote.

HOUSE BILL 691 ON SECOND READING

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

HB 691, Relating to income withholding for spousal maintenance; providing a penalty.

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

HOUSE BILL 691 ON THIRD READING

Senator Harris moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 691** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

RECESS

On motion of Senator Truan, the Senate at 12:15 p.m. recessed until 1:15 p.m. today.

AFTER RECESS

The Senate met at 1:15 p.m. and was called to order by Senator Brown.

SENATE BILL 189 WITH HOUSE AMENDMENT

Senator Lindsay called **SB 189** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 on Third Reading

Amend **SB 189** on third reading as follows:

On page 1, line 18 add a new section to read as follows:

Section _____. Section 37.004, Education Code is amended to read as follows:

(a) The placement of a student with a disability who receives special education services may be made only by a duly constituted admission, review and dismissal committee. A student with a disability who receives special education services may not be placed in alternative education programs solely for educational purposes if the student does not also meet the criteria for alternative placement in Section 37.006(a) or Section 37.007(a).

(b) Notwithstanding any other provision of this subchapter, the placement of a student with a disability who receives special education services and is expelled under a provision of Section 37.007 described by this subsection shall be made only by a duly constituted admission, review, and dismissal committee. In a county in which a juvenile justice alternative education program is established under Section 37.011, the administrator or designee of the juvenile justice alternative education program shall be provided reasonable notice of the admission, review, and dismissal committee meeting in accordance with applicable federal law, and a representative of the juvenile justice alternative education program shall attend the admission, review, and dismissal committee meeting to assist in determining the appropriateness of the placement of the student in the juvenile justice alternative education program. This subsection applies only to an expulsion order under:

(1) Section 37.007(b), (c), or (f); or

(2) Section 37.007(d) as a result of conduct that contains the elements of any offense listed in Section 37.007(b)(3) against any employee or volunteer in retaliation for or as a result of the person's employment or association with a school district.

(c) If after placement of a student in a juvenile justice alternative education program under Section (b), it is determined that the student's educational or behavioral needs cannot be met in the program, the administrator or designee of the juvenile justice alternative education program shall immediately provide written notice of that determination to the school district from which the student was expelled. An admission, review, and dismissal committee shall be convened to determine the appropriateness of the student's placement in the juvenile justice alternative education program. The administrator or designee of the juvenile justice alternative education program shall be provided reasonable notice of the admission, review, and dismissal committee meeting in accordance with applicable federal law. A representative of the juvenile justice alternative education program shall attend the admission, review, and dismissal committee meeting to assist in determining

the appropriateness of the continued placement of the student in the juvenile justice alternative education program.

The amendment was read.

Senator Lindsay moved that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 189** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Lindsay, Chair; Bivins, Nelson, Van de Putte, and Shapiro.

CONFERENCE COMMITTEE ON HOUSE BILL 1166

Senator Carona called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1166** and moved that the request be granted.

The motion prevailed.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1166** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Carona, Chair; Fraser, Jackson, Lucio, and Van de Putte.

GUESTS PRESENTED

Senator Truan was recognized and introduced to the Senate students and their teachers from Tuloso-Midway Middle School in Corpus Christi.

The Senate welcomed its guests.

SENATE BILL 536 WITH HOUSE AMENDMENTS

Senator Ellis called **SB 536** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer, Senator Brown in Chair, laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 536** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED AN ACT

relating to compensation to persons wrongfully imprisoned.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 103, Civil Practice and Remedies Code, is amended to read as follows:

CHAPTER 103. COMPENSATION TO PERSONS
WRONGFULLY IMPRISONED

Sec. 103.001. CLAIMANTS ENTITLED TO COMPENSATION. (a) A person is entitled to compensation if ~~[the person]~~:

(1) ~~the person~~:

~~(A) has served in whole or in part a sentence in prison under the laws of this state; and~~

~~(B) [(2) pleaded "not guilty" to the charge for which he was convicted and that led to the imprisonment;~~

~~[(3)] is not guilty of the crime for which the person [he] was sentenced; and~~

(2) ~~the person~~:

~~(A) [(4)] has received a full pardon on the basis of innocence for the crime and punishment for which the person [he] was sentenced; or~~

~~(B) has been granted relief on the basis of actual innocence of the crime for which the person was sentenced.~~

~~(b) A person is not entitled to compensation under Subsection (a) for any part of a sentence in prison during which the person was also serving a concurrent sentence for another crime to which Subsection (a) does not apply.~~

Sec. 103.002. APPLICATION PROCEDURE. (a) As part of a pardon or court order under Section 103.001, the governor or the court, as applicable, shall state in writing that the person who is the subject of the order or pardon and who meets the requirements of Section 103.001 is entitled to compensation under this chapter.

(b) The claimant must file with the Board of Pardons and Paroles:

(1) an application for compensation; and

(2) a verified copy of the pardon or court order authorizing compensation under Subsection (a).

(c) The Board of Pardons and Paroles may consult with the attorney general and shall determine:

(1) the eligibility of the claimant; and

(2) the amount of compensation owed to an eligible claimant.

(d) The Board of Pardons and Paroles must make a determination of eligibility and the amount owed as required by Subsection (c) not later than the 90th day after the date the application is received.

Sec. 103.003. AMOUNT AND TIMING OF COMPENSATION. (a) A person who meets the requirements of Section 103.001 is entitled to compensation in an amount equal to:

(1) \$20,000 multiplied by the number of years served in prison, expressed as a fraction to reflect partial years, if the time served is less than 10 years; or

(2) \$250,000 if the time served is 10 years or more.

(b) A person who is owed an amount of compensation equal to or greater than \$40,000 shall be paid in four equal annual installments.

(c) Compensation payments to a person under Subsection (a) or (b) terminate if, after the date the person becomes eligible for compensation under Section 103.001, the person is convicted of a crime punishable as a felony. Compensation payments terminate under this subsection on the date of the subsequent conviction.

Sec. 103.004. PAYMENT OF COMPENSATION. (a) Not later than November 1 of each even-numbered year, the Board of Pardons and Paroles shall provide a list of claimants and the amounts due for each claimant to the governor, the lieutenant governor, and the chair of the appropriate committee in each house of the legislature so that the legislature may appropriate the amount needed to pay each claimant the amount owed.

(b) Not later than September 1 of the year in which an appropriation under this chapter has been made by the legislature, the comptroller shall pay the required amount to each claimant.

Sec. 103.005. LIMITATION ON TIME TO FILE APPLICATION. A person applying for compensation under Section 103.002 must file an application with the Board of Pardons and Paroles not later than the second anniversary of the date the person received the pardon or was found not guilty as required by Section 103.001.

Sec. 103.006. EMPLOYEES NOT LIABLE AFTER PAYMENT OF COMPENSATION. (a) In this section, "employee" and "governmental unit" have the meanings assigned by Section 101.001.

(b) A person who receives compensation under this chapter may not bring any action involving the same subject matter, including an action involving the person's arrest, conviction, or length of confinement, against any governmental unit or an employee of any governmental unit.

~~[Sec. 103.002. WAIVER OF IMMUNITY; FILING SUIT. (a) A person may bring a suit against the state under this chapter, and the state's immunity from the suit is waived:~~

~~[(b) The suit must be initiated by a verified petition alleging that the petitioner is entitled to compensation.~~

~~[(c) The suit shall be brought in a court of competent jurisdiction either in the county of his residence at the time the suit is commenced or in Travis County.~~

~~[(d) Citation must be served on the state by serving the attorney general. The attorney general shall represent the state in the proceeding.~~

~~[Sec. 103.003. STANDARD OF PROOF. The petitioner must establish by a preponderance of the evidence that he is entitled to compensation and the amount of compensation to which he is entitled.~~

~~[Sec. 103.004. INSUFFICIENT STATE DEFENSES. The following are not defenses to an action brought under this chapter:~~

~~[(1) the judgment of conviction in the trial that resulted in the claimant's imprisonment; or~~

~~[(2) an indictment, information, complaint, or other formal accusation.~~

~~[Sec. 103.005. ADMISSIBLE EVIDENCE. (a) In the suit, the court may admit as evidence the record of the trial at which the petitioner was convicted and the pardon or proclamation issued to him by the governor:~~

~~[(b) The court may also admit all court papers, orders, docket notations, or other writings of record in any court in this state as proof of the facts set forth in the writings.~~

~~[Sec. 103.006. DAMAGES. (a) If the jury or the judge in a nonjury trial finds that the claimant is entitled to compensation, the jury or judge shall assess damages to compensate the claimant fairly and reasonably for:~~

~~[(1) physical and mental pain and suffering sustained by him as a proximate result of the erroneous conviction or imprisonment from the time of the conviction by the trial court; and~~

~~[(2) all reasonable and necessary medical expenses incurred by him as a proximate result of the erroneous conviction or imprisonment from the time of the conviction by the trial court:~~

~~[(b) Damages assessed for physical and mental pain and suffering may not exceed \$25,000. Total damages assessed under this chapter may not exceed \$50,000.~~

~~[Sec. 103.007. LIMITATION OF ACTION. (a) A person who claims compensation for a sentence served in whole or in part after August 30, 1965, must bring the action within two years after:~~

~~[(1) the person ceased serving the sentence of imprisonment;~~

~~[(2) the person was released from custody; or~~

~~[(3) the person discovered or should have discovered the evidence substantiating his innocence.~~

~~[(b) A person who claims compensation for a sentence served before August 30, 1965, must bring the action within two years after he discovered or should have discovered the evidence substantiating his innocence.]~~

SECTION 2. (a) A person who has not received compensation under Chapter 103, Civil Practice and Remedies Code, as it existed before the effective date of this Act, including a person who has brought a suit under that chapter but whose suit has not been settled or finally adjudicated, may, subject to Section 103.005, Civil Practice and Remedies Code, as added by this Act, file an application for compensation under Chapter 103, Civil Practice and Remedies Code, as amended by this Act.

(b) A person seeking compensation under Chapter 103, Civil Practice and Remedies Code, as amended by this Act, who, before the effective date of this Act, obtained a pardon or was found not guilty in a new trial, as required by Section 103.001, Civil Practice and Remedies Code, as amended by this Act, may apply to the governor or to the court for a written statement substantially complying with Section 103.002(a), Civil Practice and Remedies Code, as added by this Act.

(c) A person may not obtain compensation under both Chapter 103, Civil Practice and Remedies Code, as it existed before the effective date of this Act, and Chapter 103, Civil Practice and Remedies Code, as amended by this Act.

SECTION 3. 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, 2001.

Floor Amendment No. 1

Amend **CSSB 536** in SECTION 1 of the bill, at the end of proposed Section 103.003, Civil Practice and Remedies Code (Committee Printing, page 3, between lines 8 and 9), by adding Subsection (d) to read as follows:

(d) Compensation payments to a person under Subsection (a) or (b) terminate on the date of the person's death. Any payments scheduled to be paid after that date are credited to the state and may not be paid to any other person, including the person's surviving spouse, heirs, devisees, or beneficiaries under the person's will, or to the person's estate.

The amendments were read.

Senator Ellis moved that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The Presiding Officer, Senator Brown in Chair, asked if there were any motions to instruct the conference committee on **SB 536** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Ellis, Chair; Armbrister, Ogden, Whitmire, and Bivins.

GUEST PRESENTED

Senator Nelson was recognized and introduced to the Senate Sharifah Mariam Syed Ibrahim of Malaysia.

The Senate welcomed its guest.

GUESTS PRESENTED

Senator Staples was recognized and introduced to the Senate students from Panola College in Carthage.

The Senate welcomed its guests.

HOUSE BILL 2932 ON SECOND READING

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

HB 2932, Relating to a discount on the premium surcharge for a motor vehicle equipped with a breath alcohol detection device.

The bill was read second time.

Senator Duncan offered the following amendment to the bill:

Floor Amendment No. 1

HB 2932 is amended to read as follows:

1) Strike Sec. 3 SURCHARGE REDUCTION AUTHORIZATION (page 1, lines 32-46 of the Senate committee report).

The amendment was read and was adopted by a viva voce vote.

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

HB 2932 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 2932 ON THIRD READING

Senator Carona moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2932** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

CONFERENCE COMMITTEE ON HOUSE BILL 1094

Senator Moncrief called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1094** and moved that the request be granted.

The motion prevailed.

The Presiding Officer, Senator Brown in Chair, asked if there were any motions to instruct the conference committee on **HB 1094** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Moncrief, Chair; Sibley, Shapleigh, Harris, and Ellis.

CONFERENCE COMMITTEE ON HOUSE BILL 915

Senator Moncrief called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 915** and moved that the request be granted.

The motion prevailed.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 915** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Moncrief, Chair; Sibley, Nelson, Harris, and Carona.

CONFERENCE COMMITTEE ON HOUSE BILL 606

Senator Nelson called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 606** and moved that the request be granted.

The motion prevailed.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 606** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Nelson, Chair; Fraser, Harris, Lucio, and Zaffirini.

CONFERENCE COMMITTEE ON HOUSE BILL 1641

Senator Barrientos called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1641** and moved that the request be granted.

The motion prevailed.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1641** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate on the bill: Senators Barrientos, Chair; Zaffirini, Truan, Bivins, and Brown.

**COMMITTEE SUBSTITUTE
HOUSE BILL 3076 ON SECOND READING**

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

CSHB 3076, Relating to the designation of certain state highways.

The bill was read second time.

Senator Bivins offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3076** by striking Sec. 225.047, Transportation Code, page 1, line 26 through 33, committee printing.

The amendment was read and was adopted by a viva voce vote.

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

CSHB 3076 as amended was passed to third reading by a viva voce vote.

**COMMITTEE SUBSTITUTE
HOUSE BILL 3076 ON THIRD READING**

Senator Bivins moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 3076** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

**COMMITTEE SUBSTITUTE
HOUSE BILL 1692 ON SECOND READING**

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

CSHB 1692, Relating to customer protections applicable to certain electric utilities.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 1692 ON THIRD READING**

Senator Bivins moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1692** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

(President in Chair)

HOUSE BILL 1449 ON SECOND READING

Senator Sibley asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

HB 1449, Relating to the expiration of the Property Redevelopment and Tax Abatement Act.

There was objection.

Senator Sibley then moved to suspend the regular order of business and take up **HB 1449** for consideration at this time.

The motion prevailed by the following vote: Yeas 29, Nays 1, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Staples, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Truan.

Present-not voting: Mr. President.

The bill was read second time.

Senator Shapleigh offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1449** as follows:

(1) Delete SECTION 1 of the bill and substitute:

SECTION 1. Amend Tax Code, sec. 312.006 to read as follows:

Sec. 312.006. Expiration Date. If not continued in effect, this chapter expires September 1, ~~2001~~ 2009.

(2) Insert a new section to the bill and renumber succeeding sections appropriately:

SECTION 2. Amend the Tax Code, sec. 312.005, by adding a new subsection and relettering succeeding subsections appropriately:

(c). Not later than December 31 of each even-numbered year, the comptroller shall submit a report to the legislature and to the governor on reinvestment zones designated under this chapter and on tax abatement agreements adopted under this chapter, including a summary of the information reported under this section.

The amendment was read and was adopted by a viva voce vote.

On motion of Senator Sibley and by unanimous consent, further consideration of **HB 1449** was postponed to a time certain of 2:30 p.m. today.

Question—Shall **HB 1449** be passed to third reading?

SENATE RULE 11.13 SUSPENDED
(Consideration of Bills in Committee)

On motion of Senator Bivins and by unanimous consent, Senate Rule 11.13 was suspended to grant the conference committee on **HB 3343** permission to meet while the Senate was meeting today.

COMMITTEE SUBSTITUTE
HOUSE BILL 3323 ON SECOND READING

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

CSHB 3323, Relating to the creation, organization, and powers of a coordinated county transportation authority; authorizing the imposition of a tax, the issuance of bonds and notes, and the exercise of the power of eminent domain.

The bill was read second time.

Senator Nelson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3323** in SECTION 1 of the bill, in proposed Section 460.059, Transportation Code (Senate Committee Printing, page 4, lines 45-50), by striking proposed Subsection (b) and substituting the following:

(b) The Authority ceases unless one or more municipalities with a population of 12,000 or more votes in favor of the proposition.

The amendment was read and was adopted by a viva voce vote.

Senator Madla offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 3323** as follows:

1. Add appropriately numbered section to read as follows and renumber the subsequent sections appropriately:

SECTION _____. Subdivision (1), Section 451.701, Transportation Code, is amended to read as follows: (1) "Advanced transportation" means light rail, commuter rail, fixed guideways, high occupancy vehicle lanes, high occupancy toll lanes, traffic management [monitoring] systems, bus ways, bus lanes, bus transit, transportation-related improvements and maintenance on or along public ways on which the authority provides regular bus service, and other advanced transportation facilities and services, including operating costs, and management, planning, feasibility studies, and professional and other services in connection with those facilities and services.

SECTION _____. Section 451.702, Transportation Code, is amended by amending Subsections (a), (d) and (e), and adding Subsection (f) to read as follows:

(a) The board of an authority in which the sales and use tax is imposed at a rate of one-half of one percent and in which the principle municipality has a population of more than 700,000 may order an election to create an advanced transportation district within the authority's boundaries and to impose a sales and use tax for advanced transportation under this subchapter. If approved at the election, the rate of the sales and use tax for advanced transportation may be set at a rate from one-eighth of one-percent to one half of one percent in one-eighth increments as determined by the board [is one-fourth of one percent].

(d) At the election, the ballots shall be prepared to permit voting for or against the proposition: "The creation of an advanced transportation district and the imposition of a sales and use tax for advanced transportation within the district at the rate of _____ [one-fourth] of one percent." The board shall determine the rate of the tax prior to the preparation of the ballots.

(e) The proceeds of the sales and use tax imposed under this section shall be used [by the district] only for advanced transportation purposes determined by the board, which may include funds for the local share of federal or state grants for advanced transportation purposes.

(f) Payments under Subsection (e)(2) shall be made quarterly beginning the first day of the calendar quarter following the quarter in which the authority receives the tax imposed under this section.

The amendment was read.

