

SENATE JOURNAL

EIGHTY-SECOND LEGISLATURE — REGULAR SESSION

AUSTIN, TEXAS

PROCEEDINGS

SIXTY-FOURTH DAY

(Friday, May 20, 2011)

The Senate met at 11:14 a.m. pursuant to adjournment and was called to order by Senator Eltife.

The roll was called and the following Senators were present: Birdwell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Gallegos, Harris, Hegar, Hinojosa, Huffman, Jackson, Lucio, Nelson, Nichols, Ogden, Patrick, Rodriguez, Seliger, Shapiro, Uresti, Van de Putte, Watson, Wentworth, West, Whitmire, Williams, Zaffirini.

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

The Reverend Gary M. Renfro, Corinth Missionary Baptist Church, Austin, offered the invocation as follows:

Bless the Lord, O my soul, and all that is within me, bless His holy name. Bless the Lord, O my soul, and forget not all His benefits. (Psalm 103:1-2) Father, we give You thanks for the benefits of a brand new day. We have the benefit of doing today what we could not or did not do on yesterday. We have the benefit of doing today those things which will secure our tomorrow. Thank You for the benefit of government and each person here who has devoted their time and energy in giving voice and veracity to the people of this state. May we be found worthy today of the many blessings and benefits You have bestowed upon us, I pray. Amen.

Senator Whitmire moved that the reading of the Journal of the proceedings of the previous day be dispensed with and the Journal be approved as printed.

The motion prevailed without objection.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Friday, May 20, 2011 - 1

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:

- SB 283** Harris Sponsor: Scott
Relating to the appointment of associate judges in child protective services cases.
- SB 324** Jackson Sponsor: Davis, John
Relating to the course levels offered by the University of Houston-Clear Lake.
- SB 329** Watson Sponsor: Chisum
Relating to the sale, recovery, and recycling of certain television equipment; providing administrative penalties.
(Committee Substitute)
- SB 373** Duncan Sponsor: Darby
Relating to the office of county treasurer.
- SB 412** West Sponsor: Elkins
Relating to payment of costs of improvements of a public improvement district designated by a municipality or county.
- SB 434** Nelson Sponsor: Raymond
Relating to the establishment of a task force to address the relationship between domestic violence and child abuse and neglect.
- SB 470** Carona Sponsor: Anchia
Relating to an exception to disclosure under the public information law concerning officers and employees of a hospital district.
- SB 485** Huffman Sponsor: Carter
Relating to proper venue for certain criminal prosecutions of mortgage fraud.
- SB 493** Fraser Sponsor: Smith, Wayne
Relating to the idling of motor vehicles.
- SB 508** Lucio Sponsor: Lozano
Relating to the extent of extraterritorial jurisdiction of certain less populous municipalities located on a barrier island.
- SB 510** Van de Putte Sponsor: Gutierrez
Relating to a voluntary statewide diabetes mellitus registry.
- SB 524** Hegar Sponsor: Morrison
Relating to the issuance of certain permits for the movement of oversize or overweight vehicles.
- SB 579** Hegar Sponsor: Hancock
Relating to the total benefit amount under a prepaid funeral contract.
- SB 580** Hegar Sponsor: Morrison
Relating to community assistance and economic development program activities of the Lavaca-Navidad River Authority.
- SB 613** Rodriguez Sponsor: Alvarado
Relating to educational requirements for licensing as a speech-language pathologist or audiologist.
- SB 633** Hinojosa Sponsor: Hunter
Relating to the educational scope of Texas A&M University-Corpus Christi.

SB 639 Van de Putte Sponsor: Branch
Relating to tuition and fee exemptions at public institutions of higher education for certain military personnel, veterans, and dependents residing in this state.
(Committee Substitute)

SB 650 Hegar Sponsor: Cook
Relating to management of certain metropolitan rapid transit authorities.
(Amended)

SB 778 Williams Sponsor: Huberty
Relating to the inclusion of professional staff who educate students with disabilities on district-level and campus-level planning and decision-making committees.

SB 866 Deuell Sponsor: Jackson, Jim
Relating to the education of public school students with dyslexia, the education and training of educators who teach students with dyslexia, and the assessment of students with dyslexia attending an institution of higher education.

SB 880 Whitmire Sponsor: Madden
Relating to the operation of pretrial intervention and certain other programs by a community supervision and corrections department.

SB 900 Gallegos Sponsor: Thompson
Relating to the Aldine Improvement District; providing authority to impose a tax.
(Amended)

SB 932 Williams Sponsor: Eiland
Relating to oyster beds and shells and an oyster shell recovery and replacement program.
(Committee Substitute)

SB 990 Carona Sponsor: Harper-Brown
Relating to regulation of high occupancy vehicle lanes operated, managed, or maintained by a regional transportation authority; providing penalties.

SB 1008 Carona Sponsor: Orr
Relating to the composition of the Finance Commission of Texas.

SB 1065 Williams Sponsor: Hamilton
Relating to critical incident stress management and crisis response services.

SB 1100 Shapiro Sponsor: Harper-Brown
Relating to the designation of the Irving Diamond Interchange.

SB 1184 Nichols Sponsor: Christian
Relating to the creation of the Timber Springs Municipal Management District; providing authority to impose a tax, levy an assessment, and issue bonds.

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 34 (140 Yeas, 0 Nays, 3 Present, not voting)

HB 345 (140 Yeas, 0 Nays, 2 Present, not voting)

HB 413 (138 Yeas, 0 Nays, 2 Present, not voting)

HB 1136 (140 Yeas, 0 Nays, 2 Present, not voting)

THE HOUSE HAS REFUSED TO CONCUR IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

HB 275 (non-record vote)

House Conferees: Pitts - Chair/Aycock/Darby/Giddings/Morrison

HB 1286 (non-record vote)

House Conferees: Howard, Donna - Chair/Aycock/Darby/Patrick, Diane/Veasey

HB 2154 (non-record vote)

House Conferees: Eiland - Chair/Hancock/Sheets/Smithee/Walle

HB 3726 (non-record vote)

House Conferees: Guillen - Chair/Deshotel/Kuempel/Larson/Price

THE HOUSE HAS GRANTED THE REQUEST OF THE SENATE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

SB 316 (non-record vote)

House Conferees: Gallego - Chair/Christian/Hartnett/Rodriguez, Eddie/Woolley

SB 321 (non-record vote)

House Conferees: Kleinschmidt - Chair/Fletcher/Geren/Guillen/Hardcastle

SB 602 (non-record vote)

House Conferees: Marquez - Chair/Brown/Davis, Sarah/Gallego/Solomons

SB 647 (non-record vote)

House Conferees: Taylor, Larry - Chair/Anderson, Rodney/Hancock/Smithee/Vo

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 1555 (140 Yeas, 0 Nays, 2 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

SENATE RESOLUTION 1036

Senator Ellis offered the following resolution:

SR 1036, Congratulating the participants in the Texas Legislative Internship Program.

The resolution was read and was adopted without objection.

GUESTS PRESENTED

Senator Ellis, joined by Senators Zaffirini, Seliger, Rodriguez, Lucio, West, and Whitmire, was recognized and introduced to the Senate Texas Legislative Internship Program participants.

The Senate welcomed its guests.

PHYSICIAN OF THE DAY

Senator Nelson was recognized and presented Dr. Erica Swegler of Keller as the Physician of the Day.

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

SENATE CONCURRENT RESOLUTION 55

The Presiding Officer laid before the Senate the following resolution:

SCR 55, In memory of the lives of John Clinton Formby and Margaret Clark Formby.

SELIGER
DUNCAN

The resolution was again read.

The resolution was previously adopted on Tuesday, May 17, 2011.

In honor of the memory of John Clinton Formby and Margaret Clark Formby, the text of the resolution is printed at the end of today's *Senate Journal*.

GUEST PRESENTED

Senator Seliger was recognized and introduced to the Senate Lisa Formby.

The Senate welcomed its guest and extended its sympathy.

ACKNOWLEDGMENTS

Senator Lucio was recognized and acknowledged the presence of State Representative Oliveira and State Representative Lucio.

The Senate welcomed its guests.

GUESTS PRESENTED

Senator Lucio was again recognized and introduced to the Senate students from Stell Middle School in Brownsville.

The Senate welcomed its guests.

SENATE RESOLUTION 925

Senator Van de Putte offered the following resolution:

SR 925, Recognizing Eric S. Cooper for receiving the 2011 Executive Director of the Year award from Feeding America.

The resolution was again read.

The resolution was previously adopted on Tuesday, May 10, 2011.

GUESTS PRESENTED

Senator Van de Putte was recognized and introduced to the Senate a San Antonio Food Bank delegation: Eric Cooper, President and CEO; Steve Koenig, Board Chair; and Mario Obledo.

The Senate welcomed its guests.

SENATE RESOLUTION 1045

Senator Zaffirini offered the following resolution:

SR 1045, Recognizing May 20, 2011, as GenTX Day at the State Capitol.

The resolution was read and was adopted without objection.

SENATE RESOLUTION 1009

Senator Van de Putte offered the following resolution:

WHEREAS, The Senate of the State of Texas is pleased to recognize the Hispanic Women's Network of Texas on the special occasion of its 25th anniversary; and

WHEREAS, The concept for the Hispanic Women's Network of Texas began in 1986 when several notable women came together to discuss the need for a statewide organization to address the specific needs of Hispanic women; and

WHEREAS, A steering committee was formed of 10 women from different geographic areas across the state who would poll their respective regions and meet in a statewide setting; a conference was held in Dallas in 1987 with 200 women from diverse backgrounds and occupations, who made a commitment to remain united and focus attention on common issues; that commitment remains at the forefront of the organization's efforts today; and

WHEREAS, Members of the Hispanic Women's Network of Texas work to cultivate the social, cultural, legal, and educational interests of Hispanic women, and they have supported and sponsored such events as the Women's Right to Vote Celebration, Hispanic Summit and Emerging Leaders Conference, and other educational, mentoring, and intergenerational programs; and

WHEREAS, The Hispanic Women's Network of Texas now has chapters in Austin, Corpus Christi, Dallas, Denton, Fort Worth, Houston, Laredo, the Rio Grande Valley, and San Antonio; members strive to celebrate and foster the positive image and values of the Hispanic culture; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 82nd Legislature, hereby commend members of the Hispanic Women's Network of Texas for their continuing commitment, support, and recognition of the exceptional contributions of Hispanic women to their communities and this state; and, be it further

RESOLVED, That a copy of this Resolution be prepared to commemorate the 25th anniversary of the creation of the Hispanic Women's Network of Texas.

VAN DE PUTTE
ZAFFIRINI

SR 1009 was again read.

The resolution was previously adopted on Tuesday, May 17, 2011.

GUESTS PRESENTED

Senator Van de Putte was recognized and introduced to the Senate a Hispanic Women's Network delegation: Mary Ann Kellam, State Board Chair; Mary Jane Garza, State Board Chair-elect and Corpus Christi Chapter Board Chair; Helen Cedillo, State Parliamentarian; Maricela Martinez, State Secretary; Adela Gonzales,

Advisory Council; Marti Cascio, State Treasurer; Lupe Morin, Executive Director; Annia Zavala; Diana Cantu, Rio Grande Valley Chapter Board Chair; Adela Luna; Patty Mendoza, Austin Chapter Chair; and members: Irene Acosta, Gloria Ann Garcia, Tony Venzor, Monica Peraza, Yadira Gonzales, Claudia Nunez, Janie Cardenas, Liz Acosta Rutledge, Lupe Ochoa, and Lila Aguirre.

The Senate welcomed its guests.

GUESTS PRESENTED

Senator Davis was recognized and introduced to the Senate fourth- and fifth-grade students from Daggett Montessori School, accompanied by their teacher, Linda Foster.

The Senate welcomed its guests.

CONCLUSION OF MORNING CALL

The Presiding Officer at 12:02 p.m. announced the conclusion of morning call.

HOUSE BILL 2366 ON SECOND READING

Senator Nelson moved to suspend the regular order of business to take up for consideration **HB 2366** at this time on its second reading:

HB 2366, Relating to the authority of an open-enrollment charter school operated by a municipality to give a preference in admissions to children of employees of the municipality.

The motion prevailed.

Senator West asked to be recorded as voting "Nay" on suspension of the regular order of business.

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

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

Nays: West.

HOUSE BILL 2366 ON THIRD READING

Senator Nelson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2366** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: West.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 1. (Same as previous roll call)

**COMMITTEE SUBSTITUTE
HOUSE BILL 1992 ON SECOND READING**

On motion of Senator Williams and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1992** at this time on its second reading:

CSHB 1992, Relating to the authority of the Texas Animal Health Commission to set and collect fees.

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

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 1992 ON THIRD READING**

Senator Williams moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1992** be placed on its third reading and final passage.

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

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

HOUSE BILL 1120 ON SECOND READING

On motion of Senator Jackson and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1120** at this time on its second reading:

HB 1120, Relating to the dissolution of the Country Place Management District.

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

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

HOUSE BILL 1120 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 1120** be placed on its third reading and final passage.

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

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

HOUSE BILL 2900 ON SECOND READING

On motion of Senator Harris and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2900** at this time on its second reading:

HB 2900, Relating to guardianship matters and proceedings.

The bill was read second time.

Senator Harris offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2900** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS as appropriate:

SECTION ____. Section 642, Texas Probate Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Except as provided by Subsections (a-1) and [Subsection] (b) of this section, any person has the right to commence any guardianship proceeding, including a proceeding for complete restoration of a ward's capacity or modification of a ward's guardianship, or to appear and contest any guardianship proceeding or the appointment of a particular person as guardian.

(a-1) A person who is not entitled to receive notice of the filing of an application for guardianship under Section 633(c) or (d) of this code must obtain leave of court to appear and contest a guardianship proceeding or the appointment of a particular person as guardian. The granting of leave by the court does not prevent any other party from subsequently challenging the person's standing to maintain the contest under Subsections (b) and (c) of this section.

SECTION ____. Section 665A, Texas Probate Code, is amended to read as follows:

Sec. 665A. PAYMENT FOR PROFESSIONAL SERVICES. The court shall order the payment of a fee in an amount set by the court that is fair and just as compensation to the attorneys, mental health professionals, and interpreters appointed under this chapter, as applicable, to be taxed as costs in the case. The court may allocate attorney's fees taxed as costs under this section among the parties as the court finds is fair and just. If after examining the proposed ward's assets the court determines the proposed ward is unable to pay for costs allocated to the proposed ward for services provided by an attorney, a mental health professional, or an interpreter appointed under this chapter, as applicable, the county is responsible for those costs [the cost of those services].

SECTION ____. Section 665B, Texas Probate Code, as amended by Chapters 314 (H.B. 587) and 930 (H.B. 3080), Acts of the 81st Legislature, Regular Session, 2009, is reenacted and amended to read as follows:

Sec. 665B. PAYMENT OF ATTORNEY'S FEES TO CERTAIN ATTORNEYS.

(a) A court that creates a guardianship or creates a management trust under Section 867 of this code for a ward under this chapter, on request of a person who filed an application to be appointed guardian of the proposed ward, an application for the appointment of another suitable person as guardian of the proposed ward, or an application for the creation of the management trust, may authorize the payment of reasonable and necessary attorney's fees, as determined by the court, in amounts the court considers fair and just, to an attorney who represents the person who filed the application at the application hearing, regardless of whether the person is appointed the ward's guardian or whether a management trust is created, from:

(1) subject to Subsection (a-1) of this section, the parties to the guardianship proceeding, allocated as the court finds is fair and just; or

(2) subject to Subsection (a-1) of this section, available funds of the [ward's estate or] management trust, if created.

(a-1) The court may authorize amounts allocated to the ward's estate under Subsection (a)(1) of this section or amounts to be paid from available funds of the management trust as provided by Subsection (a)(2) of this section to instead be paid from the county treasury, [; or

(2)] subject to Subsection (c) of this section, [the county treasury] if:

(1) [(A)] the ward's estate or [; if created,] management trust[;] is insufficient to pay [for] the amounts [services provided by the attorney]; and

(2) [(B)] funds in the county treasury are budgeted for that purpose.

(b) The court may not authorize attorney's fees under this section unless the court finds that the applicant acted in good faith and for just cause in the filing and prosecution of the application.

(c) The court may authorize the payment of attorney's fees from the county treasury under Subsection (a-1) [(a)] of this section only if the court is satisfied that the attorney to whom the fees will be paid has not received, and is not seeking, payment for the services described by that subsection from any other source.

SECTION ____ . Subsection (a), Section 669, Texas Probate Code, is amended to read as follows:

(a) Except as provided by Subsection (b) of this section or Section 665A or 665B(a) of this code, in a guardianship matter, the cost of the proceeding, including the cost of the guardian ad litem or court visitor, shall be set in an amount the court considers fair and just and shall be paid out of the guardianship estate, or, if the estate is insufficient to pay for the cost of the proceeding, the cost of the proceeding shall be paid out of the county treasury, and the judgment of the court shall be issued accordingly.

SECTION ____ . Section 761, Texas Probate Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The court clerk shall issue notice of an order rendered by the court removing a guardian under Subsection (a)(1), (2), (3), (4), (6), (7), or (8) of this section. The notice must:

(1) state the names of the ward and the removed guardian;

(2) state the date the court signed the order of removal;

(3) contain the following statement printed in 12-point bold font:

"If you have been removed from serving as guardian under Section 761(a)(6) or (7), Texas Probate Code, you have the right to contest the order of removal by filing an application with the court for a hearing under Section 762, Texas Probate Code, to determine whether you should be reinstated as guardian. The application must be filed not later than the 30th day after the date the court signed the order of removal.";

(4) contain as an attachment a copy of the order of removal; and

(5) be personally served on the removed guardian not later than the seventh day after the date the court signed the order of removal.

SECTION ____ . Subsections (a), (c), and (d), Section 762, Texas Probate Code, are amended to read as follows:

(a) Not later than the 30th ~~[10th]~~ day after the date the court signs the order of removal, a guardian ~~[personal representative]~~ who is removed under Section 761(a)(6) ~~[Subsection (a)(6)]~~ or (7) ~~[-Section 761,]~~ of this code may file an application with the court for a hearing to determine whether the guardian ~~[personal representative]~~ should be reinstated.

(c) The court shall hold a hearing on an application for reinstatement under this section as soon as practicable after the application is filed, but not later than the 60th day after the date the court signed the order of removal. If, at the conclusion of the [a] hearing [under this section], the court is satisfied by a preponderance of the evidence that the applicant did not engage in the conduct that directly led to the applicant's removal, the court shall set aside an order appointing a successor guardian ~~[representative]~~, if any, and shall enter an order reinstating the applicant as guardian ~~[personal representative]~~ of the ward or estate.

(d) If the court sets aside the appointment of a successor guardian ~~[representative]~~ under this section, the court may require the successor guardian ~~[representative]~~ to prepare and file, under oath, an accounting of the estate and to detail the disposition the successor has made of the property of the estate.

SECTION ____. The changes in law made by this Act to Section 642, Texas Probate Code, apply to a guardianship proceeding that is pending or commenced on or after the effective date of this Act.

SECTION ____. The changes in law made by this Act to Sections 665A, 665B, and 669, Texas Probate Code, apply to a guardianship created before, on, or after the effective date of this Act.

SECTION ____. The changes in law made by this Act to Sections 761 and 762, Texas Probate Code, apply only to a removal of a guardian ordered by a court on or after the effective date of this Act. A removal of a guardian ordered by a court before the effective date of this Act is governed by the law in effect on the date the order was rendered, and the former law is continued in effect for that purpose.

The amendment to **HB 2900** was read and was adopted by a viva voce vote.

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

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

HB 2900 as amended was passed to third reading by a viva voce vote.

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

HOUSE BILL 2900 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 2900** be placed on its third reading and final passage.

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

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 1887 ON SECOND READING**

On motion of Senator Hinojosa and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1887** at this time on its second reading:

CSHB 1887, Relating to tax administration of and procedures for property tax protests and appeals; changing the elements of an offense.

The bill was read second time.

Senator Hinojosa offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1887** (Senate committee printing) in SECTION 17 of the bill, by striking added Section 42.30(d), Tax Code (page 7, lines 64-67), and substituting the following:

(d) A person may void an engagement that does not comply with this section. An attorney who does not comply with this section may be reported to the Office of Chief Disciplinary Counsel for the State Bar of Texas.

The amendment to **CSHB 1887** was read and was adopted by a viva voce vote.

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

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

CSHB 1887 as amended was passed to third reading by a viva voce vote.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 1887 ON THIRD READING**

Senator Hinojosa moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1887** be placed on its third reading and final passage.

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

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

HOUSE BILL 361 ON SECOND READING

On motion of Senator Seliger and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 361** at this time on its second reading:

HB 361, Relating to the agricultural advisory board of an appraisal district.

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

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

HOUSE BILL 361 ON THIRD READING

Senator Seliger moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 361** be placed on its third reading and final passage.

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

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

HOUSE BILL 2048 ON SECOND READING

On motion of Senator Deuell and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2048** at this time on its second reading:

HB 2048, Relating to the collection and enforcement of state and local hotel occupancy taxes.

The bill was read second time.

Senator Deuell offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2048** (House engrossed version) as follows:

(1) In SECTION 1, page 1, line 11, between "interest" and "," insert "and amounts paid under protest"

(2) In SECTION 3, page 4, line 6, between "Chapter 156" and "," insert "and the assessment has become administratively final"

(3) In SECTION 5, page 5, line 7, between "Chapter 159" and "," insert "and the assessment has become administratively final"

The amendment to **HB 2048** was read and was adopted by a viva voce vote.

