

SENATE JOURNAL

EIGHTY-THIRD LEGISLATURE — REGULAR SESSION

AUSTIN, TEXAS

PROCEEDINGS

SIXTY-SECOND DAY

(Monday, May 20, 2013)

The Senate met at 10:29 a.m. pursuant to adjournment and was called to order by Senator Eltife.

The roll was called and the following Senators were present: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

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

The Reverend Margot Perez-Greene, Tarrytown United Methodist Church, Austin, was introduced by Senator Watson and offered the invocation as follows:

Creator God, giver of life, source of strength, and hope of our tomorrows, we thank You for the possibilities set before us today in our work. You have called all people to lives of peace and wholeness. But we confess that sometimes we have cared more for lofty places than we have for places of service. We confess that we have worked more for power than we have for purpose. You have given us friends and colleagues, and we are grateful. You have given us meaningful work, and we are grateful. You have given us a bounty of food, and we are grateful. Move our gratitude to become outreach to those without and energy for greater service. Let our work eventuate in decisions for the common good, that they may reflect the good decisions of those who have gone before us and on whose shoulders we stand. Give the gifts of discernment; give the gifts of wisdom; give the gifts of vision. To those who lead here, grant the patience of cooperation. To those who debate here, grant clarity of thought. To those who decide here, grant the courage for truth. Keep ever before us the broken places of our life together, places of despair and disappointment. Set our ears to hear, our eyes to see, and our hearts to beat in rhythm with Yours. And so, bless now those who gather in this place. We offer ourselves to You, not to earn Your favor but to honor Your presence, not to claim goodness but to say thank You. And that is our word for this time, thank You. In Your holy name, we 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.

PHYSICIANS OF THE DAY

Senator Davis was recognized and presented Dr. Rick Edwards and Dr. Barbara Estment of Fort Worth as the Physicians of the Day.

The Senate welcomed Dr. Edwards and Dr. Estment and thanked them for their participation in the Physician of the Day program sponsored by the Texas Academy of Family Physicians.

SENATE RESOLUTION 1012

Senator Zaffirini offered the following resolution:

WHEREAS, The Senate of the State of Texas is pleased to recognize Hank Whitman, Jr., who retired August 31, 2012, as assistant director of the Texas Rangers and after 22 years of commendable service with the Texas Department of Public Safety; and

WHEREAS, A veteran of the United States Marine Corps, Mr. Whitman began his career with the Texas Department of Public Safety in 1990 and served in the Texas Highway Patrol until 1996, when he was promoted to sergeant in the Criminal Intelligence Service; and

WHEREAS, He became a member of the Texas Rangers in 2001 and rose through the ranks to become a Ranger captain in 2008; he commanded the Texas Ranger Cold Case Team and served as the department's inspector general; he was promoted to deputy assistant director in 2009 and became assistant director in 2011; and

WHEREAS, Mr. Whitman earned a bachelor's degree from Southwest Texas State University and a master's degree from Texas A&M University–Corpus Christi; he also graduated from the Federal Bureau of Investigation National Academy and holds a master peace officer license from the Texas Commission on Law Enforcement Standards and Education; and

WHEREAS, Mr. Whitman has handled the unique and challenging responsibilities of law enforcement duty with courage and determination; an exemplary officer, he is respected and admired by his colleagues, and his presence with the Texas Rangers will be greatly missed; now, therefore, be it

RESOLVED, That the Senate of the State of Texas hereby commend Hank Whitman, Jr., for his exceptional service to the people of Texas as an officer with the Texas Department of Public Safety and extend to him best wishes for continued success in all his endeavors; and, be it further

RESOLVED, That a copy of this Resolution be prepared for him as an expression of esteem from the Texas Senate.

ZAFFIRINI
HINOJOSA

SR 1012 was read and was adopted without objection.

GUESTS PRESENTED

Senator Zaffirini, joined by Senator Hinojosa, was recognized and introduced to the Senate Hank Whitman; his wife, Dorothy Whitman; Cynthia Leon, Chair, Texas Public Safety Commission; Steve McCraw, Director, Texas Department of Public Safety; and Kirby Dendy, Chief, Texas Rangers.

The Senate welcomed its guests.

CONCLUSION OF MORNING CALL

The Presiding Officer at 10:49 a.m. announced the conclusion of morning call.

HOUSE BILL 3471 ON SECOND READING

Senator Williams moved to suspend the regular order of business to take up for consideration **HB 3471** at this time on its second reading:

HB 3471, Relating to the compensation of the members of the board of port commissioners of the Port of Port Arthur Navigation District of Jefferson County.

The motion prevailed.

Senators Birdwell, Patrick, and Schwertner 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, Patrick, Schwertner.

HOUSE BILL 3471 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 3471** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Paxton, Rodríguez, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Patrick, Schwertner.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 3. (Same as previous roll call)

COMMITTEE SUBSTITUTE HOUSE BILL 2414 ON SECOND READING

On motion of Senator Deuell and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2414** at this time on its second reading:

CSHB 2414, Relating to requirements for open meetings held by videoconference call.

The bill was read second time.

Senator Watson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2414** (Senate Committee Printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS appropriately:

SECTION . Subchapter A, Chapter 551, Government Code, is amended by adding Section 551.006 to read as follows:

Sec. 551.006. WRITTEN ELECTRONIC COMMUNICATIONS ACCESSIBLE TO PUBLIC. (a) A communication or exchange of information between members of a governmental body about public business or public policy over which the governmental body has supervision or control does not constitute a meeting or deliberation for purposes of this chapter if:

(1) the communication is in writing;

(2) the writing is posted to an online message board or similar Internet application that is viewable and searchable by the public; and

(3) the communication is displayed in real time and displayed on the online message board or similar Internet application for no less than 30 days after the communication is first posted.

(b) A governmental body may have no more than one online message board or similar Internet application to be used for the purposes described in Subsection (a). The online message board or similar Internet application must be owned or controlled by the governmental body, prominently displayed on the governmental body's primary Internet web page, and no more than one click away from the governmental body's primary Internet web page.

(c) The online message board or similar Internet application described in Subsection (a) may only be used by members of the governmental body or staff members of the governmental body who have received specific authorization from a member of the governmental body. In the event that a staff member posts a communication to the online message board or similar Internet application, the name and title of the staff member must be posted along with the communication.

(d) If a governmental body removes from the online message board or similar Internet application a communication that has been posted for at least 30 days, the governmental body shall maintain the posting for a period of six years. This communication is public information and must be disclosed in accordance with Chapter 552.

(e) The governmental body may not vote or take any action that is required to be taken at a meeting under this chapter of the governmental body by posting a communication to the online message board or similar Internet application. In no event shall a communication or posting to the online message board or similar Internet application be construed to be an action of the governmental body.

The amendment to **CSHB 2414** 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 Deuell and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

CSHB 2414 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 2414 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 **CSHB 2414** 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 2474 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 2474** at this time on its second reading:

HB 2474, Relating to taxes and bonds for a junior college district branch campus.

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 2474 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 2474** 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 619 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 619** at this time on its second reading:

HB 619, Relating to the requirements for issuance of certain barbering and cosmetology licenses and certificates for applicants holding licenses issued by other states; imposing 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.

HOUSE BILL 619 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 619** 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 1965 ON SECOND READING

On motion of Senator Zaffirini and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1965** at this time on its second reading:

CSHB 1965, Relating to the state contracting duties of the quality assurance team and Contract Advisory Team.

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 1965 ON THIRD READING

Senator Zaffirini moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1965** 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 2982 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 2982** at this time on its second reading:

CSHB 2982, Relating to the power of the Railroad Commission of Texas to adopt and enforce safety standards applicable to the transportation by pipeline of hazardous liquids, carbon dioxide, and natural gas in rural locations.

The bill was read second time.

Senator Davis offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2982** by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS accordingly:

SECTION __. Subchapter B, Chapter 91, Natural Resources Code, is amended by adding Section 91.021 to read as follows:

Sec. 91.021. NOTICE OF PERMIT TO DRILL WELL IN TRANSPORTATION EASEMENT. (a) In this section, "department" means the Texas Department of Transportation.

(b) The commission shall adopt rules to require that an application for a permit to drill an oil or gas well include an affirmation as to whether or not the well is located within an easement held by the department or within 50 yards of an easement held by the department.

(c) Not later than the 14th day after the date the commission receives an application for a permit to drill an oil or gas well that contains an affirmation that the well is located within an easement held by the department or within 50 yards of an easement held by the department, the commission shall transmit the application to the department.

(d) This section does not grant to the department any authority regarding the approval of an application for a permit to drill an oil or gas well.

SECTION 2. Section 91.021, Natural Resources Code, as added by this Act, applies only to a permit application filed with the Railroad Commission of Texas on or after the effective date of this Act. A permit application filed with the commission before the effective date of this Act is governed by the law in effect when the application was filed, and the former law is continued in effect for that purpose.

The amendment to **CSHB 2982** 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 Duncan offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 2982** (senate committee report) in SECTION 5 of the bill by striking Subdivisions (1) and (2) of the section (page 2, lines 62-69) and substituting the following:

(1) to provide a process for the commission to investigate an accident, an incident, a threat to public safety, or a complaint related to operational safety and to require an operator to submit a plan to remediate an accident, incident, threat, or complaint;

(2) to require reports necessary to allow the commission to investigate an accident, an incident, a threat to public safety, or a complaint related to operational safety; or

The amendment to **CSHB 2982** 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 Duncan and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

CSHB 2982 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 2982 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 2982** 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 2152 ON SECOND READING

On motion of Senator Lucio and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2152** at this time on its second reading:

HB 2152, Relating to fees charged to certain recreational vehicle parks.

The bill was read second time.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2152** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS accordingly:

SECTION _____. Section 30.05(b)(10), Penal Code, is amended to read as follows:

(10) "Recreational vehicle park" has the meaning assigned by Section 13.087, Water ~~[means a tract of land that has rental spaces for two or more recreational vehicles, as defined by Section 522.004, Transportation]~~ Code.

SECTION _____. Section 94.001(3), Property Code, is amended to read as follows:

(3) "Manufactured home" has the meaning assigned by Section 1201.003, Occupations Code ~~[-, and for purposes of this chapter, a reference to a manufactured home includes a recreational vehicle].~~

SECTION _____. Section 94.002, Property Code, is amended to read as follows:

Sec. 94.002. APPLICABILITY. (a) This chapter applies only to the relationship between a landlord who leases property in a manufactured home community and a tenant leasing property in the manufactured home community for the purpose of situating a manufactured home ~~[or a recreational vehicle]~~ on the property.

(b) This chapter does not apply to the relationship between:

(1) a landlord who owns a manufactured home and a tenant who leases the manufactured home from the landlord;

(2) a landlord who leases property in a manufactured home community and a tenant leasing property in the manufactured home community for the placement of personal property to be used for human habitation, excluding a manufactured home ~~[or a recreational vehicle]~~; or

(3) a landlord and an employee or an agent of the landlord.

SECTION _____. Section 184.011(2), Utilities Code, is amended to read as follows:

(2) "Dwelling unit":

(A) means:

(i) [~~(A)~~] one or more rooms that are suitable for occupancy as a residence and that contain kitchen and bathroom facilities; or

(ii) [~~(B)~~] a mobile home in a mobile home park; and

(B) does not include a recreational vehicle, as defined by Section 522.004(b), Transportation Code.

SECTION _____. Subchapter C, Chapter 184, Utilities Code, is amended by adding Section 184.036 to read as follows:

Sec. 184.036. UTILITY CUTOFF AT RECREATIONAL VEHICLE PARK.

Notwithstanding any other law, a person who operates a recreational vehicle park, as defined by Section 13.087, Water Code, may withhold electric, water, or wastewater utility services from a person occupying a recreational vehicle at the park if the occupant is delinquent in paying for utility services provided by the operator until the occupant pays the delinquent amount.

SECTION _____. Section 13.087(a)(3), Water Code, is amended to read as follows:

(3) "Recreational vehicle park" means a commercial property:

(A) that is designed primarily [on which service connections are made] for recreational vehicle transient guest use; and

(B) for which fees for site service connections for recreational vehicles, as defined by Section 522.004(b), Transportation Code, are paid daily, weekly, or monthly [at intervals of one day or longer].

SECTION _____. Section 49.2122(a-1), Water Code, is amended to read as follows:

(a-1) Notwithstanding Subsection (a), a district that provides nonsubmetered master metered utility service, as defined by Section 13.087(a)(1), to a recreational vehicle park, as defined by Section 13.087(a)(3):

(1) [7] shall determine the rates for that service on the same basis the district uses to determine the rates for other commercial businesses that serve transient customers and receive nonsubmetered master metered utility service from the district; and

(2) may not charge a person who owns or operates a recreational vehicle park that receives nonsubmetered master metered utility service from the district an administrative fee for the services provided.

SECTION _____. Sections 94.001(8) and (10), Property Code, are repealed.

The amendment to **HB 2152** 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 Lucio and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

HB 2152 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 2152 ON THIRD READING

Senator Lucio moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2152** 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

Monday, May 20, 2013 - 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:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

HCR 106 Nevárez

Urging the United States Congress to enact legislation to provide sufficient manpower, infrastructure, and technology to ensure the security and efficiency of land ports of entry on the southwestern border.

SB 45 Zaffirini Sponsor: Naishtat

Relating to the provision of employment assistance and supported employment to certain Medicaid waiver program participants.

SB 49 Zaffirini Sponsor: Burkett

Relating to transitional living assistance and appropriate care settings for children with disabilities who reside in general residential operations.

SB 59 Nelson Sponsor: Callegari

Relating to required reports and other documents prepared by state agencies and institutions of higher education.

(Committee Substitute/Amended)

SB 119 Rodríguez Sponsor: Márquez

Relating to the operation of special student recovery programs by certain school districts.

SB 122 Rodríguez Sponsor: Márquez

Relating to the removal from office of a member of the board of trustees of an independent school district.

- SB 128** Nelson Sponsor: Naishtat
Relating to criminal history record information concerning certain applicants and clients of the Department of Assistive and Rehabilitative Services.
- SB 138** Zaffirini Sponsor: Guillen
Relating to procedures for filing complaints with, and providing notice of certain violations to, the Texas Board of Professional Geoscientists.
- SB 164** Van de Putte Sponsor: Isaac
Relating to the issuance to veterans of specially marked licenses to carry a concealed handgun and specially marked personal identification certificates.
- SB 171** West Sponsor: Pickett
Relating to the establishment of a workgroup to study the use by state agencies of a uniform application form following disasters.
- SB 172** Carona Sponsor: Ratliff
Relating to diagnosing the reading development and comprehension of public school kindergarten students.
- SB 193** West Sponsor: Otto
Relating to the exemption from ad valorem taxation of certain property used to provide low-income and moderate-income housing.
- SB 232** Carona Sponsor: Villarreal
Relating to use of the Nationwide Mortgage Licensing System and Registry in connection with the regulatory authority of the consumer credit commissioner.
- SB 242** Carona Sponsor: Farias
Relating to the eligibility requirements for certain occupational licenses issued to applicants with military experience.
- SB 273** Hegar Sponsor: Miller, Rick
Relating to the creation of the Fort Bend County Municipal Utility District No. 206; providing authority to impose taxes and issue bonds; granting a limited power of eminent domain.
- SB 279** Watson Sponsor: Elkins
Relating to certain information about high-value data sets provided by state agencies to the Department of Information Resources.
- SB 284** West Sponsor: Fletcher
Relating to granting limited state law enforcement authority to police officers with the Office of Security and Law Enforcement of the United States Department of Veterans Affairs.
- SB 351** Hegar Sponsor: Zerwas
Relating to the powers and duties of the Willow Point Municipal Utility District of Fort Bend and Waller Counties; providing authority to impose a tax and issue bonds.
(Amended)
- SB 359** Hinojosa Sponsor: Eiland
Relating to the selection of certain members of the board of directors of an appraisal district.
(Committee Substitute)