Senator Wentworth offered the following amendment to the amendment:

Floor Amendment No. 3

Amend Floor Amendment No. 2 to **CSHB 3323** as follows:

(1) On page 1 of the amendment, in Subdivision (1), Section 451.701, Transportation Code, as amended by the amendment, strike "or along public ways on which the authority provides regular bus" and substitute "or along public ways on which the authority provides or plans to provide regular bus".

(2) On page 2 of the amendment, in Subsection (e), Section 451.702, Transportation Code, as amended by the amendment, strike "include funds for the

local share of federal or state grants for" and substitute "include funds for the local share of federal or state grants or funds for".

The amendment to the amendment was read and failed of adoption by the following vote: Yeas 10, Nays 15, Present-not voting 2.

Yeas: Armbrister, Bivins, Brown, Carona, Duncan, Jackson, Ogden, Shapiro, Sibley, Wentworth.

Nays: Barrientos, Cain, Ellis, Fraser, Gallegos, Haywood, Lindsay, Lucio, Madla, Moncrief, Shapleigh, Truan, Van de Putte, Whitmire, Zaffirini.

Present-not voting: Nelson, Mr. President.

Absent: Bernsen, Harris, Staples, West.

Question recurring on the adoption of Floor Amendment No. 2, the amendment was adopted by a viva voce vote.

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

CSHB 3323 as amended was passed to third reading by a viva voce vote.

COMMITTEE SUBSTITUTE HOUSE BILL 3323 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 3323** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 1880 ON SECOND READING

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

HB 1880, Relating to the creation, operation, and administration of agricultural development districts and granting the power of eminent domain and the authority to issue bonds.

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

RECORD OF VOTES

Senators Ogden and Truan asked to be recorded as voting "Nay" on the passage of **HB 1880** to third reading.

HOUSE BILL 1880 ON THIRD READING

Senator Duncan moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1880** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 2, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Shapiro, Shapleigh, Sibley, Staples, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Ogden, Truan.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 3, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Shapiro, Sibley, Staples, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Ogden, Shapleigh, Truan.

Present-not voting: Mr. President.

HOUSE BILL 2847 ON SECOND READING

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

HB 2847, Relating to the authority of the Brazos River Authority to discover, develop, produce, and use groundwater in the Brazos River Basin and environs.

The bill was read second time.

Senator Sibley offered the following committee amendment to the bill:

Committee Amendment No. 1

Amend **HB 2847** as follows:

On page 4, line 27, after the word "Legislature" and prior to the period insert a ";" and the following new subsection:

"(m) Nothing in this chapter shall confer to the Brazos River Authority any power under Chapter 36, Water Code to regulate the groundwater of other land owners."

The committee amendment was read and was adopted by a viva voce vote.

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2847** as follows:

(1) In SECTION 1 of the bill, insert a new Subsection as follows:

"(n) When producing groundwater, the Brazos River Authority shall be subject to all laws and regulations relating to groundwater, including but not limited to the rules

and regulations of a groundwater conservation district and the Central Carrizo-Wilcox Coordinating Council."

(2) In SECTION 1 of the bill, insert a new Subsection as follows:

"(o) The Brazos River Authority is not authorized to transport or assist in the transport of groundwater pumped in the basin outside of the Brazos River basin."

The amendment was read and was adopted by a viva voce vote.

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

HB 2847 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 2847 ON THIRD READING

Senator Sibley moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2847** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 920 ON SECOND READING

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

HB 920, Relating to the adoption of the Uniform Parentage Act; providing penalties.

The bill was read second time.

Senator West offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 920**, in SECTION 1 of the bill, between proposed Sections 160.422 and 160.423, Family Code (senate committee printing page 8, between lines 4 and 5), by inserting the following:

(d) A search of the registry is not required if the only man alleged to be the father of the child has signed a waiver of interest in, or relinquishment of parental rights with regard to, the child.

The amendment was read and was adopted by a viva voce vote.

Senator West offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 920** as follows:

(1) In SECTION 1 of the bill, following proposed Section 160.308, Family Code (Senate committee printing, page 5, between lines 31 and 32), insert "

(d) For purposes of Subsection (a), evidence that, based on genetic testing, the man who is the signatory of an acknowledgement of paternity is not rebuttably

identified as the father of a child in accordance with Section 160.505 constitutes a material mistake of fact."

(2) In SECTION 1 of the bill, following proposed Section 160.315, Family Code (Senate committee printing, page 6, between lines 14 and 15), insert the following:

Sec. 160.316. SUIT TO CONTEST VOLUNTARY STATEMENT OF PATERNITY. (a) A man who executed a voluntary statement of paternity before September 1, 1999, and who, on the basis of that statement, is the subject of a final order declaring him to be a parent of the child who is the subject of the statement may file a suit affecting the parent-child relationship to contest the statement on the basis of fraud, duress, or material mistake of fact in the same manner that a person may contest an acknowledgment of paternity under Sections 160.308 and 160.309. For purposes of this subsection, evidence that, based on genetic testing, the man is not rebuttably identified as the father of a child in accordance with Section 160.505 constitutes a material mistake of fact.

(b) A suit filed under this section to contest a voluntary statement of paternity is not affected by an order with respect to the child that was rendered on the basis of that statement.

(c) The court, on a preliminary finding in a suit under this section that there is credible evidence of fraud, duress, or material mistake of fact regarding the execution of the voluntary statement of paternity, shall order genetic testing as provided by Subchapter F. The person contesting the voluntary statement of paternity shall pay the cost of the testing.

(d) Except as provided by Subsection (e), if the results of the genetic testing do not rebuttably identify the man as the father of the child in accordance with Section 160.505, the court shall set aside:

(1) the final order declaring the man to be a parent of the child; and

(2) any other order with respect to the child that was rendered on the basis of the voluntary statement of paternity.

(e) The court may not set aside under Subsection (d) a final order declaring a man to be a parent of a child if the man who executed the voluntary statement of paternity:

(1) executed the statement knowing that he was not the father of the child; or

(2) subsequently adopted the child.

(f) If the court sets aside a final order as provided by Subsection (d), the court shall order the bureau of vital statistics to amend the birth record of the child. The court may not as a result of the order being set aside:

(1) require an obligee to repay child support paid by the man who executed the voluntary statement of paternity; or

(2) award damages to the man who executed the voluntary statement of paternity.

(g) A suit under this section must be filed before September 1, 2003.

(h) This section expires September 1, 2004.

(3) In SECTION 1 of the bill, at the end of proposed Subchapter D, Chapter 160, Family Code (Senate committee printing, page 6, line 15), strike "[Sections 160.316-160.400 reserved for expansion]" and substitute "[Sections 160.317-160.400 reserved for expansion]".

(4) In SECTION 1 of the bill, in proposed Section 160.637(a), Family Code (Senate committee printing, page 14, line 32), between "Subsection (b)" and the comma, insert "or Section 160.316".

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

SECTION _____. The change in law made by Section 160.316, Family Code, as added by this Act, applies to a suit affecting the parent-child relationship commenced on or after the effective date of this Act and before September 1, 2003. A suit commenced before September 1, 2003, that is pending on or after September 1, 2004, is governed by Section 160.316, Family Code, as that section existed on the date the suit was filed, and that law is continued in effect for that purpose.

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTES

Senators Nelson and Ogden asked to be recorded as voting "Nay" on the adoption of Floor Amendment No. 2.

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

HB 920 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTES

Senators Nelson and Ogden asked to be recorded as voting "Nay" on the passage of **HB 920** to third reading.

HOUSE BILL 920 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 920** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 1, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Ogden, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Nelson.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 1, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 1449 ON SECOND READING

The President laid before the Senate **HB 1449** on its second reading. The bill was read second time, amended, and further consideration was postponed to a time certain of 2:30 p.m. today.

HB 1449, Relating to the expiration of the Property Redevelopment and Tax Abatement Act.

Question—Shall **HB 1449** be passed to third reading?

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 1449** as follows:

(1) Add the following new SECTION to read as follows:

"SECTION _____. Section 312.002, Tax Code, is amended by adding Subsections (e) and (f) to read as follows:

(e) "Taxing unit" has the meaning assigned by Section 1.04, except that for a tax abatement agreement executed on or after September 1, 2001, the term does not include a school district that is subject to Chapter 42, Education Code, and that is organized primarily to provide general elementary and secondary public education.

(f) On or after September 1, 2001, a school district may not enter into a tax abatement agreement under this chapter."

(2) Delete SECTION 2 and substitute the following:

"SECTION 2. (a) The changes in law made by this Act apply to a tax abatement agreement executed or modified under Chapter 312, Tax Code, as amended by this Act, on or after September 1, 2001. The execution or modification of a tax abatement agreement under Chapter 312, Tax Code, as amended by this Act, before September 1, 2001, is covered by the law in effect immediately before September 1, 2001, and the former law is continued in effect for that purpose.

(b) 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, 2001."

The amendment was read and was adopted by the following vote: Yeas 20, Nays 4, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bivins, Cain, Carona, Fraser, Haywood, Lindsay, Lucio, Madla, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Staples, Truan, Wentworth, West, Zaffirini.

Nays: Brown, Gallegos, Harris, Jackson.

Present-not voting: Mr. President.

Absent: Bernsen, Duncan, Ellis, Moncrief, Van de Putte, Whitmire.

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

HB 1449 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTE

Senator Truan asked to be recorded as voting "Nay" on the passage of **HB 1449** to third reading.

(Senator Brown in Chair)

HOUSE BILL 1449 ON THIRD READING

Senator Sibley moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1449** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 1, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Staples, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Truan.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 1, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 1268 ON SECOND READING

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

HB 1268, Relating to the appraisalment of real property securing a mortgage loan; providing a criminal penalty.

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

HOUSE BILL 1268 ON THIRD READING

Senator Jackson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1268** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 1676 ON SECOND READING

On motion of Senator Van de Putte and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

HB 1676, Relating to health benefit plan coverage for certain benefits related to brain injury.

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

HOUSE BILL 1676 ON THIRD READING

Senator Van de Putte moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1676** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

(Senator Armbrister in Chair)

HOUSE BILL 2994 ON SECOND READING

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

HB 2994, Relating to the approval of certain contracts of special districts.

The bill was read second time.

Senator Brown offered the following committee amendment to the bill:

Committee Amendment No. 1

Amend **HB 2994**, by adding a new Section 2, and renumbering subsequent Sections, as follows:

SECTION 2. Subchapter I, Chapter 49, Water Code, is amended by adding Section 49.279 to read as follows:

Sec. 49.279. COMPLIANCE WITH MUNICIPAL REQUIREMENTS. A district construction project must comply with any applicable municipal platting, environmental or zoning requirements within the municipality's corporate limits and extraterritorial jurisdiction and with applicable requirements of a consent agreement or other agreement between the district and the municipality. A district construction project is not otherwise subject to any requirements of a municipality if the project is located outside the municipality's corporate limits, unless otherwise authorized by applicable law. This section is not applicable to a municipality with population of 1.9 million or greater.

The committee amendment was read.

On motion of Senator Brown and by unanimous consent, the committee amendment was tabled.

HB 2994 was passed to third reading by a viva voce vote.

HOUSE BILL 2994 ON THIRD READING

Senator Brown moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2994** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 1392 ON SECOND READING

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

HB 1392, Relating to certain ad valorem tax exemptions.

The bill was read second time.

Senator Staples offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1392** by inserting the following appropriately numbered section and renumbering subsequent sections of the bill accordingly:

SECTION _____. Section 11.436, Tax Code, is amended by adding Subsection (c) to read as follows:

(c) To facilitate the financing associated with the acquisition of a property, an organization, before acquiring the property, may request from the chief appraiser of the appraisal district established for the county in which the property is located a preliminary determination of whether the property would qualify for an exemption under Section 11.182 if acquired by the organization. The request must include the information that would be included in an application for an exemption for the property under Section 11.182. Not later than the 21st day after the date a request is submitted under this subsection, the chief appraiser shall issue a written preliminary determination for the property included in the request. A preliminary determination does not affect the granting of an exemption under Section 11.182.

The amendment was read and was adopted by a viva voce vote.

Senator Staples offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 1392** by striking SECTION 4 and replacing in lieu thereof the following:

"SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all 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, 2001."

The amendment was read and was adopted by a viva voce vote.

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

HB 1392 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 1392 ON THIRD READING

Senator Staples moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1392** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

(Senator Brown in Chair)

HOUSE BILL 1617 ON SECOND READING

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

HB 1617, Relating to the expansion of prison industries programs.

The bill was read second time.

Senator Armbrister offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1617** by striking SECTION 6 (Senate Committee report, page 2, line 36) and substituting the following:

SECTION 6. 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, 2001.

The amendment was read and was adopted by a viva voce vote.

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

HB 1617 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 1617 ON THIRD READING

Senator Armbrister moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1617** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

May 22, 2001

The Honorable President of the Senate
Senate Chamber
Austin, Texas

Mr. President:

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

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

HCR 297, Instructing the enrolling clerk of the house to make technical corrections to House Bill No. 7.

HCR 300, Congratulating James O. Hesson of Roxton on his retirement.

HCR 301, Honoring Damione Lewis on being the first round draft choice of the St. Louis Rams.

SB 2, Relating to the development and management of the water resources of the state, including the ratification of the creation of certain groundwater conservation districts; providing penalties.

(Committee Substitute/Amended)

SB 5, Relating to the Texas emissions reduction plan; providing a penalty.

(Committee Substitute/Amended)

SB 1156, Relating to the state Medicaid program.

(Committee Substitute/Amended)

SCR 65, Recalling S.B. No. 732 from the governor's office.

THE HOUSE HAS CONCURRED IN SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HCR 284 (viva-voce vote)

THE HOUSE HAS REFUSED TO CONCUR IN SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

HB 787

House Conferees: Gallego - Chair/Cook/King, Tracy/Puente/Walker

HB 2164

House Conferees: Goolsby - Chair/Chisum/Hunter/McCall/McReynolds

HB 2879

House Conferees: Sadler - Chair/Hochberg/Marchant/Pitts/Tillery

THE HOUSE HAS GRANTED THE REQUEST OF THE SENATE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

SB 113

House conferees: Goolsby - Chair/Davis, Yvonne/Hamric/Hawley/Hill

SB 214

House conferees: Williams - Chair/Hinojosa/Keel/Noriega/Wise

SB 303

House conferees: Gallego - Chair/McCall/Solis, Jim/Thompson/Uresti

SB 342

House conferees: Alexander - Chair/Bosse/Brimer/Davis, Yvonne/Hawley

SB 510

House conferees: Walker - Chair/Callegari/Geren/Haggerty/Lewis, Ron

SB 768

House conferees: Hopson - Chair/Delisi/Gray/Maxey/Telford

SB 1074

House conferees: Thompson - Chair/Dunnam/Hinojosa/Keel/King, Phil

SB 1320

House conferees: Solomons - Chair/Brimer/Davis, Yvonne/Dukes/Woolley

SB 1432

House conferees: Reyna, Arthur - Chair/King, Phil/Morrison/Rangel/Tillery

THE HOUSE HAS DISCHARGED ITS CONFEREES AND CONCURRED IN SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 772 (viva-voce vote)

HB 2589 (viva-voce vote)

THE HOUSE HAS TAKEN THE FOLLOWING OTHER ACTION:

HB 2255

HOUSE RECONSIDERS CONCURRENCE IN SENATE AMENDMENTS, REFUSES TO CONCUR AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE:

House Conferees: McCall - Chair/Chisum/Gallego/Hartnett/Tillery

Respectfully,

/s/Sharon Carter, Chief Clerk
House of Representatives

HOUSE BILL 2509 ON SECOND READING

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

HB 2509, Relating to certain election processes and procedures.

The bill was read second time.

Senator Shapiro offered the following committee amendment to the bill:

Committee Amendment No. 1

Amend **HB 2509** (Engrossed Version) as follows:

- (1) On page 31, line 2, delete Section 44.
- (2) On page 31, line 12, delete Section 45.
- (3) On page 36, line 2, delete Section 50.
- (4) On page 36, line 15, delete Section 51.
- (5) On page 40, line 6, delete Section 57.
- (6) Renumber remaining Sections accordingly

The committee amendment was read and was adopted by a viva voce vote.

Senator Shapiro offered the following committee amendment to the bill:

Committee Amendment No. 2

Amend **HB 2509** as follows:

Insert the following new Section of the bill, appropriately numbered, and renumber subsequent Sections of the bill appropriately:

SECTION _____. Section 11.055(a), Education Code, is amended to read as follows:

(a) Notwithstanding any other provision of law, an [An] application of a candidate for a place on the ballot;

(1) must be filed not later than 5 p.m. of the 45th day before the date of the election; and

(2) [~~An application~~] may not be filed earlier than the 30th day before the date of the filing deadline.

The committee amendment was read was adopted by a viva voce vote.

Senator Staples offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2509** by inserting the following appropriately numbered SECTIONS and renumbering the other SECTIONS of the bill accordingly:

(1) SECTION _____. Section 16.092, Election Code, is amended to read as follows:

Sec. 16.092. SWORN STATEMENT REQUIRED. (a) A voter desiring to challenge a registration must file with the registrar a sworn statement of the grounds for the challenge.

(b) The voter filing the sworn statement must properly identify each challenged voter in the sworn statement.

(c) The voter filing the sworn statement must state a challenge, based upon personal knowledge, that each challenged voter does not possess a specific qualification for remaining registered.

(2) SECTION _____. Section 16.0921, Election Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) On the filing of a sworn statement under Section 16.092 alleging a ground based on residence, the registrar shall promptly deliver to the voter whose registration is challenged a confirmation notice in accordance with Section 15.051, subject to Subsection (c).

(c) A voter's registration as to a particular election may not be challenged on the basis of residence after the 75th day before election day. The registrar may not deliver a confirmation notice to such a voter until after election day. This subsection does not apply to a voter registration application received after the 75th day prior to the election.

The amendment was read and was adopted by a viva voce vote.

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

HB 2509 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 2509 ON THIRD READING

Senator Shapiro moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2509** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 3088 ON SECOND READING

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

HB 3088, Relating to the creation and re-creation of funds and accounts in the state treasury, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.

The bill was read second time.

Senator Ellis offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3088** as follows:

(1) In SECTION 4 of the bill, in existing Subdivision (10) (senate committee printing, page 2, line 4), strike "and".