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

Senator Deuell offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 2048** (Senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) Section 351.101(a), Tax Code, as amended by Chapters 402 (H.B. 1789), 1220 (S.B. 1247), and 1322 (H.B. 3098), Acts of the 81st Legislature, Regular Session, 2009, is reenacted and amended to read as follows:

(a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

(1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;

(2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;

(3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;

(4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;

(5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:

(A) at or in the immediate vicinity of convention center facilities or visitor information centers; or

(B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;

(6) for a municipality located in a county with a population of one million or less, expenses, including promotion expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the municipality or its vicinity;

(7) subject to Section 351.1076, the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields, including facilities or fields for baseball, softball, soccer, and flag football, if:

(A) the municipality owns the facilities or fields;

(B) the municipality:

(i) has a population of 80,000 or more and is located in a county that has a population of 350,000 or less;

(ii) has a population of at least 65,000 but not more than 70,000 and is located in a county that has a population of 155,000 or less;

(iii) has a population of at least 34,000 but not more than 36,000 and is located in a county that has a population of 90,000 or less;

(iv) has a population of at least 13,000 but less than 39,000 and is located in a county that has a population of at least 200,000;

(v) has a population of at least 65,000 but less than 80,000 and no part of which is located in a county with a population greater than 150,000; ~~[or]~~

(vi) is located in a county that:

(a) is adjacent to the Texas-Mexico border;

(b) has a population of at least 500,000; and

(c) does not have a municipality with a population greater than 500,000; or

(vii) has a population of at least 25,000 but not more than 26,000 and is located in a county that has a population of 90,000 or less; and

(C) the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments; ~~and~~

(8) for a municipality with a population of at least 65,000 but less than 80,000, no part of which is located in a county with a population greater than 150,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility;

(9) ~~(8)~~ signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality; and

(10) ~~(8)~~ the construction of a recreational venue in the immediate vicinity of area hotels, if:

(A) the municipality:

(i) is a general-law municipality;

(ii) has a population of not more than 900; and

(iii) does not impose an ad valorem tax;

(B) not more than \$100,000 of municipal hotel occupancy tax revenue is used for the construction of the recreational venue;

(C) a majority of the hotels in the municipality request the municipality to construct the recreational venue;

(D) the recreational venue will be used primarily by hotel guests; and

(E) the municipality will pay for maintenance of the recreational venue from the municipality's general fund.

(b) To the extent of any conflict, this section prevails over another Act of the 82nd Legislature, Regular Session, 2011, relating to nonsubstantive additions to and corrections in enacted codes.

(c) Notwithstanding any other provision of this Act, this section takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for this section to have immediate effect, this section takes effect September 1, 2011.

The amendment to **HB 2048** was read and was adopted by a viva voce vote.

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

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

HB 2048 as amended was passed to third reading by a viva voce vote.

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

HOUSE BILL 2048 ON THIRD READING

Senator Deuell moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2048** be placed on its third reading and final passage.

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

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

HOUSE BILL 590 ON SECOND READING

On motion of Senator Patrick and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 590** at this time on its second reading:

HB 590, Relating to amended sales tax reports and the reallocation of sales tax revenue.

The bill was read second time.

Senator Patrick offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 590** (senate committee printing) by adding the following new appropriately numbered SECTIONS and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 321.002, Tax Code, is amended to read as follows:
Sec. 321.002. DEFINITIONS.

(a) In this chapter:

(1) "Additional municipal sales and use tax" means only the additional tax authorized by Section 321.101(b).

(2) "Municipality" includes any incorporated city, town, or village.

(3) "Place of business of the retailer" means an established outlet, office, or location operated by the retailer or the retailer's agent or employee for the purpose of receiving orders for taxable items and includes any location at which three or more orders are received by the retailer during a calendar year. A warehouse, storage yard, or manufacturing plant is not a "place of business of the retailer" unless at least three orders are received by the retailer during the calendar year at the warehouse, storage yard, or manufacturing plant. An outlet, office, facility, or any location that contracts with a retail or commercial business [~~engaged in activities to which this chapter applies~~] to process for that business invoices, purchase orders, or bills of lading, or other equivalent records onto which sales tax is added, including an office operated for the purpose of buying and selling taxable goods to be used or consumed by the retail or commercial business, is not a "place of business of the retailer" if the comptroller determines that the outlet, office, facility, or location functions or exists to avoid the tax imposed by this chapter or to rebate a portion of the tax imposed by this chapter to the contracting business. Notwithstanding any other provision of this subdivision, a kiosk is not a "place of business of the retailer." In this subdivision, "kiosk" means a small stand-alone area or structure that:

(A) is used solely to display merchandise or to submit orders for taxable items from a data entry device, or both;

(B) is located entirely within a location that is a place of business of another retailer, such as a department store or shopping mall; and

(C) at which taxable items are not available for immediate delivery to a customer.

(b) Words used in this chapter and defined by Chapter 151 have the meanings assigned by Chapter 151.

SECTION _____. SECTION ____ as added by this amendment takes effect September 1, 2011.

The amendment to **HB 590** was read and was adopted by a viva voce vote.

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

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

HB 590 as amended was passed to third reading by a viva voce vote.

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

HOUSE BILL 590 ON THIRD READING

Senator Patrick moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 590** be placed on its third reading and final passage.

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

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

REMARKS ORDERED PRINTED

On motion of Senator Deuell and by unanimous consent, the remarks by Senators Deuell and Patrick regarding **HB 590** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Deuell: Are you familiar with traditional purchasing companies, companies that typically are part of an affiliated group of companies and exist to generate economic benefits through economies of scale, negotiated purchasing contracts, and group discounts, or other similar legitimate business functions?

Senator Patrick: Yes, I am.

Senator Deuell: Are you aware that at the time we passed the 2003 bill, our intent was to stop those billing office types of arrangements without affecting traditional purchasing companies and legitimate rebates where a city might agree to return a portion of the economic development sales tax to reimburse a developer for infrastructure or a true investment in the community that inserted value into the tax base?

Senator Patrick: Yes, I am. And it is not my intent with this amendment to change the way traditional purchasing companies are treated for municipal sales tax purposes.

Senator Deuell: To summarize then, your amendment is intended to tighten up and further the original intent of the 2003 legislation, while continuing to treat a traditional purchasing company as a "place of business of the retailer" for municipal sales tax purposes. Correct?

Senator Patrick: Correct.

HOUSE BILL 707 ON SECOND READING

On motion of Senator Estes and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 707** at this time on its second reading:

HB 707, Relating to the validation of certain governmental acts and proceedings of certain municipalities relating to certain public improvement districts.

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

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

HOUSE BILL 707 ON THIRD READING

Senator Estes moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 707** be placed on its third reading and final passage.

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

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

COMMITTEE SUBSTITUTE**HOUSE BILL 257 ON SECOND READING**

On motion of Senator Patrick and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 257** at this time on its second reading:

CSHB 257, Relating to certain unclaimed property that is presumed abandoned.

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

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

COMMITTEE SUBSTITUTE**HOUSE BILL 257 ON THIRD READING**

Senator Patrick moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 257** be placed on its third reading and final passage.

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

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

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Friday, May 20, 2011 - 3

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 21 Gallego

Urging Congress to reauthorize the Water Resources Development Act of 2007, Section 5056, and to appropriate sufficient funds so that efforts to solve the salt problem in the Amistad International Reservoir can continue.

HCR 71 Martinez Fischer

Conferring the Texas Legislative Medal of Honor on U.S. Marine Corporal Roy Cisneros of San Antonio.

HCR 124 Torres

Designating September 15 to October 15 as Latino Texan Month for a 10-year period beginning in 2011.

HCR 144 Parker

Designating June 2 as Italian Heritage Day for a 10-year period, beginning in 2011.

SB 27 Zaffirini Sponsor: Branch

Relating to policies of school districts and open-enrollment charter schools for the care of certain students at risk for anaphylaxis.

SB 61 Zaffirini Sponsor: Walle

Relating to juvenile case managers.
(Committee Substitute)

SB 166 Shapiro Sponsor: Madden

Relating to the sex offender civil commitment program and to the creation of a state agency to perform the functions relating to the sex offender civil commitment program that are currently performed by the Council on Sex Offender Treatment.
(Amended)

SB 233 Deuell Sponsor: Driver

Relating to the creation of the Rowlett Pecan Grove Management District; providing authority to impose a tax, levy an assessment, and issue bonds.
(Committee Substitute)

SB 234 Deuell Sponsor: Driver

Relating to the creation of the Rowlett Downtown Management District; providing authority to impose a tax, levy an assessment, and issue bonds.
(Committee Substitute)

SB 260 West Sponsor: Raymond

Relating to minimum training standards for employees of certain child-care facilities.
(Amended)

- SB 490** Fraser Sponsor: Miller, Sid
Relating to the Hamilton County Hospital District.
- SB 888** Carona Sponsor: Harper-Brown
Relating to the authority of a regional transportation authority to create a local government corporation.
- SB 1132** Hegar Sponsor: Thompson
Relating to the water rights permits issued to the Texas Water Development Board for the Allens Creek Reservoir.
- SB 1197** Rodriguez Sponsor: Hartnett
Relating to trusts.
- SB 1243** West Sponsor: Coleman
Relating to the use of a county risk management pool by certain county and district officers instead of the execution of bonds and to the authority of certain counties and intergovernmental pools to require reimbursement for punitive damage coverage.
- SB 1291** Hegar Sponsor: Taylor, Larry
Relating to the budget of certain divisions of the Texas Department of Insurance.
- SB 1378** Nichols Sponsor: Otto
Relating to the authority of the Alabama-Coushatta Indian Tribe to commission peace officers.
- SB 1518** Eltife Sponsor: Guillen
Relating to the powers and duties of the Texas Historical Commission; imposing a penalty.
- SB 1618** Seliger Sponsor: Craddick
Relating to reporting requirements of state agencies and school districts.
- SB 1630** Birdwell Sponsor: Fletcher
Relating to the regulation of residential appliance installation, including pool-related electrical devices, under the Texas Electrical Safety and Licensing Act.
- SB 1635** Davis Sponsor: Farias
Relating to contributions to the fund for veterans' assistance.
- SB 1661** Duncan Sponsor: Hunter
Relating to the regulation of health organizations certified by the Texas Medical Board; imposing an administrative penalty.
- SB 1739** Davis Sponsor: Pickett
Relating to the use of the fund for veterans' assistance.
- SB 1882** Patrick Sponsor: Fletcher
Relating to the creation of Harris County Improvement District No. 22; providing authority to levy an assessment, impose a tax, and issue bonds.
- SB 1895** Hegar Sponsor: Morrison
Relating to director elections and powers of the Texana Groundwater Conservation District.

SB 1922 Lucio Sponsor: Oliveira
Relating to the creation of the Port Isabel Improvement District No. 1; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.

SCR 5 Hinojosa Sponsor: Hunter
Requesting the lieutenant governor and the speaker of the house of representatives to provide for a joint interim legislative study regarding the development and potential economic impact of a cruise industry on the Texas coast between Calhoun and Cameron Counties.

SCR 10 Ellis Sponsor: Dukes
Designating February 21 through 27 of each year from 2011 through 2020 as Barbara Jordan Freedom Week.

SCR 18 Hegar Sponsor: Kuempel
Designating a portion of the city of Gonzales as the official Texas History Museum District.

SCR 39 Shapiro Sponsor: Hochberg
Designating the month of April each year from 2011 through 2020 as Genocide Awareness and Prevention Month.

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

HOUSE BILL 2809 ON SECOND READING

On motion of Senator Estes and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2809** at this time on its second reading:

HB 2809, Relating to the authority of the board of the Greater Texoma Utility Authority to approve changes in a construction contract.

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

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

HOUSE BILL 2809 ON THIRD READING

Senator Estes moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2809** be placed on its third reading and final passage.

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

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

HOUSE BILL 1525 ON SECOND READING

On motion of Senator Gallegos and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1525** at this time on its second reading:

HB 1525, Relating to the board of directors of the Greater East End Management District.

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

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

HOUSE BILL 1525 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 1525** be placed on its third reading and final passage.

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

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

HOUSE BILL 414 ON SECOND READING

On motion of Senator Hegar and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 414** at this time on its second reading:

HB 414, Relating to the conducting of licensing examinations by the State Board of Veterinary Medical Examiners.

The bill was read second time.

Senator Seliger offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 414** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 801.002, Occupations Code, is amended by adding Subdivisions (3-a) and (4-a) to read as follows:

(3-a) "Equine dentistry" means any diagnosis, treatment, or surgical procedure performed on the head or oral cavity of an equine animal. The term includes:

(A) any procedure that invades the tissues of the oral cavity, including a procedure to:

(i) remove sharp enamel projections;

(ii) treat malocclusions of the teeth;

(iii) reshape teeth; and

(iv) extract one or more teeth;

(B) the treatment or extraction of damaged or diseased teeth;

(C) the treatment of diseased teeth through restoration and endodontic

procedures;

(D) periodontal treatments, including:

(i) the removal of calculus, soft deposits, plaque, and stains above the gum line; and

(ii) the smoothing, filing, and polishing of tooth surfaces; and

(E) dental radiography.

(4-a) "Licensed equine dental provider" means a person who holds a license to practice equine dentistry issued under this chapter.

SECTION _____. Section 801.151, Occupations Code, is amended by amending Subsection (c) and adding Subsections (e) and (f) to read as follows:

(c) The board shall adopt rules to:

(1) protect the public; ~~and~~

(2) ensure that alternate therapies, including ultrasound diagnosis and therapy, magnetic field therapy, holistic medicine, homeopathy, chiropractic treatment, acupuncture, and laser therapy, are performed only by a veterinarian or under the supervision of a veterinarian; and

(3) ensure that equine dentistry is performed only by a veterinarian who is active and in good standing or by a licensed equine dental provider who is active and in good standing under the appropriate level of supervision of a veterinarian who is active and in good standing and who has established a veterinarian-client-patient relationship with the owner or other caretaker of an animal and the animal in accordance with Section 801.351.

(e) The board shall adopt rules to implement a jurisprudence examination for licensed equine dental providers, including rules relating to the development and administration of the examination, examination fees, guidelines for reexamination, examination grading, and provision of notice of examination results.

(f) The board may not adopt rules that unreasonably restrict the selection by the owner or other caretaker of an animal of a licensed equine dental provider who is in good standing to provide equine dental services.

SECTION _____. Subsections (b) and (d), Section 801.154, Occupations Code, are amended to read as follows:

(b) The veterinarian license renewal fee set by the board under this chapter is the amount set by the board under Subsection (a) and an additional fee of \$200.

(d) The additional fee under Subsection (b) does not apply to a veterinarian [~~license holder~~] who is:

(1) exempt from paying the renewal fee under Section 801.304; or

(2) placed on inactive status as provided by Section 801.306.

SECTION _____. Section 801.156, Occupations Code, is amended to read as follows:

Sec. 801.156. REGISTRY. (a) The board shall maintain a record of each license holder's [~~veterinarian's~~]:

(1) name;

(2) residence address; and

(3) business address.

(b) A license holder [~~veterinarian~~] shall notify the board of a change of business address or employer not later than the 60th day after the date the change takes effect.

SECTION _____. Subsection (b), Section 801.203, Occupations Code, is amended to read as follows:

(b) The board shall list with its regular telephone number any toll-free telephone number established under other state law for presenting a complaint about a license holder [~~veterinarian~~].

SECTION _____. Subsection (b), Section 801.2056, Occupations Code, is amended to read as follows:

(b) A complaint delegated under this section shall be referred for informal proceedings under Section 801.408 if:

(1) the committee determines that the complaint should not be dismissed or settled;

(2) the committee is unable to reach an agreed settlement; or

(3) the license holder [~~veterinarian~~] who is the subject of the complaint requests that the complaint be referred for informal proceedings.

SECTION _____. Sections 801.251 and 801.252, Occupations Code, are amended to read as follows:

Sec. 801.251. LICENSE REQUIRED FOR PRACTICE OF VETERINARY MEDICINE. Except as provided by Section 801.004, a person may not practice, or offer or attempt to practice, veterinary medicine unless the person holds a license to practice veterinary medicine issued under this chapter.

Sec. 801.252. ELIGIBILITY REQUIREMENTS FOR LICENSE TO PRACTICE VETERINARY MEDICINE. The board shall issue a license to practice veterinary medicine to a person who is qualified to be licensed to practice veterinary medicine under this chapter. A person is qualified to be licensed to practice veterinary medicine if:

(1) the person has attained the age of majority;

(2) the person is a graduate of a board-approved school or college of veterinary medicine;

(3) the person successfully completes the licensing examination for veterinarians conducted by the board; and

(4) the board does not refuse to issue a license to the person under Section 801.401.

SECTION _____. The heading to Section 801.253, Occupations Code, is amended to read as follows:

Sec. 801.253. LICENSING EXAMINATIONS FOR VETERINARIANS.

SECTION _____. Subsection (a), Section 801.253, Occupations Code, is amended to read as follows:

(a) The board shall hold a regular meeting at least twice each year to conduct licensing examinations for veterinarians as provided by board rule. The board shall conduct the examination at a time and place the board determines is convenient for applicants.

SECTION _____. The heading to Section 801.256, Occupations Code, is amended to read as follows:

Sec. 801.256. SPECIAL LICENSE TO PRACTICE VETERINARY MEDICINE.

SECTION _____. Subsection (a), Section 801.256, Occupations Code, is amended to read as follows:

(a) The board may issue a special license to practice veterinary medicine to an applicant who is:

(1) a member of the faculty or staff of a board-approved veterinary program at an institution of higher education;

- (2) a veterinarian employee of the Texas Animal Health Commission;
- (3) a veterinarian employee of the Texas Veterinary Medical Diagnostic Laboratory; or
- (4) a person licensed to practice veterinary medicine in another jurisdiction, if the board determines that the person's specialty practice is unrepresented or underrepresented in this state.

SECTION _____. The heading to Section 801.257, Occupations Code, is amended to read as follows:

Sec. 801.257. PROVISIONAL LICENSE TO PRACTICE VETERINARY MEDICINE.

SECTION _____. Subsection (a), Section 801.257, Occupations Code, is amended to read as follows:

(a) The board may grant a provisional license to practice veterinary medicine to an applicant who presents proof that the applicant:

- (1) is licensed in good standing as a veterinarian in another state that:
- (A) has licensing requirements substantially equivalent to the requirements of this chapter; and
- (B) maintains professional standards the board considers equivalent to the professional standards of this chapter; and
- (2) has passed a national or other examination recognized by the board relating to veterinary medicine.

SECTION _____. Section 801.258, Occupations Code, is amended to read as follows:

Sec. 801.258. TEMPORARY LICENSE TO PRACTICE VETERINARY MEDICINE. The board by rule may provide for the issuance of a temporary license to practice veterinary medicine.

SECTION _____. Subchapter F, Chapter 801, Occupations Code, is amended by adding Sections 801.259, 801.260, 801.261, 801.262, 801.263, and 801.264 to read as follows:

Sec. 801.259. LICENSED EQUINE DENTAL PROVIDER DESIGNATIONS.
 (a) Subject to Subsection (b), a person may not represent to the public that the person is authorized to perform equine dentistry or use the titles "dentist," "certified equine dental provider," "equine dental provider," "CEDP," or "EDP" unless the person is licensed to practice equine dentistry under this chapter.

(b) Only a licensed equine dental provider who is certified in accordance with Section 801.261(a)(3) may use the title "certified equine dental provider" or the designation "CEDP." Only a licensed equine dental provider who is licensed before September 1, 2013, and who is not certified in accordance with Section 801.261(a)(3) may use the title "equine dental provider" or the designation "EDP."

Sec. 801.260. LICENSE REQUIRED FOR EQUINE DENTISTRY. A person may not perform equine dentistry or offer or attempt to act as an equine dental provider unless the person is:

- (1) a veterinarian who is active and in good standing; or
- (2) a licensed equine dental provider who is active and in good standing performing under the supervision of a veterinarian who is active and in good standing.

Sec. 801.261. LICENSED EQUINE DENTAL PROVIDER: APPLICATION, QUALIFICATIONS, AND ISSUANCE. (a) The board shall issue an equine dental provider license to a person who is qualified under this section. A person is qualified to be licensed as an equine dental provider if the person:

(1) passes a jurisprudence examination conducted by the board in accordance with Section 801.264;

(2) is not disqualified under this chapter or board rule; and

(3) is certified by the International Association of Equine Dentistry or another board-approved certification entity or organization.

(b) An applicant for an equine dental provider license must submit to the board:

(1) an application on the form prescribed by the board;

(2) information to enable the board to conduct a criminal background check as required by the board; and

(3) any other information required by the board.

Sec. 801.262. SCOPE OF PRACTICE OF LICENSED EQUINE DENTAL PROVIDER. (a) A licensed equine dental provider may not perform equine dentistry unless the provider is active and in good standing and performs equine dentistry under the general supervision of a veterinarian who is active and in good standing.

(b) A licensed equine dental provider may perform only the following equine dental procedures:

(1) removing sharp enamel points;

(2) removing small dental overgrowths;

(3) rostral profiling of the first cheek teeth;

(4) reducing incisors;

(5) extracting loose, deciduous teeth;

(6) removing supragingival calculus;

(7) extracting loose, mobile, or diseased teeth or dental fragments with minimal periodontal attachments by hand and without the use of an elevator; and

(8) removing erupted, non-displaced wolf teeth.

(c) Subsection (b) may not be construed to prohibit an employee of a veterinarian who is not a licensed equine dental provider from performing the equine dental procedures described in Subsection (b) if the employee is under the direct supervision of a veterinarian.

(d) A copy of the dental chart of an equine animal is to be left with the person who authorizes an equine dental procedure and is to be made available to the supervising veterinarian upon request.

Sec. 801.263. LICENSED EQUINE DENTAL PROVIDER RESPONSIBILITY. A licensed equine dental provider shall be held to the same standard of care as a veterinarian when the provider performs the equine dental procedures described in Section 801.262(b).

Sec. 801.264. JURISPRUDENCE EXAMINATION. The board shall develop and administer a jurisprudence examination for licensed equine dental providers to determine an applicant's knowledge of this chapter, board rules, and any other applicable laws of this state affecting the applicant's equine dentistry practice.