- SB 362** Watson Sponsor: Gutierrez
Relating to the practice of cosmetology.
- SB 381** Van de Putte Sponsor: Oliveira
Relating to the misuse of the name or symbols of the division of workers' compensation of the Texas Department of Insurance in a deceptive manner.
- SB 382** Carona Sponsor: Carter
Relating to the disbursement of county funds to a person owing delinquent property taxes.
- SB 390** West Sponsor: Lewis
Relating to the effective date of a new court cost or fee or of an amendment to the amount of a court cost or fee.
- SB 409** Watson Sponsor: Kuempel
Relating to the issuance of an alcoholic beverage permit or license covering certain premises where a previous permit or license holder has been evicted.
- SB 428** Nelson Sponsor: Raymond
Relating to background and criminal history checks for parents or other relatives of children in residential child-care facilities.
- SB 430** Nelson Sponsor: Guillen
Relating to verification of the unavailability of community day care before the Department of Family and Protective Services provides day-care assistance or services.
- SB 499** Lucio Sponsor: Lucio III
Relating to the determination of actual damages to enable compensation from the manufactured homeowners' recovery trust fund.
(Amended)
- SB 502** West Sponsor: Zerwas
Relating to placement of children with certain relatives or other designated caregivers.
- SB 503** West Sponsor: Strama
Relating to the establishment of the Expanded Learning Opportunities Council to study and make recommendations concerning expanded learning opportunities for public school students.
(Committee Substitute)
- SB 514** Davis Sponsor: Wu
Relating to the installation, maintenance, operation, and relocation of saltwater pipeline facilities.
(Committee Substitute)
- SB 531** Duncan Sponsor: Smithee
Relating to self-insurance funds established by governmental units.
- SB 534** West Sponsor: Dukes
Relating to requiring permanency planning meetings for certain children in the conservatorship of the Department of Family and Protective Services.
(Amended)

- SB 546** Williams Sponsor: Hilderbran
Relating to continuing education requirements and a registration exemption for county tax assessor-collectors.
- SB 552** Uresti Sponsor: Nevárez
Relating to an application filed with a county commissioners court to revise a subdivision plat; authorizing a fee.
- SB 562** Carona Sponsor: Thompson, Senfronia
Relating to the license qualifications and continuing education requirements for polygraph examiners.
(Committee Substitute)
- SB 563** Hegar Sponsor: Zerwas
Relating to the issuance of specialty license plates to honor recipients of the Defense Superior Service Medal.
- SB 569** Carona Sponsor: Morrison
Relating to the examination requirements for an insurance adjuster license.
- SB 578** Duncan Sponsor: Sheffield, J. D.
Relating to use of countywide polling places for certain elections.
(Amended)
- SB 603** Williams Sponsor: Ritter
Relating to the revocation and reinstatement of an end user number for purposes of purchasing dyed diesel fuel.
- SB 604** Hegar Sponsor: Fletcher
Relating to the powers and duties of the Harris County Municipal Utility District No. 458; providing authority to impose a tax and issue bonds.
- SB 607** Hegar Sponsor: Bell
Relating to the creation of the Waller County Municipal Utility District No. 18; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.
- SB 631** Carona Sponsor: Morrison
Relating to certain statutory insurance deposit requirements.
- SB 679** Duncan Sponsor: Hughes
Relating to certain records and supporting affidavits filed as evidence in certain actions.
- SB 690** Ellis Sponsor: Dutton
Relating to certain management districts in Harris County, including the boundaries of the Near Northside Management District and the creation of Harris County Improvement District No. 23; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.
(Committee Substitute)
- SB 697** Carona Sponsor: Eiland
Relating to the qualifications of certain nonresident individuals to hold a surplus lines agent license.
(Committee Substitute)

- SB 699** Carona Sponsor: Villalba
Relating to the contents of an assumed name certificate filed by certain businesses or professionals.
- SB 702** Hegar Sponsor: Lozano
Relating to certified and insured prescribed burn managers.
- SB 706** Taylor Sponsor: Thompson, Ed
Relating to the creation of the Brazoria County Municipal Utility District No. 47; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.
- SB 717** West Sponsor: Naishtat
Relating to consent by a minor to housing or care provided through a transitional living program.
- SB 718** West Sponsor: Burkett
Relating to voluntary and involuntary mental health services.
(Amended)
- SB 746** Nelson Sponsor: Kolkhorst
Relating to unlawful acts against and criminal offenses involving the Medicaid program.
- SB 747** Nelson Sponsor: Fallon
Relating to the term for the independent ombudsman for state supported living centers.
- SB 763** Watson Sponsor: Phillips
Relating to motorcycle training, the enforcement of certification standards for motorcycles, and the license requirements for a three-wheeled motorcycle; creating an offense.
(Committee Substitute)
- SB 769** Uresti Sponsor: McClendon
Relating to the establishment of a pilot program to provide specialized training to foster parents of certain children.
- SB 771** Uresti Sponsor: Raymond
Relating to training for certain employees of the Department of Family and Protective Services.
- SB 793** Deuell Sponsor: Laubenberg
Relating to newborn hearing screening.
- SB 804** Carona Sponsor: Flynn
Relating to revising provisions in certain laws governing certain banks and trust companies in this state to conform to changes in terminology made by the Business Organizations Code.
- SB 818** Duncan Sponsor: Darby
Relating to boll weevil eradication activities and programs.
- SB 833** Davis Sponsor: Dukes
Relating to the collection of data through the Public Education Information Management System (PEIMS) as to the foster care status of public school students.

- SB 836** Hegar Sponsor: Bohac
Relating to the powers and duties of the Harris County Municipal Utility District No. 171; providing authority to impose a tax and issue bonds.
- SB 845** Carona Sponsor: Darby
Relating to the use of e-mail and website technology by the Texas Department of Licensing and Regulation.
- SB 848** Carona Sponsor: Davis, Sarah
Relating to assignment of rents to holders of certain security interests in real property.
- SB 869** Van de Putte Sponsor: Zedler
Relating to the regulation of the practice of pharmacy; authorizing fees.
(Committee Substitute)
- SB 874** Hegar Sponsor: Sanford
Relating to the operation of health care sharing ministries.
- SB 886** Uresti Sponsor: Lewis
Relating to extended foster care for certain young adults and the extended jurisdiction of a court in a suit affecting the parent-child relationship involving those young adults.
- SB 889** Uresti Sponsor: Laubenberg
Relating to the physician assistant board.
- SB 890** Uresti Sponsor: Nevárez
Relating to the creation of the Reeves County Groundwater Conservation District; providing authority to issue bonds; providing authority to impose fees, surcharges, and taxes.
- SB 893** Carona Sponsor: Carter
Relating to certain conditions of, penalties for violating, and collection of information about protective orders issued in certain family violence, sexual assault or abuse, stalking, or trafficking cases.
(Amended)
- SB 910** Duncan Sponsor: Morrison
Relating to certain election practices and procedures.
(Amended)
- SB 916** Estes Sponsor: Kleinschmidt
Relating to quorums and meetings by teleconference of the Texas Bioenergy Policy Council and the Texas Bioenergy Research Committee.
- SB 939** West Sponsor: Parker
Relating to reporting child abuse and neglect and to training regarding recognizing and reporting child abuse and neglect at schools, institutions of higher education, and other entities.
(Amended)
- SB 946** Nelson Sponsor: Bohac
Relating to the right to terminate a lease and avoid liability by a victim of certain sexual offenses or stalking.
(Amended)

- SB 948** Nelson Sponsor: Parker
Relating to management of a coordinated county transportation authority.
(Committee Substitute)
- SB 951** Carona Sponsor: Eiland
Relating to surplus lines insurance.
- SB 967** West Sponsor: Herrero
Relating to the authority of a municipality or county to retain certain fees.
- SB 997** Deuell Sponsor: Hughes
Relating to the sales and use tax consequences of economic development agreements made by certain municipalities.
(Committee Substitute)
- SB 1006** Carona Sponsor: Sheets
Relating to requirements regarding certain shareholder and policyholder dividends.
- SB 1010** Taylor Sponsor: Bonnen, Greg
Relating to access to certain facilities by search and rescue dogs and their handlers; providing a criminal penalty.
- SB 1012** Zaffirini Sponsor: Guillen
Relating to the McMullen Groundwater Conservation District.
- SB 1033** Carona Sponsor: Villalba
Relating to the registration and use of marks, including trademarks and service marks.
- SB 1035** Carona Sponsor: Smith
Relating to alcoholic beverage license applications and fees.
(Committee Substitute)
- SB 1053** Carona Sponsor: Guillen
Relating to the notice provided to an owner or lienholder of a vehicle towed to a vehicle storage facility or provided to an owner or operator of a vehicle by a parking facility owner.
(Committee Substitute)
- SB 1061** Van de Putte Sponsor: Menéndez
Relating to parking privileges of disabled veterans on the property of institutions of higher education.
- SB 1064** Hegar Sponsor: Zerwas
Relating to the creation of the Fort Bend County Municipal Utility District No. 208; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.
- SB 1067** Hegar Sponsor: Zerwas
Relating to the creation of the Fort Bend County Municipal Utility District No. 211; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.
- SB 1071** Hegar Sponsor: Murphy
Relating to the creation of the Harris County Municipal Utility District No. 532; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.

- SB 1072** Hegar Sponsor: Murphy
Relating to the creation of the Harris County Municipal Utility District No. 533; granting a limited power of eminent domain; providing authority to issue bonds.
- SB 1073** Hegar Sponsor: Murphy
Relating to the creation of the Harris County Municipal Utility District No. 534; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.
- SB 1074** Hegar Sponsor: Bonnen, Greg
Relating to electronic transmission of documentation involved in certain insurance transactions.
(Amended)
- SB 1075** Hegar Sponsor: Isaac
Relating to the addition of land in the territory of the Ranch at Clear Fork Creek Municipal Utility District No. 1.
- SB 1095** Hinojosa Sponsor: King, Tracy O.
Relating to fever tick eradication; creating a penalty.
- SB 1099** Zaffirini Sponsor: King, Susan
Relating to the use of certain designations by a physical therapist.
- SB 1125** Carona Sponsor: Smithee
Relating to first-party indemnity coverage purchased by insurance purchasing groups.
- SB 1151** Hinojosa Sponsor: Bohac
Relating to sales and use tax treatment of certain snack items.
- SB 1200** Van de Putte Sponsor: Menéndez
Relating to the Texas Military Preparedness Commission and strategic planning regarding military bases and defense installations.
(Amended)
- SB 1235** West Sponsor: Naishtat
Relating to guardianships, including assessments for and provision of guardianship services by the Department of Aging and Disability Services.
- SB 1237** Schwertner Sponsor: Lewis
Relating to referral of disputes for alternative dispute resolution, including victim-directed referrals; authorizing a fee.
(Committee Substitute)
- SB 1265** Nichols Sponsor: Ritter
Relating to the election of board members for emergency services districts in certain counties.
(Committee Substitute)
- SB 1379** Hancock Sponsor: Sheets
Relating to the standard valuation for life insurance, accident and health insurance, and annuities.
(Committee Substitute)
- SB 1386** Hancock Sponsor: Sheets
Relating to the nonforfeiture requirements of certain life insurance policies.
(Committee Substitute)

- SB 1415** Deuell Sponsor: Workman
Relating to notice of termination by suppliers of certain dealer agreements governed by the Fair Practices of Equipment Manufacturers, Distributors, Wholesalers, and Dealers Act.
- SB 1425** Hinojosa Sponsor: Longoria
Relating to the provision of fire prevention or fire-fighting services by certain emergency services districts.
- SB 1432** Hinojosa Sponsor: Guillen
Relating to the punishment for violating certain rules or permit terms under a permit to trap, transport, and transplant certain animals.
- SB 1474** Duncan Sponsor: Allen
Relating to the adoption of major curriculum initiatives by a school district.
- SB 1479** Watson Sponsor: Dale
Relating to the provision of emergency services in the Williamson-Travis Counties Water Control and Improvement District No. 1F.
- SB 1480** Watson Sponsor: Dale
Relating to the provision of emergency services in the Williamson-Travis Counties Water Control and Improvement District No. 1G.
- SB 1481** Watson Sponsor: Dale
Relating to the provision of emergency services in the Bella Vista Municipal Utility District.
- SB 1584** Rodríguez Sponsor: Nevárez
Relating to the validation of the dissolution of the Development Corporation of Presidio and the creation of the Presidio Municipal Development District.
- SB 1662** Eltife Sponsor: Otto
Relating to expedited binding arbitration of appraisal review board orders.
- SB 1708** Rodríguez Sponsor: Pickett
Relating to the acquisition of certain real property in El Paso County for the construction of facilities for the Department of Public Safety of the State of Texas.
- SB 1757** Uresti Sponsor: Zedler
Relating to the manufacture, sale, distribution, purchase, or possession of a license plate flipper; creating an offense.
- SB 1822** Hegar Sponsor: Morrison
Relating to the name and powers and duties of the Port O'Connor Municipal Utility District; providing authority to impose a sales and use tax.
- SB 1824** Hegar Sponsor: Zerwas
Relating to the powers of the Fort Bend County Municipal Utility District No. 188, including powers related to the construction, operation, and financing of roads; providing authority to issue bonds and impose a tax.
- SB 1829** Williams Sponsor: Toth
Relating to the powers and duties of the Montgomery County Municipal Utility District No. 105; providing authority to issue bonds; providing authority to impose fees and taxes.

- SB 1830** Hegar Sponsor: Zerwas
Relating to the powers and duties of Fort Bend County Municipal Utility District No. 194.
- SB 1840** Nichols Sponsor: Paddie
Relating to the creation of the Deep East Texas Groundwater Conservation District; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.
- SB 1843** Hegar Sponsor: Zerwas
Relating to the creation of the Fulshear Municipal Utility District No. 2; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.
- SB 1845** Taylor Sponsor: Thompson, Ed
Relating to the creation of the Brazoria County Municipal Utility District No. 48; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.
- SB 1857** Estes Sponsor: Geren
Relating to the certification of certain qualified handgun instructors to conduct school safety training.
- SB 1872** Zaffirini Sponsor: Rodriguez, Eddie
Relating to the creation of Onion Creek Metro Park District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.
- SB 1876** Hegar Sponsor: Morrison
Relating to the election of members of the board of directors of the Pecan Valley Groundwater Conservation District.
- SB 1892** Garcia Sponsor: Menéndez
Relating to the composition of the Texas Coordinating Council for Veterans Services and coordinating workgroups established by the council.
- SB 1900** Zaffirini Sponsor: Isaac
Relating to the creation of the LaSalle Municipal Utility District No. 2; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.
- SB 1901** Zaffirini Sponsor: Isaac
Relating to the creation of the LaSalle Municipal Utility District No. 3; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.
- SB 1902** Zaffirini Sponsor: Isaac
Relating to the creation of the LaSalle Municipal Utility District No. 4; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.
- SB 1903** Zaffirini Sponsor: Isaac
Relating to the creation of the LaSalle Municipal Utility District No. 5; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

SCR 1 Nelson Sponsor: Fallon
Designating April as Water Safety Month for a 10-year period beginning in 2013.

SCR 10 Seliger Sponsor: King, Ken
Designating September 12 as Mary Ann "Molly" Goodnight Day for a 10-year period beginning in 2013.

SCR 12 Schwertner Sponsor: Farney
Designating pecan pie as the official State Pie of Texas.

SCR 13 Deuell Sponsor: Flynn
Declaring the City of Canton to be the Walking Capital of Texas.

SCR 17 Hinojosa Sponsor: Smith
Urging Congress to restore the presumption of a service connection for Agent Orange exposure to United States Navy and United States Air Force veterans who served on the inland waterways, in the territorial waters, and in the airspace of the Republic of Vietnam and to institute a presumption of connection to employment for civilians exposed to Agent Orange in their workplaces.

SCR 18 Hegar Sponsor: Kolkhorst
Recognizing the annual Small Town Christmas celebration in the City of Bellville as the Official Small Town Christmas Event of Texas.

SCR 30 Uresti Sponsor: Nevárez
Granting permission to the State of Texas to sue The University of Texas System.

SJR 54 Hinojosa Sponsor: Guerra
Proposing a constitutional amendment repealing the constitutional provision authorizing the creation of a hospital district in Hidalgo County.

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

HB 616 (132 Yeas, 0 Nays, 2 Present, not voting)

HB 1973 (111 Yeas, 22 Nays, 2 Present, not voting)

HB 1982 (134 Yeas, 2 Nays, 2 Present, not voting)

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

SB 1546 (135 Yeas, 0 Nays, 2 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

HOUSE BILL 259 ON SECOND READING

Senator Paxton moved to suspend the regular order of business to take up for consideration **HB 259** at this time on its second reading:

HB 259, Relating to electioneering conducted near a polling place.

The motion prevailed.

Senators Eltife, Fraser, Nichols, Schwertner, and Zaffirini asked to be recorded as voting "Nay" on suspension of the regular order of business.

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

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

Nays: Eltife, Fraser, Nichols, Schwertner, Zaffirini.

HOUSE BILL 259 ON THIRD READING

Senator Paxton moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 259** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Estes, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Patrick, Paxton, Rodríguez, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams.

Nays: Eltife, Fraser, Nichols, Schwertner, Zaffirini.