(2) In SECTION 4 of the bill, in existing Subdivision (11) (senate committee printing, page 2, line 7), strike the period after "1706" and substitute a semicolon.

(3) Insert the following appropriately numbered subdivisions at the end of SECTION 4 of the bill (senate committee printing, page 2, between lines 7 and 8):

() the interagency water policy account created by House Bill No. 2912 or Senate Bill No. 2;

() the environmental testing laboratory accreditation account created by House Bill No. 2912; and

() any account created by Senate Bill No. 5 and not otherwise listed in this Act, other than a trust account subject to Section 8(a) of this Act.

(4) In SECTION 5 of the bill, in existing Subdivision (4) (senate committee printing, page 2, line 21), strike "and".

(5) In SECTION 5 of the bill, in existing Subdivision (5) (senate committee printing, page 2, line 23), strike the period and substitute the following appropriately numbered subdivision:

; and

() any fund created by Senate Bill No. 5 and not otherwise listed in this Act, other than a trust fund subject to Section 8(a) of this Act.

The amendment was read and was adopted by a viva voce vote.

Senator Ellis offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 3088** as follows:

(1) In SECTION 4 of the bill, strike Subdivisions (2), (4), and (7) (senate committee printing, page 1, lines 51, 52, 55, 56, 61, and 62) and renumber the remaining subdivisions of SECTION 4 appropriately.

(2) In SECTION 4 of the bill, in existing Subdivision (10) (senate committee printing, page 2, lines 3 and 4), strike "House Bill No. 2776 or Senate Bill No. 1501; and" and substitute "Senate Bill No. 312;"

(3) In SECTION 4 of the bill, in existing Subdivision (11) (senate committee printing, page 2, line 7), strike the period after "1706" and substitute a semicolon.

(4) Insert the following appropriately numbered subdivisions at the end of SECTION 4 of the bill (senate committee printing, page 2, between lines 7 and 8):

() the Texas peace officer flag account created by House Bill No. 815;
() the special account for administrative penalties collected by the Department of Public Safety under Section 548.3065, Transportation Code, created by House Bill No. 2134;

() the governor for a day account created by House Bill No. 2147;
() the speaker's reunion day account created by House Bill No. 2147;
() the inaugural endowment fund created as an account by House Bill No. 2439 or similar legislation;

() the rural volunteer fire department insurance fund created as an account by House Bill No. 3667;

() the water infrastructure fund created as an account by Senate Bill No. 2;
() the rural water assistance fund created as an account by Senate Bill No. 2;
() the interagency water advisory account created by Senate Bill No. 2;
() the Texas emissions reduction plan fund created as an account by Senate Bill No. 5;

() the environmental research fund created as an account by Senate Bill No. 5;

() the dedicated account established as a successor to the Texas Healthy Kids Fund by Senate Bill No. 236;

() the technology workforce development account created by Senate Bill No. 353;

() the rural physician relief program account created by Senate Bill No. 516;

() the smart jobs fund, if re-created as an account by House Bill No. 3452 or Senate Bill No. 321;

() the child abuse and neglect prevention operating fund account created by Senate Bill No. 1475;

() the child abuse and neglect prevention trust fund account created by Senate Bill No. 1475;

() the floating cabins purchase account created by Senate Bill No. 1573; and

() the mobile amusement ride regulation account created by Senate Bill No. 1622.

(5) In SECTION 5 of the bill, between "the following funds in the state treasury" and "are recreated" (senate committee printing, page 2, line 9), insert "or funds otherwise with the comptroller".

(6) In SECTION 5 of the bill, in Subdivision (4) (senate committee printing, page 2, line 21), strike "and".

(7) In SECTION 5 of the bill, strike existing Subdivision (5) (senate committee printing, page 2, lines 22 and 23) and substitute the following:

(5) the smart jobs fund, if re-created as a fund by House Bill No. 3452 or Senate Bill No. 321;

(8) Insert the following appropriately numbered subdivisions at the end of SECTION 5 of the bill (senate committee printing, page 2, between lines 23 and 24):

() the gas utility service assistance trust fund created by Senate Bill No. 310 or similar legislation;

() the barber school tuition protection account created as a trust fund with the comptroller by Senate Bill No. 660;

() the spaceport trust fund created by Senate Bill No. 813;

() the quality assurance fund created by Senate Bill No. 1839; and

() the stabilization reserve fund re-created by Senate Bill No. 1839.

(9) In SECTION 6 of the bill, in Subdivision (2) (senate committee printing, page 2, line 33), strike "and".

(10) In SECTION 6 of the bill, in Subdivision (3) (senate committee printing, page 2, line 35), strike the period after "1109" and substitute a semicolon.

(11) Insert the following appropriately numbered subdivisions at the end of SECTION 6 of the bill (senate committee printing, page 2, between lines 35 and 36):

() all revenue dedicated to the Texas Mobility Fund by Senate Bill No. 4, Senate Bill No. 342, or similar legislation;

() all revenue dedicated to the abandoned rail account in the state highway fund by Senate Bill No. 406; and

() all revenue dedicated to the "Go Texan" partner program account by Senate Bill No. 571.

(12) In SECTION 8 of the bill, insert the following as new Subsections (c) and (d) (senate committee printing, page 2, between lines 54 and 55):

(c) Notwithstanding Subsection (a) of this section, Section 2 of this Act applies to the smart jobs rainy day fund created or re-created as a trust fund by House Bill No. 3452 or Senate Bill No. 321 and to revenue dedicated to the fund.

(d) Notwithstanding Subsection (a) of this section, Section 2 of this Act applies to the community health center revolving loan fund created by House Bill No. 2574 and to revenue dedicated to the fund.

(13) In SECTION 13 of the bill, in Subdivision (1), strike the period after "976" and substitute the following:
; and

(2) the permanent endowment fund for the rural communities health care investment program created by Senate Bill No. 126.

(14) Add the following appropriately numbered SECTIONS to the bill and renumber existing SECTIONS of the bill appropriately:

SECTION _____. FUNDS OUTSIDE THE TREASURY. Section 2 of this Act does not apply to the following funds outside the treasury or to the dedicated revenue deposited to the credit of the funds, if created by an Act of the 77th Legislature, Regular Session, 2001, that becomes law:

(1) the Department of Public Safety Historical Museum and Research Center account created by House Bill No. 335;

(2) the Texas excellence fund created by House Bill No. 1839; and

(3) the university research fund created by House Bill No. 1839.

SECTION _____. SYSTEM BENEFIT FUND. (a) Sections 39.903(a) and (e), Utilities Code, are amended to read as follows:

(a) The system benefit fund is created as a trust fund with the comptroller in the state treasury [~~and shall be administered by the commission as trustee on behalf of the recipients of money from the fund~~].

(e) Money in the [~~The~~] system benefit fund may be appropriated to [~~shall~~] provide funding solely for the following regulatory purposes:

(1) programs to assist low-income electric customers provided by Subsections (f)-(l);

(2) customer education programs; and

(3) the school funding loss mechanism provided by Section 39.901.

(b) The system benefit fund is re-created by this Act as a trust fund with the comptroller in the state treasury. Section 2 of this Act does not apply to the fund or to revenue dedicated to the fund.

SECTION _____. HOLDING FUND. (a) Section 204.122, Labor Code, is amended to read as follows:

Sec. 204.122. HOLDING FUND. (a) The holding fund is a dedicated account in the general revenue fund [~~special trust fund in the custody of the comptroller separate and apart from all public money or funds of this state~~].

(b) The comptroller shall administer the holding fund in accordance with the directions of the commission, subject to legislative appropriations of money in the fund. Interest accruing on amounts in the holding fund shall be deposited quarterly to the credit of the compensation fund.

(b) Effective August 27, 2001, the holding fund is re-created as an account in the general revenue fund, and the account and the revenue deposited to the credit of the account are exempt from Section 2 of this Act.

The amendment was read and was adopted by viva voce vote.

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

HB 3088 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 3088 ON THIRD READING

Senator Ellis moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3088** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

On motion of Senator Ellis and by unanimous consent, further consideration of **HB 3088** was postponed.

Question—Shall **HB 3088** be read third time?

SENATE RULE 5.14(a) SUSPENDED (Intent Calendar)

On motion of Senator Armbrister and by unanimous consent, Senate Rule 5.14(a), requiring bills to be posted on the Intent Calendar by 4:00 p.m., was

suspended and the time was extended to 6:00 p.m. today for the Wednesday, May 23, 2001, Intent Calendar.

(President in Chair)

HOUSE BILL 1005 ON SECOND READING

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

HB 1005, Relating to the creation of a state program of temporary assistance and related support services for needy persons.

The bill was read second time.

Senator Harris offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1005** as follows:

(1) In SECTION 1 of the bill, in added Section 34.006, Human Resources Code (Committee printing, page 2, line 10), strike "December" and substitute "September".

(2) In SECTION 1 of the bill, in added Section 34.006, Human Resources Code (Committee printing, page 2, line 13), strike "December 1, 2004" and substitute "September 1, 2002".

(3) In SECTION 2 of the bill (Committee printing, page 2 line 23, strike "December 1" and substitute "September 1".

(4) On page 2, line 32, insert the following new Section:

SECTION 5. This Act expires September 2, 2003 unless continued in existence by the legislature by that date.

The amendment was read and was adopted by a viva voce vote.

Senator West offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 1005** as follows:

(1) In SECTION 1 of the bill, in proposed Section 34.002(c), Human Resources Code (Committee printing, page 1, lines 35 and 36), strike "may be funded only with state money" and substitute "may not be funded with federal money provided to the state for the financial assistance program authorized by Chapter 31".

(2) In SECTION 1 of the bill, between proposed Sections 34.005 and 34.006, Human Resources Code (Committee printing, page 2, between lines 6 and 7), insert the following:

Sec. 34.006. STUDY. The Texas Workforce Commission, in collaboration with local workforce development boards and the appropriate standing committees of the senate and house of representatives, shall:

(1) study methods to improve the delivery of workforce services to persons residing in minimum service counties, as defined by the commission; and

(2) develop recommendations to improve the delivery of services described by Subdivision (1) for inclusion in the report required by Section 34.007.

(3) In SECTION 1 of the bill, in proposed Section 34.006, Human Resources Code (Committee printing, page 2, line 7), strike "34.006" and substitute "34.007".

(4) In SECTION 2 of the bill (Committee printing, page 2, line 19) strike "34.006" and substitute "34.007".

The amendment was read and was adopted by a viva voce vote.

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

HB 1005 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTES

Senators Shapiro and Wentworth asked to be recorded as voting "Nay" on the passage of **HB 1005** to third reading.

HOUSE BILL 1005 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 1005** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 2, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Ogden, Shapleigh, Sibley, Staples, Truan, Van de Putte, West, Whitmire, Zaffirini.

Nays: Shapiro, Wentworth.

Present-not voting: Mr. President.

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

RECORD OF VOTES

Senators Shapiro and Wentworth asked to be recorded as voting "Nay" on the final passage of **HB 1005**.

HOUSE BILL 1890 ON SECOND READING

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

HB 1890, Relating to control of contracts and funds of a commissary for the county jail of certain counties.

The bill was read second time.

Senator Harris offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1890** in SECTION 1 of the bill, in proposed Section 351.04155(a), Local Government Code (Senate Committee Printing, page 1, line 18), by striking "200,000" and substituting "300,000".

The amendment was read and was adopted by a viva voce vote.

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

HB 1890 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 1890 ON THIRD READING

Senator Harris moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1890** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 2601 ON SECOND READING**

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

CSHB 2601, Relating to the ad valorem taxation of certain possessory interests in certain municipal property open to the public.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 2601 ON THIRD READING**

Senator Gallegos moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2601** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 3694 ON SECOND READING

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

HB 3694, Relating to an annual salary supplement paid by Cameron County to the local administrative district judge in Cameron County.

The bill was read second time.

On motion of Senator Lucio and by unanimous consent, further consideration of **HB 3694** was postponed to a time certain of 4:15 p.m. today.

Question—Shall **HB 3694** be passed to third reading?

HOUSE BILL 3006 ON SECOND READING

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

HB 3006, Relating to composition of the board of directors of a tax increment reinvestment zone.

The bill was read second time.

Senator Madla offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3006** by striking all below the enacting clause and substituting the following:

Section 1. Section 311.004(a)(2), Tax Code, is amended to read as follows:

(2) create a board of directors for the zone and specify the number of directors of the board as provided by Section 311.009 or 311.0091 as applicable;

Section 2. Chapter 311, Tax Code, is amended by adding Section 311.0091 to read as follows:

Sec. 311.0091. COMPOSITION OF BOARD OF DIRECTORS OF CERTAIN REINVESTMENT ZONES. (a) This section applies to a reinvestment zone designated by a municipality which is wholly or partially located in a county with a population of less than 1.4 million in which the principal municipality has a population of 1.1 million or more.

(b) Except as provided by Subsection (c), the board of directors of a reinvestment zone consists of at least five and not more than 15 members, unless more than 15 members are required to satisfy the requirements of this subsection. Each taxing unit that approves the payment of all or part of its tax increment into the tax increment fund is entitled to appoint a number of members to the board in proportion to the taxing unit's pro rata share of the total anticipated tax increment to be deposited into the tax increment fund during the term of the zone. In determining the number of members a taxing unit may appoint to the board, the taxing unit's percentage of anticipated pro rata contributions to the tax increment fund is multiplied by the number of members of the board, and a number containing a fraction that is one-half or greater shall be rounded up to the next whole number. Notwithstanding any other provision of this subsection, each taxing unit that approves the payment of all or part of its tax increment into the tax increment fund is entitled to appoint at least one member of the board, and the municipality that designated the zone is entitled to appoint at least as many members of the board as any other participating taxing unit. A taxing unit may waive its right to appoint a director.

(c) If the zone was designated under Section 311.005(a)(5), the board of directors of the zone consists of nine members, unless a greater number of members is necessary to comply with this subsection. Each taxing unit that approves the payment of all or part of its tax increment into the tax increment fund is entitled to appoint a number of members to the board in proportion to the taxing unit's pro rata share of the total anticipated tax increment to be deposited into the tax increment fund during the term of the zone. In determining the number of members a taxing unit may appoint to the board, the taxing unit's percentage of anticipated pro rata contributions to the tax increment fund is multiplied by nine, and a number containing a fraction that is one-half or greater shall be rounded up to the next whole number. Notwithstanding any other provision of this subsection, each taxing unit that approves the payment of

all or part of its tax increment into the tax increment fund is entitled to appoint at least one member of the board, and the municipality that designated the zone is entitled to appoint at least as many members of the board as any other participating taxing unit. A taxing unit may waive its right to appoint a director. The member of the state senate in whose district the zone is located is a member of the board, and the member of the state house of representatives in whose district the zone is located is a member of the board, except that either may designate another individual to serve in the member's place at the pleasure of the member. If the zone is located in more than one senate or house district, this subsection applies only to the senator or representative in whose district a larger portion of the zone is located than any other senate or house district, as applicable.

(d) Members of the board are appointed for terms of two years unless longer terms are provided under Article XI, Section 11, of the Texas Constitution. Terms of members may be staggered.

(e) A vacancy on the board is filled for the unexpired term by appointment of the governing body of the taxing unit that appointed the director who served in the vacant position.

(f) To be eligible for appointment to the board, an individual must:

(1) be a qualified voter of the municipality; or

(2) be at least 18 years of age and own real property in the zone or be an employee or agent of a person that owns real property in the zone.

(g) Each year the board of directors of a reinvestment zone shall elect one of its members to serve as presiding officer for a term of one year. The board of directors may elect an assistant presiding officer to preside in the absence of the presiding officer or when there is a vacancy in the office of presiding officer. The board may elect other officers as it considers appropriate.

(h) A member of the board of directors of a reinvestment zone:

(1) is not a public official by virtue of that position; and

(2) unless otherwise ineligible, may be appointed to serve concurrently on the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code.

SECTION 3. Section 311.0091, Tax Code, as added by this Act, applies only to the board of directors of a tax increment reinvestment zone that is created on or after the effective date of this Act.

SECTION 4. This Act takes effect September 1, 2001.

The amendment was read and was adopted by a viva voce vote.

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

HB 3006 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 3006 ON THIRD READING

Senator Madla moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3006** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 1544 ON SECOND READING

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

HB 1544, Relating to the release of certain personal information from motor vehicle records and information relating to motor vehicle accident reports; providing penalties.

The bill was read second time.

Senator Armbrister offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1544** by adding an appropriately numbered SECTION to read as follows:

SECTION _____. Section 521.055 is amended by adding Subsection (g) to read as follows:

(g) For purposes of this section, a release of information to persons eligible to receive the information under Chapter 730 occurs each time a query is made of the system.

The amendment was read and was adopted by a viva voce vote.

Senator Moncrief offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 1544** as follows:

(1) In SECTION 1 of the bill, added Section 521.050(c)(1), Transportation Code (Committee Printing, page 1, line 21), strike "\$10,000" and substitute "\$2,000".

(2) In SECTION 1 of the bill, added Section 521.050(c)(2), Transportation Code (Committee Printing, page 1, line 24), strike "\$200" and substitute "\$75".

(3) In SECTION 3 of the bill, amended Section 550.065(d), Transportation Code (Committee Printing, page 2), strike lines 31 and 32 and substitute "accident information is \$6 or the actual cost of the preparation of the copy, whichever is less [\$4]. The copy may be certified".

(4) In SECTION 3 of the bill, amended Section 550.065(d), Transportation Code (Committee Printing, page 2, line 34), strike "\$5 [\$2]" and substitute "\$2".

(5) In SECTION 3 of the bill, amended Section 550.065(d), Transportation Code (Committee Printing, page 2, line 36), strike "\$10" and substitute "\$6".

(6) In SECTION 5 of the bill, amended Section 730.007(a), Transportation Code (Committee Printing, page 3, line 35), strike "or".

(7) In SECTION 5 of the bill, amended Section 730.007(a), Transportation Code (Committee Printing, page 3), strike lines 36-38 and substitute:

"(v) motor vehicle market research activities, including survey research; or

(vi) removal of nonowner records from".