SECTION _____. Subsections (b) and (c), Section 801.303, Occupations Code, are amended to read as follows:

(b) A person whose license has been expired for 90 days or less may renew the license by paying to the board a renewal fee that is equal to the sum of 1-1/2 times the renewal fee set by the board under Section 801.154(a) and the additional fee required by Section 801.154(b), if applicable.

(c) A person whose license has been expired for more than 90 days but less than one year may renew the license by paying to the board a renewal fee that is equal to the sum of two times the renewal fee set by the board under Section 801.154(a) and the additional fee required by Section 801.154(b), if applicable.

SECTION _____. Section 801.304, Occupations Code, is amended to read as follows:

Sec. 801.304. FEE EXEMPTION. A veterinarian [~~license holder~~] is exempt from the fee requirements imposed under Section 801.303 if the veterinarian [~~license holder~~]:

(1) is on active duty with the Armed Forces of the United States and does not engage in private or civilian practice; or

(2) is permanently and totally retired.

SECTION _____. Subsection (a), Section 801.305, Occupations Code, is amended to read as follows:

(a) A person who was licensed to practice veterinary medicine in this state, moved to another state, and is currently licensed in good standing and has been in practice in the other state for the two years preceding the date of application may obtain a new license to practice veterinary medicine without reexamination.

SECTION _____. Section 801.306, Occupations Code, is amended to read as follows:

Sec. 801.306. INACTIVE STATUS. The board by rule may provide for the placement of a license holder [~~veterinarian~~] on inactive status. The rules adopted under this section must include a limit on the time a license holder [~~veterinarian~~] may remain on inactive status.

SECTION _____. Subsections (a) and (b), Section 801.307, Occupations Code, are amended to read as follows:

(a) The board by rule shall establish a minimum number of hours of continuing education required to renew a license to practice veterinary medicine. The board shall require eight hours of continuing education annually to renew an equine dental provider license.

(b) The board may:

(1) establish general categories of continuing education that meet the needs of license holders [~~veterinarians~~]; and

(2) require a license holder [~~veterinarian~~] to successfully complete continuing education courses.

SECTION _____. Subsections (b) and (c), Section 801.352, Occupations Code, are amended to read as follows:

(b) A veterinarian may not:

(1) allow a person who does not hold a license to practice veterinary medicine issued under this chapter to interfere with or intervene in the veterinarian's practice of veterinary medicine; or

(2) submit to interference or intervention by a person who does not hold a license to practice veterinary medicine issued under this chapter.

(c) A veterinarian shall avoid a relationship that may result in interference with or intervention in the veterinarian's practice of veterinary medicine by a person who does not hold a license to practice veterinary medicine issued under this chapter.

SECTION _____. Section 801.3541, Occupations Code, is amended to read as follows:

Sec. 801.3541. LOCATION OF VETERINARY PRACTICE. The premises on which a veterinary practice is located may be owned by a person or other legal entity that does not hold a license to practice veterinary medicine issued under this chapter.

SECTION _____. Sections 801.402, 801.403, and 801.404, Occupations Code, are amended to read as follows:

Sec. 801.402. GENERAL GROUNDS FOR LICENSE DENIAL OR DISCIPLINARY ACTION. A person is subject to denial of a license or to disciplinary action under Section 801.401 if the person:

(1) presents to the board dishonest or fraudulent evidence of the person's qualifications;

(2) commits fraud or deception in the examination process or to obtain a license;

(3) is chronically or habitually intoxicated, chemically dependent, or addicted to drugs;

(4) engages in dishonest or illegal practices in, or connected with, the practice of veterinary medicine or the practice of equine dentistry;

(5) is convicted of a felony under the laws of this state, another state, or the United States;

(6) engages in practices or conduct that violates the board's rules of professional conduct;

(7) permits another to use the person's license to practice veterinary medicine or to practice equine dentistry in this state;

(8) fraudulently issues a health certificate, vaccination certificate, test chart, or other form used in the practice of veterinary medicine or the practice of equine dentistry that relates to the presence or absence of animal disease;

(9) issues a false certificate relating to the sale for human consumption of inedible animal products;

(10) commits fraud in connection with the application or reporting of a test of animal disease;

(11) pays or receives a kickback, rebate, bonus, or other remuneration for treating an animal or for referring a client to another provider of veterinary or equine dental services or goods;

(12) performs or prescribes unnecessary or unauthorized treatment;

(13) orders a prescription drug or controlled substance for the treatment of an animal without first establishing a veterinarian-client-patient relationship;

(14) refuses to admit a board representative to inspect the person's client and patient records and business premises during regular business hours;

(15) fails to keep the person's equipment and business premises in a sanitary condition;

(16) commits gross malpractice or a pattern of acts that indicate consistent malpractice, negligence, or incompetence in the practice of veterinary medicine or the practice of equine dentistry; or

(17) is subject to disciplinary action in another jurisdiction, including the suspension, probation, or revocation of a license to practice veterinary medicine or to practice equine dentistry issued by another jurisdiction.

Sec. 801.403. FAILURE TO REPORT DISEASE. The board may suspend or revoke a license to practice veterinary medicine, place a veterinarian ~~[license holder]~~ on probation, or reprimand a veterinarian ~~[license holder]~~ if the veterinarian ~~[license holder]~~ knowingly fails to report a disease to the Texas Animal Health Commission as required by Section 161.101, Agriculture Code.

Sec. 801.404. FAILURE TO MAINTAIN RECORDS. The board may suspend or revoke a license to practice veterinary medicine issued under this chapter or place on probation a veterinarian ~~[license holder]~~ if the veterinarian ~~[license holder]~~ fails to maintain records as required by Section 801.359.

SECTION _____. Subsection (a), Section 801.502, Occupations Code, is amended to read as follows:

(a) The board, through the attorney general or a district or county attorney, may bring an action for an injunction, or a proceeding incident to an injunction, to:

(1) enforce this chapter; or

(2) enjoin a person, including a corporation, organization, business trust, estate, trust, partnership, association, or other legal entity, from practicing veterinary medicine or equine dentistry in violation of this chapter.

SECTION _____. Subsections (a) and (b), Section 801.506, Occupations Code, are amended to read as follows:

(a) A sole proprietorship, partnership, or corporation may not engage in veterinary medicine unless the owner, each partner, or each shareholder, as appropriate, holds a license to practice veterinary medicine issued under this chapter.

(b) A corporation, organization, business trust, estate, trust, partnership, association, or other legal entity not owned exclusively by one or more persons licensed to practice veterinary medicine under this chapter may not engage in veterinary medicine.

SECTION _____. Subsection (a), Section 801.508, Occupations Code, is amended to read as follows:

(a) If it appears to the board that a person is engaging in an act or practice that constitutes the practice of veterinary medicine without a license or the practice of equine dentistry without a license under this chapter, the board, after notice and opportunity for a hearing, may issue a cease and desist order prohibiting the person from engaging in the activity.

SECTION _____. Chapter 801, Occupations Code, is amended by adding Subchapter L to read as follows:

SUBCHAPTER L. EQUINE DENTAL PROVIDER ADVISORY COMMITTEE

Sec. 801.551. EQUINE DENTAL PROVIDER ADVISORY COMMITTEE.

(a) The equine dental provider advisory committee is an informal advisory committee to the board and is not subject to Chapter 2110, Government Code.

(b) The advisory committee does not have any independent rulemaking authority but shall advise and assist the board in adopting rules relating to licensed equine dental providers.

(c) The board shall consult the advisory committee regarding matters relating to a disciplinary action that involves a licensed equine dental provider.

Sec. 801.552. APPOINTMENT OF ADVISORY COMMITTEE. (a) The equine dental provider advisory committee is composed of three members appointed by the presiding officer of the board as follows:

(1) two members who are licensed equine dental providers, have resided in and engaged in the practice of smoothing or filing teeth by floating in this state for the five years immediately preceding the date of appointment, and are of good repute; and

(2) one veterinarian member who is active and in good standing and who supervises a licensed equine dental provider.

(b) Notwithstanding Subsection (a)(1), the advisory committee members appointed under Subsection (a)(1) are not required to hold a license to practice equine dentistry issued under this chapter until September 1, 2012. This subsection expires September 1, 2013.

(c) Appointments to the advisory committee shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

Sec. 801.553. TERMS; VACANCY. (a) Members of the equine dental provider advisory committee are appointed for staggered six-year terms. The terms of the members expire on February 1 of each odd-numbered year.

(b) If a vacancy occurs during a member's term, the presiding officer of the board shall appoint a new member to fill the unexpired term.

(c) An advisory committee member may not serve more than two consecutive full terms.

Sec. 801.554. GROUNDS FOR REMOVAL. (a) It is a ground for removal from the equine dental provider advisory committee that a member:

(1) does not have at the time of appointment the qualifications required by Section 801.552;

(2) does not maintain during service on the advisory committee the qualifications required by Section 801.552; and

(3) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term.

(b) The validity of an action of the advisory committee is not affected by the fact that it is taken when a ground for removal of an advisory committee member exists.

Sec. 801.555. OFFICERS. The presiding officer of the board shall designate biennially an equine dental provider advisory committee member as the presiding officer of the advisory committee to serve in that capacity at the will of the presiding officer of the board.

Sec. 801.556. REIMBURSEMENT; COMPENSATION. An equine dental provider advisory committee member is not entitled to reimbursement for travel expenses or compensation.

Sec. 801.557. MEETINGS. (a) The equine dental provider advisory committee shall meet at the call of the presiding officer of the board.

(b) A meeting may be held by telephone conference call.

SECTION _____. Subchapter F, Chapter 411, Government Code, is amended by adding Section 411.0995 to read as follows:

Sec. 411.0995. ACCESS TO CRIMINAL HISTORY RECORD INFORMATION: STATE BOARD OF VETERINARY MEDICAL EXAMINERS.

The State Board of Veterinary Medical Examiners is entitled to obtain from the department criminal history record information maintained by the department that relates to a person who is:

(1) an applicant for a license to practice equine dentistry under Chapter 801, Occupations Code; or

(2) the holder of a license under that chapter.

SECTION _____. (a) Not later than October 1, 2011, the presiding officer of the State Board of Veterinary Medical Examiners shall appoint the initial members of the equine dental provider advisory committee established under Subchapter L, Chapter 801, Occupations Code, as added by this Act, with the term of one member expiring February 1, 2013, the term of one member expiring February 1, 2015, and the term of one member expiring February 1, 2017.

(b) Not later than June 1, 2012, the State Board of Veterinary Medical Examiners, in consultation with the equine dental provider advisory committee established under Subchapter L, Chapter 801, Occupations Code, as added by this Act, shall adopt the rules, procedures, and jurisprudence examination required to implement the licensure of equine dental providers under Chapter 801, Occupations Code, as amended by this Act.

(c) Notwithstanding Section 801.260, Occupations Code, as added by this Act, a person employed as an equine dental provider is not required to hold a license under Chapter 801, Occupations Code, and is not subject to the imposition of a penalty for not holding a license under that chapter before September 1, 2012.

SECTION _____. (a) Before September 1, 2013, the State Board of Veterinary Medical Examiners shall issue a provisional equine dental provider license required by Section 801.260, Occupations Code, as added by this Act, to a person who is not certified by the International Association of Equine Dentistry or another board-approved entity or organization if the person:

(1) presents proof of graduation from or completion of 280 hours of course work at a dental school; and

(2) submits, with the application and other information required under Subsection (b), Section 801.261, Occupations Code, as added by this Act:

(A) three notarized affidavits in which equine owners or industry professionals who are residents of this state state that they know the person and that the person is known in the community to be competent in the practice of smoothing or filing teeth by floating; and

(B) three letters of recommendation from veterinarians licensed to practice in this state.

(b) A license issued under this section may be renewed in the same manner as a license issued to a person under Section 801.261, Occupations Code, as added by this Act.

(c) This section expires September 1, 2013.

The amendment to **HB 414** was read and was adopted by a viva voce vote.

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

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

HB 414 as amended was passed to third reading by a viva voce vote.

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

HOUSE BILL 414 ON THIRD READING

Senator Hegar moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 414** be placed on its third reading and final passage.

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

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

HOUSE BILL 3506 ON SECOND READING

Senator Davis moved to suspend the regular order of business to take up for consideration **HB 3506** at this time on its second reading:

HB 3506, Relating to the use of transportation allotment funds by school districts to provide bus passes or cards to certain students.

The motion prevailed.

Senator Birdwell asked to be recorded as voting "Nay" on suspension of the regular order of business.

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

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

Nays: Birdwell.

HOUSE BILL 3506 ON THIRD READING

Senator Davis moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3506** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Birdwell.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 1. (Same as previous roll call)

HOUSE BILL 3857 ON SECOND READING

On motion of Senator Gallegos and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3857** at this time on its second reading:

HB 3857, Relating to the creation of the Near Northside Management District.

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

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

HOUSE BILL 3857 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 3857** be placed on its third reading and final passage.

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

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

HOUSE BILL 3391 ON SECOND READING

On motion of Senator Seliger and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3391** at this time on its second reading:

HB 3391, Relating to rainwater harvesting and other water conservation initiatives.

The bill was read second time.

Senator Seliger offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3391** (senate committee printing) as follows:

(1) In Section 3 of the bill, in Section 341.042, Health and Safety Code, Subsection (b-2) (page 2, line 6), strike the phrase "give written notice of that intention to" and replace with the phrase "receive the consent of".

The amendment to **HB 3391** was read and was adopted by a viva voce vote.

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

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

HB 3391 as amended was passed to third reading by a viva voce vote.

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

HOUSE BILL 3391 ON THIRD READING

Senator Seliger moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3391** be placed on its third reading and final passage.

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

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

HOUSE BILL 3329 ON SECOND READING

On motion of Senator Fraser and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3329** at this time on its second reading:

HB 3329, Relating to a daily temporary private club permit for a nonprofit corporation.

The bill was read second time.

Senator Fraser offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3329** (senate committee printing) in SECTION 2 of the bill, in added Section 33.25(b), Alcoholic Beverage Code (page 1, lines 48 and 49), by striking "establishing a temporary private club for a nonprofit corporation issued a daily temporary private club permit" and substituting "obtaining and operating under a daily temporary private club permit issued".

The amendment to **HB 3329** was read and was adopted by a viva voce vote.

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

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

HB 3329 as amended was passed to third reading by a viva voce vote.

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

HOUSE BILL 3329 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 3329** be placed on its third reading and final passage.

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

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

HOUSE BILL 1711 ON SECOND READING

On motion of Senator Jackson and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1711** at this time on its second reading:

HB 1711, Relating to disaster remediation contracts.

The bill was read second time.

Senator Jackson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1711** (as engrossed) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE ____ . FEDERAL FUNDS DESIGNATION

SECTION ____ .01. Subchapter H, Chapter 418, Government Code, is amended by adding Section 418.187 to read as follows:

Sec. 418.187. FEDERAL FUNDS DESIGNATION. (a) The governor shall designate an agency or agencies, under the Omnibus Budget Reconciliation Act of 1981 (Pub. L. No. 97-35) and 24 CFR, Part 570, Subpart I, to administer the state's allocation of federal funds provided under the community development block grant nonentitlement program authorized by Title I of the Housing and Community Development Act of 1974 (42 U.S.C. Section 5301 et seq.).

(b) Notwithstanding any other provision of this Act, the Governor retains his authority to designate an agency or agencies to administer all non-entitlement federal community development block grant program funds and federal community development block grant disaster recovery funds and to transfer such federal funds to any agency.

SECTION ____ .02. The following are repealed:
Subdivision 487.051(a)(6), Government Code; and
Subchapter I, Chapter 487, Government Code.

The amendment to **HB 1711** was read and was adopted by a viva voce vote.

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

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

HB 1711 as amended was passed to third reading by a viva voce vote.

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

HOUSE BILL 1711 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 1711** be placed on its third reading and final passage.

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

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

HOUSE BILL 2295 ON SECOND READING

On motion of Senator Hegar and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2295** at this time on its second reading:

HB 2295, Relating to the administration of the universal service fund.

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

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

HOUSE BILL 2295 ON THIRD READING

Senator Hegar moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2295** be placed on its third reading and final passage.

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

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

HOUSE BILL 596 ON SECOND READING

On motion of Senator Harris and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 596** at this time on its second reading:

HB 596, Relating to offenses involving operating a motorboat in a circular course.

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

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

HOUSE BILL 596 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 596** be placed on its third reading and final passage.

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

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

HOUSE BILL 1395 ON SECOND READING

On motion of Senator Watson and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1395** at this time on its second reading:

HB 1395, Relating to the requirements to operate personal watercraft and certain boats.

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

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

HOUSE BILL 1395 ON THIRD READING

Senator Watson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1395** be placed on its third reading and final passage.

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

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

HOUSE BILL 1830 ON SECOND READING

On motion of Senator Harris and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1830** at this time on its second reading:

HB 1830, Relating to the method of delivery of certain notices sent by statutory probate court associate judges.

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

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

HOUSE BILL 1830 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 1830** be placed on its third reading and final passage.

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

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

HOUSE BILL 2690 ON SECOND READING

On motion of Senator Seliger, on behalf of Senator Williams, and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2690** at this time on its second reading:

HB 2690, Relating to authorizing local governments to convey real property interests to other local governments for less than fair market value.

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

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

HOUSE BILL 2690 ON THIRD READING

Senator Seliger, on behalf of Senator Williams, moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2690** be placed on its third reading and final passage.

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

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

HOUSE BILL 1771 ON SECOND READING

On motion of Senator Harris and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1771** at this time on its second reading:

HB 1771, Relating to the establishment of the Specialty Courts Advisory Council.

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

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

HOUSE BILL 1771 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 1771** be placed on its third reading and final passage.

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

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

HOUSE BILL 2519 ON SECOND READING

On motion of Senator Watson and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2519** at this time on its second reading:

HB 2519, Relating to the regulation of certain motor vehicle auctions.

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

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

HOUSE BILL 2519 ON THIRD READING

Senator Watson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2519** be placed on its third reading and final passage.

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

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

HOUSE BILL 1866 ON SECOND READING

On motion of Senator Rodriguez and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1866** at this time on its second reading:

HB 1866, Relating to the designation of State Highway 20 as a historic highway.

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

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

HOUSE BILL 1866 ON THIRD READING

Senator Rodriguez moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1866** be placed on its third reading and final passage.

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

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

HOUSE BILL 1495 ON SECOND READING

On motion of Senator Hinojosa and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1495** at this time on its second reading:

HB 1495, Relating to the application of the Information Resources Management Act to public junior colleges and public junior college districts.

The bill was read second time.

Senator Hinojosa offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1495** (senate committee report) as follows:

(1) At the end of Section 1 of the bill (page 1, line 1-16) between "Subchapter I" and the period, insert "and except as to Section 2054.119, Government Code"

The amendment to **HB 1495** was read and was adopted by a viva voce vote.

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

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

HB 1495 as amended was passed to third reading by a viva voce vote.

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

HOUSE BILL 1495 ON THIRD READING

Senator Hinojosa moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1495** be placed on its third reading and final passage.

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

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

**SENATE RULES SUSPENDED
(Posting Rules)**

On motion of Senator Whitmire and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on Criminal Justice might meet and consider the following bills today:

HB 1043, HB 1103, HB 1241, HB 1646.

**VOTE RECONSIDERED ON
COMMITTEE SUBSTITUTE HOUSE BILL 1887**

Senator Hinojosa moved to reconsider the vote by which **CSHB 1887** was finally passed.

The motion prevailed without objection.

CSHB 1887, Relating to tax administration of and procedures for property tax protests and appeals; changing the elements of an offense.

Question — Shall **CSHB 1887** be finally passed?

Senator Patrick offered the following amendment to the bill:

Floor Amendment No. 1 on Third Reading

Amend **CSHB 1887** (senate committee printing) on third reading as follows:

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

SECTION ____ . Subsection (e-1), Section 41.45, Tax Code, is amended to read as follows:

(e-1) A property owner or a person ~~[who has not]~~ designated by the property owner as the owner's [an] agent under Section 1.111 to represent the owner at the hearing ~~[and]~~ who fails to appear at the hearing is entitled to a new hearing if the property owner or the owner's agent files, not later than the fourth day after the date the hearing occurred, a written statement with the appraisal review board showing good cause for the failure to appear and requesting a new hearing.

The amendment to **CSHB 1887** was read and was adopted by a viva voce vote.

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

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

CSHB 1887 as again amended was again finally passed by the following vote: Yeas 31, Nays 0.

**SENATE RULE 11.10(a) SUSPENDED
(Public Notice of Committee Meetings)**

On motion of Senator Estes and by unanimous consent, Senate Rule 11.10(a) was suspended in order that the Committee on Agriculture and Rural Affairs might meet today.

**SENATE RULES SUSPENDED
(Posting Rules)**

On motion of Senator Williams and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on Transportation and Homeland Security might meet and consider the following bills today:

HB 90, HB 468, HB 478, HB 890, HB 1937, HB 2237, HB 2678, HB 3064, HB 3079, HB 3837.

**SENATE RULE 11.10(a) SUSPENDED
(Public Notice of Committee Meetings)**

On motion of Senator Jackson and by unanimous consent, Senate Rule 11.10(a) was suspended in order that the Committee on Economic Development might meet today.

**SENATE RULES SUSPENDED
(Posting Rules)**

On motion of Senator West and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on Intergovernmental Relations might meet and consider the following bills today:

HB 427, HB 645, HB 896, HB 1267, HB 1690, HB 2266, HB 2315, HB 2316, HB 2338, HB 2387, HB 3076, HB 3462, HB 3133, HB 3216, HB 3352, HB 3743, HB 3815, HB 3821, HB 3834, HB 3845, HB 3852, HB 3862.

**SENATE RULES SUSPENDED
(Posting Rules)**

On motion of Senator Ellis and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on Government Organization might meet and consider the following bills today:

HB 326, HB 1247, HB 1728, HB 2439, HCR 86.