The bill was read third time and was passed by the following vote: Yeas 26, Nays 5. (Same as previous roll call)

COMMITTEE SUBSTITUTE HOUSE BILL 2688 ON SECOND READING

On motion of Senator Seliger and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 2688** at this time on its second reading:

CSHB 2688, Relating to the Seminole Hospital District of Gaines County, Texas, and to the fiscal year of the Dallam-Hartley Counties Hospital District.

The bill was read second time.

Senator Seliger offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2688** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 1024.053, Special District Local Laws Code, is amended to read as follows:

Sec. 1024.053. BALLOT PETITION. A person who wants to have the person's name printed on the ballot as a candidate for director must file with the board secretary a petition requesting that action. The petition must:

(1) be signed by at least 50 registered voters of the district as determined by the most recent official list of registered voters;

(2) be filed not later than 5 p.m. on the ~~[62nd]~~ same day that an application for a place on the ballot must be filed under Section 144.005, Election Code [before the date of the election]; and

(3) specify the single-member district ~~[commissioners precinct]~~ the candidate wants to represent ~~[or specify that the candidate wants to represent the district at large].~~

The amendment to **CSHB 2688** 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.

CSHB 2688 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 2688 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 **CSHB 2688** 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 1198 ON SECOND READING

Senator Zaffirini moved to suspend the regular order of business to take up for consideration **CSHB 1198** at this time on its second reading:

CSHB 1198, Relating to authorizing an optional county fee on vehicles registered in certain counties to fund transportation projects.

The motion prevailed.

Senators Birdwell, Campbell, Estes, Fraser, Hancock, Huffman, Nelson, Patrick, Schwertner, and Seliger asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Rodríguez offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 1198** (senate committee printing) by striking SECTION 1 of the bill (page 1, lines 24 through 31), and substituting the following:

SECTION 1. Sections 502.402(a) and (e), Transportation Code, are amended to read as follows:

(a) This section applies only to a county that:

(1) ~~[that]~~ borders the United Mexican States; and

(2) ~~that~~ has a population of more than 250,000 ~~[300,000; and
[3] in which the largest municipality has a population of less than 300,000].~~

(e) The additional fee shall be collected for a vehicle when other fees imposed under this chapter are collected. The fee revenue collected shall be sent to a ~~the~~ regional mobility authority located in ~~of~~ the county to fund long-term transportation projects in the county.

The amendment to **CSHB 1198** 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 Zaffirini and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

CSHB 1198 as amended was passed to third reading by a viva voce vote.

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

Nays: Birdwell, Campbell, Estes, Fraser, Hancock, Huffman, Nelson, Patrick, Schwertner, Seliger.

**MOTION TO PLACE
COMMITTEE SUBSTITUTE
HOUSE BILL 1198 ON THIRD READING**

Senator Zaffirini moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1198** be placed on its third reading and final passage.

The motion was lost by the following vote: Yeas 21, Nays 10. (Not receiving four-fifths vote of Members present)

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Garcia, Hegar, Hinojosa, Lucio, Nichols, Paxton, Rodriguez, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Estes, Fraser, Hancock, Huffman, Nelson, Patrick, Schwertner, Seliger.

HOUSE BILL 1461 ON SECOND READING

Senator Fraser moved to suspend the regular order of business to take up for consideration **HB 1461** at this time on its second reading:

HB 1461, Relating to customer notification of water loss by a retail public utility.

The motion prevailed.

Senators Birdwell, Campbell, Hegar, Nichols, and Patrick 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, Campbell, Hegar, Nichols, Patrick.

HOUSE BILL 1461 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 1461** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hinojosa, Huffman, Lucio, Nelson, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Hegar, Nichols, Patrick.

The bill was read third time and was passed by the following vote: Yeas 26, Nays 5. (Same as previous roll call)

COMMITTEE SUBSTITUTE HOUSE BILL 2911 ON SECOND READING

Senator Taylor moved to suspend the regular order of business to take up for consideration **CSHB 2911** at this time on its second reading:

CSHB 2911, Relating to the regulation of real estate inspectors; changing fees.

The motion prevailed.

Senators Birdwell, Nichols, and Patrick asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Taylor offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2911** (senate committee printing) as follows:

(1) In SECTION 4 of the bill, in amended Section 1102.111(b), Occupations Code (page 2, line 42), strike "or" and substitute "[~~or~~]".

(2) In SECTION 4 of the bill, strike Section 1102.111(b)(2), Occupations Code (page 2, line 43), and substitute the following:

(2) complete more than 40 hours of field work, if the applicant completes correspondence or other course provided by alternative means; or

(3) have more than seven years of relevant experience.

(3) In SECTION 5 of the bill, strike Sections 1102.114(1), (2), and (3), Occupations Code (page 2, lines 48 through 54), and substitute the following:

(1) meets the required qualifications;

(2) pays the fee required by Section 1102.352(a); and

(3) submits [offers] proof of financial responsibility as required by Section 1102.1141 [~~that the applicant carries liability insurance with a minimum limit of \$100,000 per occurrence to protect the public against a violation of Subchapter G.~~].

(4) Strike SECTION 13 of the bill, amending Section 1102.403(b), Occupations Code (page 4, lines 21 through 31).

(5) Strike SECTION 14 of the bill, amending Section 1101.603(d), Occupations Code (page 4, lines 32 through 38).

(6) Strike SECTION 15 of the bill (page 4, lines 39 through 42) and substitute the following appropriately numbered SECTION:

SECTION _____. Sections 1102.252 and 1102.253, Occupations Code, are repealed.

(7) Strike SECTION 16 of the bill (page 4, lines 43 through 69).

(8) Strike SECTIONS 17(c) and (d) of the bill (page 5, lines 17 through 27).

(9) Renumber the SECTIONS of the bill appropriately.

The amendment to **CSHB 2911** 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 Taylor and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

CSHB 2911 as amended was passed to third reading by a viva voce vote.

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

Nays: Birdwell, Hegar, Nichols, Patrick.

COMMITTEE SUBSTITUTE HOUSE BILL 2911 ON THIRD READING

Senator Taylor moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2911** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Nichols, Patrick.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 4.

Yeas: Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hinojosa, Huffman, Lucio, Nelson, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Hegar, Nichols, Patrick.

HOUSE CONCURRENT RESOLUTION 59 ON SECOND READING

On motion of Senator Lucio and by unanimous consent, the regular order of business was suspended to take up for consideration **HCR 59** at this time on its second reading:

HCR 59, Requesting the speaker and lieutenant governor to create a joint interim committee to study seawater desalination on the Texas coast.

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

HOUSE BILL 2138 ON SECOND READING

On motion of Senator Ellis and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2138** at this time on its second reading:

HB 2138, Relating to the boundaries of the Near Northside Management District and to coordination by the district with other entities in providing projects and services.

The bill was read second time.

Senator Ellis offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2138** (senate committee report) as follows:

(1) Strike SECTION 2 of the bill, adding Section 3807.1041, Special District Local Laws Code.

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

SECTION _____. Subchapter A, Chapter 3905, Special Districts Local Laws Code, is amended by adding Section 3905.009 to read as follows:

Sec. 3905.009. OVERLAPPING TERRITORY. (a) If territory in the district overlaps with the boundaries of another district created before June 17, 2011, that has the powers of a district created under Chapter 375, Local Government Code, the overlapping territory is excluded from the territory of the district that was created first, regardless of whether the territory overlapped on June 17, 2011.

(b) The exclusion of territory under this section does not diminish or impair the rights of the holders of any outstanding and unpaid bonds, warrants, or other district obligations. The district that was created first shall continue to impose fees, taxes, or assessments, if any, on the excluded territory at the same rate imposed on other territory in the district until the total amount of fees, taxes, or assessments collected from the excluded territory equals its pro rata share of the indebtedness of the district at the time the territory was excluded. All fees, taxes, or assessments collected in the excluded territory by the district that was created first shall be applied to the payment of the excluded territory's pro rata share of indebtedness. The owner of all or part of the excluded territory at any time may pay in full the owner's share of the excluded territory's pro rata share of the indebtedness at the time the territory was excluded.

(c) If the district that was created first does not have any outstanding and unpaid bonds, warrants, or other district obligations, but imposes assessments under an assessment plan adopted before May 1, 2013, the district may continue to impose those assessments on the excluded territory at the same rate imposed on other territory in the district to satisfy the requirements of that assessment plan. All assessments collected in the excluded territory by the district that was created first shall be applied to satisfy the requirements of the assessment plan.

The amendment to **HB 2138** 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 Ellis offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 2138** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter B, Chapter 3905, Special District Local Laws Code, is amended by amending Sections 3905.051 and 3905.056 to read as follows:

Sec. 3905.051. GOVERNING BODY; TERMS. The district is governed by a board of twelve [~~nine~~] directors who serve staggered terms of three years, with four [~~three~~] directors' terms expiring June 1 of each year.

Sec. 3905.056. INITIAL DIRECTORS. (a) The initial board consists of:

Pos. No.	Name of Director
1	Ethel Kaye Lee
2	Rose Russell
3	Michael Ashley
4	Dr. Albert Lemon
5	Earl White
6	Ann Tillis
7	John Fields
8	Harvey Clemons
9	Renee Llorens
10	Rosalind Malveaux
11	Jeremy Brown
12	Jarrett Leland

(b) Of the initial directors, the terms of directors serving in positions 1, 2, and 3 expire June 1, 2013, the terms of directors serving in positions 4, 5, ~~and~~ 6, and 10 expire June 1, 2014, ~~and~~ the terms of directors serving in positions 7, 8, ~~and~~ 9, and 11 expire June 1, 2015, and the term of the director serving in position 12 expires June 1, 2016.

(c) Section 3905.052 does not apply to the initial directors.

(d) This section expires September 1, 2016 [~~2015~~].

The amendment to **HB 2138** 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 Ellis and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

HB 2138 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 2138 ON THIRD READING

Senator Ellis moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2138** 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 2276 ON SECOND READING

Senator Taylor moved to suspend the regular order of business to take up for consideration **HB 2276** at this time on its second reading:

HB 2276, Relating to notice of residential services available for persons with intellectual disabilities.

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.

Senator Zaffirini offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2276** (Senate committee printing) as follows:

(1) Amend Section 1 of the bill, Section 533.038, Health and Safety Code (line 10), by striking "a state supported living center" and substituting "any programs and services for which the person is determined to be eligible, including state supported living centers, community ICF-MR programs, waiver services under Section 1915(c) of the federal Social Security Act (42 U.S.C. Section 1396n(c)), or other services".

(2) Amend Section 1 of the bill, Section 533.038, Health and Safety Code (lines 14-15), by striking "the state supported living center" and substituting "each program and service for which the person is determined to be eligible, including state supported living centers, community ICF-MR programs, waiver services under Section 1915(c) of the federal Social Security Act (42 U.S.C. Section 1396n(c)), or other services".

The amendment to **HB 2276** 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 Taylor and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

HB 2276 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: Watson.

HOUSE BILL 2276 ON THIRD READING

Senator Taylor moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2276** be placed on its third reading and final passage.

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

Nays: Watson.

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

MOTION TO PLACE HOUSE BILL 852 ON SECOND READING

Senator Hinojosa moved to suspend the regular order of business to take up for consideration **HB 852** at this time on its second reading:

HB 852, Relating to the sale and purchase of shark fins or products derived from shark fins; creating an offense.

Senator Hinojosa withdrew the motion to suspend the regular order of business.

COMMITTEE SUBSTITUTE HOUSE BILL 1349 ON SECOND READING

Senator Campbell moved to suspend the regular order of business to take up for consideration **CSHB 1349** at this time on its second reading:

CSHB 1349, Relating to information that may be requested by the Department of Public Safety from a person applying for or renewing a concealed handgun license.

The motion prevailed.

Senators Ellis, Garcia, Rodríguez, Uresti, Watson, and Williams 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: Ellis, Garcia, Rodríguez, Uresti, Watson, Williams.

COMMITTEE SUBSTITUTE HOUSE BILL 1349 ON THIRD READING

Senator Campbell moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1349** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 6.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Van de Putte, West, Whitmire, Zaffirini.

Nays: Ellis, Garcia, Rodríguez, Uresti, Watson, Williams.

The bill was read third time and was passed by the following vote: Yeas 25, Nays 6. (Same as previous roll call)

HOUSE BILL 1724 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 1724** at this time on its second reading:

HB 1724, Relating to the statute of limitations on municipal and county hotel occupancy taxes and interest on delinquent payments of municipal hotel occupancy taxes.

The bill was read second time.

Senator Seliger offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1724** (senate committee printing) by inserting the following SECTION and renumbering the subsequent SECTIONS accordingly:

SECTION _____. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1067 to read as follows:

Sec. 351.1067. ALLOCATION OF REVENUE; CERTAIN MUNICIPALITIES.

(a) This section applies only to a municipality that has a population of at least 190,000, no part of which is located in a county with a population of at least 150,000.

(b) Notwithstanding any other provision of this chapter, a municipality to which this section applies may use revenue from the municipal hotel occupancy tax to conduct an audit of a person in the municipality required to collect the tax authorized by this chapter, provided that the municipality use the revenue to audit not more than one-third of the total number of those persons in any fiscal year.

The amendment to **HB 1724** 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 1724 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 1724 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 1724** 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 2447 ON SECOND READING

Senator Hinojosa moved to suspend the regular order of business to take up for consideration **HB 2447** at this time on its second reading:

HB 2447, Relating to the sale and advertisement of portable fire extinguishers.

The motion prevailed by the following vote: Yeas 23, Nays 8.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hinojosa, Huffman, Lucio, Nelson, Nichols, Rodríguez, Seliger, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Hancock, Hegar, Patrick, Paxton, Schwertner, Taylor.

The bill was read second time.

Senator Hinojosa offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 2447** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS accordingly:

SECTION _____. (a) Section 797.001, Health and Safety Code, as added by this Act, and Section 6001.156(a), Insurance Code, as amended by this Act, do not apply to the sale or advertisement of an aerosol fire suppression device or similar fire suppression device that, on or before September 1, 2013, is:

(1) listed for use as a portable fire extinguisher by a testing laboratory approved the Texas Department of Insurance, other than the National Fire Protection Association; and

(2) approved for use as a portable fire extinguisher by the Texas Department of Insurance.

(b) This section expires September 1, 2015.

The amendment to **HB 2447** 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 2447 as amended was passed to third reading by a viva voce vote.

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

Nays: Birdwell, Campbell, Hancock, Hegar, Patrick, Paxton, Schwertner, Taylor.

HOUSE BILL 2447 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 2447** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 6.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Rodríguez, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Hancock, Patrick, Paxton, Schwertner.

The bill was read third time and was passed by the following vote: Yeas 23, Nays 8.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hinojosa, Huffman, Lucio, Nelson, Nichols, Rodríguez, Seliger, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Hancock, Hegar, Patrick, Paxton, Schwertner, Taylor.

COMMITTEE SUBSTITUTE HOUSE BILL 1759 ON SECOND READING

On motion of Senator Ellis and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 1759** at this time on its second reading:

CSHB 1759, Relating to a correction, clarification, or retraction of incorrect information published.

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 1759 ON THIRD READING

Senator Ellis moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1759** 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) (Motion In Writing)

Senator Eltife submitted the following Motion In Writing:

Mr. President and Members,

I move to suspend the 24-hour posting rule, in accordance with Senate Rules 11.10 and 11.18, in order for the Senate Committee on Administration to take up and consider HB 3945 immediately upon recess today, May 20, 2013, at my desk.

ELTIFE

The Motion In Writing prevailed without objection.

RECESS

On motion of Senator Whitmire, the Senate at 12:20 p.m. recessed until 2:30 p.m. today.

AFTER RECESS

The Senate met at 2:54 p.m. and was called to order by Senator Eltife.

BILLS AND RESOLUTIONS SIGNED

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

SB 12, SB 63, SB 109, SB 111, SB 152, SB 201, SB 222, SB 246, SB 260, SB 286, SB 344, SB 356, SB 394, SB 395, SB 406, SB 772, SB 819, SB 944, SB 983, SB 1120, SB 1167, SB 1665, SB 1719, SB 1792, SJR 18, SJR 42.

SENATE BILL 462 WITH HOUSE AMENDMENT

Senator Huffman called **SB 462** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 462** by substituting in lieu thereof the following:

**A BILL TO BE ENTITLED
AN ACT**

relating to specialty court programs in this state.

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

ARTICLE 1. SPECIALTY COURT PROGRAMS

SECTION 1.01. Title 2, Government Code, is amended by adding Subtitle K to read as follows:

**SUBTITLE K. SPECIALTY COURTS
CHAPTER 121. GENERAL PROVISIONS**

Sec. 121.001. DEFINITION. In this subtitle, "specialty court" means a court established under this subtitle or former law.