(8) In SECTION 5 of the bill, amended Section 730.007(a), Transportation Code (Committee Printing, page 3, lines 65 and 66), strike "or to an owner of a vehicle that is illegally parked".

(9) In SECTION 5 of the bill, amended Section 730.007(a), Transportation Code (Committee Printing page 4), strike lines 1-6 and substitute:

"(I) use by an employer or an agent or insurer of the employer to obtain or verify information relating to a holder of a commercial driver's license that is required under 49 U.S.C. Chapter 313;"

(10) In SECTION 5 of the bill, amended Section 730.007(a), Transportation Code (Committee Printing, page 4) strike line 9 and substitute:

"(K) use by a consumer reporting agency, as defined by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.), for a purpose permitted under that Act; or [for bulk distribution for surveys;]".

(11) In SECTION 5 of the bill, amended Section 730.007(a), Transportation Code (Committee Printing, page 4) strike lines 20-22 and substitute:

"(L) use for any other purpose specifically authorized by law that relates to the operation of a motor vehicle or to public safety."

(12) Add a new section to the bill, appropriately numbered, to read as follows, and renumber subsequent sections accordingly:

SECTION _____. Chapter 38, Penal Code, is amended by adding Section 38.18 to read as follows:

Sec. 38.18. USE OF ACCIDENT REPORT INFORMATION AND OTHER INFORMATION FOR PECUNIARY GAIN. (a) This section applies to:

(1) information described by Section 550.065(a), Transportation Code;

(2) information reported under Chapter 772, Health and Safety Code, other than information that is confidential under that chapter; and

(3) information contained in a dispatch log, a towing record, or a record of a 9-1-1 service provider, other than information that is confidential under Chapter 772, Health and Safety Code.

(b) A person commits an offense if:

(1) the person obtains information described by Subsection (a) from the Department of Public Safety of the State of Texas or other governmental entity; and

(2) the information is subsequently used for the direct solicitation of business or employment for pecuniary gain by:

(A) the person;

(B) an agent or employee of the person; or

(C) the person on whose behalf the information was requested.

(c) A person who employs or engages another to obtain information described by Subsection (a) from the Department of Public Safety or other governmental entity commits an offense if the person subsequently uses the information for direct solicitation of business or employment for pecuniary gain.

(d) An offense under this section is a Class B misdemeanor.

The amendment was read and was adopted by a viva voce vote.

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

HB 1544 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 1544 ON THIRD READING

Senator Moncrief moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1544** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

**VOTE RECONSIDERED ON
COMMITTEE SUBSTITUTE HOUSE BILL 3699**

On motion of Senator Bernsen and by unanimous consent, the vote by which **CSHB 3699** was finally passed was reconsidered:

CSHB 3699, Relating to the allocation of certain funds for institutions within the Texas State University System.

Question—Shall **CSHB 3699** be finally passed?

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3699** (Senate Committee Printing) by deleting SECTION 2 and renumbering the subsequent SECTIONS accordingly.

OGDEN
ELLIS

The amendment was read.

On motion of Senator Ogden and by unanimous consent, Floor Amendment No. 1 was temporarily withdrawn.

On motion of Senator Bernsen and by unanimous consent, further consideration of **CSHB 3699** was postponed to a time certain of 4:30 p.m. today.

Question—Shall **CSHB 3699** be finally passed?

**MOTION TO PLACE
HOUSE BILL 1537 ON SECOND READING**

Senator Moncrief asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

HB 1537, Relating to a study and a pilot program regarding the provision of medical assistance and certain health benefits plan coverage for children of migrant or seasonal agricultural workers.

There was objection.

Senator Moncrief then moved to suspend the regular order of business and take up **HB 1537** for consideration at this time.

The motion was lost by the following vote: Yeas 15, Nays 14, Present-not voting 1. (Not receiving two-thirds vote of Members present)

Yeas: Armbrister, Barrientos, Bernsen, Cain, Ellis, Gallegos, Harris, Lucio, Madla, Moncrief, Shapleigh, Van de Putte, West, Whitmire, Zaffirini.

Nays: Bivins, Brown, Carona, Duncan, Fraser, Haywood, Jackson, Lindsay, Nelson, Ogden, Shapiro, Sibley, Truan, Wentworth.

Present-not voting: Mr. President.

Absent: Staples.

HOUSE BILL 1806 ON SECOND READING

On motion of Senator Van de Putte and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

HB 1806, Relating to the issuance of certain alcoholic beverage licenses and permits.

The bill was read second time.

Senator Van de Putte offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1806** as follows:

(1) In SECTION 1 of the bill, in added Section 11.393(a), Alcoholic Beverage Code (Engrossed version, page 1 line 16, strike "on-premises consumption of alcoholic beverages" and substitute "retail sale of alcoholic beverages for on-premises consumption."

(2) In Section 3 of the bill, in added Section 61.382(a), Alcoholic Beverage Code (Engrossed version, page 1, line 63), strike "on-premises sale of beer" and substitute "retail sale of beer for on-premises consumption".

The amendment was read and was adopted by a viva voce vote.

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

HB 1806 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 1806 ON THIRD READING

Senator Van de Putte moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1806** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 126 ON SECOND READING

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

HB 126, Relating to the prosecution of and the punishment for the offense of disorderly conduct involving unreasonable noise.

The bill was read second time.

Senator Wentworth offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 126** (senate committee printing) by striking all below the enacting clause and substituting the following:

SECTION 1. Sections 42.01(c) and (d), Penal Code, are amended to read as follows:

(c) For purposes of this section:

(1) an act is deemed to occur in a public place or near a private residence if it produces its offensive or proscribed consequences in the public place or near a private residence; and

(2) a noise is presumed to be unreasonable if:

(A) the noise exceeds a decibel level of 85 after the person making the noise receives notice from a magistrate or peace officer that the noise is a public nuisance; or

(B) the noise exceeds a decibel level of 55 after the person making the noise receives notice from a magistrate or peace officer that the noise is a public nuisance and the person making the noise is on a premises for which a license or permit has been issued under the Alcoholic Beverage Code authorizing the sale of alcoholic beverages for on-premises consumption.

(d) An offense under this section is a Class C misdemeanor, except that the offense is a Class B misdemeanor if:

(1) [unless] committed under Subsection (a)(9) or (a)(10); or

(2) committed under Subsection (a)(5) and the defendant has previously been convicted under Subsection (a)(5)[, in which event it is a Class B misdemeanor].

SECTION 2. This Act takes effect September 1, 2001, and applies only to an offense committed on or after that date. An offense committed before the effective date of this Act is covered 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.

The amendment was read.

On motion of Senator Wentworth and by unanimous consent, the amendment was withdrawn.

On motion of Senator Wentworth and by unanimous consent, further consideration of **HB 126** was postponed to a time certain of 5:30 p.m. today.

Question—Shall **HB 126** be passed to third reading?

HOUSE BILL 3694 ON SECOND READING

The President laid before the Senate **HB 3694** on its second reading. The bill was read second time and further consideration was postponed to a time certain of 4:15 p.m. today:

HB 3694, Relating to an annual salary supplement paid by Cameron County to the local administrative district judge in Cameron County.

Question—Shall **HB 3694** be passed to third reading?

The bill was passed to third reading by a viva voce vote.

HOUSE BILL 3694 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 3694** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 3655 ON SECOND READING**

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

CSHB 3655, Relating to the creation, administration, powers, duties, operation, and financing of the Bluebonnet Groundwater Conservation District.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 3655 ON THIRD READING**

Senator Ogden moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 3655** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

RESOLUTION SIGNED

The President announced the signing of the following enrolled resolution in the presence of the Senate: **SCR 65**.

(Senator Truan in Chair)

**COMMITTEE SUBSTITUTE
HOUSE BILL 3699 ON THIRD READING**

The Presiding Officer laid before the Senate **CSHB 3699** on its third reading and final passage. The bill was read third time and further consideration was postponed to a time certain of 4:30 p.m. today.

CSHB 3699, Relating to the allocation of certain funds for institutions within the Texas State University System.

Question—Shall **CSHB 3699** be finally passed?

Senator Ogden again offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3699** (Senate Committee Printing) by deleting SECTION 2 and renumbering the subsequent SECTIONS accordingly.

OGDEN
ELLIS

By unanimous consent, the amendment was again read and was adopted by a viva voce vote.

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

CSHB 3699 as amended was again finally passed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

(President in Chair)

**COMMITTEE SUBSTITUTE
HOUSE BILL 2323 ON SECOND READING**

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

CSHB 2323, Relating to repayment assistance for certain law school loans of persons providing legal services to the indigent.

The bill was read second time.

Senator Staples offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2323** by adding the appropriately numbered section, "An attorney who receives repayment assistance under this act is subject to a \$5,000 per 12 month period of employment limit on assistance." and renumbering all sections.

The amendment was read.

On motion of Senator Staples and by unanimous consent, Floor Amendment No. 1 was withdrawn.

Senator Staples offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 2323** by adding the following appropriately numbered section and renumbering all other sections:

Chapter 61, Education Code, is amended by adding Subchapter X to read as follows:

**SUBCHAPTER X. REPAYMENT OF CERTAIN
LAW SCHOOL EDUCATION LOANS**

Sec. 61.951. DEFINITION. In this subchapter, "rural county" means a county with a population of 50,000 or less.

Sec. 61.952. REPAYMENT ASSISTANCE AUTHORIZED. (a) The board shall provide, using funds appropriated for that purpose and in accordance with this subchapter and board rules, assistance in the repayment of law school education loans for attorneys who apply and qualify for the assistance.

(b) The provision of financial assistance in the repayment of education loans under this subchapter promotes a public purpose.

Sec. 61.953. ELIGIBILITY. To be eligible to receive repayment assistance, an attorney must:

(1) apply to the board;

(2) be currently employed as an attorney by a district or county attorney's office that serves a rural county; and

(3) enter into an agreement to remain employed by the district or county attorney's office as provided by Section 61.955.

Sec. 61.954. ELIGIBLE LOANS. (a) The board may provide repayment assistance for the repayment of any education loan received by the attorney through any lender for education at a school of law authorized by the board to award a degree that satisfies the law study requirements for licensure as an attorney in this state.

(b) The board may not provide repayment assistance for an education loan that is in default at the time of the attorney's application.

Sec. 61.955. AGREEMENT. (a) To qualify for loan repayment assistance under this subchapter, a person must enter into a written agreement with the board as provided by this section. The agreement must specify the conditions the person must satisfy to receive repayment assistance.

(b) The agreement must require the person to be employed for a period of five years with a district or county attorney's office that serves a rural county. Only employment with that district or county attorney's office as an attorney after the date the person enters into the agreement may be used to satisfy the employment requirement under the agreement.

(c) The agreement must provide that the repayment assistance the person receives before the person has been employed for five years as required by the agreement constitutes a loan until the person completes the five years of employment and satisfies any other applicable conditions of the agreement. The agreement must require the person to sign a promissory note acknowledging the conditional nature of the repayment assistance received and promising to repay the amount of that assistance received plus applicable interest and reasonable collection costs if the person does not satisfy the applicable conditions. The board shall determine the terms of the promissory note. To the extent practicable, the terms must be the same as those applicable to state or federally guaranteed student loans made at the same time. All amounts collected in repayment of a loan under this subsection, including interest, but excluding collection costs paid by the board to another person to collect or assist in collecting the amount, shall be deposited to the credit of the trust fund established by Section 61.958.

Sec. 61.956. REPAYMENT. (a) Except as provided by Section 61.959(a), the board shall provide repayment assistance under this subchapter in the following amounts:

(1) 60 percent of each payment due on an attorney's eligible loans during the first 12-month period after the attorney enters into the agreement under Section 61.955;

(2) 80 percent of each payment due on an attorney's eligible loans during the second 12-month period after the attorney enters into the agreement; and

(3) 100 percent of each payment due on an attorney's eligible loans during the third 12-month period after the attorney enters into the agreement.

(b) The board shall deliver any repayment assistance made under this subchapter in a lump sum payable to the lender and the attorney and in accordance with any applicable federal law.

(c) Loan repayment assistance received under this subchapter may be applied to the principal amount of the loan and to interest that accrues.

Sec. 61.957. ADVISORY COMMITTEE. The board may appoint an advisory committee from outside the board's membership to assist the board in performing the board's duties under this subchapter.

Sec. 61.958. FUNDING. (a) The loan repayment assistance program established by this subchapter is funded from the rural district and county attorney student loan assistance trust fund. The trust fund is established outside the treasury and is administered by the comptroller. Money in the trust fund may be spent without appropriation and only to fund the program. Interest and income from the assets of the trust fund shall be credited to and deposited in the trust fund.

(b) The board may solicit and accept gifts, grants, and donations from any public or private source for the purposes of this subchapter and shall deposit money accepted under this subsection to the credit of the trust fund.

(c) The legislature may appropriate money to the trust fund.

Sec. 61.959. RULES. (a) The board shall adopt rules necessary for the administration of this subchapter, including a rule that sets the maximum amount of loan repayment assistance that an attorney may receive in one year.

(b) The board shall distribute a copy of the rules adopted under this section and pertinent information in this subchapter to:

(1) each school of law authorized by the board to award a degree described by Section 61.954(a); and

(2) any appropriate district or county attorney's

The amendment was read and was adopted by a viva voce vote.

Senator Jackson offered the following amendment to the bill:

Floor Amendment No. 3

Amend **CSHB 2323** as follows and renumber all appropriate sections of the bill:

(1) Insert "(2) be a full-time employee of the eligible organization; and" after the word "and" on page 1, line 24 of the bill.

(2) Insert "(c) any repayment assistance shall be reasonably related to the amount of time an attorney is employed by the eligible organization." after subsection (b) in Section 61.955 of the bill.

The amendment was read and was adopted by a viva voce vote.

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

CSHB 2323 as amended was passed to third reading by a viva voce vote.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2323 ON THIRD READING**

Senator Shapleigh moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2323** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 3171 ON SECOND READING

Senator West asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

HB 3171, Relating to the creation, composition, and operation of certain district courts.

There was objection.

Senator West then moved to suspend the regular order of business and take up **HB 3171** for consideration at this time.

The motion prevailed by the following vote: Yeas 22, Nays 8, Present-not voting 1.

Yeas: Barrientos, Bivins, Brown, Cain, Carona, Duncan, Ellis, Gallegos, Harris, Jackson, Lindsay, Lucio, Moncrief, Nelson, Shapiro, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire.

Nays: Armbrister, Bernsen, Fraser, Haywood, Madla, Ogden, Shapleigh, Zaffirini.

Present-not voting: Mr. President.

The bill was read second time.

Senator Sibley offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3171** as follows:

(1) Delete SECTIONS 11 and 12 of the bill (Committee Printing, page 2, line 28 through page 3, line 1), and renumber subsequent SECTIONS as appropriate.

(2) In SECTION 13 of the bill (Committee Printing, page 3, lines 2-3), strike the phrase "Subsections (b) and (e)" and substitute "Subsection (b)".

(3) In SECTION 13 of the bill (Committee Printing, page 3, lines 23-24), strike subsection (e).

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTE

Senator Madla asked to be recorded as voting "Nay" on the adoption of Floor Amendment No. 1.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 3171** (Senate Committee Printing) as follows:

(1) In SECTION 13 of the bill (page 3, line 3), strike "397th,".

(2) In SECTION 13 of the bill, at the end of proposed Subsection (b), (page 3, line 7) insert the following:

The 397th Judicial District is created and Section 1 of this Act takes effect January 1, 2003.

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTE

Senator Madla asked to be recorded as voting "Nay" on the adoption of Floor Amendment No. 2.

Senator Staples offered the following amendment to the bill:

Floor Amendment No. 3

Amend **HB 3171**, by adding the following language:

"Section 24.113, Government Code, is amended to read as follows:

Sec. 24.113. 12th Judicial District (Grimes, [~~Leon~~] Madison, and Walker Counties)

(a) The 12th Judicial District is composed of Grimes, [~~Leon~~] Madison, and Walker counties.

"Section 24.455, Government Code, is amended to read as follows:

Sec. 24.455. 278th Judicial District (Grimes, [~~Leon~~] Madison, and Walker Counties)

(a) The 278th Judicial District is composed of Grimes, [~~Leon~~] Madison, and Walker counties.

"Section 24.514, Government Code is amended to read as follows:

Sec. 24.514. 369th Judicial District (Anderson, [~~and~~] Cherokee, and Leon Counties)

The 369th Judicial District is composed of Anderson, [~~and~~] Cherokee, and Leon counties.

And by adding under SECTION 13 of the bill a new subsection "d", and relettering accordingly as follows:

"(d) The local administrative district judge shall transfer all cases from Leon County that are pending in the 12th District Court and the 278th District Court on the effective date of this Act to the 369th District Court."

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTE

Senator Madla asked to be recorded as voting "Nay" on the adoption of Floor Amendment No. 3.

Senator Staples offered the following amendment to the bill:

Floor Amendment No. 4

Amend **HB 3171** as follows:

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

SECTION _____. Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.563 to read as follows:

Sec. 24.563. 418TH JUDICIAL DISTRICT (NACOGDOCHES COUNTY). The 418th Judicial District is composed of Nacogdoches County.

(2) Strike SECTION 13(a) of the bill (Senate committee report page 3, lines 2-5) and substitute the following:

(a) Except as provided by Subsections (b) and (e) of this section, this Act takes effect September 1, 2001. The 397th, 412th, 413th, 414th, 416th, 417th, and 418th judicial districts are created September 1, 2001, and the 415th Judicial District is created September 1, 2002.

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTE

Senator Madla asked to be recorded as voting "Nay" on the adoption of Floor Amendment No. 4.

Senator Duncan offered the following amendment to the bill:

Floor Amendment No. 5

Amend **HB 3171** (Senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) Section 24.185, Government Code, is amended to read as follows:

Sec. 24.185. 83RD JUDICIAL DISTRICT (PECOS, REAGAN, TERRELL, [~~UPTON;~~] AND VAL VERDE COUNTIES). (a) The 83rd Judicial District is composed of Pecos, Reagan, Terrell, [~~Upton;~~] and Val Verde counties.

(b) The 83rd and 112th district courts have concurrent jurisdiction in Pecos and[-] Reagan[-; ~~and Upton~~] counties.