**SENATE RULES SUSPENDED
(Posting Rules)**

On motion of Senator Fraser and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on Natural Resources might meet and consider **HB 125** today.

HOUSE BILL 1665 ON THIRD READING

The Presiding Officer laid before the Senate **HB 1665** sponsored by Senator Fraser on its third reading. The bill had been read third time and further consideration postponed:

HB 1665, Relating to the notification requirements regarding certain land use regulations in an area near military facilities.

Question — Shall **HB 1665** be finally passed?

MOTION TO RECONSIDER VOTE

Senator Van de Putte moved to reconsider the vote by which **HB 1665** was passed to third reading.

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

Yeas: Davis, Duncan, Ellis, Hinojosa, Lucio, Rodriguez, Uresti, Van de Putte, Watson, Wentworth, West, Zaffirini.

Nays: Birdwell, Carona, Deuell, Eltife, Estes, Fraser, Gallegos, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Whitmire, Williams.

Question — Shall **HB 1665** be finally passed?

Senator Wentworth offered the following amendment to the bill:

Floor Amendment No. 1 on Third Reading

Amend **HB 1665** on third reading as follows:

(1) In SECTION 2 of the bill, in the recital, strike "Subsections (d) and (e)" and substitute "Subsections (d), (e), and (f)".

(2) In SECTION 2 of the bill, in the first sentence of added Section 397.005(d), Local Government Code, strike "tract of land located in the corporate boundaries or in the extraterritorial jurisdiction of a municipality that is a defense community and within three miles of the boundary line of a defense base" and substitute "tract of land located within three miles of the boundary line of a defense base and in the corporate boundaries or in the extraterritorial jurisdiction of a municipality that is included in a defense community, other than a municipality described by Subsection (f)".

(3) In SECTION 2 of the bill, in the second sentence of added Section 397.005(d), Local Government Code, strike "a defense community that is a municipality" and substitute "a municipality subject to this subsection".

(4) In SECTION 2 of the bill, in the third sentence of added Section 397.005(d), Local Government Code, strike "defense community" and substitute "municipality".

(5) In SECTION 2 of the bill, in the last sentence of added Section 397.005(d), Local Government Code, strike "defense community" and substitute "municipality".

(6) In SECTION 2 of the bill, in added Section 397.005(e), Local Government Code, between "municipality" and "that", insert ", other than a municipality described by Subsection (f),".

(7) In SECTION 2 of the bill, following added Section 397.005(e), Local Government Code, add the following:

(f) Subsections (d) and (e) do not apply to a municipality primarily located in a county that has a population of more than 1.5 million in which more than 75 percent of the population lives in a single municipality.

The amendment to **HB 1665** was read and failed of adoption by the following vote: Yeas 10, Nays 21.

Yeas: Davis, Hinojosa, Lucio, Rodriguez, Uresti, Van de Putte, Watson, Wentworth, West, Zaffirini.

Nays: Birdwell, Carona, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Gallegos, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Whitmire, Williams.

Senator Hinojosa offered the following amendment to the bill:

Floor Amendment No. 2 on Third Reading

Amend **HB 1665** (senate committee report) on third reading by adding the following appropriately numbered SECTION and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION ____. (a) Subtitle B, Title 2, Utilities Code, is amended by adding Chapter 44 to read as follows:

CHAPTER 44. CERTAIN WIND-POWERED ELECTRIC GENERATION
FACILITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 44.001. APPLICABILITY OF CHAPTER. This chapter applies to the construction or expansion of a wind-powered electric generation facility if:

(1) the construction or expansion includes a meteorological tower or a structure that will extend 200 feet or higher above ground level; and

(2) any part of the construction or expansion will occur within 25 miles of the boundaries of a federally owned or operated radar installation or military installation included on the notification list described by Section 44.052.

[Sections 44.002-44.050 reserved for expansion]

SUBCHAPTER B. REQUEST FOR NOTIFICATION

Sec. 44.051. REQUEST FOR NOTIFICATION. A federally owned or operated radar installation or military installation may request that the commission notify the installation of a planned construction or expansion project if any part of the construction or expansion will occur within 25 miles of the boundaries of the installation.

Sec. 44.052. NOTIFICATION LIST. (a) The commission shall create and maintain a list of federally owned or operated radar installations and military installations that have requested notification from the commission under Section 44.051.

(b) The commission shall publish the notification list required by this section on its Internet website and provide a copy of the list to each person who requests a copy.

Sec. 44.053. PROCEDURES RELATING TO LIST. The commission may establish procedures to enable federally owned or operated radar installations and military installations to request notification and to be included on the notification list required by Section 44.052, including procedures relating to the information an installation must provide to the commission.

[Sections 44.054-44.100 reserved for expansion]

SUBCHAPTER C. NOTIFICATION OF CONSTRUCTION OR EXPANSION

Sec. 44.101. NOTIFICATION TO COMMISSION. (a) A person who intends to begin a construction or expansion project to which this chapter applies shall provide written notice to the commission of the planned construction or expansion not later than the 120th day before the date the construction or expansion begins.

(b) The notice required under Subsection (a) must include:

(1) the name of the person planning the construction or expansion;

(2) the location of the planned construction or expansion;

(3) a detailed description of any construction or expansion that will extend 200 feet or higher above ground level, including the final proposed height of that construction or expansion; and

(4) the name and location of each federally owned or operated radar installation or military installation included on the notification list described by Section 44.052 and whose boundaries are within 25 miles of any part of the planned construction or expansion.

(c) The commission may charge a fee in an amount provided by commission rule to a person who provides written notice of a construction or expansion project to the commission under this section. The amount of the fee may not exceed an amount reasonably necessary to recover the cost of administering this chapter.

(d) The commission may establish an expedited process to allow a person who provides written notice to the commission of a construction or expansion project under this section to alter the notice to reflect a change in the information required to be included in the notice.

Sec. 44.102. NOTIFICATION BY COMMISSION. Not later than the 25th day after the date the commission receives notice of a proposed construction or expansion project under Section 44.101, the commission shall provide a copy of the notice to:

(1) any federally owned or operated radar installation or military installation that the commission determines is included on the notification list described by Section 44.052 and that has boundaries within 25 miles of the proposed project;

(2) each county or municipality that the commission determines has boundaries within 25 miles of a federally owned or operated radar installation or military installation described by Subdivision (1);

(3) the office of the governor;

(4) the Texas Military Preparedness Commission;

(5) the office of the comptroller of public accounts;

(6) the State Energy Conservation Office;

(7) the General Land Office; and

(8) the Energy Siting Clearinghouse of the United States Department of Defense.

Sec. 44.103. ELECTRONIC REPORTING TO COMMISSION; ELECTRONIC TRANSMISSION OF INFORMATION BY COMMISSION. (a) The commission shall encourage the use of electronic submission through the Internet, to the extent practicable, for submitting the notice required by Section 44.101. The commission may adjust fees assessed under this chapter as necessary to encourage electronic submission. An electronic report must be submitted in a format prescribed by the commission.

(b) The commission may transmit electronically the notice required by Section 44.102.

[Sections 44.104-44.150 reserved for expansion]

SUBCHAPTER D. FEDERAL AVIATION ADMINISTRATION DETERMINATION

Sec. 44.151. FEDERAL AVIATION ADMINISTRATION DETERMINATION. A person may not begin construction or expansion of a wind-powered electric generation facility to which this chapter applies until the person files with the commission a copy of a Determination of No Hazard to Air Navigation issued by the Federal Aviation Administration under 14 C.F.R. Part 77 for the proposed construction or expansion.

Sec. 44.152. EXCEPTION IN CASE OF EMERGENCY. (a) Section 44.151 does not apply to the emergency construction or expansion of a wind-powered electric generation facility to which this chapter applies that is prompted by an emergency involving essential public services, public health, or public safety.

(b) A person who begins emergency construction or expansion under Subsection (a) shall file the copy of the determination required by Section 44.151 in a manner determined by the commission.

Sec. 44.153. ADMINISTRATIVE PENALTY. The commission may implement penalties and other enforcement actions under Chapter 15 against a person who does not comply with this subchapter or a rule or order adopted under this subchapter.

Sec. 44.154. RULES. The commission may adopt rules and conduct proceedings necessary to administer and enforce this subchapter.

[Sections 44.155-44.200 reserved for expansion]

SUBCHAPTER E. PROCEDURES AND DELEGATION

Sec. 44.201. CONSULTATION CONCERNING PROCEDURES. The commission shall consult with the office of the governor, the Texas Military Preparedness Commission, the office of the comptroller of public accounts, the State Energy Conservation Office, and the General Land Office in developing and amending procedures to implement and administer this chapter.

Sec. 44.202. DELEGATION. (a) For an area in the Electric Reliability Council of Texas power region, the commission may delegate a duty assigned to the commission under this chapter to an independent organization certified under Section 39.151.

(b) For an area in this state outside the Electric Reliability Council of Texas power region, the commission may delegate a duty assigned to the commission under this chapter to an appropriate electric utility that provides electric service to a wind-powered electric generation facility or to the area in which construction of a wind-powered electric generation facility is planned.

(b) As soon as practicable after the effective date of this Act and not later than January 1, 2012, the Public Utility Commission of Texas shall adopt procedures necessary to implement Chapter 44, Utilities Code, as added by this section.

(c) This section applies only to construction or expansion of a wind-powered electric generation facility that begins on or after the effective date of this Act. Construction or expansion of a wind-powered electric generation facility that began before the effective date of this Act is governed by the law in effect on the date the construction or expansion began, and that law is continued in effect for that purpose.

HINOJOSA
LUCIO

The amendment to **HB 1665** was read and was adopted by a viva voce vote.

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

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

HB 1665 as again amended was again finally passed by the following vote: Yeas 24, Nays 7.

Yeas: Birdwell, Carona, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Gallegos, Harris, Hegar, Hinojosa, Huffman, Jackson, Lucio, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, West, Whitmire, Williams.

Nays: Davis, Rodriguez, Uresti, Van de Putte, Watson, Wentworth, Zaffirini.

**SENATE RULE 5.14(a) SUSPENDED
(Intent Calendar)**

Senator Williams moved to suspend Senate Rule 5.14(a) to extend the time to allow Members to place bills and resolutions on the Intent Calendar until 6:00 p.m. today.

The motion prevailed without objection.

RECESS

On motion of Senator Whitmire, the Senate at 2:19 p.m. recessed until 3:30 p.m. today.

AFTER RECESS

The Senate met at 3:53 p.m. and was called to order by the President.

GUESTS PRESENTED

Senator West was recognized and introduced to the Senate Brandon Scott, 2011 University of Texas business graduate, his mother, Katrina McGhee, and his cousin, Tonya Lee.

The Senate welcomed its guests.

**VOTES RECONSIDERED ON
SENATE BILL 1581**

Senator Ogden moved to reconsider the vote by which **SB 1581** was finally passed.

The motion prevailed by the following vote: Yeas 20, Nays 10, Present-not voting 1.

Yeas: Birdwell, Carona, Deuell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Hinojosa, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, West, Williams.

Nays: Davis, Ellis, Gallegos, Lucio, Rodriguez, Uresti, Van de Putte, Watson, Whitmire, Zaffirini.

Present-not voting: Wentworth.

SB 1581, Relating to state fiscal matters, and certain public health matters, related to public and higher education; providing penalties.

Question — Shall **SB 1581** be finally passed?

Senator Ogden moved to reconsider the vote by which **SB 1581** was passed to engrossment.

The motion prevailed by the following vote: Yeas 20, Nays 10, Present-not voting 1.

Yeas: Birdwell, Carona, Deuell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Hinojosa, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, West, Williams.

Nays: Davis, Ellis, Gallegos, Lucio, Rodriguez, Uresti, Van de Putte, Watson, Whitmire, Zaffirini.

Present-not voting: Wentworth.

Question — Shall **SB 1581** be passed to engrossment?

LEAVE OF ABSENCE

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

VOTE RECONSIDERED

Question — Shall **SB 1581** be passed to engrossment?

Senator Ogden moved to reconsider the vote by which Floor Amendment No. 5 to **SB 1581** was adopted.

The motion prevailed by the following vote: Yeas 28, Nays 1, Present-not voting 1.

Yeas: Birdwell, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Gallegos, Harris, Hegar, Hinojosa, Huffman, Jackson, Lucio, Nelson, Nichols, Ogden, Patrick, Rodriguez, Seliger, Shapiro, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Uresti.

Present-not voting: Wentworth.

Absent-excused: Carona.

Question — Shall Floor Amendment No. 5 to **SB 1581** be adopted?

Senator Wentworth withdrew Floor Amendment No. 5.

Senator Shapiro offered the following amendment to the bill:

Floor Amendment No. 13

Amend **SB 1581** by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE ____. FISCAL MATTERS RELATING TO PUBLIC SCHOOL FINANCE AND PREKINDERGARTEN PROGRAMS

SECTION ____.01. Effective September 1, 2011, Section 12.106, Education Code, is amended by amending Subsection (a) and adding Subsection (a-3) to read as follows:

(a) A charter holder is entitled to receive for the open-enrollment charter school funding under Chapter 42 equal to the greater of:

(1) the percentage specified by Section 42.2516(i) multiplied by the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Sections 42.302(a-1)(2) and (3), as they existed on January 1, 2009, that would have been received for the school during the 2009-2010 school year under Chapter 42 as it existed on January 1, 2009, and an additional amount of the percentage specified by Section 42.2516(i) multiplied by \$120 for each student in weighted average daily attendance; or

(2) the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Section 42.302(a), to which the charter holder would be entitled for the school under Chapter 42 if the school were a school district without a tier one local share for purposes of Section 42.253 and without any local revenue for purposes of Section 42.2516.

(a-3) In determining funding for an open-enrollment charter school under Subsection (a), the commissioner shall apply the regular program adjustment factor provided under Section 42.101 to calculate the regular program allotment to which a charter school is entitled.

SECTION __.02. Effective September 1, 2016, Subsection (a), Section 12.106, Education Code, is amended to read as follows:

(a) A charter holder is entitled to receive for the open-enrollment charter school funding under Chapter 42 equal to ~~the greater of:~~

~~[(1) the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Sections 42.302(a 1)(2) and (3), as they existed on January 1, 2009, that would have been received for the school during the 2009-2010 school year under Chapter 42 as it existed on January 1, 2009, and an additional amount of \$120 for each student in weighted average daily attendance; or~~

~~[(2)] the amount of funding per student in weighted average daily attendance, excluding enrichment funding under Section 42.302(a), to which the charter holder would be entitled for the school under Chapter 42 if the school were a school district without a tier one local share for purposes of Section 42.253 [and without any local revenue for purposes of Section 42.2516].~~

SECTION __.03. Section 21.402, Education Code, is amended by amending Subsection (a) and adding Subsection (i) to read as follows:

(a) Except as provided by Subsection (d)~~[(e)]~~ or (f), a school district must pay each classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse not less than the following minimum monthly salary, based on the employee's level of experience:

<u>Years of Experience</u>	<u>Monthly Salary</u>
0	2,732
1	2,791
2	2,849
3	2,908
4	3,032
5	3,156
6	3,280
7	3,395
8	3,504
9	3,607
10	3,704
11	3,796
12	3,884
13	3,965
14	4,043
15	4,116
16	4,186

17	4,251
18	4,313
19	4,372
20 & Over	4,427

~~[in addition to other factors, as determined by commissioner rule, determined by the following formula:~~

$$[MS = SF \times FS$$

~~where:~~

~~["MS" is the minimum monthly salary;~~

~~["SF" is the applicable salary factor specified by Subsection (e); and~~

~~["FS" is the amount, as determined by the commissioner under Subsection (b), of state and local funds per weighted student, including funds provided under Section 42.2516, available to a district eligible to receive state assistance under Section 42.302 with a maintenance and operations tax rate per \$100 of taxable value equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50, except that the amount of state and local funds per weighted student does not include the amount attributable to the increase in the guaranteed level made by Chapter 1187, Acts of the 77th Legislature, Regular Session, 2001.]~~

(i) Not later than January 1, 2013, the commissioner shall review the minimum salary schedule and submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee with primary jurisdiction over primary and secondary education a written report that recommends the method to be used to determine the schedule. This subsection expires September 1, 2013.

SECTION __.04. Section 29.1532, Education Code, is amended by amending Subsection (a) and adding Subsections (d) and (e) to read as follows:

(a) A school district's prekindergarten program shall be designed to develop skills necessary for success in the regular public school curriculum, including language, mathematics, ~~and~~ social, and school readiness skills that are aligned with the Texas Prekindergarten Guidelines approved by the commissioner.

(d) A school district's prekindergarten program must demonstrate effectiveness in preparing children for kindergarten according to a school readiness certification system established by the commissioner. The commissioner may waive participation in the certification system for a school district whose prekindergarten program otherwise demonstrates effectiveness in preparing students for kindergarten.

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

SECTION __.05. Section 29.154, Education Code, is amended to read as follows:

Sec. 29.154. EVALUATION OF PREKINDERGARTEN PROGRAMS.

(a) The commissioner [of education, in consultation with the commissioner of human services,] shall:

(1) monitor and evaluate prekindergarten programs as to their developmental appropriateness and the development of school readiness, as aligned with the Texas Prekindergarten Guidelines approved by the commissioner and a school readiness certification system established by the commissioner;

(2) ~~[-The commissioners shall also]~~ evaluate the potential for coordination on a statewide basis of prekindergarten programs with government-funded early childhood care and education programs such as child care administered under Chapter 44, Human Resources Code, and federal Head Start programs; and

(3) ~~[-That evaluation shall use recommendations contained in the report to the 71st Legislature required by Chapter 717, Acts of the 70th Legislature, Regular Session, 1987. For the purpose of providing cost effective care for children during the full workday with developmentally appropriate curriculum, the commissioners shall investigate the use of existing child care program sites as prekindergarten sites. Following the evaluation required by this section, the commissioners,]~~ in cooperation with school districts and other program administrators, ~~[shall]~~ integrate programs, staff, and program sites for prekindergarten, child-care, and federal Head Start programs to the greatest extent possible.

(b) The commissioner or an entity acting under a contract with the commissioner shall provide technical assistance to implement proven school readiness components to a school district operating a prekindergarten program under this subchapter that is not certified by the commissioner following two consecutive review cycles. The commissioner is not required to provide assistance to a school district under this subsection if funding is not available.

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

SECTION ____.06. Subsection (a), Section 41.002, Education Code, is amended to read as follows:

(a) A school district may not have a wealth per student that exceeds:

(1) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to a district with maintenance and operations tax revenue per cent of tax effort equal to the maximum amount provided per cent under Section 42.101(a) ~~[42.101]~~, for the district's maintenance and operations tax effort equal to or less than the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year;

(2) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board, for the first six cents by which the district's maintenance and operations tax rate exceeds the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, subject to Section 41.093(b-1); or

(3) \$319,500, for the district's maintenance and operations tax effort that exceeds the first six cents by which the district's maintenance and operations tax effort exceeds the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year.

SECTION ____.07. Section 42.003, Education Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b) A student to whom Subsection (a) does not apply is entitled to the benefits of the Foundation School Program if the student is enrolled in a prekindergarten class under Section 29.153 that participates in a school readiness certification system established by the commissioner or that has received a waiver from participation under Section 29.1532(d).

(b-1) For the 2011-2012 and 2012-2013 school years, the commissioner may withhold an amount of the total funds appropriated for allotments for students described by Subsection (b) to pay the costs of school districts' participation in the school readiness certification system. This subsection expires September 1, 2013.

SECTION __.08. The heading to Section 42.101, Education Code, is amended to read as follows:

Sec. 42.101. BASIC AND REGULAR PROGRAM ALLOTMENTS [ALLOTMENT].

SECTION __.09. Effective September 1, 2011, Section 42.101, Education Code, is amended by amending Subsections (a) and (b) and adding Subsections (c) and (c-1) to read as follows:

(a) The basic [~~For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an~~] allotment is an amount equal to the lesser of \$4,765 or the amount that results from the following formula:

$$A = \$4,765 \times (DCR/MCR)$$

where:

"A" is the resulting amount for [allotment to which] a district [is entitled];

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

(b) A greater amount for any school year for the basic allotment under Subsection (a) may be provided by appropriation.

(c) A school district is entitled to a regular program allotment equal to the amount that results from the following formula:

$$RPA = ADA \times AA \times RPAF$$

where:

"RPA" is the regular program allotment to which the district is entitled;

"ADA" is the number of students in average daily attendance in a district, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C;

"AA" is the district's adjusted basic allotment, as determined under Section 42.102 and, if applicable, as further adjusted under Section 42.103; and

"RPAF" is the regular program adjustment factor, which is 1.00 or a different amount established by appropriation.

(c-1) Notwithstanding Subsection (c), the regular program adjustment factor ("RPAF") is 0.98 for the 2011-2012 and 2012-2013 school years. This subsection expires September 1, 2013.