Sec. 121.002. OVERSIGHT. (a) The lieutenant governor and the speaker of the house of representatives may assign to appropriate legislative committees duties relating to the oversight of specialty court programs.

(b) For the purpose of determining the eligibility of a specialty court program to receive state or federal grant funds administered by a state agency, the governor or a legislative committee to which duties are assigned under Subsection (a) may request the state auditor to perform a management, operations, or financial or accounting audit of the program.

(c) Notwithstanding any other law, a specialty court program may not operate until the judge, magistrate, or coordinator:

(1) provides to the criminal justice division of the governor's office:

(A) written notice of the program;

(B) any resolution or other official declaration under which the program

was established; and

(C) a copy of the applicable community justice plan that incorporates duties related to supervision that will be required under the program; and

(2) receives from the division written verification of the program's compliance with Subdivision (1).

(d) A specialty court program shall:

(1) comply with all programmatic best practices recommended by the Specialty Courts Advisory Council under Section 772.0061(b)(2) and approved by the Texas Judicial Council; and

(2) report to the criminal justice division any information required by the division regarding the performance of the program.

(e) A specialty court program that fails to comply with Subsections (c) and (d) is not eligible to receive any state or federal grant funds administered by any state agency.

SECTION 1.02. Subchapter J, Chapter 264, Family Code, is transferred to Subtitle K, Title 2, Government Code, as added by this Act, redesignated as Chapter 122, Government Code, and amended to read as follows:

CHAPTER 122 [SUBCHAPTER J]. FAMILY DRUG COURT PROGRAM

Sec. 122.001 [264.801]. FAMILY DRUG COURT PROGRAM DEFINED. In this chapter [subchapter], "family drug court program" means a program that has the following essential characteristics:

(1) the integration of substance abuse treatment services in the processing of civil cases in the child welfare system with the goal of family reunification;

(2) the use of a comprehensive case management approach involving Department of Family and Protective Services [department] caseworkers, court-appointed case managers, and court-appointed special advocates to rehabilitate a parent who has had a child removed from the parent's care by the department because of suspected child abuse or neglect and who is suspected of substance abuse;

(3) early identification and prompt placement of eligible parents who volunteer to participate in the program;

(4) comprehensive substance abuse needs assessment and referral to an appropriate substance abuse treatment agency;

(5) a progressive treatment approach with specific requirements that a parent must meet to advance to the next phase of the program;

(6) monitoring of abstinence through periodic alcohol or other drug testing;

(7) ongoing judicial interaction with program participants;

(8) monitoring and evaluation of program goals and effectiveness;

(9) continuing interdisciplinary education to promote effective program planning, implementation, and operations; and

(10) development of partnerships with public agencies and community organizations.

Sec. 122.002 [264.802]. AUTHORITY TO ESTABLISH PROGRAM. The commissioners court of a county may establish a family drug court program for persons who:

(1) have had a child removed from their care by the Department of Family and Protective Services [department]; and

(2) are suspected by the Department of Family and Protective Services [department] or a court of having a substance abuse problem.

~~[Sec. 264.803. OVERSIGHT. (a) The lieutenant governor and the speaker of the house of representatives may assign to appropriate legislative committees duties relating to the oversight of family drug court programs established under this subchapter.~~

~~[(b) A legislative committee or the governor may request the state auditor to perform a management, operations, or financial or accounting audit of a family drug court program established under this subchapter.]~~

Sec. 122.003 ~~[264.804]~~. PARTICIPANT PAYMENT FOR TREATMENT AND SERVICES. A family drug court program may require a participant to pay the cost of all treatment and services received while participating in the program, based on the participant's ability to pay.

Sec. 122.004 ~~[264.805]~~. FUNDING. A county creating a family drug court under this chapter shall explore the possibility of using court improvement project funds to finance the family drug court in the county. The county shall also explore the availability of federal and state matching funds to finance the court.

SECTION 1.03. Subsection (a), Section 76.011, Government Code, is amended to read as follows:

(a) The department may operate programs for:

(1) the supervision and rehabilitation of persons in pretrial intervention programs;

(2) the supervision of persons released on bail under:

- (A) Chapter 11, Code of Criminal Procedure;
- (B) Chapter 17, Code of Criminal Procedure;
- (C) Article 44.04, Code of Criminal Procedure; or
- (D) any other law;

(3) the supervision of a person subject to, or the verification of compliance with, a court order issued under:

(A) Article 17.441, Code of Criminal Procedure, requiring a person to install a deep-lung breath analysis mechanism on each vehicle owned or operated by the person;

(B) Chapter 123 of this code or former law ~~[469, Health and Safety Code]~~, issuing an occupational driver's license;

(C) Section 49.09(h), Penal Code, requiring a person to install a deep-lung breath analysis mechanism on each vehicle owned or operated by the person; or

(D) Subchapter L, Chapter 521, Transportation Code, granting a person an occupational driver's license; and

(4) the supervision of a person not otherwise described by Subdivision (1), (2), or (3), if a court orders the person to submit to the supervision of, or to receive services from, the department.

SECTION 1.04. Chapter 469, Health and Safety Code, is transferred to Subtitle K, Title 2, Government Code, as added by this Act, redesignated as Chapter 123, Government Code, and amended to read as follows:

CHAPTER 123 ~~[469]~~. DRUG COURT PROGRAMS

Sec. 123.001 ~~[469.001]~~. DRUG COURT PROGRAM DEFINED; PROCEDURES FOR CERTAIN DEFENDANTS. (a) In this chapter, "drug court program" means a program that has the following essential characteristics:

- (1) the integration of alcohol and other drug treatment services in the processing of cases in the judicial system;
- (2) the use of a nonadversarial approach involving prosecutors and defense attorneys to promote public safety and to protect the due process rights of program participants;
- (3) early identification and prompt placement of eligible participants in the program;
- (4) access to a continuum of alcohol, drug, and other related treatment and rehabilitative services;
- (5) monitoring of abstinence through weekly alcohol and other drug testing;
- (6) a coordinated strategy to govern program responses to participants' compliance;
- (7) ongoing judicial interaction with program participants;
- (8) monitoring and evaluation of program goals and effectiveness;
- (9) continuing interdisciplinary education to promote effective program planning, implementation, and operations; and
- (10) development of partnerships with public agencies and community organizations.

(b) If a defendant successfully completes a drug court program, regardless of whether the defendant was convicted of the offense for which the defendant entered the program or whether the court deferred further proceedings without entering an adjudication of guilt, after notice to the state and a hearing on whether the defendant is otherwise entitled to the petition and whether issuance of the order is in the best interest of justice, the court shall enter an order of nondisclosure under Section 411.081~~[Government Code]~~, as if the defendant had received a discharge and dismissal under Section 5(c), Article 42.12, Code of Criminal Procedure, with respect to all records and files related to the defendant's arrest for the offense for which the defendant entered the program if the defendant:

(1) has not been previously convicted of an [a felony] offense listed in Section 3g, Article 42.12, Code of Criminal Procedure, or a sexually violent offense, as defined by Article 62.001, Code of Criminal Procedure; and

(2) is not convicted for any [other] felony offense between the date on which the defendant successfully completed the program and [before] the second anniversary of that date [the defendant's successful completion of the program].

(c) Notwithstanding Subsection (b), a defendant is not entitled to petition the court for an order of nondisclosure following successful completion of a drug court program if the defendant's entry into the program arose as the result of a conviction for an offense involving the operation of a motor vehicle while intoxicated.

Sec. 123.002 ~~[469.002]~~. AUTHORITY TO ESTABLISH PROGRAM. The commissioners court of a county or governing body of a municipality may establish the following types of drug court programs:

- (1) drug courts for persons arrested for, charged with, or convicted of:

(A) an offense in which an element of the offense is the use or possession of alcohol or the use, possession, or sale of a controlled substance, a controlled substance analogue, or marihuana; or

(B) an offense in which the use of alcohol or a controlled substance is suspected to have significantly contributed to the commission of the offense and the offense did not involve:

(i) carrying, possessing, or using a firearm or other dangerous weapon;

(ii) the use of force against the person of another; or

(iii) the death of or serious bodily injury to another;

(2) drug courts for juveniles detained for, taken into custody for, or adjudicated as having engaged in:

(A) delinquent conduct, including habitual felony conduct, or conduct indicating a need for supervision in which an element of the conduct is the use or possession of alcohol or the use, possession, or sale of a controlled substance, a controlled substance analogue, or marihuana; or

(B) delinquent conduct, including habitual felony conduct, or conduct indicating a need for supervision in which the use of alcohol or a controlled substance is suspected to have significantly contributed to the commission of the conduct and the conduct did not involve:

(i) carrying, possessing, or using a firearm or other dangerous weapon;

(ii) the use of force against the person of another; or

(iii) the death of or serious bodily injury to another;

(3) reentry drug courts for persons with a demonstrated history of using alcohol or a controlled substance who may benefit from a program designed to facilitate the person's transition and reintegration into the community on release from a state or local correctional facility;

(4) family dependency drug treatment courts for family members involved in a suit affecting the parent-child relationship in which a parent's use of alcohol or a controlled substance is a primary consideration in the outcome of the suit; or

(5) programs for other persons not precisely described by Subdivisions (1)-(4) who may benefit from a program that has the essential characteristics described by Section 123.001 ~~[469.001]~~.

Sec. ~~123.003~~ ~~[469.0025]~~. ESTABLISHMENT OF REGIONAL PROGRAM.

(a) The commissioners courts of two or more counties, or the governing bodies of two or more municipalities, may elect to establish a regional drug court program under this chapter for the participating counties or municipalities.

(b) For purposes of this chapter, each county or municipality that elects to establish a regional drug court program under this section is considered to have established the program and is entitled to retain fees under Article 102.0178, Code of Criminal Procedure, in the same manner as if the county or municipality had established a drug court program without participating in a regional program.

~~[Sec. 469.003. OVERSIGHT. (a) The lieutenant governor and the speaker of the house of representatives may assign to appropriate legislative committees duties relating to the oversight of drug court programs established under this chapter.~~

~~[(b) A legislative committee or the governor may request the state auditor to perform a management, operations, or financial or accounting audit of a drug court program established under this chapter.~~

~~[(c) A drug court program established under this chapter shall:~~

~~[(1) notify the criminal justice division of the governor's office before or on implementation of the program; and~~

~~[(2) provide information regarding the performance of the program to the division on request.]~~

Sec. 123.004 ~~[469.004]~~. FEES. (a) A drug court program established under this chapter may collect from a participant in the program:

(1) a reasonable program fee not to exceed \$1,000; and

(2) an alcohol or controlled substance testing, counseling, and treatment fee in an amount necessary to cover the costs of the testing, counseling, and treatment.

(b) Fees collected under this section may be paid on a periodic basis or on a deferred payment schedule at the discretion of the judge, magistrate, or coordinator ~~[program director administering the program]~~. The fees must be:

(1) based on the participant's ability to pay; and

(2) used only for purposes specific to the program.

Sec. 123.005 ~~[469.005]~~. DRUG COURT PROGRAMS EXCLUSIVELY FOR CERTAIN INTOXICATION OFFENSES. (a) The commissioners court of a county may establish under this chapter a drug court program exclusively for persons arrested for, charged with, or convicted of an offense involving the operation of a motor vehicle while intoxicated.

(b) A county that establishes a drug court program under this chapter but does not establish a separate program under this section must employ procedures designed to ensure that a person arrested for, charged with, or convicted of a second or subsequent offense involving the operation of a motor vehicle while intoxicated participates in the county's existing drug court program.

Sec. 123.006 ~~[469.006]~~. PROGRAM IN CERTAIN COUNTIES MANDATORY. (a) The commissioners court of a county with a population of more than 200,000 shall:

(1) establish a drug court program under ~~[Subdivision (1) of]~~ Section 123.002(1); and

(2) direct the judge, magistrate, or coordinator to comply with Section 121.002(c)(1) ~~[469.002]~~.

(b) A county required under this section to establish a drug court program shall apply for federal and state funds available to pay the costs of the program. The criminal justice division of the governor's office may assist a county in applying for federal funds as required by this subsection.

(c) Notwithstanding Subsection (a), a county is required to establish a drug court program under this section only if:

(1) the county receives federal or state funding, including funding under Article 102.0178, Code of Criminal Procedure, specifically for that purpose; and

(2) the judge, magistrate, or coordinator receives the verification described by Section 121.002(c)(2).

(d) A county that does not establish a drug court program as required by this section and maintain the program is ineligible to receive from the state:

(1) funds for a community supervision and corrections department; and

(2) grants for substance abuse treatment programs administered by the criminal justice division of the governor's office.

Sec. ~~123.007~~ [469-007]. **USE OF OTHER DRUG AND ALCOHOL AWARENESS PROGRAMS.** In addition to using a drug court program established under this chapter, the commissioners court of a county or a court may use other drug awareness or drug and alcohol driving awareness programs to treat persons convicted of drug or alcohol related offenses.

Sec. ~~123.008~~ [469-008]. **SUSPENSION OR DISMISSAL OF COMMUNITY SERVICE REQUIREMENT.** (a) Notwithstanding Sections 13 and 16, Article 42.12, Code of Criminal Procedure, to encourage participation in a drug court program established under this chapter, the judge or magistrate administering the program may suspend any requirement that, as a condition of community supervision, a participant in the program work a specified number of hours at a community service project or projects.

(b) On a participant's successful completion of a drug court program, a judge or magistrate may excuse the participant from any condition of community supervision previously suspended under Subsection (a).

Sec. ~~123.009~~ [469-009]. **OCCUPATIONAL DRIVER'S LICENSE.** Notwithstanding Section 521.242, Transportation Code, if a participant's driver's license has been suspended as a result of an alcohol-related or drug-related enforcement contact, as defined by Section 524.001, Transportation Code, or as a result of a conviction under Section 49.04, 49.07, or 49.08, Penal Code, the judge or magistrate administering a drug court program under this chapter may order that an occupational license be issued to the participant. An order issued under this section is subject to Sections 521.248-521.252, Transportation Code, except that any reference to a petition under Section 521.242 of that code does not apply.

SECTION 1.05. Chapter 617, Health and Safety Code, is transferred to Subtitle K, Title 2, Government Code, as added by this Act, redesignated as Chapter 124, Government Code, and amended to read as follows:

CHAPTER 124 [617]. **VETERANS COURT PROGRAM**

Sec. ~~124.001~~ [617-001]. **VETERANS COURT PROGRAM DEFINED; PROCEDURES FOR CERTAIN DEFENDANTS.** (a) In this chapter, "veterans court program" means a program that has the following essential characteristics:

(1) the integration of services in the processing of cases in the judicial system;

(2) the use of a nonadversarial approach involving prosecutors and defense attorneys to promote public safety and to protect the due process rights of program participants;

(3) early identification and prompt placement of eligible participants in the program;

(4) access to a continuum of alcohol, controlled substance, mental health, and other related treatment and rehabilitative services;

- (5) careful monitoring of treatment and services provided to program participants;
- (6) a coordinated strategy to govern program responses to participants' compliance;
- (7) ongoing judicial interaction with program participants;
- (8) monitoring and evaluation of program goals and effectiveness;
- (9) continuing interdisciplinary education to promote effective program planning, implementation, and operations; and
- (10) development of partnerships with public agencies and community organizations, including the United States Department of Veterans Affairs.

(b) If a defendant successfully completes a veterans court program[?] as authorized under Section 76.011, [~~Government Code,~~] after notice to the attorney representing the state and a hearing in the veterans court at which that court determines that a dismissal is in the best interest of justice, the court in which the criminal case is pending shall dismiss the criminal action against the defendant.

Sec. 124.002 [~~617.002~~]. **AUTHORITY TO ESTABLISH PROGRAM; ELIGIBILITY.** (a) The commissioners court of a county may establish a veterans court program for persons arrested for or charged with any misdemeanor or felony offense. A defendant is eligible to participate in a veterans court program established under this chapter only if the attorney representing the state consents to the defendant's participation in the program and if the court in which the criminal case is pending finds that the defendant:

- (1) is a veteran or current member of the United States armed forces, including a member of the reserves, national guard, or state guard; and
- (2) suffers from a brain injury, mental illness, or mental disorder, including post-traumatic stress disorder, that:
 - (A) resulted from the defendant's military service in a combat zone or other similar hazardous duty area; and
 - (B) materially affected the defendant's criminal conduct at issue in the case.

(b) The court in which the criminal case is pending shall allow an eligible defendant to choose whether to proceed through the veterans court program or otherwise through the criminal justice system.

(c) Proof of matters described by Subsection (a) may be submitted to the court in which the criminal case is pending in any form the court determines to be appropriate, including military service and medical records, previous determinations of a disability by a veteran's organization or by the United States Department of Veterans Affairs, testimony or affidavits of other veterans or service members, and prior determinations of eligibility for benefits by any state or county veterans office. The court's findings must accompany any docketed case.