(c) The 83rd and 63rd district courts have concurrent jurisdiction in Terrell and Val Verde counties.

(d) The terms of the 83rd District Court begin:

(1) on the second Monday in January and July; and

(2) in Reagan County on the 14th Monday after the first Mondays in January and July; and

~~[(3) in Upton County on the 12th Monday after the first Mondays in January and July].~~

(e) In each of the counties of Pecos, Terrell, [~~Upton;~~] and Val Verde, a petition or other pleading filed in the district courts is sufficient if addressed "To The District Court of Pecos County, Texas," "To The District Court of Terrell County, Texas," [~~"To The District Court of Upton County, Texas;"]~~ or "To The District Court of

Val Verde County, Texas," respectively, without giving the number of the district court in the address.

(b) Section 43.141(a), Government Code, is amended to read as follows:

(a) The voters of Brewster, Jeff Davis, Pecos, Presidio, and Reagan~~[, and Upton]~~ counties elect a district attorney for the 83rd Judicial District.

SECTION _____. (a) The local administrative district judge shall transfer all cases from Upton County that are pending in the 83rd District Court on September 1, 2001, to the 112th District Court.

(b) When a case is transferred as provided by Subsection (a) of this section, all processes, writs, bonds, recognizances, or other obligations issued from the 83rd District Court are returnable to the 112th District Court as if originally issued by that court. The obligees on all bonds and recognizances taken in and for the 83rd District Court and all witnesses summoned to appear in the 83rd District Court are required to appear before the 112th District Court as if originally required to appear before that court.

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTE

Senator Madla asked to be recorded as voting "Nay" on the adoption of Floor Amendment No. 5.

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

HB 3171 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTE

Senator Madla asked to be recorded as voting "Nay" on the passage of **HB 3171** to third reading.

HOUSE BILL 3171 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 3171** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 1, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Moncrief, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Madla.

Present-not voting: Mr. President.

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

RECORD OF VOTE

Senator Madla asked to be recorded as voting "Nay" on the final passage of **HB 3171**.

HOUSE BILL 374 ON SECOND READING

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

HB 374, Relating to the assessment of court costs for certain offenses to finance child health and safety programs in municipalities.

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

RECORD OF VOTE

Senator Ogden asked to be recorded as voting "Nay" on the passage of **HB 374** to third reading.

HOUSE BILL 374 ON THIRD READING

Senator Shapiro moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 374** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 1, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Ogden.

Present-not voting: Mr. President.

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

RECORD OF VOTE

Senator Ogden asked to be recorded as voting "Nay" on the final passage of **HB 374**.

HOUSE BILL 2134 ON SECOND READING

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

HB 2134, Relating to the regulation of motor vehicle emissions; providing penalties.

The bill was read second time.

Senator Bernsen offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2134** (Senate Committee Printing) as follows:

(1) In SECTION 1 of the bill, in Subsection (d)(2), amended Section 382.0372 (renumbered as Section 382.203), Health and Safety Code (page 4, line 11), strike "or" and substitute "[or]".

(2) In SECTION 1 of the bill, in Subsection (d)(3), amended Section 382.0372 (renumbered as Section 382.203), Health and Safety Code (page 4, line 15), between "Code" and "~~circus vehicle~~", insert the following:

: or

(4) motor vehicle registered in a severe nonattainment county in which fewer than 70,000 motor vehicles are registered, regardless of whether the county would otherwise be subject to a motor vehicle emissions inspection program established under Subchapter F, Chapter 548, Transportation Code

The amendment was read.

On motion of Senator Brown, Floor Amendment No. 1 was tabled by the following vote: Yeas 25, Nays 4, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bivins, Brown, Cain, Carona, Duncan, Fraser, Gallegos, Harris, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Truan, Van de Putte, Wentworth, West, Whitmire.

Nays: Bernsen, Ellis, Haywood, Zaffirini.

Present-not voting: Mr. President.

Absent: Staples.

HB 2134 was passed to third reading by a viva voce vote.

HOUSE BILL 2134 ON THIRD READING

Senator Brown moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2134** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 126 ON SECOND READING

The President laid before the Senate **HB 126** on its second reading. The bill was read second time, and further consideration was postponed to a time certain of 5:30 p.m. today:

HB 126, Relating to the prosecution of and the punishment for the offense of disorderly conduct involving unreasonable noise.

Question—Shall **HB 126** be passed to third reading?

On motion of Senator Wentworth and by unanimous consent, further consideration of **HB 126** was postponed to a time certain of 6:40 p.m. today.

Question—Shall **HB 126** be passed to third reading?

HOUSE BILL 1748 ON SECOND READING

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

HB 1748, Relating to the creation of an unsolved crimes investigation team within the Department of Public Safety of the State of Texas.

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

HOUSE BILL 1748 ON THIRD READING

Senator Barrientos moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1748** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 2888 ON SECOND READING

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

HB 2888, Relating to limitations on the issuance of tax-supported bonds by school districts.

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

HOUSE BILL 2888 ON THIRD READING

Senator Shapiro moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2888** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 2111 ON SECOND READING

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

HB 2111, Relating to the Office of Court Administration of the Texas Judicial System, the Judicial Committee on Information Technology, and the Texas Judicial Council.

The bill was read second time.

Senator Duncan offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2111** by amending SECTION 3, Sec. 71.021 to add the words ", after a vote by a majority of the members of the Texas Judicial Council," after "court" and before "shall" (page 1, line 24, Committee Printing).

The amendment was read and was adopted by a viva voce vote.

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

HB 2111 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 2111 ON THIRD READING

Senator Duncan moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2111** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 2989 ON SECOND READING

On motion of Senator Van de Putte and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

HB 2989, Relating to establishing an acanthosis nigricans screening program in certain public and private schools.

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

HOUSE BILL 2989 ON THIRD READING

Senator Van de Putte moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2989** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 370 ON SECOND READING

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

HB 370, Relating to the fees imposed by certain counties for the preservation, restoration, and management of certain county records.

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

HOUSE BILL 370 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 370** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 704 ON SECOND READING

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

HB 704, Relating to the Careers to Classrooms Program.

The bill was read second time.

Senator Shapiro offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 704** (Senate Committee Printing) as follows:

(1) On page 3, line 28, add a new Section 3 and insert the following:

"Sec. 21.612. TEACHER REWARD (a) The agency may establish statewide initiatives for teacher reward activities, including activities designed to improve teacher recruitment, retention, and recognition. The agency may coordinate with other agencies to recognize and promote the teaching profession.

(b) The agency may use any available revenue, including legislative appropriation, and may solicit and accept and accept gifts, grants, and donations to support initiatives under this section."

The amendment was read and was adopted by a viva voce vote.

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

HB 704 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 704 ON THIRD READING

Senator Shapiro moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 704** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 3088 ON THIRD READING

The President laid before the Senate as postponed business **HB 3088**. The Constitutional Three-day Rule was suspended and further consideration was postponed:

HB 3088, Relating to the creation and re-creation of funds and accounts in the state treasury, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.

Question—Shall **HB 3088** be read third time?

The bill was read third time.

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 3

Amend **HB 3088** in Section 6 as follows:

1. Add an appropriately numbered subsection to read as follows:

"() the revenue from administrative fees and discount and service charges dedicated by Senate Bill 487, relating to bid guaranties, to the state highway fund."

By unanimous consent, the amendment was read and was adopted by a viva voce vote.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 4

Amend **HB 3088** as follows:

(1) In SECTION 5(3) of the bill (Senate Committee Printing page 2, line 19), strike "House Bill No. 3294 or Senate Bill No. 1500" and substitute " Senate Bill No. 322".

(2) In SECTION 5(4) of the bill (Senate Committee Printing page 2, line 21), strike "House Bill No. 3294 or Senate Bill No. 1500" and substitute "Senate Bill No. 322".

By unanimous consent, the amendment was read and was adopted by a viva voce vote.

Senator Duncan offered the following amendment to the bill:

Floor Amendment No. 5

Amend **HB 3088**, SECTION 6 (page 2, lines 24-35) by inserting the following subsection and making conforming changes as needed:

(4) the dedication of revenue by Senate Bill 736 for the self-directed semi-independent agency pilot project.

By unanimous consent, the amendment was read and was adopted by a viva voce vote.

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

HB 3088 as again amended was finally passed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1168 ON SECOND READING**

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

CSHB 1168, Relating to certain conduct in lobbying; providing a penalty.

The bill was read second time.

Senator Lindsay offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1168** as follows:

In SECTION 2 of the bill (Committee Printing page 2, between lines 25-26), insert the following new Subsection (j) to read as follows:

(j) A statement filed under Subsection (c) is not public information.

The amendment was read and was adopted by a viva voce vote.

Senator Brown offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 1168** as follows:

(1) In SECTION 2 of the bill (Committee Printing page 1, line 38), strike "or potentially be".

(2) In SECTION 2 of the bill (Committee Printing page 1, line 50), strike "or potential".

(3) In SECTION 2 of the bill (Committee Printing page 1, line 53), strike "or potentially affected".

(4) In SECTION 2 of the bill (Committee Printing page 1, line 55), strike "or potential".

(5) In SECTION 2 of the bill (Committee Printing page 1, lines 57-58), strike "or potential".

(6) In SECTION 2 of the bill (Committee Printing page 1, line 59), strike "or potentially affected".

The amendment was read and failed of adoption by the following vote: Yeas 11, Nays 17, Present-not voting 1.

Yeas: Bernsen, Bivins, Brown, Cain, Carona, Haywood, Jackson, Shapiro, Sibley, Wentworth, Whitmire.

Nays: Barrientos, Duncan, Ellis, Fraser, Gallegos, Harris, Lindsay, Lucio, Madla, Moncrief, Nelson, Ogden, Shapleigh, Staples, Truan, Van de Putte, Zaffirini.

Present-not voting: Mr. President.

Absent: Armbrister, West.

Senator Fraser offered the following amendment to the bill:

Floor Amendment No. 3

Amend **CSHB 1168** as follows:

On page 1, line 15, to delete "or 305.030";

On page 1, lines 22 and 23, to delete "and may not provide political services, as defined by Section 305.030, to opposing parties";

On page 1, lines 27 and 28, to delete "and may not provide political services, as defined by Section 305.030, to a person";

On page 1, line 29, to delete "or provision of political services to that person";

On page 2, lines 26 through 61, to delete Section 3, adding Section 305.030, Government Code, in its entirety.

The amendment was read and was adopted by a viva voce vote.

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

CSHB 1168 as amended was passed to third reading by a viva voce vote.

COMMITTEE SUBSTITUTE HOUSE BILL 1168 ON THIRD READING

Senator Harris moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1168** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE BILL 2987 ON SECOND READING

On motion of Senator Van de Putte and by unanimous consent, the regular order of business was suspended to take up for consideration at this time on its second reading and passage to third reading:

HB 2987, Relating to an exemption from sex offender registration for certain juvenile and adult offenders.

The bill was read second time.

Senator Ogden offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2987** as follows:

On page 1, line 19, strike "22.011, 22.021, or 43.25,".

On page 1, line 33, strike "22.011, 22.021, or 43.25,".

On page 1, line 62, strike "22.011, 22.021, or 43.25,".

On page 2, line 52, strike "22.011, 22.021, or 43.25,".

The amendment was read and failed of adoption by a viva voce vote.

HB 2987 was passed to third reading by a viva voce vote.

RECORD OF VOTES

Senators Barrientos, Fraser, Gallegos, and Ogden asked to be recorded as voting "Nay" on the passage of **HB 2987** to third reading.

HOUSE BILL 2987 ON THIRD READING

Senator Van de Putte moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2987** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 4, Present-not voting 1.

Yeas: Armbrister, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Shapiro, Shapleigh, Sibley, Staples, Truan, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Barrientos, Fraser, Gallegos, Ogden.

Present-not voting: Mr. President.

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

RECORD OF VOTES

Senators Barrientos, Fraser, Gallegos, and Ogden asked to be recorded as voting "Nay" on the final passage of **HB 2987**.

HOUSE BILL 3578 ON SECOND READING

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

HB 3578, Relating to the use of certain child care development funds for quality child care programs.

The bill was read second time.

Senator Cain offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3578** as follows:

(1) In SECTION 1 of the bill, in the introductory language, strike "Section 2308.317" and substitute "Sections 2308.317 and 2308.318".

(2) Immediately following SECTION 1 of the bill, insert the following:

Sec. 2308.318. PILOT PROGRAMS FOR SYSTEMS OF FAMILY HOMES.

(a) In this section:

(1) "Commission" means the Texas Workforce Commission.

(2) "Family home" has the meaning assigned by Section 42.002, Human Resources Code.

(b) The commission shall select one or more vendors to operate pilot programs in three different areas of the state under which child care is provided by operators of eligible family homes to children under four years of age. Each pilot program must include at least 10 operators of eligible family homes. At least one pilot program must be located in a rural area.

(c) After selection of the vendors, each board in an affected area of the state shall administer and fund the pilot program operating within that area, subject to guidelines established by the commission. Each of those boards shall allocate a portion of the board's federal child care development funds to pay the costs of the pilot program operating within that area.

(d) The commission shall select vendors based on a competitive procurement process. A vendor must have at least seven years of relevant experience to be eligible to participate in a pilot program.

(e) A vendor selected to participate in a pilot program shall:

(1) recruit eligible operators of family homes to participate in the program; and

(2) provide those eligible operators participating in the program with:

(A) training that is based on fostering relationships that promote rich language development and provide the foundation for relationship-centered environments;

(B) mentoring; and

(C) other support.

(f) To be eligible to participate in a pilot program, an operator of a family home must:

(1) be registered under Chapter 42, Human Resources Code, and be in compliance with all applicable requirements imposed by the Department of Protective and Regulatory Services under that chapter;

(2) have a child-to-staff ratio that complies with the criteria of the commission's designated vendor program;

(3) provide a homelike environment;

(4) demonstrate an environment that is rich in language experiences;

(5) provide child care to a group of children of which at least 75 percent are eligible for state-subsidized child care; and

(6) maintain flexible hours of operation that meet the needs of parents with nontraditional working hours.

(g) The commission may not implement the pilot programs in a manner that in any way has the effect of limiting parental choice regarding state-subsidized child care.

(h) Not later than December 1 of each even-numbered year, the commission shall submit to the governor, lieutenant governor, and speaker of the house of representatives a report on the pilot programs established under this section. The report must include an evaluation component prepared by the vendor or vendors of the pilot programs that compares the language development and other developmental features of children receiving child care through the pilot programs to the language development and other developmental features of children receiving child care in other settings. The evaluation component must address the efficacy of providing child

care in the manner provided by the pilot programs and provide a cost/benefits ratio relating to that manner of child care delivery. The report must also include recommendations on continuation or expansion of the programs.

(i) This section expires September 1, 2005.

The amendment was read and was adopted by a viva voce vote.

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

HB 3578 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 3578 ON THIRD READING

Senator Shapleigh moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3578** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0, Present-not voting 1. (Same as previous roll call)

COMMITTEE SUBSTITUTE HOUSE BILL 2498 ON SECOND READING

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

CSHB 2498, Relating to certain cross-border health care plans offered by health maintenance organizations.

The bill was read second time.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2498** by striking all below the enacting clause and substituting the following:

SECTION 1. LEGISLATIVE FINDINGS. (a) The legislature finds that it is in the best interest of the state to find a cost-effective manner of delivering health care services through affordable health care plans to citizens residing on both sides of the Texas-Mexico border.

(b) The legislature further finds that the provision of health care coverage in the border area is not conducive to preventive care or prenatal care, or to the provision of a medical home for binational families.

SECTION 2. INTERIM COMMITTEE. (a) An interim committee is established to study the provision of binational health benefit plan coverage. The interim committee is composed of seven members as follows:

- (1) the commissioner of insurance;
- (2) the commissioner of health and human services;
- (3) one member of the Texas House of Representatives from a border community, appointed by the speaker of the house;

(4) one member of the Texas Senate from a border community, appointed by the lieutenant governor;

(5) one member who represents health maintenance organizations, appointed by the governor;

(6) one member who represents hospitals, appointed by the governor; and

(7) one member who is a medical practitioner, appointed by the governor.

(b) The committee members shall be appointed not later than August 1, 2001. The members of the house and senate who serve on the committee shall act as joint presiding officers of the committee.

SECTION 3. COMMITTEE DUTIES. The interim committee appointed under this Act shall hold hearings in the border areas of the state to:

(1) determine the need for binational health benefit plan coverage;

(2) assess the health care needs of the border area and how those needs can be served by various types of providers; and

(3) assess the affordability, cost-effectiveness, economic impact, and improved health status achievable through binational health benefit plan coverage.

SECTION 4. COMMITTEE REPORT. Not later than October 1, 2002, the interim committee appointed under this Act shall issue a report of findings and recommendations for administrative action and legislation during the next session of the legislature. The report shall be filed with the governor, lieutenant governor, and the speaker of the house of representatives.

SECTION 5. EXPIRATION. This Act expires December 31, 2002.

SECTION 6. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2001.

The amendment was read and was adopted by a viva voce vote.

RECORD OF VOTES

Senators Nelson, Staples, and Truan asked to be recorded as voting "Nay" on the adoption of the amendment.

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

CSHB 2498 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTES

Senators Nelson, Staples, and Truan asked to be recorded as voting "Nay" on the passage of **CSHB 2498** to third reading.

COMMITTEE SUBSTITUTE HOUSE BILL 2498 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 2498** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 27, Nays 3, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Madla,

Moncrief, Ogden, Shapiro, Shapleigh, Sibley, Van de Putte, Wentworth, West, Whitmire, Zaffirini.

Nays: Nelson, Staples, Truan.

Present-not voting: Mr. President.

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

RECORD OF VOTES

Senators Nelson, Staples, and Truan asked to be recorded as voting "Nay" on the final passage of **CSHB 2498**.

HOUSE BILL 3613 ON SECOND READING

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

HB 3613, Relating to the sentencing of certain Class C habitual offenders.