SECTION __.10. Effective September 1, 2015, Subsection (a), Section 42.101, Education Code, is amended to read as follows:

(a) The basic ~~[For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an] allotment is an amount~~ equal to the lesser of \$4,900 ~~[\$4,765]~~ or the amount that results from the following formula:

$$A = \underline{\$4,900} \text{ } \del{[\$4,765]} \text{ } \times (\text{DCR}/\text{MCR})$$

where:

"A" is the resulting amount for ~~[allotment to which]~~ a district ~~[is entitled]~~;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION __.11. Effective September 1, 2016, Subsection (a), Section 42.101, Education Code, is amended to read as follows:

(a) The basic ~~[For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an] allotment is an amount~~ equal to the lesser of \$5,000 ~~[\$4,765]~~ or the amount that results from the following formula:

$$A = \underline{\$5,000} \text{ } \del{[\$4,765]} \text{ } \times (\text{DCR}/\text{MCR})$$

where:

"A" is the resulting amount for ~~[allotment to which]~~ a district ~~[is entitled]~~;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION __.12. Section 42.105, Education Code, is amended to read as follows:

Sec. 42.105. SPARSITY ADJUSTMENT. Notwithstanding Sections 42.101, 42.102, and 42.103, a school district that has fewer than 130 students in average daily attendance shall be provided a regular program ~~[an adjusted basic]~~ allotment on the basis of 130 students in average daily attendance if it offers a kindergarten through grade 12 program and has preceding or current year's average daily attendance of at least 90 students or is 30 miles or more by bus route from the nearest high school district. A district offering a kindergarten through grade 8 program whose preceding

or current year's average daily attendance was at least 50 students or which is 30 miles or more by bus route from the nearest high school district shall be provided a regular program ~~[an adjusted basic]~~ allotment on the basis of 75 students in average daily attendance. An average daily attendance of 60 students shall be the basis of providing the regular program ~~[adjusted basic]~~ allotment if a district offers a kindergarten through grade 6 program and has preceding or current year's average daily attendance of at least 40 students or is 30 miles or more by bus route from the nearest high school district.

SECTION __.13. Subsection (a), Section 42.251, Education Code, is amended to read as follows:

(a) The sum of the regular program ~~[basic]~~ allotment under Subchapter B and the special allotments under Subchapter C, computed in accordance with this chapter, constitute the tier one allotments. The sum of the tier one allotments and the guaranteed yield allotments under Subchapter F, computed in accordance with this chapter, constitute the total cost of the Foundation School Program.

SECTION __.14. Subchapter E, Chapter 42, Education Code, is amended by adding Section 42.2514 to read as follows:

Sec. 42.2514. ADDITIONAL STATE AID FOR TAX INCREMENT FINANCING PAYMENTS. For each school year, a school district, including a school district that is otherwise ineligible for state aid under this chapter, is entitled to state aid in an amount equal to the amount the district is required to pay into the tax increment fund for a reinvestment zone under Section 311.013(n), Tax Code.

SECTION __.15. Effective September 1, 2011, Section 42.2516, Education Code, is amended by amending Subsections (b), (d), and (f-2) and adding Subsections (b-2) and (i) to read as follows:

(b) Notwithstanding any other provision of this title, a school district that imposes a maintenance and operations tax at a rate at least equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year is entitled to at least the amount of state revenue necessary to provide the district with the sum of:

(1) the percentage specified by Subsection (i) of the amount, as calculated under Subsection (e), ~~[the amount]~~ of state and local revenue per student in weighted average daily attendance for maintenance and operations that the district would have received during the 2009-2010 school year under Chapter 41 and this chapter, as those chapters existed on January 1, 2009, at a maintenance and operations tax rate equal to the product of the state compression percentage for that year multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year;

(2) the percentage specified by Subsection (i) of an amount equal to the product of \$120 multiplied by the number of students in weighted average daily attendance in the district; and

(3) ~~[an amount equal to the amount the district is required to pay into the tax increment fund for a reinvestment zone under Section 311.013(n), Tax Code, in the current tax year; and~~

~~[(4)]~~ any amount to which the district is entitled under Section 42.106.

(b-2) If a school district adopts a maintenance and operations tax rate that is below the rate equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, the commissioner shall reduce the district's entitlement under this section in proportion to the amount by which the adopted rate is less than the rate equal to the product of the state compression percentage multiplied by the rate adopted by the district for the 2005 tax year.

(d) In determining the amount to which a district is entitled under Subsection (b)(1), the commissioner shall:

(1) include the percentage specified by Subsection (i) of any amounts received by the district during the 2008-2009 school year under Rider 86, page III-23, Chapter 1428 (H.B. 1), Acts of the 80th Legislature, Regular Session, 2007 (the General Appropriations Act); and

(2) for a school district that paid tuition under Section 25.039 during the 2008-2009 school year, reduce the amount to which the district is entitled by the amount of tuition paid during that school year.

(f-2) The rules adopted by the commissioner under Subsection (f-1) must:

(1) require the commissioner to determine, as if this section did not exist, the effect under Chapter 41 and this chapter of a school district's action described by Subsection (f-1)(1), (2), (3), or (4) on the total state revenue to which the district would be entitled or the cost to the district of purchasing sufficient attendance credits to reduce the district's wealth per student to the equalized wealth level; and

(2) require an increase or reduction in the amount of state revenue to which a school district is entitled under Subsection (b)(1) ~~[(b)]~~ that is substantially equivalent to any change in total state revenue or the cost of purchasing attendance credits that would apply to the district if this section did not exist.

(i) The percentage to be applied for purposes of Subsections (b)(1) and (2) and Subsection (d)(1) is 93.50 percent for the 2011-2012 school year and 92.35 percent for each subsequent school year. A different percentage for any school year may be established by appropriation.

SECTION __.16. Effective September 1, 2016, the heading to Section 42.2516, Education Code, is amended to read as follows:

Sec. 42.2516. STATE COMPRESSION PERCENTAGE ~~[ADDITIONAL STATE AID FOR TAX REDUCTION]~~.

SECTION __.17. Effective September 1, 2016, Subsection (a), Section 42.2516, Education Code, is amended to read as follows:

(a) In this title ~~[section]~~, "state compression percentage" means the percentage ~~[as determined by the commissioner]~~ of a school district's adopted maintenance and operations tax rate for the 2005 tax year that serves as the basis for state funding ~~[for tax rate reduction under this section]~~. If the state compression percentage is not established by appropriation for a school year, the [The] commissioner shall determine the state compression percentage for each school year based on the percentage by which a district is able to reduce the district's maintenance and operations tax rate for that year, as compared to the district's adopted maintenance and operations tax rate for the 2005 tax year, as a result of state funds appropriated for

~~[distribution under this section for]~~ that year from the property tax relief fund established under Section 403.109, Government Code, or from another funding source available for school district property tax relief.

SECTION __.18. Effective September 1, 2011, Subsection (a), Section 42.25161, Education Code, is amended to read as follows:

(a) The commissioner shall provide South Texas Independent School District with the amount of state aid necessary to ensure that the district receives an amount of state and local revenue per student in weighted average daily attendance that is at least the percentage specified by Section 42.2516(i) of \$120 greater than the amount the district would have received per student in weighted average daily attendance during the 2009-2010 school year under this chapter, as it existed on January 1, 2009, at a maintenance and operations tax rate equal to the product of the state compression percentage multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, provided that the district imposes a maintenance and operations tax at that rate.

SECTION __.19. Effective September 1, 2011, Subsection (h), Section 42.253, Education Code, is amended to read as follows:

(h) If the amount appropriated for the Foundation School Program for the second year of a state fiscal biennium is less than the amount to which school districts are entitled for that year, the commissioner shall certify the amount of the difference to the Legislative Budget Board not later than January 1 of the second year of the state fiscal biennium. The Legislative Budget Board shall propose to the legislature that the certified amount be transferred to the foundation school fund from the economic stabilization fund and appropriated for the purpose of increases in allocations under this subsection. If the legislature fails during the regular session to enact the proposed transfer and appropriation and there are not funds available under Subsection (j), the commissioner shall ~~adjust [reduce]~~ the total amounts due to each school district under this chapter and the total amounts necessary for each school district to comply with the requirements of Chapter 41 [amount of state funds allocated to each district] by an amount determined by applying to each district, including a district receiving funds under Section 42.2516, the same percentage adjustment so that the total amount of the adjustment to all districts [a method under which the application of the same number of cents of increase in tax rate in all districts applied to the taxable value of property of each district, as determined under Subchapter M, Chapter 403, Government Code,] results in an amount [a total levy] equal to the total adjustment necessary [reduction]. The following fiscal year:

(1) ~~[;]~~ a district's entitlement under this section is increased by an amount equal to the adjustment [reduction] made under this subsection; and

(2) the amount necessary for a district to comply with the requirements of Chapter 41 is reduced by an amount equal to the adjustment made under this subsection.

SECTION __.20. Effective September 1, 2016, Subsection (h), Section 42.253, Education Code, is amended to read as follows:

(h) If the amount appropriated for the Foundation School Program for the second year of a state fiscal biennium is less than the amount to which school districts are entitled for that year, the commissioner shall certify the amount of the difference

to the Legislative Budget Board not later than January 1 of the second year of the state fiscal biennium. The Legislative Budget Board shall propose to the legislature that the certified amount be transferred to the foundation school fund from the economic stabilization fund and appropriated for the purpose of increases in allocations under this subsection. If the legislature fails during the regular session to enact the proposed transfer and appropriation and there are not funds available under Subsection (j), the commissioner shall adjust [reduce] the total amounts due to each school district under this chapter and the total amounts necessary for each school district to comply with the requirements of Chapter 41 [amount of state funds allocated to each district] by an amount determined by applying to each district the same percentage adjustment so that the total amount of the adjustment to all districts [a method under which the application of the same number of cents of increase in tax rate in all districts applied to the taxable value of property of each district, as determined under Subchapter M, Chapter 403, Government Code.] results in an amount [a total levy] equal to the total adjustment necessary [reduction]. The following fiscal year:

- (1) [5] a district's entitlement under this section is increased by an amount equal to the adjustment [reduction] made under this subsection; and
- (2) the amount necessary for a district to comply with the requirements of Chapter 41 is reduced by an amount equal to the adjustment made under this subsection.

SECTION __.21. Subsection (b), Section 42.260, Education Code, is amended to read as follows:

(b) For each year, the commissioner shall certify to each school district or participating charter school the amount of [

~~(+)]~~ additional funds to which the district or school is entitled due to the increase made by H.B. No. 3343, Acts of the 77th Legislature, Regular Session, 2001, to:

- (1) ~~(A)]~~ the equalized wealth level under Section 41.002; or
- (2) ~~(B)]~~ the guaranteed level of state and local funds per weighted student per cent of tax effort under Section 42.302~~[; or~~

~~[(2) additional state aid to which the district or school is entitled under Section 42.2513].~~

SECTION __.22. Section 44.004, Education Code, is amended by adding Subsection (g-1) to read as follows:

(g-1) If the rate calculated under Subsection (c)(5)(A)(ii)(b) decreases after the publication of the notice required by this section, the president is not required to publish another notice or call another meeting to discuss and adopt the budget and the proposed lower tax rate.

SECTION __.23. Subsection (a), Section 26.05, Tax Code, is amended to read as follows:

(a) The governing body of each taxing unit, before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, shall adopt a tax rate for the current tax year and shall notify the assessor for the unit of the rate adopted. The tax rate consists of two components, each of which must be approved separately. The components are:

(1) for a taxing unit other than a school district, the rate that, if applied to the total taxable value, will impose the total amount published under Section 26.04(e)(3)(C), less any amount of additional sales and use tax revenue that will be used to pay debt service, or, for a school district, the rate calculated ~~published~~ under Section 44.004(c)(5)(A)(ii)(b), Education Code; and

(2) the rate that, if applied to the total taxable value, will impose the amount of taxes needed to fund maintenance and operation expenditures of the unit for the next year.

SECTION __.24. Effective September 1, 2016, Subsection (i), Section 26.08, Tax Code, is amended to read as follows:

(i) For purposes of this section, the effective maintenance and operations tax rate of a school district is the tax rate that, applied to the current total value for the district, would impose taxes in an amount that, when added to state funds that would be distributed to the district under Chapter 42, Education Code, for the school year beginning in the current tax year using that tax rate, ~~[including state funds that will be distributed to the district in that school year under Section 42.2516, Education Code,]~~ would provide the same amount of state funds distributed under Chapter 42, Education Code, ~~[including state funds distributed under Section 42.2516, Education Code,]~~ and maintenance and operations taxes of the district per student in weighted average daily attendance for that school year that would have been available to the district in the preceding year if the funding elements for Chapters 41 and 42, Education Code, for the current year had been in effect for the preceding year.

SECTION __.25. Subsection (n), Section 311.013, Tax Code, is amended to read as follows:

(n) This subsection applies only to a school district whose taxable value computed under Section 403.302(d), Government Code, is reduced in accordance with Subdivision (4) of that subsection. In addition to the amount otherwise required to be paid into the tax increment fund, the district shall pay into the fund an amount equal to the amount by which the amount of taxes the district would have been required to pay into the fund in the current year if the district levied taxes at the rate the district levied in 2005 exceeds the amount the district is otherwise required to pay into the fund in the year of the reduction. This additional amount may not exceed the amount the school district receives in state aid for the current tax year under Section 42.2514, Education Code. The school district shall pay the additional amount after the district receives the state aid to which the district is entitled for the current tax year under Section 42.2514, Education Code.

SECTION __.26. Effective September 1, 2011, the following provisions of the Education Code are repealed:

- (1) Subsections (b), (c), (c-1), (c-2), (c-3), and (e), Section 21.402;
- (2) Section 42.008; and
- (3) Subsections (a-1) and (a-2), Section 42.101.

SECTION __.27. (a) Effective September 1, 2016, the following provisions of the Education Code are repealed:

- (1) Section 41.0041;
- (2) Subsections (b), (b-1), (b-2), (c), (d), (e), (f), (f-1), (f-2), (f-3), and (i), Section 42.2516;

- (3) Section 42.25161;
- (4) Subsection (c), Section 42.2523;
- (5) Subsection (g), Section 42.2524;
- (6) Subsection (c-1), Section 42.253; and
- (7) Section 42.261.

(b) Effective September 1, 2016, Subsections (i-1) and (j), Section 26.08, Tax Code, are repealed.

SECTION ____.28. Except as otherwise provided by this Act, the changes in law made by this Act to Chapter 42, Education Code, apply beginning with the 2011-2012 school year.

SECTION ____.29. The change in law made by Subsection (g-1), Section 44.004, Education Code, as added by this Act, applies beginning with adoption of a tax rate for the 2011 tax year.

The amendment to **SB 1581** was read.

Senator Shapiro offered the following amendment to Floor Amendment No. 13:

Floor Amendment No. 14

Amend the Amendment No. 13 by Shapiro to **SB 1581** as follows:

(1) Strike SECTION _____.03 of the amendment, amending Section 21.402, Education Code (page 2, line 23, through page 4, line 17), and substitute the following:

SECTION _____.03. Effective September 1, 2011, Section 21.402, Education Code, is amended by amending Subsections (a), (b), (c), and (c-1) and adding Subsection (i) to read as follows:

(a) Except as provided by Subsection (d)~~[(e)]~~ or (f), a school district must pay each classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse not less than the minimum monthly salary, based on the employee's level of experience in addition to other factors, as determined by commissioner rule, determined by the following formula:

$$MS = SF \times FS$$

where:

"MS" is the minimum monthly salary;

"SF" is the applicable salary factor specified by Subsection (c); and

"FS" is the amount, as determined by the commissioner under Subsection (b), of the basic allotment as provided by Section 42.101(a) or (b) for a school district with a maintenance and operations tax rate at least equal to the state maximum compressed tax rate, as defined by Section 42.101(a) [state and local funds per weighted student, including funds provided under Section 42.2516, available to a district eligible to receive state assistance under Section 42.302 with a maintenance and operations tax rate per \$100 of taxable value equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50, except that the amount of state and local funds per weighted student does not include the amount attributable to the increase in the guaranteed level made by Chapter 1187, Acts of the 77th Legislature, Regular Session, 2001].

(b) Not later than June 1 of each year, the commissioner shall determine the basic allotment and resulting monthly salaries to be paid by school districts as provided by Subsection (a) ~~[amount of state and local funds per weighted student available, for purposes of Subsection (a), to a district described by that subsection for the following school year].~~

(c) The salary factors per step are as follows:

Years Experience	0	1	2	3	4
Salary Factor	<u>.5464</u> [.6226]	<u>.5582</u> [.6360]	<u>.5698</u> [.6492]	<u>.5816</u> [.6627]	<u>.6064</u> [.6909]
Years Experience	5	6	7	8	9
Salary Factor	<u>.6312</u> [.7192]	<u>.6560</u> [.7474]	<u>.6790</u> [.7737]	<u>.7008</u> [.7985]	<u>.7214</u> [.8220]
Years Experience	10	11	12	13	14
Salary Factor	<u>.7408</u> [.8444]	<u>.7592</u> [.8650]	<u>.7768</u> [.8854]	<u>.7930</u> [.9025]	<u>.8086</u> [.9213]
Years Experience	15	16	17	18	19
Salary Factor	<u>.8232</u> [.9280]	<u>.8372</u> [.9529]	<u>.8502</u> [.9687]	<u>.8626</u> [.9828]	<u>.8744</u> [.9962]
Years Experience	20	and over			
Salary Factor	<u>.8854</u> [1.009]				

(c-1) Notwithstanding Subsections ~~[Subsection]~~ (a) and (b) ~~[, for the 2009-2010 and 2010-2011 school years]~~, each school district shall pay a monthly salary to ~~[increase the monthly salary of]~~ each classroom teacher, full-time speech pathologist, full-time librarian, full-time counselor certified under Subchapter B, and full-time school nurse that is at least equal to the following monthly salary or the monthly salary determined by the commissioner under Subsections (a) and (b), whichever is ~~[by the]~~ greater ~~[of]~~:

<u>Years of Experience</u>	<u>Monthly Salary</u>
0	<u>2,732</u>
1	<u>2,791</u>
2	<u>2,849</u>
3	<u>2,908</u>
4	<u>3,032</u>
5	<u>3,156</u>
6	<u>3,280</u>
7	<u>3,395</u>
8	<u>3,504</u>
9	<u>3,607</u>
10	<u>3,704</u>
11	<u>3,796</u>
12	<u>3,884</u>
13	<u>3,965</u>
14	<u>4,043</u>
15	<u>4,116</u>
16	<u>4,186</u>
17	<u>4,251</u>
18	<u>4,313</u>
19	<u>4,372</u>
<u>20 & Over</u>	<u>4,427</u>

~~[(1) \$80; or~~

~~[(2) the maximum uniform amount that, when combined with any resulting increases in the amount of contributions made by the district for social security coverage for the specified employees or by the district on behalf of the specified employees under Section 825.405, Government Code, may be provided using an amount equal to the product of \$60 multiplied by the number of students in weighted average daily attendance in the school during the 2009-2010 school year.]~~

(i) Not later than January 1, 2013, the commissioner shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee with primary jurisdiction over primary and secondary education a written report that evaluates and provides recommendations regarding the salary schedule. This subsection expires September 1, 2013.

(2) In SECTION _____.26 of the amendment, strike Subdivision (1) (page 20, lines 8-9) and substitute the following:

(1) Subsections (c-2), (c-3), and (e), Section 21.402;

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

SECTION _____. Effective September 1, 2016, Section 21.402, Education Code, is amended by amending Subsection (a) and adding Subsection (e-1) to read as follows:

(a) Except as provided by Subsection (d), ~~(e-1)~~ [(e)], or (f), a school district must pay each classroom teacher, full-time librarian, full-time counselor certified under Subchapter B, or full-time school nurse not less than the minimum monthly salary, based on the employee's level of experience in addition to other factors, as determined by commissioner rule, determined by the following formula:

$$MS = SF \times FS$$

where:

"MS" is the minimum monthly salary;

"SF" is the applicable salary factor specified by Subsection (c); and

"FS" is the amount, as determined by the commissioner under Subsection (b), of the basic allotment as provided by Section 42.101(a) or (b) for a school district with a maintenance and operations tax rate at least equal to the state maximum compressed tax rate, as defined by Section 42.101(a) ~~[state and local funds per weighted student, including funds provided under Section 42.2516, available to a district eligible to receive state assistance under Section 42.302 with a maintenance and operations tax rate per \$100 of taxable value equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50, except that the amount of state and local funds per weighted student does not include the amount attributable to the increase in the guaranteed level made by Chapter 1187, Acts of the 77th Legislature, Regular Session, 2001].~~

(e-1) If the minimum monthly salary determined under Subsection (a) for a particular level of experience is less than the minimum monthly salary for that level of experience in the preceding year, the minimum monthly salary is the minimum monthly salary for the preceding year.

The amendment to Floor Amendment No. 13 to **SB 1581** was read and was adopted by a viva voce vote.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 14 except as follows:

Absent-excused: Carona.

Senator Shapiro offered the following amendment to Floor Amendment No. 13:

Floor Amendment No. 15

Amend the Amendment No. 13 by Shapiro to **SB 1581** in SECTION____.07 of the bill by striking added Section 42.003(b-1), Education Code (page 7, lines 17-22), and substituting the following:

(b-1) For the 2012-2013 school year, the commissioner may withhold from a school district an amount of the funds appropriated to the district for allotments for prekindergarten students enrolled in a classroom that participates in a school readiness certification system established by the commissioner to pay the costs of the district's participation in the school readiness certification system. The commissioner may also withhold an amount of revenue to which a school district is otherwise entitled under Section 42.2516 to ensure that each school district in this state pays a comparable amount of the costs of participation in the system. This subsection expires September 1, 2013.

The amendment to Floor Amendment No. 13 to **SB 1581** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

Senator Deuell offered the following amendment to Floor Amendment No. 13:

Floor Amendment No. 16

Amend Amendment No. 13 by Shapiro, amending **SB 1581** as follows:

(1) In the item of the amendment that amends Section 12.106, Education Code, by amending Subsection (a) and adding Subsection (a-3), insert the following after added Subsection (a-3) and make conforming changes to the recital:

(a-4) Notwithstanding Subsection (a), for the 2013-2014 through 2017-2018 school years, the commissioner shall reduce the amount to which a charter holder is entitled under Subsection (a)(1) in a manner comparable to the reductions required under Section 42.2516(j). This subsection expires September 1, 2018.

(2) In the item of the amendment that amends Section 12.106(a), Education Code, effective September 1, 2016, in the recital, strike "September 1, 2016" and substitute "September 1, 2018".