Sec. 124.003 [~~617.003~~]. **DUTIES OF VETERANS COURT.** (a) A veterans court program established under this chapter must:

- (1) ensure a person eligible for the program is provided legal counsel before volunteering to proceed through the program and while participating in the program;
- (2) allow a participant to withdraw from the program at any time before a trial on the merits has been initiated;

(3) provide a participant with a court-ordered individualized treatment plan indicating the services that will be provided to the participant; and

(4) ensure that the jurisdiction of the veterans court continues for a period of not less than six months but does not continue beyond the period of community supervision for the offense charged.

(b) A veterans court program established under this chapter shall make, establish, and publish local procedures to ensure maximum participation of eligible defendants in the county or counties in which those defendants reside.

(c) This chapter does not prevent the initiation of procedures under Chapter 46B, Code of Criminal Procedure.

Sec. 124.004 [~~617.004~~]. ESTABLISHMENT OF REGIONAL PROGRAM.

(a) The commissioners courts of two or more counties may elect to establish a regional veterans court program under this chapter for the participating counties.

(b) For purposes of this chapter, each county that elects to establish a regional veterans court program under this section is considered to have established the program and is entitled to retain fees under Article 102.0178, Code of Criminal Procedure, in the same manner as if the county had established a veterans court program without participating in a regional program.

~~[Sec. 617.005. OVERSIGHT. (a) The lieutenant governor and the speaker of the house of representatives may assign to appropriate legislative committees duties relating to the oversight of veterans court programs established under this chapter.~~

~~[(b) A legislative committee or the governor may request the state auditor to perform a management, operations, or financial or accounting audit of a veterans court program established under this chapter.~~

~~[(c) A veterans court program established under this chapter shall:~~

~~[(1) notify the criminal justice division of the governor's office before or on implementation of the program; and~~

~~[(2) provide information regarding the performance of the program to that division on request.]~~

Sec. 124.005 [~~617.006~~]. FEES. (a) A veterans court program established under this chapter may collect from a participant in the program:

(1) a reasonable program fee not to exceed \$1,000; and

(2) a testing, counseling, and treatment fee in an amount necessary to cover the costs of any testing, counseling, or treatment performed or provided under the program.

(b) Fees collected under this section may be paid on a periodic basis or on a deferred payment schedule at the discretion of the judge, magistrate, or coordinator [~~program director administering the program~~]. The fees must be:

(1) based on the participant's ability to pay; and

(2) used only for purposes specific to the program.

SECTION 1.06. Chapter 616, Health and Safety Code, is transferred to Subtitle K, Title 2, Government Code, as added by this Act, redesignated as Chapter 125, Government Code, and amended to read as follows:

CHAPTER 125 ~~[616]~~. MENTAL HEALTH COURT PROGRAMSSec. 125.001 ~~[616.001]~~. MENTAL HEALTH COURT PROGRAM DEFINED.

In this chapter, "mental health court program" means a program that has the following essential characteristics:

- (1) the integration of mental illness treatment services and mental retardation services in the processing of cases in the judicial system;
- (2) the use of a nonadversarial approach involving prosecutors and defense attorneys to promote public safety and to protect the due process rights of program participants;
- (3) early identification and prompt placement of eligible participants in the program;
- (4) access to mental illness treatment services and mental retardation services;
- (5) ongoing judicial interaction with program participants;
- (6) diversion of potentially mentally ill or mentally retarded defendants to needed services as an alternative to subjecting those defendants to the criminal justice system;
- (7) monitoring and evaluation of program goals and effectiveness;
- (8) continuing interdisciplinary education to promote effective program planning, implementation, and operations; and
- (9) development of partnerships with public agencies and community organizations, including local mental retardation authorities.

Sec. 125.002 ~~[616.002]~~. AUTHORITY TO ESTABLISH PROGRAM. The commissioners court of a county may establish a mental health court program for persons who:

- (1) have been arrested for or charged with a misdemeanor or felony; and
- (2) are suspected by a law enforcement agency or a court of having a mental illness or mental retardation.

Sec. 125.003 ~~[616.003]~~. PROGRAM. (a) A mental health court program established under Section 125.002 ~~[616.002]~~:

- (1) may handle all issues arising under Articles 16.22 and 17.032, Code of Criminal Procedure, and Chapter 46B, Code of Criminal Procedure; and
- (2) must:
 - (A) ensure a person eligible for the program is provided legal counsel before volunteering to proceed through the mental health court program and while participating in the program;
 - (B) allow a person, if eligible for the program, to choose whether to proceed through the mental health court program or proceed through the regular criminal justice system;
 - (C) allow a participant to withdraw from the mental health court program at any time before a trial on the merits has been initiated;
 - (D) provide a participant with a court-ordered individualized treatment plan indicating the services that will be provided to the participant; and
 - (E) ensure that the jurisdiction of the mental health court extends at least six months but does not extend beyond the probationary period for the offense charged if the probationary period is longer than six months.

(b) The issues shall be handled by a magistrate, as designated by Article 2.09, Code of Criminal Procedure, who is part of a mental health court program established under Section 125.002 ~~[616.002]~~.

~~[Sec. 616.004. OVERSIGHT. (a) The lieutenant governor and the speaker of the house of representatives may assign to appropriate legislative committees duties relating to the oversight of mental health court programs established under Section 616.002.]~~

~~[(b) A legislative committee or the governor may request the state auditor to perform a management, operations, or financial or accounting audit of a mental health court program established under Section 616.002.]~~

Sec. 125.004 ~~[616.005]~~. PARTICIPANT PAYMENT FOR TREATMENT AND SERVICES. A mental health court program may require a participant to pay the cost of all treatment and services received while participating in the program, based on the participant's ability to pay.

SECTION 1.07. Subsection (b), Section 509.007, Government Code, is amended to read as follows:

(b) A community justice plan required under this section must include:

(1) a statement of goals and priorities and of commitment by the community justice council, the judges described by Section 76.002 who established the department, and the department director to achieve a targeted level of alternative sanctions;

(2) a description of methods for measuring the success of programs provided by the department or provided by an entity served by the department;

(3) a proposal for the use of state jail felony facilities and, at the discretion of the community justice council, a regional proposal for the construction, operation, maintenance, or management of a state jail felony facility by a county, a community supervision and corrections department, or a private vendor under a contract with a county or a community supervision and corrections department;

(4) a description of the programs and services the department provides or intends to provide, including a separate description of:

(A) any services the department intends to provide in relation to a specialty court program; and

(B) any programs or other services the department intends to provide to enhance public safety, reduce recidivism, strengthen the investigation and prosecution of criminal offenses, improve programs and services available to victims of crime, and increase the amount of restitution collected from persons supervised by the department; and

(5) an outline of the department's projected programmatic and budgetary needs, based on the programs and services the department both provides and intends to provide.

SECTION 1.08. Subdivision (2), Subsection (a), Section 772.0061, Government Code, is amended to read as follows:

(2) "Specialty court" means:

(A) a family drug court program established under Chapter 122 or former law;

(B) a drug court program established under Chapter 123 or former law [469, Health and Safety Code];

(C) a veterans court program established under Chapter 124 or former law; and

(D) [(B)] a mental health court program established under Chapter 125 or former law [616, Health and Safety Code; and

[(C) a veterans court program established under Chapter 617, Health and Safety Code].

SECTION 1.09. Section 772.0061, Government Code, is amended by amending Subsections (b), (c), (d), and (e) and adding Subsection (j) to read as follows:

(b) The governor shall establish the Specialty Courts Advisory Council within the criminal justice division established under Section 772.006 to:

(1) evaluate applications for grant funding for specialty courts in this state and to make funding recommendations to the criminal justice division; and

(2) make recommendations to the criminal justice division regarding best practices for specialty courts established under Chapter 122, 123, 124, or 125 or former law.

(c) The council is composed of nine ~~seven~~ members appointed by the governor as follows:

(1) one member with experience as the judge of a specialty court described by Subsection (a)(2)(A);

(2) one member with experience as the judge of a specialty court described by Subsection (a)(2)(B);

(3) one member with experience as the judge of a specialty court described by Subsection (a)(2)(C);

(4) one member with experience as the judge of a specialty court described by Subsection (a)(2)(D) [three members with experience as judges of a specialty court]; and

(5) five [(2) four] members who represent the public.

(d) The members appointed under Subsection (c)(5) ~~[(e)(2)]~~ must:

(1) reside in various geographic regions of the state; and

(2) have experience practicing law in a specialty court or possess knowledge and expertise in a field relating to behavioral or mental health issues or to substance abuse treatment.

(e) Members are appointed for staggered six-year terms, with the ~~the~~ terms of ~~either two or~~ three members expiring, ~~as applicable, expire~~ February 1 of each odd-numbered year.

(j) A member of the council may not receive compensation for service on the council. The member may receive reimbursement from the criminal justice division for actual and necessary expenses incurred in performing council functions as provided by Section 2110.004.

ARTICLE 2. CONFORMING AMENDMENTS

SECTION 2.01. Subsection (b), Section 18, Article 42.12, Code of Criminal Procedure, is amended to read as follows:

(b) If a judge requires as a condition of community supervision or participation in a drug court program established under Chapter 123, Government [~~469, Health and Safety~~] Code, or former law that the defendant serve a term in a community corrections facility, the term may not be more than 24 months.

SECTION 2.02. Subsection (f), Article 59.062, Code of Criminal Procedure, is amended to read as follows:

(f) A civil penalty collected under this article shall be deposited to the credit of the drug court account in the general revenue fund to help fund drug court programs established under Chapter 122, 123, 124, or 125, Government [~~469, Health and Safety~~] Code, or former law.

SECTION 2.03. Subsection (g), Section 102.0178, Code of Criminal Procedure, is amended to read as follows:

(g) The comptroller shall deposit the funds received under this article to the credit of the drug court account in the general revenue fund to help fund drug court programs established under Chapter 122, 123, 124, or 125, Government [~~469, Health and Safety~~] Code, or former law. The legislature shall appropriate money from the account solely to the criminal justice division of the governor's office for distribution to drug court programs that apply for the money.

SECTION 2.04. Subsection (c-1), Section 58.003, Family Code, is amended to read as follows:

(c-1) Notwithstanding Subsections (a) and (c) and subject to Subsection (b), a juvenile court may order the sealing of records concerning a child adjudicated as having engaged in delinquent conduct or conduct indicating a need for supervision that violated a penal law of the grade of misdemeanor or felony if the child successfully completed a drug court program under Chapter 123, Government [~~469, Health and Safety~~] Code, or former law. The court may:

- (1) order the sealing of the records immediately and without a hearing; or
- (2) hold a hearing to determine whether to seal the records.

SECTION 2.05. Section 54.1801, Government Code, is amended to read as follows:

Sec. 54.1801. DEFINITION. In this subchapter, "drug court" or "drug court program" has the meaning assigned by Section 123.001 [~~469.001, Health and Safety Code~~].

SECTION 2.06. Subchapter C, Chapter 71, Government Code, is amended by adding Section 71.037 to read as follows:

Sec. 71.037. SPECIALTY COURT BEST PRACTICES. The council shall review and as appropriate approve recommendations made by the Special Courts Advisory Council under Section 772.0061(b)(2).

SECTION 2.07. Subsection (d), Section 76.017, Government Code, is amended to read as follows:

(d) After a person is screened and evaluated, a representative of the department shall meet with the participating criminal justice and treatment agencies to review the person's case and to determine if the person should be referred for treatment. If a person is considered appropriate for referral, the person may be referred to community-based treatment in accordance with applicable law or any other treatment program deemed appropriate. A magistrate may order a person to participate in a

treatment program recommended under this section, including treatment in a drug court program established under Chapter 123 or former law [~~469, Health and Safety Code~~], as a condition of bond or condition of pretrial release.

SECTION 2.08. Section 102.021, Government Code, is amended to read as follows:

Sec. 102.021. COURT COSTS ON CONVICTION: CODE OF CRIMINAL PROCEDURE. A person convicted of an offense shall pay the following under the Code of Criminal Procedure, in addition to all other costs:

(1) court cost on conviction of any offense, other than a conviction of an offense relating to a pedestrian or the parking of a motor vehicle (Art. 102.0045, Code of Criminal Procedure) . . . \$4;

(2) a fee for services of prosecutor (Art. 102.008, Code of Criminal Procedure) . . . \$25;

(3) fees for services of peace officer:

(A) issuing a written notice to appear in court for certain violations (Art. 102.011, Code of Criminal Procedure) . . . \$5;

(B) executing or processing an issued arrest warrant, *capias*, or *capias pro fine* (Art. 102.011, Code of Criminal Procedure) . . . \$50;

(C) summoning a witness (Art. 102.011, Code of Criminal Procedure) . . . \$5;

(D) serving a writ not otherwise listed (Art. 102.011, Code of Criminal Procedure) . . . \$35;

(E) taking and approving a bond and, if necessary, returning the bond to courthouse (Art. 102.011, Code of Criminal Procedure) . . . \$10;

(F) commitment or release (Art. 102.011, Code of Criminal Procedure) . . . \$5;

(G) summoning a jury (Art. 102.011, Code of Criminal Procedure) . . . \$5;

(H) attendance of a prisoner in habeas corpus case if prisoner has been remanded to custody or held to bail (Art. 102.011, Code of Criminal Procedure) . . . \$8 each day;

(I) mileage for certain services performed (Art. 102.011, Code of Criminal Procedure) . . . \$0.29 per mile; and

(J) services of a sheriff or constable who serves process and attends examining trial in certain cases (Art. 102.011, Code of Criminal Procedure) . . . not to exceed \$5;

(4) services of a peace officer in conveying a witness outside the county (Art. 102.011, Code of Criminal Procedure) . . . \$10 per day or part of a day, plus actual necessary travel expenses;

(5) overtime of peace officer for time spent testifying in the trial or traveling to or from testifying in the trial (Art. 102.011, Code of Criminal Procedure) . . . actual cost;

(6) court costs on an offense relating to rules of the road, when offense occurs within a school crossing zone (Art. 102.014, Code of Criminal Procedure) . . . \$25;

(7) court costs on an offense of passing a school bus (Art. 102.014, Code of Criminal Procedure) . . . \$25;

(8) court costs on an offense of truancy or contributing to truancy (Art. 102.014, Code of Criminal Procedure) . . . \$20;

(9) cost for visual recording of intoxication arrest before conviction (Art. 102.018, Code of Criminal Procedure) . . . \$15;

(10) cost of certain evaluations (Art. 102.018, Code of Criminal Procedure) . . . actual cost;

(11) additional costs attendant to certain intoxication convictions under Chapter 49, Penal Code, for emergency medical services, trauma facilities, and trauma care systems (Art. 102.0185, Code of Criminal Procedure) . . . \$100;

(12) additional costs attendant to certain child sexual assault and related convictions, for child abuse prevention programs (Art. 102.0186, Code of Criminal Procedure) . . . \$100;

(13) court cost for DNA testing for certain felonies (Art. 102.020(a)(1), Code of Criminal Procedure) . . . \$250;

(14) court cost for DNA testing for the offense of public lewdness or indecent exposure (Art. 102.020(a)(2), Code of Criminal Procedure) . . . \$50;

(15) court cost for DNA testing for certain felonies (Art. 102.020(a)(3), Code of Criminal Procedure) . . . \$34;

(16) if required by the court, a restitution fee for costs incurred in collecting restitution installments and for the compensation to victims of crime fund (Art. 42.037, Code of Criminal Procedure) . . . \$12;

(17) if directed by the justice of the peace or municipal court judge hearing the case, court costs on conviction in a criminal action (Art. 45.041, Code of Criminal Procedure) . . . part or all of the costs as directed by the judge; and

(18) costs attendant to convictions under Chapter 49, Penal Code, and under Chapter 481, Health and Safety Code, to help fund drug court programs established under Chapter 122, 123, 124, or 125, Government ~~[469, Health and Safety]~~ Code, or former law (Art. 102.0178, Code of Criminal Procedure) . . . \$60.

SECTION 2.09. (a) Subchapter B, Chapter 103, Government Code, is amended by adding Section 103.0271 to read as follows:

Sec. 103.0271. ADDITIONAL MISCELLANEOUS FEES AND COSTS: GOVERNMENT CODE. Fees and costs shall be paid or collected under the Government Code as follows:

(1) a program fee for a drug court program (Sec. 123.004, Government Code) . . . not to exceed \$1,000;

(2) an alcohol or controlled substance testing, counseling, and treatment fee (Sec. 123.004, Government Code) . . . the amount necessary to cover the costs of testing, counseling, and treatment;

(3) a reasonable program fee for a veterans court program (Sec. 124.005, Government Code) . . . not to exceed \$1,000; and

(4) a testing, counseling, and treatment fee for testing, counseling, or treatment performed or provided under a veterans court program (Sec. 124.005, Government Code) . . . the amount necessary to cover the costs of testing, counseling, or treatment.