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

HOUSE BILL 3613 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 3613** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

HOUSE JOINT RESOLUTION 44 ON SECOND READING

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

HJR 44, Proposing a constitutional amendment authorizing the legislature to authorize taxing units other than school districts to exempt certain travel trailers from ad valorem taxation.

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

RECORD OF VOTES

Senators Barrientos, Gallegos, Truan, and West asked to be recorded as voting "Nay" on the passage of **HJR 44** to third reading.

HOUSE JOINT RESOLUTION 44 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 **HJR 44** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 4, Present-not voting 1.

Yeas: Armbrister, Bernsen, Bivins, Brown, Cain, Carona, Duncan, Ellis, Fraser, Harris, Haywood, Jackson, Lindsay, Lucio, Madla, Moncrief, Nelson, Ogden, Shapiro, Shapleigh, Sibley, Staples, Van de Putte, Wentworth, Whitmire, Zaffirini.

Nays: Barrientos, Gallegos, Truan, West.

Present-not voting: Mr. President.

The resolution was read third time and was passed by the following vote: Yeas 26, Nays 4, Present-not voting 1. (Same as previous roll call)

HOUSE BILL 126 ON SECOND READING

The President laid before the Senate **HB 126** on its second reading. The bill was read second time and further consideration was postponed to a time certain of 6:40 p.m. today:

HB 126, Relating to the prosecution of and the punishment for the offense of disorderly conduct involving unreasonable noise.

Question—Shall **HB 126** be passed to third reading?

On motion of Senator Wentworth and by unanimous consent, further consideration of **HB 126** was postponed to a time certain of 10:00 a.m. tomorrow.

HOUSE BILL 1537 ON SECOND READING

Senator Moncrief asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

HB 1537, Relating to a study and a pilot program regarding the provision of medical assistance and certain health benefits plan coverage for children of migrant or seasonal agricultural workers.

There was objection.

Senator Moncrief then moved to suspend the regular order of business and take up **HB 1537** for consideration at this time.

The motion prevailed by the following vote: Yeas 21, Nays 8, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bernsen, Brown, Cain, Duncan, Ellis, Gallegos, Harris, Lindsay, Lucio, Madla, Moncrief, Ogden, Shapiro, Shapleigh, Truan, Van de Putte, West, Whitmire, Zaffirini.

Nays: Bivins, Carona, Fraser, Haywood, Nelson, Sibley, Staples, Wentworth.

Present-not voting: Mr. President.

Absent: Jackson.

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

RECORD OF VOTES

Senators Bivins, Carona, Fraser, Haywood, Nelson, Sibley, Staples, and Wentworth asked to be recorded as voting "Nay" on the passage of **HB 1537** to third reading.

HOUSE BILL 2127 ON SECOND READING

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

HB 2127, Relating to unfair discrimination by the issuer of a health benefit plan; providing penalties.

The bill was read second time.

Senator Bivins offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2127** as follows:

On page 1, line 52 strike "or".

On page 1, line 53, add "or" after the semicolon.

On page 1, after line 53, add "(I) pursuant to Title XXI of the Social Security Act, (42 U.S.C. Section 1397aa et. seq.);".

The amendment was read and was adopted by a viva voce vote.

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

HB 2127 as amended was passed to third reading by a viva voce vote.

HOUSE BILL 2127 ON THIRD READING

Senator Bivins moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2127** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Mr. President.

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

COMMITTEE SUBSTITUTE HOUSE BILL 1839 ON SECOND READING

Senator Ellis asked unanimous consent to suspend the regular order of business to take up for consideration at this time:

CSHB 1839, Relating to research and excellence funding at certain institutions of higher education.

There was objection.

Senator Ellis then moved to suspend the regular order of business and take up **CSHB 1839** for consideration at this time.

The motion prevailed by the following vote: Yeas 23, Nays 6, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bivins, Brown, Cain, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Moncrief, Nelson, Shapiro, Shapleigh, Sibley, Staples, Van de Putte, West, Whitmire, Zaffirini.

Nays: Bernsen, Lucio, Madla, Ogden, Truan, Wentworth.

Present-not voting: Mr. President.

Absent: Carona.

The bill was read second time.

Senator Duncan offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1839** by striking all below the enacting clause and substituting the following:

SECTION 1. Chapter 62, Education Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. TEXAS EXCELLENCE FUND

Sec. 62.051. PURPOSE. The Texas excellence fund is established to provide funding to promote increased research capacity and to develop institutional excellence at eligible general academic teaching institutions in order to ensure that Texas and its workforce remain at the forefront of scientific and technological innovation.

Sec. 62.052. DEFINITIONS. In this subchapter:

(1) "Eligible comprehensive research university" means an eligible general academic teaching institution that in each of the two most recent state fiscal years, as verified by the coordinating board:

(A) offered a full range of baccalaureate programs and a wide variety of graduate programs;

(B) awarded 45 or more doctor of philosophy degrees in the fields of science, agricultural science, engineering, and clinical and experimental psychology; and

(C) expended at least \$15 million in restricted research funds as reported in the institution's annual financial report for the applicable year.

(2) "Eligible general academic teaching institution" means a general academic teaching institution, as defined by Section 61.003, that is eligible to participate in the funding provided by Section 17, Article VII, Texas Constitution.

Sec. 62.053. ADMINISTRATION. (a) The Texas excellence fund is a fund outside the state treasury in the custody of the comptroller.

(b) The comptroller shall administer and invest the Texas excellence fund.

Sec. 62.054. FUNDING. (a) The legislature may appropriate or provide for the transfer of any available money to the credit of the Texas excellence fund.

(b) The comptroller shall deposit all interest, dividends, and other income earned from investment of the Texas excellence fund to the credit of the fund.

(c) The comptroller may accept gifts or grants from any public or private source for the Texas excellence fund.

(d) An institution may use money appropriated from the Texas excellence fund only for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity and develop institutional excellence at the institution.

Sec. 62.055. APPROPRIATION AND ALLOCATION OF FUND TO ELIGIBLE INSTITUTIONS. (a) In each state fiscal year, the comptroller shall distribute the total amount of all assets in the Texas excellence fund to eligible comprehensive research universities and other eligible general academic teaching institutions as follows:

(1) 80 percent of the amount distributed from the fund shall be distributed to the eligible comprehensive research universities and be allocated among those institutions in accordance with an equitable allocation formula based on the amount of restricted research funds expended by each institution as reported in each institution's annual financial report; and

(2) the remaining amount distributed from the fund shall be distributed to the eligible general academic teaching institutions, other than the eligible comprehensive research universities, and be allocated among those institutions in accordance with an equitable allocation formula based on the amount of restricted research funds expended by each institution as reported in each institution's annual financial report.

(b) Subsection (a) does not apply to the distribution of money from the Texas excellence fund for the state fiscal biennium ending August 31, 2003. Notwithstanding any other provision of this subchapter, for each fiscal year of the state fiscal biennium ending August 31, 2003, the comptroller shall distribute the money in the fund among the following general academic teaching institutions as follows:

	<u>FY2002</u>	<u>FY2003</u>
<u>University of Houston</u>	<u>\$5,533,185</u>	<u>\$6,651,584</u>
<u>Texas Tech University</u>	<u>\$4,769,654</u>	<u>\$5,733,723</u>
<u>University of North Texas</u>	<u>\$1,966,761</u>	<u>\$2,364,293</u>
<u>University of Houston-Clear Lake</u>	<u>\$633,661</u>	<u>\$761,740</u>
<u>Southwest Texas State University</u>	<u>\$710,519</u>	<u>\$854,133</u>
<u>Texas A&M University—Kingsville</u>	<u>\$379,568</u>	<u>\$456,288</u>
<u>Texas Southern University</u>	<u>\$245,801</u>	<u>\$295,484</u>
<u>Stephen F. Austin State University</u>	<u>\$189,169</u>	<u>\$227,405</u>
<u>Sam Houston State University</u>	<u>\$139,113</u>	<u>\$167,231</u>
<u>Texas Woman's University</u>	<u>\$178,415</u>	<u>\$214,477</u>
<u>Texas A&M University—Corpus Christi</u>	<u>\$163,492</u>	<u>\$196,538</u>
<u>Lamar University</u>	<u>\$85,502</u>	<u>\$102,784</u>
<u>University of Texas—Pan American</u>	<u>\$98,993</u>	<u>\$119,002</u>
<u>University of Houston—Downtown</u>	<u>\$49,445</u>	<u>\$59,439</u>
<u>Sul Ross State University</u>	<u>\$36,382</u>	<u>\$43,735</u>
<u>Texas A&M University—Commerce</u>	<u>\$24,646</u>	<u>\$29,627</u>
<u>Texas A&M International University</u>	<u>\$28,867</u>	<u>\$34,702</u>
<u>Angelo State University</u>	<u>\$43,511</u>	<u>\$52,306</u>
<u>West Texas A&M University</u>	<u>\$23,609</u>	<u>\$28,381</u>
<u>University of Texas at Brownsville</u>	<u>\$28,654</u>	<u>\$34,445</u>
<u>Midwestern State University</u>	<u>\$8,054</u>	<u>\$9,682</u>

(c) For purposes of Subsection (b), "FY2002" means the state fiscal year ending August 31, 2002, and "FY2003" means the state fiscal year ending August 31, 2003. Subsection (b) and this subsection expire January 1, 2004.

(d) This section expires August 31, 2005.

Sec. 62.056. VERIFICATION OF ALLOCATION FACTORS. (a) For purposes of this subchapter, the coordinating board shall establish standards and accounting methods for determining the amount of restricted research funds expended by an eligible general academic teaching institution in a state fiscal year.

(b) The coordinating board, as soon as practicable in each state fiscal year, shall provide the comptroller with verified information relating to the amounts of restricted research funds expended and degrees awarded by eligible general academic teaching institutions as necessary to determine the allocations under this subchapter for that fiscal year.

(c) The coordinating board may audit the appropriate records of an eligible general academic teaching institution to verify information for purposes of this subchapter.

Sec. 62.057. ANNUAL REPORT. Each institution of higher education that receives money under this subchapter in a state fiscal year shall prepare a report at the end of that fiscal year describing the manner in which the institution used the money. The institution shall include in the report information regarding the use of money spent in that fiscal year that was received under this subchapter in a preceding fiscal year. The institution shall deliver a copy of the report to the coordinating board and the Legislative Budget Board not later than December 1 after the end of the fiscal year. The Legislative Budget Board may establish requirements for the form and content of the report.

SECTION 2. Section 62.025, Education Code, is amended by amending Subsections (a) and (c) and adding Subsection (d) to read as follows:

(a) Not later than November 1 of each state fiscal year, the comptroller shall deposit the first \$50 million that comes to the state at the beginning of each state fiscal year and that is not dedicated by other law as follows:

(1) except as provided by Subsections (d) and (e), an amount equal to the portion of the total return on all investment assets of the higher education fund in the preceding state fiscal year computed by multiplying that total return by the percentage of the total return on all investment assets of the permanent fund for tobacco education and enforcement that constitutes available earnings as determined by the comptroller under Section 403.1068, Government Code, in that year must be deposited to the credit of the Texas excellence fund established under Subchapter C; and

(2) the remaining amount must be deposited to the credit of the higher education fund.

(c) The deposit required by this section to the higher education fund expires on September 1 after the date the comptroller certifies that the value of the higher education fund is \$2 billion. In each state fiscal year that begins on or after that date, the comptroller shall deposit to the credit of the Texas excellence fund established under Subchapter C from the first money that comes to the state at the beginning of that fiscal year an amount, not to exceed \$50 million, equal to the portion of the total return on all investment assets of the higher education fund in the preceding state fiscal year computed by multiplying that total return by the percentage of the total return on all investment assets of the permanent fund for tobacco education and enforcement that constitutes available earnings as determined by the comptroller under Section 403.1068, Government Code.

(d) In any state fiscal year for which the legislature has made an appropriation specifically for the purposes of the Texas excellence fund in an amount equal to or greater than the amount provided by Subsection (a)(1) or (c), as applicable to that state fiscal year, the deposit to the Texas excellence fund under Subsection (a)(1) or Subsection (c) may not be made.

(e) An amount may not be deposited to the Texas excellence fund under this section if Subchapter C expires or is repealed or if the Texas excellence fund is abolished.

(f) Notwithstanding S.B. No. 1, Acts of the 77th Legislature, Regular Session, 2001 (General Appropriations Act), in each year of the biennium, the comptroller shall reallocate a portion of the appropriation under S.B. No. 1 to be deposited to the credit of the higher education fund in the amount required by Subsection (a)(1) to be deposited to the credit of the Texas excellence fund in each fiscal year. This subsection expires September 1, 2003.

SECTION 3. Sections 62.026(b) and (d), Education Code, are amended to read as follows:

(b) The fund consists of the amount [~~\$50 million~~] deposited in the fund each state fiscal year under Section 62.025 [~~of this code~~] and interest, dividends, and other income earned from the investment of the fund.

(d) The comptroller shall administer and invest the fund. In investing the fund, the comptroller has the same investment authority as that provided under Sections 11a and 11b, Article VII, Texas Constitution, or other law to the board of regents of The University of Texas System with respect to the investment of the permanent university fund. The investment authority granted to the comptroller under this subsection is in addition to that provided by Section 404.024, Government Code, or other law. The comptroller, in consultation with the presiding officers of the governing boards of the institutions eligible to benefit from the investment of the fund under Section 17, Article VII, Texas Constitution, shall invest the fund in a manner that maximizes the total return of the fund.

SECTION 4. Chapter 62, Education Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. UNIVERSITY RESEARCH
FUND FOR CERTAIN PERMANENT
UNIVERSITY FUND INSTITUTIONS

Sec. 62.071. PURPOSE. The university research fund is established to provide funding to promote increased research capacity and to develop institutional excellence at eligible general academic teaching institutions.

Sec. 62.072. DEFINITIONS. In this subchapter:

(1) "Eligible general academic teaching institution" means a general academic teaching institution, as defined by Section 61.003, that:

(A) is a component institution of The University of Texas System or The Texas A&M University System, other than The University of Texas at Austin, Texas A&M University, or Prairie View A&M University; and

(B) is eligible to participate in the funding provided by Section 18, Article VII, Texas Constitution.

(2) "Eligible doctoral and research university" means an eligible general academic teaching institution that:

(A) in each of the two preceding state fiscal years, as verified by the coordinating board:

(i) offered a full range of baccalaureate programs and a wide variety of graduate programs; and

(ii) awarded 50 or more doctor of philosophy degrees; and

(B) in the three preceding state fiscal years, as verified by the coordinating board, expended an average of at least \$5 million per year in restricted research funds as reported in the institution's annual financial reports for the applicable years.

(3) "Eligible emerging doctoral and research university" means an eligible general academic teaching institution other than an eligible doctoral and research university that:

(A) in each of the two preceding state fiscal years, as verified by the coordinating board:

(i) offered a full range of baccalaureate programs and a wide variety of graduate programs; and

(ii) awarded one or more doctor of philosophy degrees; and

(B) in the three preceding state fiscal years, as verified by the coordinating board, expended an average of at least \$5 million per year in restricted research funds as reported in the institution's annual financial reports for the applicable years.

Sec. 62.073. ADMINISTRATION. (a) The university research fund is a fund outside the state treasury in the custody of the comptroller.

(b) The comptroller shall administer and invest the university research fund.

Sec. 62.074. FUNDING. (a) In each state fiscal year, the legislature shall appropriate or provide for the transfer to the credit of the university research fund of an amount equal to the amount deposited to the credit of the Texas excellence fund under Section 62.025 or 62.054 in that fiscal year. The comptroller may not deposit money to the credit of the Texas excellence fund under Section 62.025 or 62.054 and the legislature may not appropriate money specifically for the purposes of the Texas excellence fund under Section 62.025(d) unless an equal amount is deposited at the same time to the credit of the university research fund.

(b) The comptroller shall deposit all interest, dividends, and other income earned from investment of the university research fund to the credit of the fund.

(c) The comptroller may accept gifts or grants from any public or private source for the university research fund.

(d) In each state fiscal year, the comptroller shall distribute all assets in the university research fund as soon as practicable to eligible institutions in accordance with this subchapter.

(e) All assets received by an institution under this subchapter may be used only for the support and maintenance of educational and general activities, including research and student services, that promote increased research capacity and develop institutional excellence at that institution.

(f) As soon as practicable in each fiscal year of the state fiscal biennium ending August 31, 2003, the comptroller shall transfer one-half of the \$33,774,000 appropriated by S.B. No. 1, Acts of the 77th Legislature, Regular Session, 2001 (General Appropriations Act) in the Contingency Appropriation for HB 1839 to the credit of the university research fund. This subsection expires September 1, 2003.

Sec. 62.075. ALLOCATION TO ELIGIBLE INSTITUTIONS. In each state fiscal year, the comptroller shall distribute the total amount of all assets in the university research fund as follows:

(1) \$1 million shall be distributed to the eligible general academic teaching institutions, other than the eligible doctoral and research universities and eligible emerging doctoral and research universities, and allocated among those institutions in equal amounts; and

(2) the total amount to be distributed less the amount required to be distributed under Subdivision (1) shall be distributed to the eligible doctoral and research universities and eligible emerging doctoral and research universities as follows:

(A) 50 percent shall be apportioned among those institutions based on the average amount of restricted research funds expended per year by each institution in the three preceding state fiscal years as reported in each institution's applicable annual financial reports; and

(B) the remaining 50 percent shall be apportioned among those institutions as follows:

(i) 75 percent based on the number of doctor of philosophy degrees awarded by each institution in the preceding state fiscal year; and

(ii) the remaining 25 percent based on the number of master's degrees awarded by each institution in the preceding state fiscal year.

(3) This section expires August 31, 2005.