(3) Strike the items in the amendment that amend Section 42.101(a), Education Code, effective September 1, 2015, and September 1, 2016, and substitute the following:

SECTION____. Effective September 1, 2013, Subsection (a), Section 42.101, Education Code, is amended to read as follows:

(a) The basic ~~[For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for~~

~~which an additional allotment is made under Subchapter C, a district is entitled to an~~ allotment is an amount equal to the lesser of \$4,860 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$4,860} [\del{\$4,765}] X (DCR/MCR)$$

where:

"A" is the resulting amount for [~~allotment to which~~] a district [~~is entitled~~];

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION _____. Effective September 1, 2014, Subsection (a), Section 42.101, Education Code, is amended to read as follows:

(a) The basic [~~For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an~~] allotment is an amount equal to the lesser of \$4,890 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$4,890} [\del{\$4,765}] X (DCR/MCR)$$

where:

"A" is the resulting amount for [~~allotment to which~~] a district [~~is entitled~~];

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION _____. Effective September 1, 2015, Subsection (a), Section 42.101, Education Code, is amended to read as follows:

(a) The basic [~~For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an~~] allotment is an amount equal to the lesser of \$5,074 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$5,074} [\del{\$4,765}] X (DCR/MCR)$$

where:

"A" is the resulting amount for [~~allotment to which~~] a district [~~is entitled~~];

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION _____. Effective September 1, 2016, Subsection (a), Section 42.101, Education Code, is amended to read as follows:

(a) ~~The basic [For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an] allotment is an amount equal to the lesser of \$5,088 [~~\$4,765~~] or the amount that results from the following formula:~~

$$A = \underline{\$5,088} \text{ [~~\$4,765~~] } X (\text{DCR/MCR})$$

where:

"A" is the resulting amount for [allotment to which] a district [is entitled];

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION _____. Effective September 1, 2017, Section 42.101, Education Code, is amended by adding Subsection (a-3) to read as follows:

(a-3) For purposes of Subsection (a), for the 2017-2018 and 2018-2019 school years, the amount of \$5,088 is replaced each place it appears in that subsection with the greatest amount, as determined by the commissioner, that may be substituted using funds resulting from, for the 2017-2018 school year, the reductions described by Sections 12.106(a-4) and 42.2516(j) and, for the 2018-2019 school year, the repeal effective September 1, 2018, of portions of Section 42.2516 providing additional state aid for tax reduction. The basic allotment determined under this subsection for the 2018-2019 school year continues in effect for subsequent school years unless a greater amount is provided by appropriation.

(4) In the item of the amendment that amends Section 42.2516(b), Education Code, effective September 1, 2011, after "Notwithstanding any other provision of this title," insert "but subject to Subsection (j)."

(5) In the item of the amendment that amends Section 42.2516, Education Code, effective September 1, 2011, by amending Subsections (b), (d), and (f-2) and adding Subsection (b-2) and (i), insert the following Subsection (j) and make conforming changes to the recital:

(j) Notwithstanding any other provision of this section:

(1) for the 2013-2014 school year, the maximum amount of additional revenue per student in weighted average daily attendance to which a school district is entitled under this section is reduced by an amount equal to one-sixth of the difference between the total amount of state and local revenue per student in weighted average daily attendance to which the district is entitled under this chapter, including revenue under this section, and the total amount of state and local revenue per student in weighted average daily attendance to which the district is entitled under this chapter, excluding revenue under this section;

(2) for the 2014-2015 school year, the maximum amount of additional revenue is reduced as described by Subdivision (1), except that the fraction used for purposes of the reduction is two-sixths;

(3) for the 2015-2016 school year, the maximum amount of additional revenue is reduced as described by Subdivision (1), except that the fraction used for purposes of the reduction is three-sixths;

(4) for the 2016-2017 school year, the maximum amount of additional revenue is reduced as described by Subdivision (1), except that the fraction used for purposes of the reduction is four-sixths; and

(5) for the 2017-2018 school year, the maximum amount of additional revenue is reduced as described by Subdivision (1), except that the fraction used for purposes of the reduction is five-sixths.

(6) In the item of the amendment that amends the heading to Section 42.2516, Education Code, effective September 1, 2016, in the recital, strike "September 1, 2016" and substitute "September 1, 2018".

(7) In the item of the amendment that amends Section 42.2516(a), Education Code, effective September 1, 2016, in the recital, strike "September 1, 2016" and substitute "September 1, 2018".

(8) In the item of the amendment that amends Section 42.253(h), Education Code, effective September 1, 2016, in the recital, strike "September 1, 2016" and substitute "September 1, 2018".

(9) In the item of the amendment that amends Section 26.08(i), Tax Code, effective September 1, 2016, in the recital, strike "September 1, 2016" and substitute "September 1, 2018".

(10) In the item of the amendment that repeals provisions of the Education Code, effective September 1, 2016, strike "September 1, 2016" and substitute "September 1, 2018".

(11) In the item of the amendment that repeals provisions of the Tax Code, effective September 1, 2016, strike "September 1, 2016" and substitute "September 1, 2018".

(12) Renumber items of the amendment accordingly.

The amendment to Floor Amendment No. 13 to **SB 1581** was read.

Senator Deuell withdrew Floor Amendment No. 16.

REMARKS ORDERED PRINTED

On motion of Senator Gallegos and by unanimous consent, the remarks by Senator Deuell regarding Floor Amendment No. 16 to **SB 1581** were ordered reduced to writing and printed in the *Senate Journal*.

The remarks were printed in an addendum to this day's Journal.

Senator Duncan offered the following amendment to Floor Amendment No. 13:

Floor Amendment No. 17

Amend Amendment No. 13 by Shapiro to **SB 1581** by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. It is the intent of the legislature, between fiscal year 2014 and fiscal year 2017, to continue to reduce the amount of Additional State Aid For Tax Reduction (ASATR) to which a school district is entitled under Section 42.2516, Education Code, and to increase the basic allotment to which a school district is entitled under Section 42.101, Education Code.

DUNCAN
DEUELL
SELIGER

The amendment to Floor Amendment No. 13 to **SB 1581** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

Senator Lucio offered the following amendment to Floor Amendment No. 13:

Floor Amendment No. 18

Amend Floor Amendment No. 13 by Shapiro to **SB 1581** as follows:

(1) In the SECTION of the amendment amending Section 12.106, Education Code, effective September 1, 2011, strike added Section 12.106(a-3), Education Code, and make appropriate corresponding changes to the recital of that SECTION of the amendment.

(2) Strike the SECTION of the amendment amending Section 41.002(a), Education Code.

(3) Strike the SECTION of the amendment amending the heading to Section 42.101, Education Code, the SECTION of the amendment amending Section 42.101, Education Code, effective September 1, 2011, the SECTION of the amendment amending Section 42.101, Education Code, effective September 1, 2015, and the SECTION of the amendment amending Section 42.101, Education Code, effective September 1, 2016, and substitute the following appropriately numbered SECTIONS:

SECTION _____. Effective September 1, 2015, Section 42.101(a), Education Code, is amended to read as follows:

(a) For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to the lesser of \$4,900 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$4,900} [\del{\$4,765}] \times (\text{DCR}/\text{MCR})$$

where:

"A" is the allotment to which a district is entitled;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

SECTION _____. Effective September 1, 2016, Section 42.101(a), Education Code, is amended to read as follows:

(a) For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to the lesser of \$5,000 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$5,000} [\text{\$4,765}] \times (\text{DCR}/\text{MCR})$$

where:

"A" is the allotment to which a district is entitled;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

(4) Strike the SECTIONS of the amendment amending Sections 42.105 and 42.251(a), Education Code.

(5) Add the following appropriately numbered SECTION:

SECTION _____. Section 42.259, Education Code, is amended by adding Subsection (d-1) to read as follows:

(d-1) Notwithstanding any other provision of this section, payments from the foundation school fund that would otherwise be required to be made under Subsection (b)(2) or (c)(7) on or before July 25, 2013, are reduced by the amount necessary, as determined by the commissioner, to pay the difference between the costs to the Foundation School Program for the state fiscal biennium beginning September 1, 2011, of providing school districts with the total amounts to which the districts are entitled under this chapter, excluding amounts provided under Section 42.2516, and the amounts to which school districts would have been entitled under this chapter, excluding amounts provided under Section 42.2516, if the changes proposed to this chapter by the senate committee report for S.B. 22, Acts of the 82nd Legislature, Regular Session, 2011, regarding the establishment of a regular program allotment had become law. The amounts by which payments are reduced under this subsection shall be paid after September 5, 2013, and not later than September 10, 2013. Subsection (f) does not apply to payments made in accordance with this subsection. This subsection expires September 1, 2014.

(6) Renumber SECTIONS in the amendment accordingly.

The amendment to Floor Amendment No. 13 to **SB 1581** was read.

On motion of Senator Shapiro, Floor Amendment No. 18 was tabled by the following vote: Yeas 16, Nays 14.

Yeas: Birdwell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Shapiro, Wentworth, Williams.

Nays: Davis, Deuell, Ellis, Gallegos, Hinojosa, Lucio, Rodriguez, Seliger, Uresti, Van de Putte, Watson, West, Whitmire, Zaffirini.

Absent-excused: Carona.

Senator Lucio offered the following amendment to Floor Amendment No. 13:

Floor Amendment No. 19

Amend Amendment No. 13 by Shapiro to **SB 1581** as follows:

(1) In the recital to SECTION __ of the amendment amending Section 12.106, Education Code, effective September 1, 2011, strike "Subsection (a-3)" and substitute "Subsections (a-3) and (a-4)".

(2) In SECTION __ of the amendment amending Section 12.106, Education Code, insert the following:

(a-4) Subsection (a-3) and this subsection expire September 1, 2013.

(3) In SECTION __ of the amendment amending Section 41.002, Education Code, between the period and "Subsection (a)", insert "Effective September 1, 2011,".

(4) In SECTION __ of the amendment, in added Section 42.101(c-1), Education Code, strike "This subsection expires" and substitute "Subsection (c) and this subsection expire".

(5) In SECTION __ of the amendment amending Section 41.002, Education Code, effective September 1, 2015, strike amended Section 42.101(a), Education Code, and substitute the following:

(a) For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to the lesser of \$4,900 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$4,900} [\del{\$4,765}] \times (\text{DCR}/\text{MCR})$$

where:

"A" is the allotment to which a district is entitled;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

(6) In SECTION __ of the amendment amending Section 41.002, Education Code, effective September 1, 2016, strike amended Section 42.101(a), Education Code, and substitute the following:

(a) For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an

additional allotment is made under Subchapter C, a district is entitled to an allotment equal to the lesser of \$5,000 [~~\$4,765~~] or the amount that results from the following formula:

$$A = \underline{\$5,000} [\del{\$4,765}] \times (\text{DCR}/\text{MCR})$$

where:

"A" is the allotment to which a district is entitled;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

(7) In the recital to SECTION __ of the amendment amending Section 42.105, Education Code, between the period and "Section 42.105", insert "Effective September 1, 2011,".

(8) In the recital to SECTION __ of the amendment amending Section 42.251, Education Code, between the period and "Subsection (a)", insert "Effective September 1, 2011,".

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

SECTION _____. Effective September 1, 2013, Subsection (a), Section 41.002, Education Code, is amended to read as follows:

(a) A school district may not have a wealth per student that exceeds:

(1) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to a district with maintenance and operations tax revenue per cent of tax effort equal to the maximum amount provided per cent under Section 42.101, for the district's maintenance and operations tax effort equal to or less than the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year;

(2) the wealth per student that generates the amount of maintenance and operations tax revenue per weighted student available to the Austin Independent School District, as determined by the commissioner in cooperation with the Legislative Budget Board, for the first six cents by which the district's maintenance and operations tax rate exceeds the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year, subject to Section 41.093(b-1); or

(3) \$319,500, for the district's maintenance and operations tax effort that exceeds the first six cents by which the district's maintenance and operations tax effort exceeds the rate equal to the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year.

SECTION _____. Effective September 1, 2013, Section 42.101, Education Code, is amended to read as follows:

Sec. 42.101. BASIC ALLOTMENT. (a) For each student in average daily attendance, not including the time students spend each day in special education programs in an instructional arrangement other than mainstream or career and technology education programs, for which an additional allotment is made under Subchapter C, a district is entitled to an allotment equal to the lesser of of \$4,765 or the amount that results from the following formula:

$$A = \$4,765 \times (\text{DCR}/\text{MCR})$$

where:

"A" is the allotment to which a district is entitled;

"DCR" is the district's compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by the maintenance and operations tax rate adopted by the district for the 2005 tax year; and

"MCR" is the state maximum compressed tax rate, which is the product of the state compression percentage, as determined under Section 42.2516, multiplied by \$1.50.

(b) A greater amount for any school year may be provided by appropriation.

SECTION _____. Effective September 1, 2013, Section 42.105, Education Code, is amended to read as follows:

Sec. 42.105. SPARSITY ADJUSTMENT. Notwithstanding Sections 42.101, 42.102, and 42.103, a school district that has fewer than 130 students in average daily attendance shall be provided an adjusted basic allotment on the basis of 130 students in average daily attendance if it offers a kindergarten through grade 12 program and has preceding or current year's average daily attendance of at least 90 students or is 30 miles or more by bus route from the nearest high school district. A district offering a kindergarten through grade 8 program whose preceding or current year's average daily attendance was at least 50 students or which is 30 miles or more by bus route from the nearest high school district shall be provided an adjusted basic allotment on the basis of 75 students in average daily attendance. An average daily attendance of 60 students shall be the basis of providing the adjusted basic allotment if a district offers a kindergarten through grade 6 program and has preceding or current year's average daily attendance of at least 40 students or is 30 miles or more by bus route from the nearest high school district.

SECTION _____. Effective September 1, 2013, Subsection (a), Section 42.251, Education Code, is amended to read as follows:

(a) The sum of the basic allotment under Subchapter B and the special allotments under Subchapter C, computed in accordance with this chapter, constitute the tier one allotments. The sum of the tier one allotments and the guaranteed yield allotments under Subchapter F, computed in accordance with this chapter, constitute the total cost of the Foundation School Program.

The amendment to Floor Amendment No. 13 to **SB 1581** was read.

On motion of Senator Shapiro, Floor Amendment No. 19 was tabled by the following vote: Yeas 17, Nays 13.

Yeas: Birdwell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Wentworth, Williams.

Nays: Davis, Deuell, Ellis, Gallegos, Hinojosa, Lucio, Rodriguez, Uresti, Van de Putte, Watson, West, Whitmire, Zaffirini.

Absent-excused: Carona.

Senator Hegar offered the following amendment to Floor Amendment No. 13:

Floor Amendment No. 20

Amend the Amendment No. 13 by Shapiro to **SB 1581** as follows:

(1) In the SECTION of the amendment amending Section 42.2516, Education Code, effective September 1, 2011, in the recital (page 12, line 1), strike "Subsections (b-2) and (i)" and substitute "Subsection (i)".

(2) In the SECTION of the amendment amending Section 42.2516, Education Code, effective September 1, 2011 (page 12, line 30, through page 13, line 6), strike added Subsection (b-2).

HEGAR
ELTIFE

The amendment to Floor Amendment No. 13 to **SB 1581** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

Senator Van de Putte offered the following amendment to Floor Amendment No. 13:

Floor Amendment No. 21

Amend the Amendment No. 13 by Shapiro to **SB 1581** by adding the following section _____. Subchapter G, Ch. 42, Education Code, is amended by adding Section 42.2525 to read as follows:

Section 42.2525. Adjustments for Certain Department of Defense Districts. "The Commissioner is granted the authority to ensure that Department of Defense school districts do not receive more than an eight percent reduction should the federal government reduce appropriations."

The amendment to Floor Amendment No. 13 to **SB 1581** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

Question recurring on the adoption of Floor Amendment No. 13 to **SB 1581**, the amendment as amended was adopted by the following vote: Yeas 17, Nays 13.

Yeas: Birdwell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Wentworth, Williams.

Nays: Davis, Deuell, Ellis, Gallegos, Hinojosa, Lucio, Rodriguez, Uresti, Van de Putte, Watson, West, Whitmire, Zaffirini.

Absent-excused: Carona.

Senator Davis offered the following amendment to the bill:

Floor Amendment No. 22

Amend **SB 1581** by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE ____ . TEMPORARY EXEMPTION OR TAX REDUCTION FOR
CERTAIN HIGH-COST GAS

SECTION ____ . (a) Section 201.057, Tax Code, is amended by adding Subsection (e-1) to read as follows:

(e-1) Each month, the commission shall certify the average closing price of gas during the previous three months based on various price indices available to producers. The commission shall publish certifications under this subsection in the Texas Register. Notwithstanding any other provision of this section, the commission may not certify that gas is high-cost gas for purposes of this section during any month that the average closing price of gas certified by the commission for the previous three-month period is more than \$6.50 per mcf. If the price is later \$6.50 per mcf or less, any drilling and completion costs incurred during a month when the price exceeds \$6.50 per mcf are excluded from the calculation of the cumulative value of the exemption under Subsection (c).

(e-2) If the commission does not certify the gas as high-cost gas under Subsection (e-1), the comptroller shall determine the additional revenue from the tax imposed under this chapter that is attributable to the gas not being certified. After deducting the amount required by Section 201.403, the comptroller shall deposit that revenue to the credit of the foundation school program. Section 201.404 does not apply to revenue deposited under this subsection.

(b) The Railroad Commission of Texas shall publish the initial certification required by Section 201.057(e-1), Tax Code, as added by this section, not later than September 30, 2011.

The amendment to **SB 1581** was read.

Senator Davis withdrew Floor Amendment No. 22.

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

SB 1581 as amended was again passed to engrossment by the following vote: Yeas 19, Nays 11.

Yeas: Birdwell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Hinojosa, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Wentworth, West, Williams.

Nays: Davis, Deuell, Ellis, Gallegos, Lucio, Rodriguez, Uresti, Van de Putte, Watson, Whitmire, Zaffirini.

Absent-excused: Carona.

SENATE BILL 1581 ON THIRD READING

Senator Ogden again moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **SB 1581** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 24, Nays 6.

Yeas: Birdwell, Deuell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Hinojosa, Huffman, Jackson, Lucio, Nelson, Nichols, Ogden, Patrick, Rodriguez, Seliger, Shapiro, Van de Putte, Watson, Wentworth, West, Williams.

Nays: Davis, Ellis, Gallegos, Uresti, Whitmire, Zaffirini.

Absent-excused: Carona.

SB 1581 was again passed by the following vote: Yeas 19, Nays 11.

Yeas: Birdwell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Hinojosa, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Wentworth, West, Williams.

Nays: Davis, Deuell, Ellis, Gallegos, Lucio, Rodriguez, Uresti, Van de Putte, Watson, Whitmire, Zaffirini.

Absent-excused: Carona.

**MOTION TO PLACE
COMMITTEE SUBSTITUTE
SENATE BILL 354 ON SECOND READING**

Senator Wentworth moved to suspend the regular order of business to take up for consideration **CSSB 354** at this time on its second reading:

CSSB 354, Relating to the carrying of concealed handguns on the campuses of and certain other locations associated with institutions of higher education.

The motion was lost by the following vote: Yeas 19, Nays 11. (Not receiving two-thirds vote of Members present)

Yeas: Birdwell, Deuell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Wentworth, Whitmire, Williams.

Nays: Davis, Ellis, Gallegos, Hinojosa, Lucio, Rodriguez, Uresti, Van de Putte, Watson, West, Zaffirini.

Absent-excused: Carona.

HOUSE BILL 3573 ON SECOND READING

Senator Fraser moved to suspend the regular order of business to take up for consideration **HB 3573** at this time on its second reading:

HB 3573, Relating to limiting the disclosure of certain information regarding certain charitable organizations, trusts, private foundations, and grant-making organizations.

The motion prevailed.

Senator Watson asked to be recorded as voting "Nay" on suspension of the regular order of business.

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

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

Nays: Watson.

Absent-excused: Carona.

HOUSE BILL 3573 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 3573** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 1.

Nays: Watson.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 1. (Same as previous roll call)

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Friday, May 20, 2011 - 4

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 66 Hancock

Urging the United States Congress to prevent the Environmental Protection Agency from regulating greenhouse gases for stationary sources.

SB 23 Nelson Sponsor: Zerwas

Relating to the administration of and efficiency, cost-saving, fraud prevention, and funding measures for certain health and human services and health benefits programs, including the medical assistance and child health plan programs.

(Committee Substitute/Amended)

SB 543 Hegar Sponsor: Taylor, Larry
Relating to a probate fee exemption for estates of certain law enforcement officers, firefighters, and others killed in the line of duty.

SB 587 Uresti Sponsor: Darby
Relating to jurisdiction in certain proceedings brought by the attorney general with respect to charitable trusts.

SB 660 Hinojosa Sponsor: Ritter
Relating to the review and functions of the Texas Water Development Board, including the functions of the board and related entities in connection with the process for establishing and appealing desired future conditions in a groundwater management area.
(Committee Substitute/Amended)

SB 663 Nichols Sponsor: Anchia
Relating to the continuation and functions of the State Committee of Examiners in the Fitting and Dispensing of Hearing Instruments; providing an administrative penalty.
(Amended)

SB 710 Van de Putte Sponsor: Menendez
Relating to the disclosure of a hazardous drain in a swimming pool or spa by a seller of residential real property.

SB 761 West Sponsor: Truitt
Relating to the employment of physicians by certain hospitals associated with nonprofit fraternal organizations.
(Committee Substitute)

SB 864 Rodriguez Sponsor: Marquez
Relating to the services included in a retail price list provided by a funeral establishment.
(Amended)

SB 1416 Hinojosa Sponsor: Gallego
Relating to the creation of the offense of possession, manufacture, transportation, repair, or sale of a tire deflation device; providing criminal penalties.
(Amended)

SCR 55 Seliger
Commemorating the lives of John Clinton Formby and Margaret Clark Formby.