(b) Subchapter B, Chapter 103, Government Code, is amended by adding Section 103.0292 to read as follows:

Sec. 103.0292. ADDITIONAL MISCELLANEOUS FEES AND COSTS: HEALTH AND SAFETY CODE. A nonrefundable program fee for a first offender prostitution prevention program established under Section 169.002, Health and Safety Code, shall be collected under Section 169.005, Health and Safety Code, in a reasonable amount not to exceed \$1,000, which includes:

(1) a counseling and services fee in an amount necessary to cover the costs of counseling and services provided by the program;

(2) a victim services fee in an amount equal to 10 percent of the total fee;
and

(3) a law enforcement training fee in an amount equal to five percent of the total fee.

(c) Sections 103.029 and 103.0291, Government Code, are repealed.

SECTION 2.10. Subsection (a), Section 493.009, Government Code, is amended to read as follows:

(a) The department shall establish a program to confine and treat:

(1) defendants required to participate in the program under Section 14, Article 42.12, Code of Criminal Procedure; and

(2) individuals referred for treatment as part of a drug court program established under Chapter 123 [~~469, Health and Safety Code,~~] or a similar program created under other law.

SECTION 2.11. Subdivision (1), Section 509.001, Government Code, is amended to read as follows:

(1) "Community corrections facility" means a physical structure, established by the judges described by Section 76.002 after authorization of the establishment of the structure has been included in the local community justice plan, that is operated by a department or operated for a department by an entity under contract with the department, for the purpose of treating persons who have been placed on community supervision or who are participating in a drug court program established under Chapter 123 or former law [~~469, Health and Safety Code,~~] and providing services and programs to modify criminal behavior, deter criminal activity, protect the public, and restore victims of crime. The term includes:

(A) a restitution center;

(B) a court residential treatment facility;

(C) a substance abuse treatment facility;

(D) a custody facility or boot camp;

(E) a facility for an offender with a mental impairment, as defined by Section 614.001, Health and Safety Code; and

(F) an intermediate sanction facility.

ARTICLE 3. TRANSITION

SECTION 3.01. (a) Except as provided by Subsection (b) of this section, the change in law made by this Act applies to a specialty court as defined by Section 121.001, Government Code, as added by this Act, regardless of whether that court was created under Subtitle K, Title 2, Government Code, as added by this Act, or former law.

(b) Subsection (b), Section 123.001, Government Code, as redesignated and amended by this Act, applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect when the offense was committed, and the former law is continued in effect for that purpose. For purposes of this subsection, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

(c) Promptly after this Act takes effect, the governor shall appoint two additional members to the Specialty Courts Advisory Council under Section 772.0061, Government Code, as amended by this Act, as follows:

(1) one member who has experience as a judge of a specialty court, to serve a term expiring February 1, 2017; and

(2) one member who represents the public, to serve a term expiring February 1, 2019.

(d) The change in law made by this Act in the qualifications applying to a member of the Specialty Courts Advisory Council does not affect the entitlement of a member serving on the council immediately before September 1, 2013, to continue to serve and function as a member of the council for the remainder of the member's term. The change in law in the qualifications applies only to a member appointed on or after September 1, 2013. However, as the terms of the members serving immediately before September 1, 2013, expire or become vacant, the governor shall make additional appointments to the council as necessary to comply with Section 772.0061, Government Code, as amended by this Act.

(e) To the extent of any conflict, this Act prevails over another Act of the 83rd Legislature, Regular Session, 2013, relating to nonsubstantive additions to and corrections in enacted codes.

ARTICLE 4. EFFECTIVE DATE

SECTION 4.01. This Act takes effect September 1, 2013.

The amendment was read.

Senator Huffman moved to concur in the House amendment to **SB 462**.

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

SENATE RULE 5.14(a) SUSPENDED (Intent Calendar) (Motion In Writing)

Senator Williams submitted the following Motion In Writing:

Mr. President:

I move suspension of Senate Rule 5.14 so that we may move the Intent Calendar deadline to 5:00 p.m. today.

WILLIAMS

The Motion In Writing prevailed without objection.

(Senator Seliger in Chair)

SENATE BILL 875 WITH HOUSE AMENDMENT

Senator Eltife called **SB 875** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 875** (house committee report) as follows:

(1) On page 2, line 23, strike "\$10,000" and insert "\$5,000".

The amendment was read.

Senator Eltife moved to concur in the House amendment to **SB 875**.

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

Nays: Paxton.

(Senator Eltife in Chair)

SENATE BILL 427 WITH HOUSE AMENDMENT

Senator Nelson called **SB 427** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 427** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 42.041(b), Human Resources Code, is amended to read as follows:

(b) This section does not apply to:

- (1) a state-operated facility;
- (2) an agency foster home or agency foster group home;
- (3) a facility that is operated in connection with a shopping center, business, religious organization, or establishment where children are cared for during short periods while parents or persons responsible for the children are attending religious services, shopping, or engaging in other activities, including retreats or classes for religious instruction, on or near the premises, that does not advertise as a child-care facility or day-care center, and that informs parents that it is not licensed by the state;
- (4) a school or class for religious instruction that does not last longer than two weeks and is conducted by a religious organization during the summer months;
- (5) a youth camp licensed by the Department of State Health Services;
- (6) a facility licensed, operated, certified, or registered by another state agency;
- (7) an educational facility that is accredited by the Texas Education Agency, the Southern Association of Colleges and Schools, or an accreditation body that is a member of the Texas Private School Accreditation Commission and that operates primarily for educational purposes for prekindergarten and above, a before-school or after-school program operated directly by an accredited educational facility, or a before-school or after-school program operated by another entity under contract with the educational facility, if the Texas Education Agency, the Southern Association of Colleges and Schools, or the other accreditation body, as applicable, has approved the curriculum content of the before-school or after-school program operated under the contract;

(8) an educational facility that operates solely for educational purposes for prekindergarten through at least grade two, that does not provide custodial care for more than one hour during the hours before or after the customary school day, and that is a member of an organization that promulgates, publishes, and requires compliance with health, safety, fire, and sanitation standards equal to standards required by state, municipal, and county codes;

(9) a kindergarten or preschool educational program that is operated as part of a public school or a private school accredited by the Texas Education Agency, that offers educational programs through grade six, and that does not provide custodial care during the hours before or after the customary school day;

(10) a family home, whether registered or listed;

(11) an educational facility that is integral to and inseparable from its sponsoring religious organization or an educational facility both of which do not provide custodial care for more than two hours maximum per day, and that offers an educational program in one or more of the following: prekindergarten through at least grade three, elementary grades, or secondary grades;

(12) an emergency shelter facility providing shelter to minor mothers who are the sole support of their natural children under Section 32.201, Family Code, unless the facility would otherwise require a license as a child-care facility under this section;

(13) a juvenile detention facility certified under Section 51.12, Family Code, a juvenile correctional facility certified under Section 51.125, Family Code, a juvenile facility providing services solely for the Texas Juvenile Justice Department [~~Youth Commission~~], or any other correctional facility for children operated or regulated by another state agency or by a political subdivision of the state;

(14) an elementary-age (ages 5-13) recreation program operated by a municipality provided the governing body of the municipality annually adopts standards of care by ordinance after a public hearing for such programs, that such standards are provided to the parents of each program participant, and that the ordinances shall include, at a minimum, staffing ratios, minimum staff qualifications, minimum facility, health, and safety standards, and mechanisms for monitoring and enforcing the adopted local standards; and further provided that parents be informed that the program is not licensed by the state and the program may not be advertised as a child-care facility;

(15) an annual youth camp held in a municipality with a population of more than 1.5 million that operates for not more than three months and that has been operated for at least 10 years by a nonprofit organization that provides care for the homeless;

(16) a food distribution program that:

(A) serves an evening meal to children two years of age or older; and

(B) is operated by a nonprofit food bank in a nonprofit, religious, or educational facility for not more than two hours a day on regular business days;

(17) a child-care facility that operates for less than three consecutive weeks and less than 40 days in a period of 12 months;

(18) a program:

(A) in which a child receives direct instruction in a single skill, talent, ability, expertise, or proficiency;

(B) that does not provide services or offerings that are not directly related to the single talent, ability, expertise, or proficiency;

(C) that does not advertise or otherwise represent that the program is a child-care facility, day-care center, or licensed before-school or after-school program or that the program offers child-care services;

(D) that informs the parent or guardian:

(i) that the program is not licensed by the state; and

(ii) about the physical risks a child may face while participating in the program; and

(E) that conducts background checks for all program employees and volunteers who work with children in the program using information that is obtained from the Department of Public Safety;

(19) an elementary-age (ages 5-13) recreation program that:

(A) adopts standards of care, including standards relating to staff ratios, staff training, health, and safety;

(B) provides a mechanism for monitoring and enforcing the standards and receiving complaints from parents of enrolled children;

(C) does not advertise as or otherwise represent the program as a child-care facility, day-care center, or licensed before-school or after-school program or that the program offers child-care services;

(D) informs parents that the program is not licensed by the state;

(E) is organized as a nonprofit organization or is located on the premises of a participant's residence;

(F) does not accept any remuneration other than a nominal annual membership fee;

(G) does not solicit donations as compensation or payment for any good or service provided as part of the program; and

(H) conducts background checks for all program employees and volunteers who work with children in the program using information that is obtained from the Department of Public Safety;

(20) a living arrangement in a caretaker's home involving one or more children or a sibling group, excluding children who are related to the caretaker, in which the caretaker:

(A) had a prior relationship with the child or sibling group or other family members of the child or sibling group;

(B) does not care for more than one unrelated child or sibling group;

(C) does not receive compensation or solicit donations for the care of the child or sibling group; and

(D) has a written agreement with the parent to care for the child or sibling group;

(21) a living arrangement in a caretaker's home involving one or more children or a sibling group, excluding children who are related to the caretaker, in which:

(A) the department is the managing conservator of the child or sibling group;

(B) the department placed the child or sibling group in the caretaker's home; and

(C) the caretaker had a long-standing and significant relationship with the child or sibling group before the child or sibling group was placed with the caretaker; ~~[or]~~

(22) a living arrangement in a caretaker's home involving one or more children or a sibling group, excluding children who are related to the caretaker, in which the child is in the United States on a time-limited visa under the sponsorship of the caretaker or of a sponsoring organization; or

(23) a facility operated by a nonprofit organization that:

(A) does not otherwise operate as a child-care facility that is required to be licensed under this section;

(B) provides emergency shelter and care for not more than 15 days to children 13 years of age or older but younger than 18 years of age who are victims of human trafficking alleged under Section 20A.02, Penal Code;

(C) is located in a municipality with a population of at least 600,000 that is in a county on an international border; and

(D) meets one of the following criteria:

(i) is licensed by, or operates under an agreement with, a state or federal agency to provide shelter and care to children; or

(ii) meets the eligibility requirements for a contract under Section 51.005(b)(3).

The amendment was read.

Senator Nelson moved to concur in the House amendment to **SB 427**.

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

SENATE BILL 660 WITH HOUSE AMENDMENT

Senator West called **SB 660** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 on Third Reading

Amend **SB 660** on third reading by adding the following appropriately numbered SECTION to read as follows and renumbering subsequent SECTIONS accordingly:

SECTION ____ . Section 351.106, Tax Code, is amended by adding Subsection (c) to read as follows:

(c) A municipality to which this section applies:

(1) is entitled to receive in the same manner all funds and revenue that a municipality to which Section 351.1015 applies may receive under that section; and

(2) may pledge the funds and revenue for the payment of obligations incurred for the construction of qualified projects authorized under that section.

The amendment was read.

Senator West moved to concur in the House amendment to **SB 660**.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Campbell, Carona, Davis, Deuell, Ellis, Eltife, Estes, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Duncan, Fraser, Patrick, Paxton.

SENATE BILL 355 WITH HOUSE AMENDMENT

Senator West called **SB 355** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 355** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED AN ACT

relating to the powers and duties of the Title IV-D agency regarding the establishment, collection, and enforcement of child support and in connection with an application for a marriage license or protective order; authorizing a surcharge.

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

SECTION 1. Section 2.009(c), Family Code, is amended to read as follows:

(c) On the proper execution of the application, the clerk shall:

- (1) prepare the license;
- (2) enter on the license the names of the licensees, the date that the license is issued, and, if applicable, the name of the person appointed to act as proxy for an absent applicant, if any;
- (3) record the time at which the license was issued;
- (4) distribute to each applicant printed materials about acquired immune deficiency syndrome (AIDS) and human immunodeficiency virus (HIV) and note on the license that the distribution was made; and

(5) inform ~~distribute to~~ each applicant:

(A) that a premarital education handbook developed [provided] by the child support division of the office of the attorney general under Section 2.014 is available on the child support division's Internet website; or

(B) if the applicant does not have Internet access, how the applicant may obtain a paper copy of the handbook described by Paragraph (A).

SECTION 2. Sections 2.014(b) and (c), Family Code, are amended to read as follows:

(b) Money in the trust fund is derived from depositing \$3 of each marriage license fee as authorized under Section 118.018(c), Local Government Code, and may be used only for:

- (1) the development ~~[and distribution]~~ of a premarital education handbook;
- (2) grants to institutions of higher education having academic departments that are capable of research on marriage and divorce that will assist in determining programs, courses, and policies to help strengthen families and assist children whose parents are divorcing;

(3) support for counties to create or administer free or low-cost premarital education courses;

(4) programs intended to reduce the amount of delinquent child support; and

(5) other programs the attorney general determines will assist families in this state.

(c) The premarital education handbook under Subsection (b)(1) shall be made available ~~[distributed]~~ to each applicant for a marriage license as provided by Section 2.009(c)(5) and shall contain information on:

- (1) conflict management;
- (2) communication skills;
- (3) children and parenting responsibilities; and
- (4) financial responsibilities.

SECTION 3. Section 82.004, Family Code, is amended to read as follows:

Sec. 82.004. CONTENTS OF APPLICATION. An application must state:

- (1) the name and county of residence of each applicant;
- (2) the name and county of residence of each individual alleged to have committed family violence;
- (3) the relationships between the applicants and the individual alleged to have committed family violence; ~~[and]~~
- (4) a request for one or more protective orders; and
- (5) whether an applicant is receiving services from the Title IV-D agency in connection with a child support case and, if known, the agency case number for each open case.

SECTION 4. Section 85.042(a), Family Code, is amended to read as follows:

(a) The clerk of the court issuing an original or modified protective order under this subtitle shall send a copy of the order, along with the information provided by the applicant or the applicant's attorney that is required under Section 411.042(b)(6), Government Code, to:

- (1) the chief of police of the municipality in which the person protected by the order resides, if the person resides in a municipality;
- (2) ~~[- or to]~~ the appropriate constable and the sheriff of the county in which the person resides, if the person does not reside in a municipality; and
- (3) the Title IV-D agency, if the application for the protective order indicates that the applicant is receiving services from the Title IV-D agency.

SECTION 5. Section 156.401(a-2), Family Code, is amended to read as follows:

(a-2) A court or administrative order for child support in a Title IV-D case may be modified at any time, and without a showing of material and substantial change in the circumstances of the child or a person affected by the order, ~~[as provided under Section 233.013(e)]~~ to provide for medical support of the [a] child if the order does not provide health care coverage as required under Section 154.182.

SECTION 6. Section 158.106, Family Code, is amended to read as follows:

Sec. 158.106. REQUIRED FORMS FOR INCOME WITHHOLDING. (a) The Title IV-D agency shall prescribe forms as required by federal law in a standard format entitled order or notice to withhold income for child support under this chapter.

(b) The Title IV-D agency shall make the required [appropriate] forms available to obligors, obligees, domestic relations offices, friends of the court, clerks of the court, and private attorneys.

(c) The Title IV-D agency may prescribe additional forms for the efficient collection of child support from earnings and to promote the administration of justice for all parties.

(d) The forms prescribed by the Title IV-D agency under this section shall [may] be used:

(1) for an order or judicial writ of income withholding under this chapter;
and

(2) to request voluntary withholding under Section 158.011.

SECTION 7. Section 158.203, Family Code, is amended by amending Subsection (d) and adding Subsections (e) and (f) to read as follows:

(d) In a case in which an obligor's income is subject to withholding, the employer shall remit the payment of child support directly to [a local registry, the Title IV-D agency, or to] the state disbursement unit.