Sec. 62.0751. ALLOCATION TO ELIGIBLE INSTITUTIONS FOR 2002-2003 FISCAL BIENNIUM. (a) Section 62.075 does not apply to the distribution of the total amount of all assets in the university research fund in the state fiscal biennium ending August 31, 2003. In each state fiscal year of that biennium, the comptroller shall distribute the total amount of all assets in the university research fund as soon as practicable as follows:

(1) \$1 million shall be distributed to the eligible general academic teaching institutions, other than the eligible doctoral and research universities and eligible emerging doctoral and research universities, and apportioned among those institutions in equal amounts;

(2) \$500,000 shall be distributed to the eligible doctoral and research universities and apportioned among those institutions in equal amounts;

(3) \$500,000 shall be distributed to the eligible emerging doctoral and research universities and apportioned among those institutions in equal amounts; and

(4) the total amount to be distributed less the amounts required to be distributed under Subdivisions (1), (2), and (3) shall be distributed to the eligible doctoral and research universities and eligible emerging doctoral and research universities as follows:

(A) 50 percent shall be apportioned among those institutions based on the amount of restricted research funds expended by each institution in the preceding state fiscal year as reported in each institution's financial report for the applicable year; and

(B) the remaining 50 percent shall be apportioned among those institutions as follows:

(i) 75 percent based on the number of doctor of philosophy degrees awarded by each institution in the preceding state fiscal year; and

(ii) the remaining 25 percent based on the number of master's degrees awarded by each institution in the preceding state fiscal year.

(b) This section expires August 31, 2003.

Sec. 62.076. VERIFICATION OF ALLOCATION FACTORS. (a) For purposes of this subchapter, the coordinating board shall establish standards and accounting methods for determining the amount of restricted research funds expended by an eligible general academic teaching institution in a state fiscal year.

(b) The coordinating board, as soon as practicable in each state fiscal year, shall provide the comptroller with verified information relating to the amounts of restricted research funds expended and degrees awarded by eligible general academic teaching institutions as necessary to determine the allocations under this subchapter for that fiscal year.

(c) The coordinating board may audit the appropriate records of an eligible general academic teaching institution to verify information for purposes of this subchapter.

Sec. 62.077. ANNUAL REPORT. Each institution of higher education that receives money under this subchapter in a state fiscal year shall prepare a report at the end of that fiscal year describing the manner in which the institution used the money. The institution shall include in the report information regarding the use of money spent in that fiscal year that was received under this subchapter in a preceding fiscal year. The institution shall deliver a copy of the report to the coordinating board and the Legislative Budget Board not later than December 1 after the end of the fiscal year. The Legislative Budget Board may establish requirements for the form and content of the report.

SECTION 5. (a) The lieutenant governor and speaker of the house of representatives shall appoint a joint committee composed of:

(1) five members of the senate appointed by the lieutenant governor; and

(2) five members of the house of representatives appointed by the speaker.

(b) The speaker and lieutenant governor shall jointly select a presiding officer or co-presiding officers of the committee from among the committee members. The committee may designate other officers as the committee considers appropriate.

(c) The committee shall conduct a study to (i) examine the feasibility of creating a single research enhancement fund to provide funding for institutions of higher education that have a proven research history, (ii) examine how institutions have historically utilized "excellence funds", and (iii) consider whether a portion of the annual distribution from the permanent university fund to the available university fund appropriated to The University of Texas System under Section 18(f), Article VII, Texas Constitution, should be appropriated or made available for appropriation for the support and maintenance of institutions of higher education in The University of Texas System other than The University of Texas at Austin. The committee shall consider the institutions or types of institutions that should be eligible to receive a portion, if any, of that appropriation to The University of Texas System, the methods by which any amount should be allocated among those institutions, and the purposes for which that amount should be used in the best interests of this state and The University of Texas System. The lieutenant governor and speaker may direct the committee to consider other matters related to the committee's charge under this subsection.

(d) The committee shall conduct any study or inquiry and make any findings or recommendations the committee considers appropriate regarding the matters within the committee's charge.

(e) The Legislative Budget Board shall provide staffing and other assistance to the committee on request. The committee may request information from the comptroller, the Texas Higher Education Coordinating Board, or any public institution of higher education in this state. The comptroller, coordinating board, and each public institution of higher education shall provide the requested information to the extent practicable.

(f) The expenses of the committee may be paid from any appropriate funds of the house of representatives, the senate, or a legislative agency.

(g) The committee shall file a report of the committee's activities, findings, and recommendations with the governor, the lieutenant governor, and the speaker of the house of representatives not later than December 1, 2002. The report shall include any recommendations for legislative or administrative action the committee considers appropriate.

(h) The committee is abolished and this section expires January 1, 2003.

SECTION 6. This Act takes effect September 1, 2001.

The amendment was read.

Senator Shapiro offered the following amendment to the amendment:

Floor Amendment No. 2

Amend Floor Amendment No. 1 to **CSHB 1839** as follows:

- (1) On page 5, line 1, Section 62.055, delete subsection (d).
- (2) On page 14, line 1, Section 62.075, delete subsection (1).

The amendment to the amendment was read.

On motion of Senator Duncan, Floor Amendment No. 2 was tabled by the following vote: Yeas 16, Nays 13, Present-not voting 1.

Yeas: Armbrister, Bivins, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Moncrief, Ogden, Sibley, Truan, Wentworth, Zaffirini.

Nays: Barrientos, Bernsen, Brown, Cain, Lucio, Madla, Nelson, Shapiro, Shapleigh, Staples, Van de Putte, West, Whitmire.

Present-not voting: Mr. President.

Absent: Carona.

Question recurring on the adoption of Floor Amendment No. 1, the amendment was adopted by a viva voce vote.

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

CSHB 1839 as amended was passed to third reading by a viva voce vote.

RECORD OF VOTES

Senators Ogden and Van de Putte asked to be recorded as voting "Nay" on the passage of **CSHB 1839** to third reading.

COMMITTEE SUBSTITUTE HOUSE BILL 1839 ON THIRD READING

Senator Ellis moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1839** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 24, Nays 5, Present-not voting 1.

Yeas: Armbrister, Barrientos, Bivins, Brown, Cain, Duncan, Ellis, Fraser, Gallegos, Harris, Haywood, Jackson, Lindsay, Lucio, Moncrief, Nelson, Shapiro, Shapleigh, Sibley, Staples, Truan, West, Whitmire, Zaffirini.

Nays: Bernsen, Madla, Ogden, Van de Putte, Wentworth.

Present-not voting: Mr. President.

Absent: Carona.

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

RECORD OF VOTES

Senators Lucio, Madla, Van de Putte, and Wentworth asked to be recorded as voting "Nay" on the final passage of **CSHB 1839**.

SENATE CONCURRENT RESOLUTION 69

The President laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 1057 has passed the Texas Senate and the Texas House of Representatives and is now in the office of the governor; and

WHEREAS, Further consideration of the bill by the senate and the house of representatives is necessary; now, therefore, be it

RESOLVED by the 77th Legislature, That the governor be hereby requested to return Senate Bill No. 1057 to the senate for further consideration; and, be it further

RESOLVED, That the action of the president of the senate and the speaker of the house of representatives in signing Senate Bill No. 1057 be declared null and void and that the two presiding officers be authorized to remove their signatures from the enrolled bill.

ELLIS

The resolution was read.

On motion of Senator Ellis and by unanimous consent, the resolution was considered immediately and was adopted by a viva voce vote.

**SENATE RULE 11.13 SUSPENDED
(Consideration of Bills in Committee)**

On motion of Senator Madla and by unanimous consent, Senate Rule 11.13 was suspended to grant the conference committee on **SB 768** permission to meet while the Senate is meeting tomorrow.

**NOTICE GIVEN FOR
LOCAL AND UNCONTESTED CALENDAR**

Senator Cain announced that a Local and Uncontested Calendar had been furnished to each Member of the Senate. He then gave notice that the Local and Uncontested Calendar Session would be held at 8:30 a.m. tomorrow and that all bills and resolutions would be considered on second and third reading in the order in which they were listed.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1472**

Senator Ogden submitted the following Conference Committee Report:

Austin, Texas
May 21, 2001

Honorable Bill Ratliff
President of the Senate

Honorable James E. "Pete" Laney
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 **SB 1472** have had the same under

consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

OGDEN
STAPLES
ZAFFIRINI
WEST
SIBLEY

On the part of the Senate

WILLIAMS
RANGEL
GOOLSBY
E. REYNA
J. JONES

On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the general property deposit paid by a student of a public institution of higher education.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (a), Section 54.502, Education Code, is amended to read as follows:

(a) An institution of higher education ~~may~~ ~~shall~~ collect a reasonable deposit in an amount not to exceed \$100 [~~\$10~~] from each student to insure the institution against losses, damages, and breakage in libraries and laboratories. The deposit shall be returned on the withdrawal or graduation of a student, less an amount necessary to cover any loss, damage, or breakage caused by the student.

SECTION 2. 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, 2001.

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

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 695**

Senator Wentworth submitted the following Conference Committee Report:

Austin, Texas
May 21, 2001

Honorable Bill Ratliff
President of the Senate

Honorable James E. "Pete" Laney
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 695** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

WENTWORTH
CARONA
FRASER
SHAPLEIGH
STAPLES

On the part of the Senate

A. REYNA
HAGGERTY
YARBROUGH
J. MORENO
GOOLSBY

On the part of the House

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

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1596**

Senator Bivins submitted the following Conference Committee Report:

Austin, Texas
May 21, 2001

Honorable Bill Ratliff
President of the Senate

Honorable James E. "Pete" Laney
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 **SB 1596** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BIVINS	RANGEL
WENTWORTH	J. JONES
ELLIS	FARABEE
VAN DE PUTTE	GOOLSBY
STAPLES	UHER
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the establishment and operation of the Toward EXcellence, Access, & Success (TEXAS) grant II program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 56, Education Code, is amended by adding Subchapter O to read as follows:

SUBCHAPTER O. TOWARD EXCELLENCE, ACCESS,
& SUCCESS (TEXAS) GRANT II PROGRAM

Sec. 56.351. DEFINITIONS. In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "Eligible institution" means:

(A) a public junior college;

(B) a public technical institute; or

(C) a public state college.

(3) "Public junior college," "public technical institute," and "public state college" have the meanings assigned by Section 61.003.

Sec. 56.352. PROGRAM NAME; PURPOSE. (a) The student financial assistance program authorized by this subchapter is known as the Toward EXcellence, Access, & Success (TEXAS) grant II program, and an individual grant awarded under this subchapter is known as a TEXAS grant II.

(b) The purpose of this subchapter is to provide a grant of money to enable eligible students to attend two-year public institutions of higher education in this state.

Sec. 56.353. ADMINISTRATION OF PROGRAM. (a) The coordinating board shall administer the TEXAS grant II program and shall adopt any rules necessary to implement the TEXAS grant II program or this subchapter. The coordinating board shall consult with the student financial aid officers of eligible institutions in developing the rules.

(b) The coordinating board shall adopt rules to provide a TEXAS grant II to an eligible student enrolled in an eligible institution in a manner consistent with the administration of federal student financial aid programs.

(c) The total amount of grants awarded under the TEXAS grant II program may not exceed the amount available for the program from appropriations, gifts, grants, or other funds.

(d) In determining who should receive a TEXAS grant II, the coordinating board and the eligible institutions shall give highest priority to awarding TEXAS grants II to students who demonstrate the greatest financial need.

Sec. 56.354. INITIAL ELIGIBILITY FOR GRANT. (a) To be eligible initially for a grant under the TEXAS grant II program, a person must:

(1) be a resident of this state as determined by coordinating board rules;

(2) meet financial need requirements as defined by the coordinating board;

(3) be enrolled in an associate degree or certificate program at an eligible institution;

(4) be enrolled as an entering student for at least one-half of a full course load for an entering student in the associate degree or certificate program, as determined by the coordinating board;

(5) have applied for any available financial aid or assistance; and

(6) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

(b) A person is not eligible to receive a TEXAS grant II if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

(1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion; or

(2) been pardoned, had the record of the offense expunged from the person's record, or otherwise been released from the resulting ineligibility to receive a grant under this subchapter.

(c) A person is not eligible to receive a TEXAS grant II if the person has been granted an associate or baccalaureate degree.

(d) A person may not receive a TEXAS grant II for more than 75 semester credit hours or the equivalent.

(e) A person may not receive a TEXAS grant II if the person is eligible for a TEXAS grant.

(f) A person's eligibility for a TEXAS grant II ends on the fourth anniversary of the initial award of a TEXAS grant II to the person and the person's enrollment in an eligible institution.

Sec. 56.355. CONTINUING ELIGIBILITY AND ACADEMIC PERFORMANCE REQUIREMENTS. (a) After initially qualifying for a TEXAS grant II, a person may continue to receive a TEXAS grant II during each semester or term in which the person is enrolled at an eligible institution only if the person:

- (1) meets financial need requirements as defined by the coordinating board;
- (2) is enrolled in an associate degree or certificate program at an eligible institution;
- (3) is enrolled for at least one-half of a full course load for a student in an associate degree or certificate program, as determined by the coordinating board;
- (4) makes satisfactory academic progress toward an associate degree or certificate; and
- (5) complies with any additional nonacademic requirement adopted by the coordinating board.

(b) A person is not eligible to continue to receive a TEXAS grant II under this section if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

- (1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion; or
- (2) been pardoned, had the record of the offense expunged from the person's record, or otherwise been released from the resulting ineligibility to receive a grant under this subchapter.

(c) If a person fails to meet any of the requirements of Subsection (a) after the completion of any semester or term, the person may not receive a TEXAS grant II during the next semester or term in which the person enrolls. A person may become eligible to receive a TEXAS grant II in a subsequent semester or term if the person:

- (1) completes a semester or term during which the student is not eligible for a scholarship; and
- (2) meets all the requirements of Subsection (a).

(d) For the purpose of this section, a person makes satisfactory academic progress toward an associate degree or certificate only if the person:

- (1) completes at least 75 percent of the semester credit hours attempted in the student's most recent academic year; and
- (2) earns an overall grade point average of at least 2.5 on a four-point scale or the equivalent on course work previously attempted at institutions of higher education.

(e) A person who is eligible to receive a TEXAS grant II continues to remain eligible to receive the TEXAS grant II if the person enrolls in or transfers to another eligible institution.

Sec. 56.356. GRANT USE. A person receiving a TEXAS grant II may use the money to pay any usual and customary cost of attendance at an eligible institution incurred by the student. The institution may disburse all or part of the proceeds of a

TEXAS grant II to an eligible person only if the tuition and required fees incurred by the person at the institution have been paid.

Sec. 56.357. GRANT AMOUNT. (a) The amount of a TEXAS grant II for a student enrolled full-time at an eligible institution is the amount determined by the coordinating board as the average statewide amount of tuition and required fees that a resident student enrolled full-time in an associate degree or certificate program would be charged for that semester or term at eligible institutions.

(b) The coordinating board may adopt rules that allow the coordinating board to increase or decrease, in proportion to the number of semester credit hours in which a student is enrolled, the amount of a TEXAS grant II award under this section to a student who is enrolled in a number of semester credit hours in excess of or below the number of semester credit hours described in Section 56.354(a)(4) or 56.355(a)(3).

(c) The amount of a TEXAS grant II may not be reduced by any gift aid for which the person receiving the grant is eligible, unless the total amount of a person's grant plus any gift aid received exceeds the total cost of attendance at an eligible institution.

(d) Not later than January 31 of each year, the coordinating board shall publish the amounts of each grant established by the board for the academic year beginning the next fall semester.

(e) The total amount of grants that a student may receive in an academic year under this subchapter and under Section 61.221 may not exceed the maximum amount authorized under Section 61.227.

(f) An eligible institution may not:

(1) charge a person attending the institution who also receives a TEXAS grant II an amount of tuition and required fees in excess of the amount of the TEXAS grant II received by the person; or

(2) deny admission to or enrollment in the institution based on a person's eligibility to receive a TEXAS grant II or a person's receipt of a TEXAS grant II.

(g) An institution may use other available sources of financial aid, other than a loan or a Pell grant, to cover any difference in the amount of a TEXAS grant II and the actual amount of tuition and required fees at the institution.

SECTION 2. (a) The Texas Higher Education Coordinating Board and the eligible institutions shall award scholarships under the TEXAS grant II program established under Subchapter O, Chapter 56, Education Code, as added by this Act, beginning with the 2001 fall semester.

(b) The Texas Higher Education Coordinating Board shall adopt the initial rules for awarding grants under the TEXAS grant II program established under Subchapter O, Chapter 56, Education Code, as added by this Act, not later than July 31, 2001.

SECTION 3. 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, 2001.

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

**CONFERENCE COMMITTEE REPORT ON
HOUSE JOINT RESOLUTION 97**

Senator Ellis submitted the following Conference Committee Report:

Austin, Texas
May 22, 2001

Honorable Bill Ratliff
President of the Senate

Honorable James E. "Pete" Laney
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 **HJR 97** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

ELLIS
HARRIS
ZAFFIRINI
DUNCAN
FRASER

JUNELL
WEST
COLEMAN
GALLEGO
HEFLIN

On the part of the Senate

On the part of the House

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

ORDERED NOT PRINTED

On motion of Senator Ellis and by unanimous consent, the text of the Conference Committee Report on **SB 1** was ordered not printed in the *Senate Journal*.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1**

Senator Ellis submitted the following Conference Committee Report:

Austin, Texas
May 22, 2001

Honorable Bill Ratliff
President of the Senate

Honorable James E. "Pete" Laney
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 **SB 1** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

ELLIS
HARRIS
ZAFFIRINI
DUNCAN
OGDEN

JUNELL
WEST
HEFLIN
COLEMAN
GALLEGO

On the part of the Senate

On the part of the House

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

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 304**

Senator Lucio submitted the following Conference Committee Report:

Austin, Texas
May 22, 2001

Honorable Bill Ratliff
President of the Senate

Honorable James E. "Pete" Laney
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 **SB 304** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

LUCIO	BOSSE
ARMBRISTER	ALEXANDER
FRASER	CHISUM
JACKSON	MCCALL
MADLA	WILSON
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the continuation and functions of the State Aircraft Pooling Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 2205, Government Code, is amended by adding new Sections 2205.017 and 2205.018 and by redesignating existing Section 2205.017 as Section 2205.019 and amending the redesignated section to read as follows:

Sec. 2205.017. INFORMATION ON COMPLAINTS. (a) The board shall maintain a file on each written complaint filed with the board. The file must include:

- (1) the name of the person who filed the complaint;
- (2) the date the complaint is received by the board;
- (3) the subject matter of the complaint;
- (4) the name of each person contacted in relation to the complaint;
- (5) a summary of the results of the review or investigation of the complaint; and
- (6) an explanation of the reason the file was closed, if the board closed the file without taking action other than to investigate the complaint.