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

HOUSE BILL 2825 ON SECOND READING

On motion of Senator Williams and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2825** at this time on its second reading:

HB 2825, Relating to the composition and appointment of the board of directors of a corporation to which the board of regents of The University of Texas System delegates investment authority for the permanent university fund or other funds under the control of the board of regents.

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

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

Absent-excused: Carona.

HOUSE BILL 2825 ON THIRD READING

Senator Williams moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2825** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0. (Same as previous roll call)

HOUSE BILL 3410 ON SECOND READING

On motion of Senator Duncan and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3410** at this time on its second reading:

HB 3410, Relating to the managing underwriters for surplus lines insurance transactions and to the collection of surplus lines insurance premium taxes for those transactions.

The bill was read second time.

Senator Duncan offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3410** (committee printing) on page 2, line 5 by striking "September 1, 2011" and inserting "January 1, 2012".

The amendment to **HB 3410** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

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

HB 3410 as amended was passed to third reading by a viva voce vote.

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

Absent-excused: Carona.

HOUSE BILL 3410 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 3410** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0. (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:

SB 430, SB 662, SB 688, SB 764, SB 800, SCR 50, SCR 53, SCR 54, HB 215, HB 423, HB 555, HB 591, HB 901, HB 1550, HB 1770, HB 2007, HB 2014, HB 2342, HB 2851, HB 3051, HB 3234.

(Senator Eltife in Chair)

HOUSE BILL 753 ON SECOND READING

Senator Zaffirini moved to suspend the regular order of business to take up for consideration **HB 753** at this time on its second reading:

HB 753, Relating to the recruitment and retention of certain caseworkers employed by the Department of Family and Protective Services.

The motion prevailed by the following vote: Yeas 28, Nays 2.

Yeas: Birdwell, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Gallegos, Harris, Hegar, Hinojosa, Huffman, Jackson, Lucio, Nelson, Nichols, Patrick, Rodriguez, Seliger, Shapiro, Uresti, Van de Putte, Watson, Wentworth, West, Whitmire, Zaffirini.

Nays: Ogden, Williams.

Absent-excused: Carona.

The bill was read second time.

Senator West offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 753** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter C, Chapter 40, Human Resources Code, is amended by adding Section 40.074 to read as follows:

Sec. 40.074. CHILD WELFARE ASSESSMENT TASK FORCE. (a) The child welfare assessment task force is established to:

(1) study the assessments used by the department to determine the appropriate placement, treatment, and service needs for a child;

(2) develop a list of tools for providers to use when conducting behavioral assessments of children in the child welfare system; and

(3) develop guidelines regarding the contents of assessment reports.

(b) The task force consists of the following members appointed by the executive commissioner:

(1) one member from the National Association of Social Workers, Texas Chapter;

(2) one member from the Texas Foster Family Association;

(3) one member from the Texas Psychological Association;

(4) one member who is a member of the department's public-private partnership regarding foster care redesign;

(5) one member who receives or has received mental health services as a foster child;

(6) one member who is an advocate for children's interests in the child welfare system;

(7) one member who is a judge with experience working with cases involving child protective services;

(8) one member who is a parent with experience in the child welfare system;

(9) three members who are clinicians with experience in, and knowledge of, comprehensive assessments and training in trauma-informed assessment and care;

(10) one member from the department; and

(11) one member from the commission.

(c) Each member appointed to the task force must have experience and expertise relating to children's behavioral health and the study and prevention of child abuse and neglect.

(d) The task force shall elect a presiding officer by a vote of the membership of the task force.

(e) The task force shall meet at the call of the presiding officer.

(f) Not later than December 1, 2012, the task force shall prepare and submit to the commissioner a report containing:

(1) a description of the activities of the task force; and

(2) the findings and recommendations of the task force, including:

(A) a list of tools for providers to use when conducting behavioral assessments of children in the child welfare system; and

(B) guidelines regarding the contents of assessment reports.

(g) Not later than September 1, 2013, the department shall adopt policies that incorporate the findings and recommendations of the task force described by Subsection (f), to the extent that such recommendations:

(1) are generally accepted standards of practice or care for a physician, psychologist, or other professional who would conduct the assessment; and

(2) can be implemented within existing fiscal resources appropriated to the department.

(h) This section expires September 1, 2014.

SECTION ____ . The executive commissioner of the Health and Human Services Commission shall make the appointments to the child welfare assessment task force created by this Act not later than January 1, 2012.

The amendment to **HB 753** was read and was adopted by a viva voce vote.

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

Nays: Ogden, Williams.

Absent-excused: Carona.

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

HB 753 as amended was passed to third reading by a viva voce vote.

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

Nays: Ogden, Williams.

Absent-excused: Carona.

HOUSE BILL 753 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 753** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 2.

Yeas: Birdwell, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Gallegos, Harris, Hegar, Hinojosa, Huffman, Jackson, Lucio, Nelson, Nichols, Patrick, Rodriguez, Seliger, Shapiro, Uresti, Van de Putte, Watson, Wentworth, West, Whitmire, Zaffirini.

Nays: Ogden, Williams.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 2. (Same as previous roll call)

COMMITTEE SUBSTITUTE HOUSE BILL 1818 ON SECOND READING

On motion of Senator Hinojosa and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1818** at this time on its second reading:

CSHB 1818, Relating to the continuation and functions of the Texas State Affordable Housing Corporation; providing penalties.

The bill was read second time.

Senator Seliger offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1818** by adding the following appropriately numbered SECTION and renumbering remaining SECTIONS as appropriate:

SECTION _____. Section 392.0331, Local Government Code, is amended by amending Subsections (b) and (f) and adding Subsections (b-1) and (f-1) to read as follows:

(b) Except as provided by Subsection (b-1), in [H] appointing commissioners under Section 392.031, a municipality with a municipal housing authority composed of five commissioners shall appoint at least one commissioner to the authority who is a tenant of a public housing project over which the authority has jurisdiction. In appointing commissioners under Section 392.031, a municipality with a municipal housing authority composed of seven or more commissioners shall appoint at least two commissioners to the authority who are tenants of a public housing project over which the authority has jurisdiction.

(b-1) The presiding officer of the governing body of a municipality that has a municipal housing authority in which the total number of units is 150 or fewer is not required to appoint a tenant to the position of commissioner as otherwise required by Subsection (b) if the presiding officer has provided timely notice of a vacancy in the position to all eligible tenants and is unable to fill the position with an eligible tenant before the 60th day after the date the position becomes vacant.

(f) Except as provided by Subsection (f-1), a [A] commissioner appointed under this section may not serve more than two consecutive two-year terms.

(f-1) Subsection (f) does not apply to a municipality that has a municipal housing authority in which the total number of units is 150 or fewer.

The amendment to **CSHB 1818** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

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

CSHB 1818 as amended was passed to third reading by a viva voce vote.

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

Absent-excused: Carona.

COMMITTEE SUBSTITUTE HOUSE BILL 1818 ON THIRD READING

Senator Hinojosa moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1818** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0. (Same as previous roll call)

HOUSE BILL 2742 ON SECOND READING

On motion of Senator Estes and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2742** at this time on its second reading:

HB 2742, Relating to the business of structural pest control.

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

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

Absent-excused: Carona.

HOUSE BILL 2742 ON THIRD READING

Senator Estes moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2742** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0. (Same as previous roll call)

**COMMITTEE SUBSTITUTE
HOUSE BILL 1951 ON SECOND READING**

On motion of Senator Hegar and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1951** at this time on its second reading:

CSHB 1951, Relating to the continuation and operation of the Texas Department of Insurance and the operation of certain insurance programs; imposing administrative penalties.

The bill was read second time.

Senator Davis offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1951** (senate committee printing) by striking ARTICLE 3 of the bill and substituting the following:

**ARTICLE 3. REGULATION OF PROPERTY AND CASUALTY INSURANCE
RATES**

SECTION 3.001. Section 706.004, Insurance Code, is amended to read as follows:

Sec. 706.004. RATES AND FORMS. Notwithstanding any other law, rates and forms for insurance coverage issued under this chapter are governed by:

- (1) Subchapters ~~A-D~~ [~~A-E~~], Chapter 2251;
- (2) Subchapter ~~A~~, Chapter 2301; and
- (3) Article 5.13-2.

SECTION 3.002. Section 912.002(c), Insurance Code, is amended to read as follows:

(c) Rate ~~[regulation for a residential fire and allied lines insurance policy written by a county mutual insurance company is subject to Chapter 2253. On and after December 1, 2004, rate]~~ regulation for a personal automobile insurance policy and a residential property ~~[fire and allied lines]~~ insurance policy written by a county mutual insurance company is subject to Article 5.13-2, ~~[and]~~ Chapter 2251, and Chapter 2253. A county mutual insurance company is subject to Chapter 2253. The commissioner may adopt rules as necessary to implement this subsection.

SECTION 3.003. Section 1806.052, Insurance Code, is amended to read as follows:

Sec. 1806.052. CONSTRUCTION OF SUBCHAPTER. This subchapter may not be construed to prohibit the modification of rates by a rating plan that complies ~~[is filed in accordance]~~ with the requirements of Chapter 2251 or Article 5.13-2, as applicable, ~~[that has not been disapproved by the commissioner,]~~ and that is designed to encourage the prevention of accidents, and to account for all relevant factors inside and outside this state, including the peculiar hazards and experience of past and prospective individual risks.

SECTION 3.004. Section 2151.001(2), Insurance Code, is amended to read as follows:

(2) "Authorized insurer" means an insurer authorized by the department to write automobile liability coverage under this title. The ~~[Except as provided by Section 2251.204, the]~~ term does not include a county mutual insurance company organized under Chapter 912.

SECTION 3.005. Section 2251.001, Insurance Code, is amended to read as follows:

Sec. 2251.001. PURPOSE. The purposes of this subchapter and Subchapters B, C, and D, ~~and E~~ are to:

- (1) promote the public welfare by regulating insurance rates to prohibit excessive, inadequate, or unfairly discriminatory rates;
- (2) promote the availability of insurance;
- (3) promote price competition among insurers to provide rates and premiums that are responsive to competitive market conditions;
- (4) prohibit price-fixing agreements and other anticompetitive behavior by insurers; and
- (5) provide regulatory procedures for the maintenance of appropriate information reporting systems.

SECTION 3.006. Section 2251.002(7), Insurance Code, is amended to read as follows:

(7) "Supplementary rating information" means any manual, rating schedule, plan of rules, rating rules, classification systems, territory codes and descriptions, rating plans, and other similar information used by the insurer to determine the applicable premium for an insured. The term includes the number of policyholders that would be affected by the rating information change and factors and relativities,

including increased limits factors, classification relativities, deductible relativities, premium discount, and other similar factors and rating plans such as experience, schedule, and retrospective rating.

SECTION 3.007. Section 2251.003, Insurance Code, is amended to read as follows:

Sec. 2251.003. APPLICABILITY OF CERTAIN SUBCHAPTERS. (a) This subchapter and Subchapters B, C, and D~~[, and E]~~ apply to:

(1) an insurer to which Article 5.13 applies, other than the Texas Windstorm Insurance Association, the FAIR Plan Association, and the Texas Automobile Insurance Plan Association; and

(2) except as provided by Subsection (c), a Lloyd's plan, reciprocal or interinsurance exchange, and county mutual insurance company with respect to the lines of insurance described by Subsection (b).

(b) This subchapter and Subchapters B, C, and D~~[, and E]~~ apply to all lines of the following kinds of insurance written under an insurance policy or contract issued by an insurer authorized to engage in the business of insurance in this state:

- (1) general liability insurance;
- (2) residential and commercial property insurance, including farm and ranch insurance and farm and ranch owners insurance;
- (3) personal and commercial casualty insurance, except as provided by Section 2251.004;
- (4) medical professional liability insurance;
- (5) fidelity, guaranty, and surety bonds other than criminal court appearance bonds;
- (6) personal umbrella insurance;
- (7) personal liability insurance;
- (8) guaranteed auto protection (GAP) insurance;
- (9) involuntary unemployment insurance;
- (10) financial guaranty insurance;
- (11) inland marine insurance;
- (12) rain insurance;
- (13) hail insurance on farm crops;
- (14) personal and commercial automobile insurance;
- (15) multi-peril insurance; and
- (16) identity theft insurance issued under Chapter 706.

(c) Sections 2251.008, 2251.052, 2251.101, 2251.102, ~~[2251.103, 2251.104, 2251.105, and 2251.107, and 2251.157]~~ do not apply to a Lloyd's plan or a reciprocal or interinsurance exchange with respect to commercial property insurance, inland marine insurance, rain insurance, or hail insurance on farm crops.

SECTION 3.008. Section 2251.101(a), Insurance Code, is amended to read as follows:

(a) For ~~[Except as provided by Subchapter D, for]~~ risks written in this state, each insurer shall file with the commissioner all rates, applicable rating manuals, supplementary rating information, and additional information as required by the commissioner.

SECTION 3.009. The heading to Subchapter D, Chapter 2251, Insurance Code, is amended to read as follows:

SUBCHAPTER D. ~~[PRIOR]~~ APPROVAL AND DISAPPROVAL OF RATES
[UNDER CERTAIN CIRCUMSTANCES]

SECTION 3.010. Section 2251.151, Insurance Code, is amended to read as follows:

Sec. 2251.151. REQUIREMENT TO FILE RATES FOR PRIOR APPROVAL
[UNDER CERTAIN CIRCUMSTANCES]. (a) An insurer may not use a rate for a personal automobile insurance policy or residential property insurance policy until the rate has been filed with the department in accordance with Subchapter C and approved by the commissioner in accordance with this subchapter.

(b) For rates that are not subject to Subsection (a), the ~~[The]~~ commissioner by order may require an insurer to file with the department for the commissioner's approval all rates, supplementary rating information, and any supporting information in accordance with this subchapter if the commissioner determines that:

(1) the insurer's rates require supervision because of the insurer's financial condition or rating practices; or

(2) a statewide insurance emergency exists.

(c) ~~[(a-1)]~~ If an insurer whose rate is subject to Subsection (a) or (b) files a petition under Subchapter D, Chapter 36, for judicial review of an order disapproving ~~the [a]~~ rate under this chapter, the insurer must use the rates in effect for the insurer at the time the petition is filed and may not file and use any higher rate for the same line of insurance subject to this chapter before the matter subject to judicial review is finally resolved unless the insurer, in accordance with this subchapter, files the new rate with the department, along with any applicable supplementary rating information and supporting information, and obtains the commissioner's approval of the rate.

(d) ~~[(b)]~~ From the date a ~~[of the filing of the]~~ rate is filed with the department under this section to the effective date of the new rate, the insurer's previously filed rate that is in effect on the date of the filing remains in effect.

(e) ~~[(e)]~~ The commissioner may require an insurer to file the insurer's rates under Subsection (b) ~~[this section]~~ until the commissioner determines that the conditions described by that subsection ~~[Subsection (a)]~~ no longer exist.

(f) ~~[(d)]~~ For purposes of this chapter ~~[section]~~, a rate is filed with the department on the date the commissioner determines that the department has received all information necessary to evaluate ~~[receives]~~ the rate ~~[filing]~~.

(g) ~~[(e)]~~ If the commissioner requires an insurer to file the insurer's rates under Subsection (b) ~~[this section]~~, the commissioner shall issue an order specifying the commissioner's reasons for requiring the rate filing. An affected insurer is entitled to a hearing on written request made to the commissioner not later than the 30th day after the date the order is issued.

SECTION 3.011. Section 2251.152, Insurance Code, is amended to read as follows:

Sec. 2251.152. ~~[RATE APPROVAL REQUIRED;]~~ EXCEPTION TO CERTAIN RATE APPROVAL REQUIREMENTS. (a) After ~~[An insurer subject to this subchapter may not use a rate until the rate has been filed with the department and approved by the commissioner in accordance with this subchapter.]~~

~~[(b) Notwithstanding Subsection (a), after]~~ a rate filing required of an insurer under Section 2251.151(b) is approved under this subchapter, the [an] insurer, without prior approval of the commissioner, may use any rate subsequently filed by the insurer if the subsequently filed rate does not exceed the lesser of:

- (1) 107.5 percent of the rate approved by the commissioner; or
- (2) 110 percent of any rate used by the insurer in the previous 12-month period.

~~(b) [(c)]~~ Filed rates under Subsection (a) ~~[(b)]~~ take effect on the date specified by the insurer.

SECTION 3.012. Section 2251.153, Insurance Code, is amended to read as follows:

Sec. 2251.153. COMMISSIONER ACTION. (a) Not later than the 60th [30th] day after the date a rate is filed with the department under this subchapter, the commissioner shall:

(1) approve the rate if the commissioner determines that the rate complies with the requirements of this chapter and any other provision of this code governing the setting of the rate by the insurer; or

(2) disapprove the rate if the commissioner determines that the rate does not comply with the requirements of this chapter or any other provision of this code governing the setting of the rate by the insurer.

(b) Except as provided by Subsection (c), if a rate has not been approved or disapproved by the commissioner before the expiration of the 60-day [30-day] period described by Subsection (a), the rate is considered approved and the insurer may use the rate unless the rate proposed in the filing represents an increase of 12.5 percent or more from the insurer's previously filed rate.

(c) For good cause, the commissioner may, on the expiration of the 60-day [30-day] period described by Subsection (a), extend the period for approval or disapproval of a rate for a [one additional] 30-day period. ~~[The commissioner and the insurer may not by agreement extend the 30-day period described by Subsection (a).]~~

SECTION 3.013. Section 2251.154(a), Insurance Code, is amended to read as follows:

(a) If the department determines that the information filed by an insurer under this chapter is incomplete or otherwise deficient, the department may request additional information from the insurer. If the department requests additional information from the insurer during the initial approval [30-day] period provided by Section 2251.153(a) or under an extension [a second 30-day] period provided under Section 2251.153(c), the time between the date the department submits the request to the insurer and the date the department receives the information requested is not included in the computation of the initial approval [first 30-day] period or the extension [second 30-day] period, as applicable.

SECTION 3.014. Section 2251.156, Insurance Code, is amended to read as follows:

Sec. 2251.156. RATE FILING DISAPPROVAL BY COMMISSIONER; HEARING. (a) The commissioner shall disapprove a rate filing if the commissioner determines that the rate filing made under this chapter does not meet the standards under Subchapter B.

(b) If the commissioner disapproves a rate filing under this chapter [~~Section 2251.153(a)(2)~~], the commissioner shall issue an order specifying in what respects the filing fails to meet the requirements of this chapter or another provision of this code applicable to the setting of the rate by the insurer [~~disapproving the filing in accordance with Section 2251.103(b)~~].

(c) [~~(b)~~] An insurer whose rate filing is disapproved is entitled to a hearing on written request made to the commissioner not later than the 30th day after the date the order disapproving the rate filing takes effect [~~in accordance with Section 2251.103(c)~~].

SECTION 3.015. Section 2251.104, Insurance Code, is transferred to Subchapter D, Chapter 2251, Insurance Code, and redesignated as Section 2251.157 to read as follows:

Sec. 2251.157 [~~2251.104~~]. DISAPPROVAL OF RATE IN EFFECT; HEARING. (a) The commissioner may disapprove a rate that is in effect only after a hearing. The commissioner shall provide the filer at least 20 days' written notice.

(b) The commissioner must issue an order disapproving a rate under Subsection (a) not later than the 15th day after the close of the hearing. The order must:

- (1) specify in what respects the rate fails to meet the requirements of this chapter; and
- (2) state the date on which further use of the rate is prohibited, which may not be earlier than the 45th day after the close of the hearing under this section.

SECTION 3.016. The following provisions of the Insurance Code are repealed:

- (1) Section 2251.103;
- (2) Section 2251.155; and
- (3) Subchapter E, Chapter 2251.

SECTION 3.017. The commissioner of insurance shall adopt all rules necessary to implement this article on or before December 1, 2011.

SECTION 3.018. The change in law made by this article applies to insurance policies delivered, issued for delivery, or renewed on or after January 1, 2012, and to rates for those policies. An insurance policy delivered, issued for delivery, or renewed before January 1, 2012, and rates for the policy are governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

The amendment to **CSHB 1951** was read.

On motion of Senator Hegar, Floor Amendment No. 1 was tabled by the following vote: Yeas 18, Nays 12.

Yeas: Birdwell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Wentworth, Whitmire, Williams.

Nays: Davis, Deuell, Ellis, Gallegos, Hinojosa, Lucio, Rodriguez, Uresti, Van de Putte, Watson, West, Zaffirini.

Absent-excused: Carona.

Senator Davis offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 1951** (senate committee printing) in ARTICLE 3 of the bill as follows:

(1) Strike existing SECTION 3.001 (page 5, lines 4-31) and substitute the following:

SECTION 3.001. Section 2251.101, Insurance Code, is amended to read as follows:

Sec. 2251.101. RATE FILINGS AND SUPPORTING INFORMATION. (a) Except as provided by Subchapter D, for risks written in this state, each insurer shall file with the commissioner all rates, applicable rating manuals, supplementary rating information, and additional supporting information that is sufficient to allow ~~as required by~~ the commissioner to determine whether filed rates meet applicable statutory standards. An insurer may use a rate filed under this subsection on and after the date the rate is filed.