(e) The state disbursement unit may impose on an employer described by Subsection (b) a payment processing surcharge in an amount of not more than \$25 for each remittance made on behalf of an employee that is not made by electronic funds transfer or electronic data exchange. The payment processing surcharge under this subsection may not be charged against the employee or taken from amounts withheld from the employee's wages.

(f) The state disbursement unit shall:

(1) notify an employer described by Subsection (b) who fails to remit withheld income by electronic funds transfer or electronic data exchange that the employer is subject to a payment processing surcharge under Subsection (e); and

(2) inform the employer of the amount of the surcharge owed and the manner in which the surcharge is required to be paid to the unit.

SECTION 8. Section 201.101(e), Family Code, is amended to read as follows:

(e) If a county has entered into a contract with the Title IV-D agency under Section 231.0011, enforcement services may be directly provided in cases identified under the contract by county personnel as provided under Section 231.0011(d), including judges and associate judges of the courts of the county.

SECTION 9. Section 231.002, Family Code, is amended by adding Subsection (j) to read as follows:

(j) In the enforcement or modification of a child support order, the Title IV-D agency is not:

(1) subject to a mediation or arbitration clause or requirement in the order to which the Title IV-D agency was not a party; or

(2) liable for any costs associated with mediation or arbitration arising from provisions in the order or another agreement of the parties.

SECTION 10. Section 231.204, Family Code, is amended to read as follows:

Sec. 231.204. PROHIBITED FEES IN TITLE IV-D CASES. Except as provided by this subchapter, an appellate court, a clerk of an appellate court, a district or county clerk, sheriff, constable, or other government officer or employee may not charge the Title IV-D agency or a private attorney or political subdivision that has

entered into a contract to provide Title IV-D services any fees or other amounts otherwise imposed by law for services rendered in, or in connection with, a Title IV-D case, including:

(1) a fee payable to a district clerk for:

(A) performing services related to the estates of deceased persons or minors;

(B) certifying copies; or

(C) comparing copies to originals;

(2) a court reporter fee, except as provided by Section 231.209;

(3) a judicial fund fee;

(4) a fee for a child support registry, enforcement office, or domestic relations office;

(5) a fee for alternative dispute resolution services; ~~and~~

(6) a filing fee or other costs payable to a clerk of an appellate court; and

(7) a statewide electronic filing system fund fee.

SECTION 11. Section 232.0135(a), Family Code, is amended to read as follows:

(a) A child support agency, as defined by Section 101.004, may provide notice to a licensing authority concerning an obligor who has failed to pay child support under a support order for six months or more that requests the authority to refuse to approve ~~accept~~ an application for issuance of a license to the obligor or renewal of an existing license of the obligor.

SECTION 12. Sections 233.013(a) and (b), Family Code, are amended to read as follows:

(a) The Title IV-D agency may use any information obtained by the agency from the parties or any other source and shall apply the child support guidelines provided by this code to determine the appropriate amount of child support. In determining the appropriate amount of child support, the agency may consider evidence of the factors a court is required to consider under Section 154.123(b), and, if the agency deviates from the guidelines in determining the amount of monthly child support, with or without the agreement of the parties, the child support review order must include the findings required to be made by a court under Section 154.130(b).

(b) If it has been three years since a child support order was rendered or last modified and the amount of the child support award under the order differs by either 20 percent or \$100 from the amount that would be awarded under the child support guidelines, the Title IV-D agency may ~~shall~~ file an appropriate child support review order, including an order that has the effect of modifying an existing court or administrative order for child support without the necessity of filing a motion to modify.

SECTION 13. Section 233.019, Family Code, is amended by adding Subsection (e) to read as follows:

(e) If a party timely files a motion for a new trial for reconsideration of an agreed review order and the court grants the motion, the agreed review order filed with the clerk constitutes a sufficient pleading by the Title IV-D agency for relief on any issue addressed in the order.

SECTION 14. The heading to Section 233.027, Family Code, is amended to read as follows:

Sec. 233.027. NONAGREED ORDER AFTER HEARING~~[; EFFECT OF CONFIRMATION ORDER]~~.

SECTION 15. Sections 233.027(a) and (c), Family Code, are amended to read as follows:

(a) After the hearing on the confirmation of a nonagreed child support review order, the court shall:

(1) if the court finds that the nonagreed order should be confirmed, immediately sign the nonagreed ~~[a confirmation]~~ order and enter the order as a final ~~[an]~~ order of the court;

(2) if the court finds that the relief granted in the nonagreed child support review order is inappropriate, sign an appropriate order at the conclusion of the hearing or as soon after the conclusion of the hearing as is practical and enter the order as an order of the court; or

(3) if the court finds that all relief should be denied, enter an order that denies relief and includes specific findings explaining the reasons that relief is denied.

(c) If the party who requested the hearing fails to appear at the hearing, the court shall sign the nonagreed ~~[a confirmation]~~ order and enter the order as an order of the court.

SECTION 16. Sections 234.007(a), (b), and (c), Family Code, are amended to read as follows:

(a) ~~A [The Title IV-D agency shall notify the courts that the state disbursement unit has been established. After receiving notice of the establishment of the state disbursement unit, a]~~ court that orders income to be withheld for child support shall order that all income ordered withheld for child support shall be paid to the state disbursement unit.

(b) In order to redirect payments ~~[from a local registry]~~ to the state disbursement unit ~~[after the date of the establishment of the state disbursement unit]~~, the Title IV-D agency shall issue a notice of place of payment informing the obligor, obligee, and employer that income withheld for child support is to be paid to the state disbursement unit and may not be remitted to a local registry, the obligee, or any other person or agency. If withheld support has been paid to a local registry, the Title IV-D agency shall send the notice to the registry to redirect any payments to the state disbursement unit.

(c) A copy of the notice under Subsection (b) shall be filed with the court of continuing jurisdiction ~~[and with the local child support registry]~~.

SECTION 17. Section 234.101, Family Code, is amended by adding Subdivision (3) to read as follows:

(3) "Newly hired employee" means an employee who:

(A) has not been previously employed by the employer; or

(B) was previously employed by the employer but has been separated

from that employment for at least 60 consecutive days.

SECTION 18. Section 233.027(b), Family Code, is repealed.

SECTION 19. (a) The changes in law made by this Act to Sections 2.009 and 2.014, Family Code, apply only to an application for a marriage license submitted on or after the effective date of this Act. An application for a marriage license submitted before the effective date of this Act is governed by the law in effect on the date the application was submitted, and the former law is continued in effect for that purpose.

(b) The changes in law made by this Act to Sections 82.004 and 85.042, Family Code, apply only to an application for a protective order filed on or after the effective date of this Act. An application for a protective order filed before the effective date of this Act is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

(c) The changes in law made by this Act to Section 158.203, Family Code, apply only to a child support withholding remitted by an employer on or after the effective date of this Act. A child support withholding remitted by an employer before the effective date of this Act is governed by the law in effect on the date the withholding was remitted, and the former law is continued in effect for that purpose.

(d) The changes in law made by this Act to Section 233.013, Family Code, apply only to a child support review order filed on or after the effective date of this Act. A child support review order filed before the effective date of this Act is governed by the law in effect on the date the order was filed, and the former law is continued in effect for that purpose.

(e) The change in law made by this Act to Section 233.019, Family Code, applies only to a motion for a new trial filed on or after the effective date of this Act. A motion for a new trial filed before the effective date of this Act is governed by the law in effect on the date the motion was filed, and the former law is continued in effect for that purpose.

(f) The change in law made by this Act to Section 233.027, Family Code, applies to a child support review order that is pending before a trial court on or filed on or after the effective date of this Act.

SECTION 20. The change in law made by this Act to Section 231.204, Family Code, takes effect only if H.B. 2302, S.B. 1146, or substantially similar legislation authorizing a statewide electronic filing system fund fee is enacted by the 83rd Legislature, Regular Session, 2013, and becomes law. If legislation described by this section is not enacted or does not become law, the amendment to Section 231.204, Family Code, made by this Act has no effect.

SECTION 21. This Act takes effect September 1, 2013.

The amendment was read.

Senator West moved to concur in the House amendment to **SB 355**.

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

SENATE BILL 540 WITH HOUSE AMENDMENT

Senator Carona called **SB 540** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 540** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the regulation, registration, and certification of inspectors for elevators, escalators, and related equipment.

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

SECTION 1. Section 754.012(a), Health and Safety Code, is amended to read as follows:

(a) The elevator advisory board is composed of nine members appointed by the presiding officer of the commission, with the commission's approval, as follows:

(1) a representative of the insurance industry or a registered ~~certified~~ elevator inspector;

(2) a representative of equipment constructors;

(3) a representative of owners or managers of a building having fewer than six stories and having equipment;

(4) a representative of owners or managers of a building having six stories or more and having equipment;

(5) a representative of independent equipment maintenance companies;

(6) a representative of equipment manufacturers;

(7) a licensed or registered engineer or architect;

(8) a public member; and

(9) a public member with a physical disability.

SECTION 2. Sections 754.0141(a), (b), (c), (e), and (f), Health and Safety Code, are amended to read as follows:

(a) Elevators, chairlifts, or platform lifts installed in a single-family dwelling on or after January 1, 2004, must comply with the ASME Code A17.1 or A18.1, as applicable, and must be inspected by a registered elevator ~~QEI-1 certified~~ inspector after the installation is complete. The inspector shall provide the dwelling owner a copy of the inspection report.

(b) The commission shall ~~before January 1, 2004,~~ adopt rules containing minimum safety standards that must be used by registered elevator ~~QEI-1 certified~~ inspectors when inspecting elevators, chairlifts, and platform lifts installed in single-family dwellings.

(c) A municipality may withhold a certificate of occupancy for a dwelling or for the installation of the elevator or chairlift until the owner provides a copy of the ~~QEI-1~~ inspection report to the municipality.

(e) On completing installation of equipment in a single-family dwelling, a contractor shall provide the dwelling owner with relevant information, in writing, about use, safety, and maintenance of the equipment, including the advisability of having the equipment periodically and timely inspected by a registered elevator ~~QEI-1 certified~~ inspector.

(f) An inspection by a registered elevator ~~QEI-1 certified~~ inspector of equipment in a single-family dwelling may be performed only at the request and with the consent of the owner. The owner of a single-family dwelling is not subject to Section 754.022, 754.023, or 754.024.

SECTION 3. Sections 754.015(a), (b), and (d), Health and Safety Code, are amended to read as follows:

(a) The commission by rule shall provide for:

(1) an annual inspection and certification of the equipment covered by standards adopted under this subchapter;

(2) enforcement of those standards;

(3) registration, including certification, of elevator ~~[qualified]~~ inspectors ~~[and contractors]~~;

(4) registration of contractors;

(5) the form of inspection documents, contractor reports, and certificates of compliance;

(6) ~~[(5)]~~ notification to building owners, architects, and other building industry professionals regarding the necessity of annually inspecting equipment;

(7) ~~[(6)]~~ approval of continuing education programs for registered elevator ~~[QEI I certified]~~ inspectors;

(8) ~~[(7)]~~ standards of conduct for individuals who are registered under this subchapter;

(9) ~~[(8)]~~ general liability insurance written by an insurer authorized to engage in the business of insurance in this state or an eligible surplus lines insurer, as defined by Section 981.002, Insurance Code, as a condition of contractor registration with coverage of not less than:

(A) \$1 million for each single occurrence of bodily injury or death; and

(B) \$500,000 for each single occurrence of property damage;

(10) ~~[(9)]~~ the submission and review of plans for the installation or alteration of equipment; and

(11) ~~[(10)]~~ continuing education requirements for renewal of contractor registration.

(b) The commission by rule may not:

(1) require inspections of equipment to be made more often than every 12 months, except as provided by Subsection (c); or

(2) require persons to post a bond or furnish insurance or to have minimum experience or education as a condition of certification or registration, except as otherwise provided by this chapter; ~~or~~

~~[(3) prohibit a QEI I certified inspector who is registered with the department from inspecting equipment].~~

(d) The executive director may charge a reasonable fee as set by the commission for:

(1) registering or renewing registration of an elevator inspector;

(2) registering or renewing registration of a contractor;

(3) applying for a certificate of compliance;

(4) filing an inspection report as required by Section 754.019(a)(3), 30 days or more after the date the report is due, for each day the report remains not filed after the date the report is due;

(5) submitting for review plans for the installation or alteration of equipment;

(6) reviewing and approving continuing education providers and courses for renewal of elevator inspector and contractor registrations [~~registration~~];

(7) applying for a waiver, variance, or delay; and

(8) attending a continuing education program sponsored by the department for registered elevator [~~QEI-I~~] inspectors.

SECTION 4. Sections 754.016(b) and (c), Health and Safety Code, are amended to read as follows:

(b) A registered elevator [~~An~~] inspector shall date and sign an inspection report and shall issue the report to the building owner not later than the 10th calendar day after the date of inspection.

(c) The executive director shall date and sign a certificate of compliance and shall issue the certificate to the building owner. The certificate of compliance shall state:

(1) that the equipment has been inspected by a registered elevator [~~certified~~] inspector and found by the inspector to be in compliance, except for any delays or waivers granted by the executive director and stated in the certificate;

(2) the date of the last inspection and the due date for the next inspection; and

(3) contact information at the department to report a violation of this subchapter.

SECTION 5. The heading to Section 754.017, Health and Safety Code, is amended to read as follows:

Sec. 754.017. REGISTERED ELEVATOR [~~CERTIFIED~~] INSPECTORS.

SECTION 6. Sections 754.017(a), (b), and (d), Health and Safety Code, are amended to read as follows:

(a) In order to inspect equipment, an individual must:

(1) be registered with the department;

(2) attend educational programs approved by the department;

(3) be certified as an [~~a-QEI-I~~] inspector in accordance with the rules adopted by the commission [~~by an organization accredited by the American Society of Mechanical Engineers~~]; [~~and~~]

(4) comply with the continuing education requirements established by commission rule for registration renewal; and

(5) pay all applicable fees.

(b) A person assisting a registered elevator [~~certified~~] inspector and working under the direct, on-site supervision of the inspector is not required to be registered [~~certified~~].

(d) A registered elevator [~~certified~~] inspector may not inspect equipment if the inspector or the inspector's employer has a financial or personal conflict of interest or the appearance of impropriety related to the inspection of that equipment [~~may not be required to attend more than seven hours of continuing education during each licensing period~~].

SECTION 7. The heading to Section 754.0174, Health and Safety Code, is amended to read as follows:

Sec. 754.0174. CONTINUING EDUCATION FOR RENEWAL OF ELEVATOR INSPECTOR AND CONTRACTOR REGISTRATIONS.

SECTION 8. Section 754.0174, Health and Safety Code, is amended by adding Subsection (a-1) and amending Subsection (b) to read as follows:

(a-1) Each registered elevator inspector must complete continuing education requirements set by commission rule before the inspector may renew the inspector's registration.

(b) A provider of continuing education under this section must:

- (1) register with the department; and
- (2) comply with rules adopted by the commission relating to continuing education for a registered elevator inspector or designated responsible party, as applicable.

SECTION 9. Sections 754.019(a) and (b), Health and Safety Code, are amended to read as follows:

(a) The owner of real property on which equipment covered by this subchapter is located shall:

- (1) have the equipment inspected annually by a registered elevator [certified] inspector;
- (2) obtain an inspection report from the inspector evidencing that all equipment in a building on the real property was inspected in accordance with this subchapter and rules adopted under this subchapter;
- (3) file with the executive director each inspection report, and all applicable fees, not later than the 60th day after the date on which an inspection is made under this subchapter;
- (4) display the certificate of compliance:
 - (A) in a publicly visible area of the building, as determined by commission rule under Section 754.016, if the certificate relates to an elevator;
 - (B) in the escalator box if the certificate relates to an escalator; or
 - (C) in a place designated by the executive director if the certificate relates to equipment other than an elevator or escalator; and
- (5) display the inspection report at the locations designated in Subdivision (4) until a certificate of compliance is issued.

(b) When an inspection report is filed, the owner shall submit to the executive director, as applicable:

- (1) verification that any deficiencies in the registered elevator inspector's report have been remedied or that a bona fide contract to remedy the deficiencies has been entered into; or
- (2) any application for delay or waiver of an applicable standard.

SECTION 10. Section 754.020, Health and Safety Code, is amended to read as follows:

Sec. 754.020. CHIEF ELEVATOR INSPECTOR. The executive director may appoint a chief elevator inspector to administer the equipment inspection and registration program. The chief elevator inspector:

- (1) may not have a financial or commercial interest in the manufacture, maintenance, repair, inspection, installation, or sale of equipment; and
- (2) must possess the [a-QEI-] certification or obtain the certification required under Section 754.017 within six months after becoming chief elevator inspector.