(b) The board shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the board's policies and procedures relating to complaint investigation and resolution.

(c) The board, at least quarterly until final disposition of the complaint, shall notify the person filing the complaint and each person who is a subject of the complaint of the status of the investigation unless the notice would jeopardize an undercover investigation.

Sec. 2205.018. STATE EMPLOYEE INCENTIVE PROGRAM. The executive director or the executive director's designee shall provide to employees of the board information and training on the benefits and methods of participation in the State Employee Incentive Program.

Sec. 2205.019. SUNSET PROVISION. The State Aircraft Pooling Board is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished and this chapter expires September 1, 2013 [2001].

SECTION 2. Section 2205.032, Government Code, is amended by adding Subsection (c) to read as follows:

(c) As part of the strategic plan that the board develops and submits under Chapter 2056, the board shall develop a long-range plan for its pool of aircraft. The board shall include appropriate portions of the long-range plan in its legislative appropriations request. The long-range plan must include estimates of future aircraft replacement needs and other fleet management needs, including any projected need to increase or decrease the number of aircraft in the pool. In developing the long-range plan, the board shall consider at a minimum for each aircraft in the pool:

(1) how much the aircraft is used and the purposes for which it is used;

(2) the cost of operating the aircraft and the revenue generated by the aircraft; and

(3) the demand for the aircraft or for that type of aircraft.

SECTION 3. Subchapter B, Chapter 2205, Government Code, is amended by adding Section 2205.047 to read as follows:

Sec. 2205.047. INFORMATION POSTED ON THE INTERNET. The board shall post information related to travel and other services provided by the board on an Internet site maintained by or for the board. The site must be generally accessible to state agencies, persons who use the board's services, and, to the extent appropriate, the general public.

SECTION 4. This Act takes effect September 1, 2001.

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

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1074

Senator West submitted the following Conference Committee Report:

Austin, Texas
May 22, 2001

Honorable Bill Ratliff
President of the Senate

Honorable James E. "Pete" Laney
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 **SB 1074** have had the same under

consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WEST
ELLIS
LINDSAY
OGDEN
WHITMIRE

On the part of the Senate

THOMPSON
DUNNAM
HINOJOSA
KEEL
P. KING

On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the prevention of racial profiling by certain peace officers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 2, Code of Criminal Procedure, is amended by adding Articles 2.131 through 2.138 to read as follows:

Art. 2.131. RACIAL PROFILING PROHIBITED. A peace officer may not engage in racial profiling.

Art. 2.132. LAW ENFORCEMENT POLICY ON RACIAL PROFILING.
(a) In this article:

(1) "Law enforcement agency" means an agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make traffic stops in the routine performance of the officers' official duties.

(2) "Race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, or Native American descent.

(b) Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

(1) clearly define acts constituting racial profiling;

(2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;

(3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;

(4) provide public education relating to the agency's complaint process;

(5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;

(6) require collection of information relating to traffic stops in which a citation is issued and to arrests resulting from those traffic stops, including information relating to:

(A) the race or ethnicity of the individual detained; and

(B) whether a search was conducted and, if so, whether the person detained consented to the search; and

(7) require the agency to submit to the governing body of each county or municipality served by the agency an annual report of the information collected under Subdivision (6) if the agency is an agency of a county, municipality, or other political subdivision of the state.

(c) The data collected as a result of the reporting requirements of this article shall not constitute prima facie evidence of racial profiling.

(d) On adoption of a policy under Subsection (b), a law enforcement agency shall examine the feasibility of installing video camera and transmitter-activated equipment

in each agency law enforcement motor vehicle regularly used to make traffic stops and transmitter-activated equipment in each agency law enforcement motorcycle regularly used to make traffic stops. If a law enforcement agency installs video or audio equipment as provided by this subsection, the policy adopted by the agency under Subsection (b) must include standards for reviewing video and audio documentation.

(e) A report required under Subsection (b)(7) may not include identifying information about a peace officer who makes a traffic stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the collection of information as required by a policy under Subsection (b)(6).

(f) On the commencement of an investigation by a law enforcement agency of a complaint described by Subsection (b)(3) in which a video or audio recording of the occurrence on which the complaint is based was made, the agency shall promptly provide a copy of the recording to the peace officer who is the subject of the complaint on written request by the officer.

Art. 2.133. REPORTS REQUIRED FOR TRAFFIC AND PEDESTRIAN STOPS. (a) In this article:

(1) "Race or ethnicity" has the meaning assigned by Article 2.132(a).

(2) "Pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance regulating traffic or who stops a pedestrian for any suspected offense shall report to the law enforcement agency that employs the officer information relating to the stop, including:

(1) a physical description of each person detained as a result of the stop, including:

(A) the person's gender; and

(B) the person's race or ethnicity, as stated by the person or, if the person does not state the person's race or ethnicity, as determined by the officer to the best of the officer's ability;

(2) the traffic law or ordinance alleged to have been violated or the suspected offense;

(3) whether the officer conducted a search as a result of the stop and, if so, whether the person detained consented to the search;

(4) whether any contraband was discovered in the course of the search and the type of contraband discovered;

(5) whether probable cause to search existed and the facts supporting the existence of that probable cause;

(6) whether the officer made an arrest as a result of the stop or the search, including a statement of the offense charged;

(7) the street address or approximate location of the stop; and

(8) whether the officer issued a warning or a citation as a result of the stop, including a description of the warning or a statement of the violation charged.

Art. 2.134. COMPILATION AND ANALYSIS OF INFORMATION COLLECTED. (a) In this article, "pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.

(b) A law enforcement agency shall compile and analyze the information contained in each report received by the agency under Article 2.133. Not later than March 1 of each year, each local law enforcement agency shall submit a report

containing the information compiled during the previous calendar year to the governing body of each county or municipality served by the agency in a manner approved by the agency.

(c) A report required under Subsection (b) must include:

(1) a comparative analysis of the information compiled under Article 2.133 to:

(A) determine the prevalence of racial profiling by peace officers employed by the agency; and

(B) examine the disposition of traffic and pedestrian stops made by officers employed by the agency, including searches resulting from the stops; and

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

(d) A report required under Subsection (b) may not include identifying information about a peace officer who makes a traffic or pedestrian stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the reporting of information required under Article 2.133(b)(1).

(e) The Commission on Law Enforcement Officer Standards and Education shall develop guidelines for compiling and reporting information as required by this article.

(f) The data collected as a result of the reporting requirements of this article shall not constitute prima facie evidence of racial profiling.

Art. 2.135. EXEMPTION FOR AGENCIES USING VIDEO AND AUDIO EQUIPMENT. (a) A peace officer is exempt from the reporting requirement under Article 2.133 and a law enforcement agency is exempt from the compilation, analysis, and reporting requirements under Article 2.134 if:

(1) during the calendar year preceding the date that a report under Article 2.134 is required to be submitted:

(A) each law enforcement motor vehicle regularly used by an officer employed by the agency to make traffic and pedestrian stops is equipped with video camera and transmitter-activated equipment and each law enforcement motorcycle regularly used to make traffic and pedestrian stops is equipped with transmitter-activated equipment; and

(B) each traffic and pedestrian stop made by an officer employed by the agency that is capable of being recorded by video and audio or audio equipment, as appropriate, is recorded by using the equipment; or

(2) the governing body of the county or municipality served by the law enforcement agency, in conjunction with the law enforcement agency, certifies to the Department of Public Safety, not later than the date specified by rule by the department, that the law enforcement agency needs funds or video and audio equipment for the purpose of installing video and audio equipment as described by Subsection (a)(1)(A) and the agency does not receive from the state funds or video and audio equipment sufficient, as determined by the department, for the agency to accomplish that purpose.

(b) Except as otherwise provided by this subsection, a law enforcement agency that is exempt from the requirements under Article 2.134 shall retain the video and audio or audio documentation of each traffic and pedestrian stop for at least 90 days after the date of the stop. If a complaint is filed with the law enforcement agency alleging that a peace officer employed by the agency has engaged in racial profiling with respect to a traffic or pedestrian stop, the agency shall retain the video and audio or audio record of the stop until final disposition of the complaint.

(c) This article does not affect the collection or reporting requirements under Article 2.132.

Art. 2.136. LIABILITY. A peace officer is not liable for damages arising from an act relating to the collection or reporting of information as required by Article 2.133 or under a policy adopted under Article 2.132.

Art. 2.137. PROVISION OF FUNDING OR EQUIPMENT. (a) The Department of Public Safety shall adopt rules for providing funds or video and audio equipment to law enforcement agencies for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), including specifying criteria to prioritize funding or equipment provided to law enforcement agencies. The criteria may include consideration of tax effort, financial hardship, available revenue, and budget surpluses. The criteria must give priority to:

(1) law enforcement agencies that employ peace officers whose primary duty is traffic enforcement;

(2) smaller jurisdictions; and

(3) municipal and county law enforcement agencies.

(b) The Department of Public Safety shall collaborate with an institution of higher education to identify law enforcement agencies that need funds or video and audio equipment for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A). The collaboration may include the use of a survey to assist in developing criteria to prioritize funding or equipment provided to law enforcement agencies.

(c) To receive funds or video and audio equipment from the state for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency needs funds or video and audio equipment for that purpose.

(d) On receipt of funds or video and audio equipment from the state for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency has installed video and audio equipment as described by Article 2.135(a)(1)(A) and is using the equipment as required by Article 2.135(a)(1).

Art. 2.138. RULES. The Department of Public Safety may adopt rules to implement Articles 2.131-2.137.

SECTION 2. Chapter 3, Code of Criminal Procedure, is amended by adding Article 3.05 to read as follows:

Art. 3.05. RACIAL PROFILING. In this code, "racial profiling" means a law enforcement-initiated action based on an individual's race, ethnicity, or national origin rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity.

SECTION 3. Section 96.641, Education Code, is amended by adding Subsection (j) to read as follows:

(j) As part of the initial training and continuing education for police chiefs required under this section, the institute shall establish a program on racial profiling. The program must include an examination of the best practices for:

(1) monitoring peace officers' compliance with laws and internal agency policies relating to racial profiling;

(2) implementing laws and internal agency policies relating to preventing racial profiling; and

(3) analyzing and reporting collected information.

SECTION 4. Section 1701.253, Occupations Code, is amended by adding Subsection (e) to read as follows:

(e) As part of the minimum curriculum requirements, the commission shall establish a statewide comprehensive education and training program on racial profiling for officers licensed under this chapter. An officer shall complete a program established under this subsection not later than the second anniversary of the date the officer is licensed under this chapter or the date the officer applies for an intermediate proficiency certificate, whichever date is earlier.

SECTION 5. Section 1701.402, Occupations Code, is amended by adding Subsection (d) to read as follows:

(d) As a requirement for an intermediate proficiency certificate, an officer must complete an education and training program on racial profiling established by the commission under Section 1701.253(e).

SECTION 6. Section 543.202, Transportation Code, is amended to read as follows:

Sec. 543.202. FORM OF RECORD. (a) In this section, "race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, or Native American descent.

(b) The record must be made on a form or by a data processing method acceptable to the department and must include:

(1) the name, address, physical description, including race or ethnicity, date of birth, and driver's license number of the person charged;

(2) the registration number of the vehicle involved;

(3) whether the vehicle was a commercial motor vehicle as defined by Chapter 522 or was involved in transporting hazardous materials;

(4) the person's social security number, if the person was operating a commercial motor vehicle or was the holder of a commercial driver's license or commercial driver learner's permit;

(5) the date and nature of the offense, including whether the offense was a serious traffic violation as defined by Chapter 522;

(6) whether a search of the vehicle was conducted and whether consent for the search was obtained;

(7) the plea, the judgment, and whether bail was forfeited;

(8) ~~(7)~~ the date of conviction; and

(9) ~~(8)~~ the amount of the fine or forfeiture.

SECTION 7. Not later than January 1, 2002, a law enforcement agency shall adopt and implement a policy and begin collecting information under the policy as required by Article 2.132, Code of Criminal Procedure, as added by this Act. A local law enforcement agency shall first submit information to the governing body of each county or municipality served by the agency as required by Article 2.132, Code of Criminal Procedure, as added by this Act, on March 1, 2003. The first submission of information shall consist of information compiled by the agency during the period beginning January 1, 2002, and ending December 31, 2002.

SECTION 8. A local law enforcement agency shall first submit information to the governing body of each county or municipality served by the agency as required by Article 2.134, Code of Criminal Procedure, as added by this Act, on March 1, 2004. The first submission of information shall consist of information compiled by the agency during the period beginning January 1, 2003, and ending December 31, 2003.

SECTION 9. Not later than January 1, 2002:

(1) the Commission on Law Enforcement Officer Standards and Education shall establish an education and training program on racial profiling as required by Subsection (e), Section 1701.253, Occupations Code, as added by this Act; and

(2) the Bill Blackwood Law Enforcement Management Institute of Texas shall establish a program on racial profiling as required by Subsection (j), Section 96.641, Education Code, as added by this Act.

SECTION 10. A person who on the effective date of this Act holds an intermediate proficiency certificate issued by the Commission on Law Enforcement Officer Standards and Education or has held a peace officer license issued by the Commission on Law Enforcement Officer Standards and Education for at least two years shall complete an education and training program on racial profiling established under Subsection (e), Section 1701.253, Occupations Code, as added by this Act, not later than September 1, 2003.

SECTION 11. An individual appointed or elected as a police chief before the effective date of this Act shall complete a program on racial profiling established under Subsection (j), Section 96.641, Education Code, as added by this Act, not later than September 1, 2003.

SECTION 12. This Act takes effect September 1, 2001.

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

MOTION TO ADJOURN

On motion of Senator Truan, the Senate at 8:30 p.m. agreed to adjourn, upon conclusion of the Local and Uncontested Calendar Session tomorrow, until 10:00 a.m. tomorrow.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolutions

SR 1124 by Ogden, In memory of Joshua Wayne Brown of Blue.

SR 1140 by Bernsen, In memory of Carl "Cropo" LeBlanc of Nederland.

SR 1145 by West, In memory of Hardie Moran Lockett of Dallas.

Congratulatory Resolutions

SCR 68 by Wentworth, Honoring Marshall L. Turner, Jr., on the occasion of his retirement from the United States Census Bureau.

SR 1117 by Zaffirini, Commending the members of Team Q and Team I of La Vernia High School in La Vernia.

SR 1125 by Ellis, Congratulating Marcia L. Conner of Austin.

SR 1126 by Zaffirini, Congratulating Sister Beatrice Cruz.

SR 1132 by Shapleigh, Commending Hillside Elementary School in El Paso.

SR 1133 by Shapleigh, Congratulating Samuel F. Santana of El Paso.

SR 1134 by Shapleigh, Congratulating Clyde E. Scott of El Paso.

SR 1135 by Shapleigh, Congratulating Wilber Edison Fifer, Jr., of El Paso.

SR 1136 by Shapleigh, Congratulating Ray Villareal and Gus Villareal of El Paso.

SR 1137 by Barrientos, Congratulating Mike Sheffield of Austin.

SR 1138 by Barrientos, Congratulating Roel "Roy" Mata of Austin.

SR 1139 by Jackson, Congratulating George Abbey.

SR 1141 by Ellis, Congratulating Albert Hawkins.

SR 1142 by Carona, Congratulating Theodore P. Votteler of Dallas.

SR 1143 by Lindsay, Congratulating Perry M. Simmons of Baytown.

HCR 118 (Haywood), In honor of Greg Brown for his receipt of a Dallas 100 Award.

Designation Resolutions

SR 1128 by Staples, Declaring Tatjana Koenig of Seesen, Germany, an Honorary Texan.

SR 1144 by West, Recognizing June 1, 2001, as Golden Heart's Aviation Day for Children.

Legislative Policy Resolution

SR 1127 by Armbrister, Supporting the selection of Southwest Texas State University in San Marcos as the Southwest Regional Humanities Center by the National Endowment for the Humanities.

RECESS

On motion of Senator Truan, the Senate at 8:30 p.m. recessed until 8:30 a.m. tomorrow for the Local and Uncontested Calendar Session.

APPENDIX

SIGNED BY GOVERNOR

May 19, 2001

SB 134, SB 379, SB 387, SCR 10

FILED WITHOUT SIGNATURE OF GOVERNOR

May 19, 2001

SB 1230

SENT TO SECRETARY OF STATE

May 21, 2001

SJR 47

SENT TO GOVERNOR

May 21, 2001

SB 133, SB 198, SB 233, SB 261, SB 328, SB 356, SB 415, SB 439, SB 466, SB 545, SB 554, SB 575, SB 620, SB 637, SB 700, SB 731, SB 888, SB 925, SB 935, SB 1037, SB 1318, SB 1358, SB 1446, SB 1449, SB 1574, SCR 46, SCR 61, SCR 63

SIGNED BY GOVERNOR

May 21, 2001

SB 232, SB 288, SB 571, SB 832, SB 1185, SB 1380

FILED WITHOUT SIGNATURE OF GOVERNOR

May 21, 2001

SB 1196

SENT TO GOVERNOR

May 22, 2001

SB 414, SB 789, SCR 28, SCR 65

SIGNED BY GOVERNOR

May 22, 2001

SB 31, SB 34, SB 52, SB 71, SB 73, SB 74, SB 77, SB 125, SB 145, SB 152, SB 164, SB 171, SB 256, SB 270, SB 282, SB 289, SB 327, SB 347, SB 370, SB 386, SB 558, SB 600, SB 605, SB 613, SB 632, SB 636, SB 656, SB 660, SB 661, SB 685, SB 725, SB 726, SB 753, SB 837, SB 863, SB 870, SB 874, SB 875, SB 911, SB 936, SB 939, SB 1023, SB 1034, SB 1046, SB 1065, SB 1073, SB 1080, SB 1089, SB 1094, SB 1095, SB 1127, SB 1144, SB 1154, SB 1167, SB 1168, SB 1202, SB 1319, SB 1338, SB 1339, SB 1410, SB 1419, SB 1433, SB 1456, SB 1547, SB 1629, SB 1640, SB 1681, SCR 34, SCR 65