(b) Supporting information required by Subsection (a) includes, at a minimum ~~[The commissioner by rule shall determine the information required to be included in the filing, including]:~~

(1) actuarial information sufficient for a qualified actuary to determine whether the filed rates meet applicable statutory standards, including rate indications, the data and methodology used to calculate the rate indications, and, to the extent applicable:

(A) actual written premiums, earned premiums, incurred losses, and paid losses;

(B) data and methodologies used to calculate premiums at the current rate level and applicable on-level factors;

(C) the reasoning behind the number of experience years used in the filing along with an explanation of the weight given to experience years;

(D) data and methodologies used to determine loss and claim development factors;

(E) data and methodologies used to determine all premium and loss trend factors;

(F) data, information, and methodologies used to determine all hurricane and non-hurricane catastrophe factors or loss provisions, including the definition of catastrophe and an explanation of how the definition has changed over the experience period used to calculate the loss provisions;

(G) descriptions of and data, information, and methodologies used to calculate discounts and surcharges;

(H) data, information, and methodologies used to determine standards of credibility and any utilized complements to credibility;

(I) data, information, and a description of the methodologies and assumptions used to determine the cost of capital and the underwriting profit provision underlying the proposed rates;

(J) data, information, and methodologies used to determine any contingency factor used beyond the derived underwriting profit provision; and

(K) information used to determine all filing expense provisions including commissions, other acquisition costs, taxes, licenses, fees, general expenses, loss adjustment expenses, and any reinsurance expenses [categories of supporting information and supplementary rating information]; and

(2) rate change information, including all information relevant to determining the filer's rate change history, the statewide average proposed rate change for each coverage, form, or classification, and the total average rate change for all coverages, forms, and classifications combined [statistics or other information to support the rates to be used by the insurer, including information necessary to evidence that the computation of the rate does not include disallowed expenses; and

[(3) information concerning policy fees, service fees, and other fees that are charged or collected by the insurer under Section 550.001 or 4005.003].

(c) The department may request additional information related to a rate filing as necessary. An insurer shall respond to a request for additional information under this subsection in writing not later than the 10th day after the date the insurer receives the request.

(d) The department shall consider incomplete any filing that does not comply with the filing requirements of Subsection (b) and return the filing to the insurer for completion.

(e) The commissioner by rule may provide additional specifications for information required to be included in the rate filing.

(2) In SECTION 3.011 (page 7, line 49), strike "Section 2251.103" and substitute "Sections 2251.101 and 2251.103".

The amendment to **CSHB 1951** was read.

On motion of Senator Hegar, Floor Amendment No. 2 was tabled by the following vote: Yeas 20, Nays 10.

Yeas: Birdwell, Deuell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Wentworth, West, Whitmire, Williams.

Nays: Davis, Ellis, Gallegos, Hinojosa, Lucio, Rodriguez, Uresti, Van de Putte, Watson, Zaffirini.

Absent-excused: Carona.

Senator Ellis offered the following amendment to the bill:

Floor Amendment No. 3

Amend **CSHB 1951** (senate committee printing) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES accordingly:

ARTICLE ____ . INDIVIDUAL HEALTH COVERAGE FOR CHILDREN

SECTION ____ .001. Section 1502.002, Insurance Code, is amended to read as follows:

Sec. 1502.002. RULES. (a) The commissioner may adopt rules to implement this chapter, including rules necessary to:

(1) increase the availability of coverage to children younger than 19 years of age;

(2) establish open enrollment periods; and

(3) establish qualifying events as exceptions to the open enrollment periods, including loss of coverage when a child becomes ineligible for coverage under the state child health plan.

(b) The commissioner may adopt rules on an emergency basis using the procedures established under Section 2001.034, Government Code.

(c) Notwithstanding Subsection (b), the commissioner is not required to make a finding under Section 2001.034(a), Government Code before adopting rules on an emergency basis.

The amendment to **CSHB 1951** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 4

Amend **CSHB 1951** (senate committee printing) by inserting the following appropriately numbered ARTICLE and renumbering existing ARTICLES and SECTIONS of the bill accordingly:

ARTICLE ____ . DISCLOSURE OF VARIABLES AFFECTING PREMIUMS FOR RESIDENTIAL PROPERTY OR PERSONAL AUTOMOBILE INSURANCE

SECTION ____ .001. Subchapter A, Chapter 521, Insurance Code, is amended by adding Section 521.006 to read as follows:

Sec. 521.006. DISCLOSURE OF CERTAIN RATING VARIABLES. (a) In this section, "insurer," "personal automobile insurance," and "residential property insurance" have the meanings assigned by Section 2301.051.

(b) Except as provided by this subsection, an insurer that issues a residential property or personal automobile insurance policy shall disclose to the insured as provided by this section all variables affecting the premium charged to the insured, including factors, relativities, tiers, increased limits factors, classification relativities, deductible relativities, discounts, surcharges, and fees. If more than 10 variables affect the premium charged to the insured, the insurer is not required to disclose all variables, but shall disclose, at a minimum:

(1) the 10 variables that have the greatest impact on the insured's premium;
and

(2) any other variables affecting the insured's premium that the commissioner by rule requires to be disclosed under this section.

(c) The disclosure required by this section must be in writing and:

(1) list the variables disclosed in order from the variable having the greatest impact on the insured's premium to the variable having the least impact on the insured's premium; and

(2) include a plain language description of each variable disclosed.

(d) An insurer shall provide the disclosure required by this section:

(1) at the time the policy is issued;

(2) with any:

(A) notice of renewal of the policy; or

(B) offer of replacement coverage made if the policy is not renewed;

and

(3) at any other time and in any other manner required by the commissioner by rule.

SECTION ____.002. Section 32.102(a), Insurance Code, is amended to read as follows:

(a) The department, in conjunction with the office of public insurance counsel, shall establish and maintain a single Internet website that provides information to enable consumers to make informed decisions relating to the purchase of residential property insurance and personal automobile insurance. The website must include:

(1) a description of each type of residential property insurance policy and personal automobile insurance policy issued in this state, including a comparison of the coverage, exclusions, and restrictions of each policy that allows a side-by-side comparison of the features of the policy forms;

(2) a listing of each insurer writing residential property insurance or personal automobile insurance in this state, indexed by each county or zip code in which the insurer is actively writing that insurance, and a profile of the insurer that includes:

(A) contact information for the insurer, including the insurer's full name, address, and telephone number and the insurer's fax number and e-mail address, if available;

(B) information on rates charged by the insurer, including:

(i) sample rates for different policyholder profiles in each county or zip code; and

(ii) the percentage by which the sample rate has fallen or risen due to filings in the previous 12, 24, and 36 months;

(C) a list of policy forms, exclusions, endorsements, and discounts offered by the insurer;

(D) an indication of whether the insurer uses credit scoring in underwriting, rating, or tiering, and a link to the insurer's credit model or a link explaining how to request the insurer's credit model;

(E) the insurer's financial rating determined by A. M. Best or similar rating organization and an explanation of the meaning and importance of the rating;

(F) a complaint ratio or similar complaint rating system for the insurer for each of the previous three years and an explanation of the meaning of the rating system; ~~and~~

(G) information, other than information made confidential by law, on the insurer's regulatory and administrative experience with the department, the office of public insurance counsel, and insurance regulatory authorities in other states; and

(H) a list and plain-language description of each variable described by Section 521.006(b) that may be used by the insurer to determine a policyholder's premium; and

(3) if feasible, as determined by the commissioner and the public insurance counsel:

(A) a side-by-side comparison of credit scoring models, including factors, key variables, and weights, of residential property insurers in this state; and

(B) a side-by-side comparison of credit scoring models, including factors, key variables, and weights, of private passenger automobile insurers in this state.

The amendment to **CSHB 1951** was read.

On motion of Senator Hegar, Floor Amendment No. 4 was tabled by the following vote: Yeas 19, Nays 11.

Yeas: Birdwell, Deuell, Duncan, Eltife, Estes, Fraser, Harris, Hegar, Huffman, Jackson, Nelson, Nichols, Ogden, Patrick, Seliger, Shapiro, Wentworth, Whitmire, Williams.

Nays: Davis, Ellis, Gallegos, Hinojosa, Lucio, Rodriguez, Uresti, Van de Putte, Watson, West, Zaffirini.

Absent-excused: Carona.

Senator Van de Putte offered the following amendment to the bill:

Floor Amendment No. 5

Amend **CSHB 1951** (senate committee printing) by adding the following appropriately numbered ARTICLE to the bill and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE __. LIMITED PROPERTY AND CASUALTY INSURANCE LICENSES
SECTION ____. Section 4051.101(c), Insurance Code, is amended to read as follows:

(c) This section does not apply to a person who wrote for the previous calendar year:

(1) policies authorized by Chapter 911 for a farm mutual insurance company that generated, in the aggregate, less than \$50,000 in direct premium; ~~or~~

(2) industrial fire insurance policies that generated, in the aggregate, less than \$20,000 in direct premium; or

(3) policies authorized by Chapter 962 for an insurer that generated, in the aggregate, less than \$40,000 in direct premium.

The amendment to **CSHB 1951** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

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

CSHB 1951 as amended was passed to third reading by a viva voce vote.

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

Absent-excused: Carona.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1951 ON THIRD READING**

Senator Hegar moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1951** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0. (Same as previous roll call)

**COMMITTEE SUBSTITUTE
HOUSE BILL 2817 ON SECOND READING**

On motion of Senator Duncan and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2817** at this time on its second reading:

CSHB 2817, Relating to certain election practices and procedures.

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

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

Absent-excused: Carona.

**COMMITTEE SUBSTITUTE
HOUSE BILL 2817 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 **CSHB 2817** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 0. (Same as previous roll call)

HOUSE BILL 3788 ON SECOND READING

Senator Davis moved to suspend the regular order of business to take up for consideration **HB 3788** at this time on its second reading:

HB 3788, Relating to the authority of a county civil service commission to administer oaths and issue subpoenas; providing a penalty.

The motion prevailed.

Senators Harris, Nelson, Patrick, and Shapiro asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Davis offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3788** (senate committee printing) as follows:

(1) In SECTION 1 of the bill, in added Section 158.0095(b), Local Government Code (page 1, line 26), and in SECTION 2 of the bill, in added Section 158.0355(b), Local Government Code (page 1, line 52), strike "pertinent" and substitute "relevant".

(2) In SECTION 1 of the bill, in added Section 158.0095(b), Local Government Code (page 1, line 27), strike "10th" and substitute "15th".

The amendment to **HB 3788** was read and was adopted by a viva voce vote.

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

Absent-excused: Carona.

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

HB 3788 as amended was passed to third reading by a viva voce vote.

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

Nays: Harris, Nelson, Patrick, Shapiro.

Absent-excused: Carona.

HOUSE BILL 3788 ON THIRD READING

Senator Davis moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3788** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 4.

Yeas: Birdwell, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Gallegos, Hegar, Hinojosa, Huffman, Jackson, Lucio, Nichols, Ogden, Rodriguez, Seliger, Uresti, Van de Putte, Watson, Wentworth, West, Whitmire, Williams, Zaffirini.

Nays: Harris, Nelson, Patrick, Shapiro.

Absent-excused: Carona.

The bill was read third time and was passed by the following vote: Yeas 26, Nays 4. (Same as previous roll call)

**HOUSE BILL 1788 REREFERRED
(Motion In Writing)**

Senator Uresti submitted a Motion In Writing requesting that **HB 1788** be withdrawn from the Committee on Agriculture and Rural Affairs and rereferred to the Committee on International Relations and Trade.

The Motion In Writing prevailed without objection.

HOUSE BILL 2387 REREFERRED
(Motion In Writing)

Senator Lucio submitted a Motion In Writing requesting that **HB 2387** be withdrawn from the Committee on Intergovernmental Relations and rereferred to the Committee on International Relations and Trade.

The Motion In Writing prevailed without objection.

SENATE RULES SUSPENDED
(Posting Rules)

On motion of Senator Harris and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on Business and Commerce might meet and consider **HB 971** today.

SENATE RULES SUSPENDED
(Posting Rules)

On motion of Senator Lucio and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on International Relations and Trade might meet and consider the following bills today:

HB 1604, HB 1788, HB 2387, HB 3841.

SENATE RULES SUSPENDED
(Posting Rules)

On motion of Senator Duncan and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on State Affairs might meet and consider the following bills tomorrow: **HB 628, HB 2595.**

SENATE RULE 11.10(a) SUSPENDED
(Public Notice of Committee Meetings)

On motion of Senator Zaffirini and by unanimous consent, Senate Rule 11.10(a) was suspended in order that the Committee on Higher Education might meet tomorrow.

SENATE RULES SUSPENDED
(Posting Rules)

On motion of Senator Williams and by unanimous consent, Senate Rule 11.10(a) and Senate Rule 11.18(a) were suspended in order that the Committee on Transportation and Homeland Security might meet and consider the following bills tomorrow: **HB 1517, HB 2651, HB 2771, HB 3422, HB 3423, HB 2990.**

SENATE RULE 11.10(a) SUSPENDED
(Public Notice of Committee Meetings)

On motion of Senator Whitmire and by unanimous consent, Senate Rule 11.10(a) was suspended in order that the Committee on Criminal Justice might meet today.

CO-AUTHOR OF SENATE BILL 774

On motion of Senator Zaffirini, Senator Davis will be shown as Co-author of **SB 774.**

CO-SPONSOR OF HOUSE BILL 1937

On motion of Senator Patrick, Senator West will be shown as Co-sponsor of **HB 1937**.

CO-SPONSORS OF HOUSE CONCURRENT RESOLUTION 100

On motion of Senator Zaffirini, Senators Birdwell, Huffman, Nichols, Ogden, Uresti, Watson, Wentworth, and Williams will be shown as Co-sponsors of **HCR 100**.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolutions

SR 1044 by Watson, In memory of Paul Eugene Green of Austin.

SR 1047 by Watson, In memory of Hal Box of Austin.

SR 1049 by Watson, In memory of Marilyn Nelson Kretzer.

SR 1052 by Shapiro, In memory of James Wyatt "Jim" Edwards.

SR 1055 by Watson, In memory of Albert Anthony Pinnelli, Sr., of Elgin.

HCR 151 (Eltife), In memory of Bowie County Transport Deputy Sherri Jones.

Congratulatory Resolutions

SR 1048 by Watson, Recognizing John Tristan on the occasion of his retirement from the Texas Department of Aging and Disability Services.

SR 1051 by Shapiro, Recognizing Beverly Kishpaugh for her service to Texans for Lawsuit Reform.

SR 1053 by Watson, Recognizing Owen Whitworth on the occasion of his retirement from the Texas Department of Transportation.

SR 1054 by Watson, Recognizing Elaine Walker on the occasion of her retirement from the Office of the Comptroller of Public Accounts.

ADJOURNMENT

On motion of Senator Whitmire, the Senate at 9:34 p.m. adjourned, in memory of the lives of John Clinton Formby and Margaret Clark Formby, until 10:00 a.m. tomorrow.

APPENDIX

COMMITTEE REPORTS

The following committee reports were received by the Secretary of the Senate in the order listed:

May 20, 2011

OPEN GOVERNMENT — **HB 1500**

EDUCATION — **CSHB 2909, CSSB 1813**

BUSINESS AND COMMERCE — **CSHB 272, CSHB 2408, HB 2931 (Amended), CSHB 3116, CSHB 3453, CSHB 3595**

ADMINISTRATION — **HB 1070, HCR 130, HCR 117**

OPEN GOVERNMENT — **CSHB 2947, CSHB 2463**

HEALTH AND HUMAN SERVICES — **HB 335, HB 710, HB 807, HB 1476**

ADMINISTRATION — **HB 1274**

HEALTH AND HUMAN SERVICES — **HB 2722, HB 2819, HB 3197, HB 3724**

NATURAL RESOURCES — **HB 3268, HB 3597, HB 3866, HB 2507**

FINANCE — **CSHB 1732, CSHB 2810**

AGRICULTURE AND RURAL AFFAIRS — **HB 2994, HB 3199, HB 790, HB 1080, HB 1969, HB 3696**

FINANCE — **CSHJR 109, CSHB 3647**

EDUCATION — **HB 2380, HB 675, HB 398, HB 2247, CSHB 3468, HB 1224**

ECONOMIC DEVELOPMENT — **CSHB 1315**

NATURAL RESOURCES — **CSHB 218, CSHB 3109**

EDUCATION — **CSHB 1610**

NATURAL RESOURCES — **CSHB 3090**

HEALTH AND HUMAN SERVICES — **CSHB 2136, CSHB 2975**

STATE AFFAIRS — **HB 2190, HB 1129, HB 1046, HB 159, HB 2193, HB 1528, HB 336, HB 254**

EDUCATION — **CSHB 1942**

STATE AFFAIRS — **CSHB 2173**

HEALTH AND HUMAN SERVICES — **CSHB 13, CSHB 680**

ECONOMIC DEVELOPMENT — **HB 1033, HB 1234, HB 2902, HB 3275, HB 2729, HB 1839**

ADMINISTRATION — **HB 2702 (Amended)**

EDUCATION — **HB 359 (Amended)**

TRANSPORTATION AND HOMELAND SECURITY — **HB 2256**

EDUCATION — **CSHB 1386**

TRANSPORTATION AND HOMELAND SECURITY — **HCR 42, HB 2770, HB 2734, HB 2346**

HEALTH AND HUMAN SERVICES — **CSHB 167**

TRANSPORTATION AND HOMELAND SECURITY — **HB 2872, HB 2792**

STATE AFFAIRS — **CSHB 2102**

EDUCATION — **CSHB 1335**

TRANSPORTATION AND HOMELAND SECURITY — **HB 2541, HB 2575, HB 3030, HB 2960, HB 3421, HB 3722, HB 3730, HB 3823, HB 3843**

HIGHER EDUCATION — **HB 2365, HB 452, HB 33, HCR 129**

INTERGOVERNMENTAL RELATIONS — **CSHB 2779, CSHB 811, CSHB 1413, CSHB 2207, CSHB 2516, CSHB 232, CSHB 3827, CSHB 2265, CSHB 1619, CSHB 1371, CSHB 1568**

STATE AFFAIRS — **CSHB 2194**

INTERGOVERNMENTAL RELATIONS — **CSHB 1759**

CRIMINAL JUSTICE — **CSHB 2662**

INTERGOVERNMENTAL RELATIONS — **CSHB 1757**

CRIMINAL JUSTICE — **CSHB 1638**

INTERGOVERNMENTAL RELATIONS — **CSHB 1756**

CRIMINAL JUSTICE — **HB 2847** (Amended)

INTERGOVERNMENTAL RELATIONS — **CSHB 1760, CSHB 1758**

TRANSPORTATION AND HOMELAND SECURITY — **CSHB 2357, CSHB 3099, CSHB 3771, CSHB 2981, CSHB 2396, CSHB 3324, CSHB 2596, CSHB 2327**

HEALTH AND HUMAN SERVICES — **CSHB 300**

TRANSPORTATION AND HOMELAND SECURITY — **CSHB 422**

BILLS ENGROSSED

May 19, 2011

SB 774, SB 824, SB 1645, SB 1920, SB 1927, SB 1928

BILLS AND RESOLUTIONS ENROLLED

May 19, 2011

SB 430, SB 662, SB 688, SB 764, SB 800, SCR 50, SCR 53, SCR 54, SR 996, SR 1039, SR 1040, SR 1041, SR 1042, SR 1043, SR 1046

SIGNED BY GOVERNOR

May 20, 2011

SB 656, SB 893, SB 980, SB 1104, SB 1153, SB 1160, SB 1168, SB 1341, SB 1680

In Memory
of
John Clinton Formby and Margaret Clark Formby
Senate Concurrent Resolution 55

WHEREAS, The Legislature of the State of Texas honors and commemorates the lives of John Clinton Formby and Margaret Clark Formby; and

WHEREAS, This distinguished couple was widely admired throughout the Panhandle and the state for their many contributions to their community and their respective fields of endeavor; and

WHEREAS, John Clinton Formby, known as Clint Formby, was born December 23, 1923, in McAdoo; after graduating from McAdoo High School, he entered Texas Tech University; he left school to enlist in the United States Army during World War II, and he served as a staff sergeant and medic at the 235th General Hospital in Marseille, France; and

WHEREAS, Margaret Clark Formby was born July 12, 1929, in Van Horn; salutatorian of her 1946 class at Van Horn High School, she attended Texas Tech University, where she became the first Miss Texas Tech; and

WHEREAS, After the war, Clint Formby returned to Texas Tech University, where he met Margaret, and they were married; while attending school, he worked with his uncle on the construction of the KPAN-AM radio station in Hereford, and his was the first voice heard on the air when the station began broadcasting; and

WHEREAS, Mrs. Formby had a lifelong interest in the role women have played in western culture, and she built an impressive collection of western and rodeo artifacts; to highlight the many contributions that women made to the legacy of the West, she founded the National Cowgirl Museum and Hall of Fame in Hereford, using her collection as its foundation; the museum has since moved to the heart of the Fort Worth cultural district, where it continues to delight visitors from across the nation; and

WHEREAS, Mr. Formby crafted a long and illustrious career in the radio industry; known on-air as the "Old Philosopher," he did a daily broadcast on a wide variety of topics that ran for more than half a century on KPAN-AM and FM, the longest-running daily radio broadcast by a single host in the country; and

WHEREAS, The couple was active in numerous civic organizations and each won numerous accolades for community service; Mr. Formby served as president of the Deaf Smith County Chamber of Commerce and of the Kiwanis Club, was named Citizen of the Year, and in 1984 was inducted into the Hall of Fame of the Texas Association of Broadcasters; Mrs. Formby worked with the American Cancer Society and the Kings Manor Methodist Home, and she helped to establish the Cowboy Symposium held at Texas

Tech University, where she served on the board of the National Ranching Heritage Center; she was also the first woman elected to the Texas Tech University Rodeo Hall of Fame; and

WHEREAS, Mr. and Mrs. Formby enjoyed more than 50 years of marriage and raised five children, Larry, Marshall, Ben, and Scott Formby, and the late Linda Kay Formby; and

WHEREAS, They were beloved by their family and countless friends, and although they are deeply missed, their generosity of spirit and their many accomplishments will continue to live in the hearts and minds of those they left behind; now, therefore, be it

RESOLVED, That the 82nd Legislature of the State of Texas hereby pay tribute to the lives and shared legacy of Margaret Formby and Clint Formby; and, be it further

RESOLVED, That a copy of this resolution be prepared for their family as an expression of admiration and tribute from the Texas Legislature, and that when the Senate and the House of Representatives adjourn this day, they do so in memory of Margaret and Clint Formby.

SELIGER
DUNCAN