SECTION 11. Section 754.021, Health and Safety Code, is amended to read as follows:

Sec. 754.021. LIST OF REGISTERED ELEVATOR INSPECTORS AND CONTRACTORS. The executive director shall:

- (1) compile a list of elevator [~~certified~~] inspectors and contractors who are registered with the department; and
- (2) employ personnel who are necessary to enforce this subchapter.

SECTION 12. Section 754.023(k), Health and Safety Code, is amended to read as follows:

(k) If an emergency order to disconnect power or lock out equipment is issued, the building owner or manager may have the power reconnected or the equipment unlocked only if:

- (1) a registered elevator inspector, a registered [~~or~~] contractor, or a department representative has filed a written form with the department verifying the imminent and significant danger has been removed by repair, replacement, or other means; and
- (2) the building owner, before the reconnection of power or unlocking of equipment, reimburses the department for all expenses incurred relating to the disconnection of power or lockout.

SECTION 13. (a) The Texas Commission of Licensing and Regulation shall adopt the rules necessary to implement Chapter 754, Health and Safety Code, as amended by this Act, not later than January 1, 2014.

(b) The changes in law made by this Act apply only to an application submitted to the Texas Department of Licensing and Regulation on or after January 1, 2014, for an elevator inspector registration or for renewal of an elevator inspector registration with an expiration date on or after January 1, 2014. An application for an elevator inspector registration or for renewal of an elevator inspector registration with an expiration date on or after January 1, 2014, that is submitted before January 1, 2014, is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

(c) Section 754.012(a), Health and Safety Code, as amended by this Act, applies only to a member appointed to the elevator advisory board on or after January 1, 2014.

SECTION 14. This Act takes effect September 1, 2013.

The amendment was read.

Senator Carona moved to concur in the House amendment to **SB 540**.

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

SENATE BILL 112 WITH HOUSE AMENDMENT

Senator Lucio called **SB 112** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 112** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to a requirement for and the contents of a declarations page required for certain standard insurance policy forms for residential property insurance.

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

SECTION 1. Subchapter B, Chapter 2301, Insurance Code, is amended by adding Section 2301.056 to read as follows:

Sec. 2301.056. REQUIREMENT FOR FORMS; DECLARATIONS PAGE REQUIREMENT. (a) A residential property insurance policy form must include a declarations page that:

(1) lists and identifies each type of deductible under the residential property insurance policy; and

(2) states the exact dollar amount of each deductible under the residential property insurance policy.

(b) If a residential property insurance policy or an endorsement attached to the policy contains a provision that may cause the exact dollar amount of a deductible under the policy to change, the declarations page must identify or include a written disclosure that clearly identifies the applicable policy provision or endorsement. The policy provision or endorsement must explain how any change in the applicable deductible amount is determined.

(c) A disclosure containing a list required by Subsection (a)(1), or a disclosure containing an identification of each applicable policy provision or endorsement, may be provided on a page separate from the declarations page.

SECTION 2. This Act applies only to an insurance policy delivered, issued for delivery, or renewed on or after January 1, 2014. A policy delivered, issued for delivery, or renewed before January 1, 2014, is 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.

SECTION 3. This Act takes effect September 1, 2013.

The amendment was read.

Senator Lucio moved to concur in the House amendment to **SB 112**.

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

SENATE BILL 583 WITH HOUSE AMENDMENT

Senator Carona called **SB 583** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 583** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to eligibility for support from the universal service fund.

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

SECTION 1. Section 56.023, Utilities Code, is amended by amending Subsection (b) and adding Subsections (f), (g), (h), (i), (j), (k), (l), (m), (n), (o), (p), and (q) to read as follows:

(b) The eligibility criteria must require that a telecommunications provider, in compliance with the commission's quality of service requirements:

(1) offer service to each consumer within an exchange in the company's certificated area for which the incumbent local exchange company receives support under a plan established under Section 56.021(1) and to any permanent residential or business premises to which the company is designated to provide services under Subchapter F; and

(2) render continuous and adequate service within an exchange in the company's certificated area for which the incumbent local exchange company receives support under a plan established under Section 56.021(1) and to any permanent residential or business premises to which the company is designated to provide services under Subchapter F.

(f) Except as provided by Subsection (g), for an incumbent local exchange company or cooperative that served greater than 31,000 access lines in this state on September 1, 2013, or a company or cooperative that is a successor to such a company or cooperative, the support that the company or cooperative is eligible to receive on December 31, 2016, under a plan established under Section 56.021(1)(A) is reduced:

(1) on January 1, 2017, to 75 percent of the level of support the company or cooperative is eligible to receive on December 31, 2016;

(2) on January 1, 2018, to 50 percent of the level of support the company or cooperative is eligible to receive on December 31, 2016; and

(3) on January 1, 2019, to 25 percent of the level of support the company or cooperative is eligible to receive on December 31, 2016.

(g) After the commission has adopted rules under Subsection (j), an incumbent local exchange company or cooperative that is subject to Subsection (f) may petition the commission to initiate a contested case proceeding as necessary to determine the eligibility of the company or cooperative to receive support under a plan established under Section 56.021(1)(A). A company or cooperative may not file more than one petition under this subsection. On receipt of a petition under this subsection, the commission shall initiate a contested case proceeding to determine the eligibility of the company or cooperative to receive continued support under a plan established under Section 56.021(1)(A) for service in the exchanges that are the subject of the petition. To be eligible to receive support for service in an exchange under this subsection, the company or cooperative must demonstrate that it has a financial need for continued support. The commission must issue a final order on the proceeding not later than the 330th day after the date the petition is filed with the commission. Until

the commission issues a final order on the proceeding, the company or cooperative is entitled to receive the total amount of support the company or cooperative was eligible to receive on the date the company or cooperative filed the petition. A company or cooperative that files a petition under this subsection is not subject to Subsection (f) after the commission issues a final order on the proceeding. If the commission determines that a company or cooperative has demonstrated financial need for continued support under this subsection, it shall set the amount of support in the same proceeding. The amount of support set by the commission for an exchange under this subsection may not exceed:

(1) 100 percent of the amount of support that the company or cooperative will be eligible to receive on December 31, 2016, if the petition is filed before January 1, 2016;

(2) 75 percent of the amount of support that the company or cooperative will be eligible to receive on December 31, 2016, if the petition is filed on or after January 1, 2016, and before January 1, 2017;

(3) 50 percent of the amount of support the company or cooperative is eligible to receive on December 31, 2016, if the petition is filed on or after January 1, 2017, and before January 1, 2018; or

(4) 25 percent of the amount of support that the company or cooperative is eligible to receive on December 31, 2016, if the petition is filed on or after January 1, 2018, and before January 1, 2019.

(h) Except as provided by Subsection (i), for an incumbent local exchange company that is an electing company under Chapter 58 or 59 or a cooperative that served greater than 31,000 access lines in this state on September 1, 2013, or a company or cooperative that is a successor to such a company or cooperative, the support that the company or cooperative is eligible to receive on December 31, 2017, under a plan established under Section 56.021(1)(B) is reduced:

(1) on January 1, 2018, to 75 percent of the level of support the company or cooperative is eligible to receive on December 31, 2017;

(2) on January 1, 2019, to 50 percent of the level of support the company or cooperative is eligible to receive on December 31, 2017; and

(3) on January 1, 2020, to 25 percent of the level of support the company or cooperative is eligible to receive on December 31, 2017.

(i) After the commission has adopted rules under Subsection (j), an incumbent local exchange company or cooperative that is subject to Subsection (h) may petition the commission to initiate a contested case proceeding as necessary to determine the eligibility of the company or cooperative to receive support under a plan established under Section 56.021(1)(B). A company or cooperative may not file more than one petition under this subsection. On receipt of a petition under this subsection, the commission shall initiate a contested case proceeding to determine the eligibility of the company or cooperative to receive continued support under a plan established under Section 56.021(1)(B) for service in the exchanges that are the subject of the petition. To be eligible to receive support for service in an exchange under this subsection, the company or cooperative must demonstrate that it has a financial need for continued support. The commission must issue a final order on the proceeding no later than the 330th day after the date the petition is filed with the commission. Until

the commission issues a final order on the proceeding, the company or cooperative shall continue to receive the total amount of support it was eligible to receive on the date the company or cooperative filed a petition under this subsection. A company or cooperative that files a petition under this subsection is not subject to Subsection (h) after the commission issues a final order on the proceeding. If the commission determines that a company or cooperative has demonstrated financial need for continued support under this subsection, it shall set the amount of support in the same proceeding. The amount of support set by the commission for an exchange under this subsection may not exceed:

(1) 100 percent of the amount of support that the company or cooperative will be eligible to receive on December 31, 2017, if the petition is filed before January 1, 2017;

(2) 75 percent of the amount of support that the company or cooperative will be eligible to receive on December 31, 2017, if the petition is filed on or after January 1, 2017, and before January 1, 2018;

(3) 50 percent of the amount of support that the company or cooperative is eligible to receive on December 31, 2017, if the petition is filed on or after January 1, 2018, and before January 1, 2019; or

(4) 25 percent of the amount of support that the company or cooperative is eligible to receive on December 31, 2017, if the petition is filed on or after January 1, 2019, and before January 1, 2020.

(j) The commission by rule shall establish the standards and criteria for an incumbent local exchange company or cooperative to demonstrate under Subsection (g) or (i) that the company or cooperative has a financial need for continued support for residential and business lines under a plan established under Section 56.021(1).

(k) Subsections (g) and (i) do not authorize the commission to initiate a contested case hearing concerning a local exchange company that has elected to participate in a total support reduction plan under 16 T.A.C. Section 26.403 that requires the company to forego funding under a plan established under Section 56.021(1) after January 1, 2017. This section does not affect any obligation of a local exchange company subject to such a total support reduction plan.

(l) Subsections (f), (g), (h), and (i) do not apply to an incumbent local exchange company that elects, not later than March 1, 2014, to eliminate, not later than September 1, 2018, the support it receives under a plan established under Section 56.021(1).

(m) Nothing in this chapter relieves any party of an obligation entered into in the commission's Docket No. 40521.

(n) Nothing in this section is intended to affect the rate rebalancing proceeding in the commission's Docket No. 41097.

(o) Notwithstanding the provisions of this chapter, the commission has no authority, except as provided by Subsections (f), (g), (h), (i), (j), (k), (m), and (n) to reduce support provided to an incumbent local exchange company that is an electing company under Chapter 58 or 59 or is a cooperative that served greater than 31,000 access lines in this state on September 1, 2013:

(1) under a plan established under Section 56.021(1)(A) before January 1, 2019; or

(2) under a plan established under Section 56.021(1)(B) before January 1, 2020. This subsection expires on January 2, 2020.

(p) If an incumbent local exchange company or cooperative is ineligible for support under a plan established under Section 56.021(1) for services in an exchange, a plan established under Section 56.021(1) may not provide support to any other telecommunications providers for services in that exchange, except that an eligible telecommunications provider that is receiving support under Section 56.021(1)(A) in that exchange shall continue to receive such support for a 24-month period following the date the incumbent local exchange provider or cooperative ceases receiving support in that exchange. The support received by the eligible telecommunications provider during the 24-month period shall be at the same monthly per line support level in effect for that exchange as of the date the incumbent local exchange provider or cooperative ceases receiving funding in that exchange.

(q) Notwithstanding the period for continued support specified by Subsection (p), if the eligible telecommunications provider receiving continued support under that subsection is a cooperative or an affiliate of a cooperative, the telecommunications provider is entitled to continued support through December 31, 2017, at the same monthly per-line support amount as the provider is receiving as of the date the support ceases for that exchange for the incumbent local exchange company or cooperative. Support authorized under this subsection ceases December 31, 2017.

SECTION 2. Section 56.024, Utilities Code, is amended by amending Subsection (b) and adding Subsections (c) and (d) to read as follows:

(b) A report or information the commission requires a telecommunications provider to provide under Subsection (a) is confidential and not subject to disclosure under Chapter 552, Government Code.

(c) A telecommunications provider shall file with the commission the provider's annual earnings report if the provider:

(1) is not a local exchange company subject to a total support reduction plan under 16 T.A.C. Section 26.403 or that has made an election under Section 56.023(1);

(2) serves greater than 31,000 access lines; and

(3) receives support under a plan established under Section 56.021(1).

(d) A report filed under Subsection (c) is confidential and not subject to disclosure under Chapter 552, Government Code.

SECTION 3. Section 56.025, Utilities Code, is amended by amending Subsection (a) and adding Subsection (g) to read as follows:

(a) In addition to the authority provided by Section 56.021:

(1) [r] for each local exchange company that serves fewer than 31,000 access lines and each cooperative, the commission[+]

[(+)] may adopt a mechanism necessary to maintain reasonable rates for local exchange telephone service; and

(2) for each local exchange company and each cooperative that serves 31,000 or fewer access lines and that on June 1, 2013, is not an electing company under Chapter 58 or 59, the commission shall adopt rules to expand the universal service fund in the circumstances prescribed by this section.

(g) Notwithstanding any other provision of this section, after December 31, 2013, the commission may not distribute support granted under this section, including any support granted before that date, to a local exchange company or cooperative that serves greater than 31,000 access lines or that is an electing company under Chapter 58 or 59 on June 1, 2013.

SECTION 4. Section 56.026, Utilities Code, is amended to read as follows:

Sec. 56.026. PROMPT AND EFFICIENT ~~[UNIVERSAL SERVICE FUND]~~ DISBURSEMENTS. ~~[(a) A revenue requirement showing is not required for a disbursement from the universal service fund under this subchapter.~~

~~[(b)]~~ The commission shall make each disbursement from the universal service fund promptly and efficiently so that a telecommunications provider does not experience an unnecessary cash-flow change as a result of a change in governmental policy.

SECTION 5. Subsections (b), (c), (d), (e), (f), and (h), Section 56.032, Utilities Code, as added by Chapter 535 (H.B. 2603), Acts of the 82nd Legislature, Regular Session, 2011, are amended to read as follows:

(b) Except as provided by Subsections ~~[(e);]~~ (d) and~~;~~ (e), ~~[and (f);]~~ the commission may revise the monthly support amounts to be made available from the Small and Rural Incumbent Local Exchange Company Universal Service Plan by any mechanism, including support reductions resulting from rate rebalancing approved by the commission, ~~[by revising the monthly per line support amounts,]~~ after notice and an opportunity for hearing. In determining appropriate monthly ~~[per line]~~ support amounts, the commission shall consider the adequacy of basic rates to support universal service.

(c) A ~~[On the written request of a small or rural incumbent local exchange]~~ company that receives frozen monthly ~~[per line]~~ support amounts as prescribed by a final order issued by the commission in the commission's Docket No. 39643 is entitled to continue to receive that monthly support until the support is revised under Subsection (b); ~~the commission shall disburse funds to the company in fixed monthly amounts based on the company's annualized amount of recovery for the calendar year ending on December 31, 2010. A company may submit only one request under this subsection and must submit the request on or before December 31, 2011].~~

(d) For each ~~[On the written request of a]~~ small or rural incumbent local exchange company that is not receiving frozen support amounts as described by Subsection (c) and is not an electing company under Chapter 58 or 59, the commission annually shall set the company's monthly support amounts for the following 12 months by dividing by 12 the annualized support amount calculated under this subsection. The commission shall calculate the annualized amount:

(1) for the initial 12-month period for which a company makes an election under this subsection, by~~;~~

~~[(A)]~~ determining the annualized support amount received by the company as of January 1, 2013 ~~[calculated for the requestor in the final order issued by the commission in Docket No. 18516; and~~

~~[(B) adjusting the support amount determined under Paragraph (A) at the beginning of each calendar year by a factor equal to the most recent consumer price index published at that time, beginning with the 1999 calendar year and ending in the year the company makes an election under this subsection]; and~~

~~(2) for [the 12 month period following the initial period for which a company made an election under this subsection and for] subsequent 12-month periods, by adjusting the most recent annualized support amount calculated by the commission by a factor equal to the percentage change in the consumer price index for the most recent 12-month period.~~

~~(e) The [If a company elects to receive monthly support amounts under Subsection (d), the] commission, on its own motion or on the written request of the company, may initiate a proceeding to recalculate the most recent annualized support amount to be used as the basis for adjustment for a subsequent 12-month period under Subsection (d)(2). If, based on the recalculation, the commission by order adjusts a company's most recent annualized support amount, the adjusted support amount supersedes the annualized support amount calculated in accordance with Subsection (d).~~

~~(f) [The commission shall administratively review requests filed under Subsections (e) and (d).] Except for good cause, the commission shall establish monthly support amounts under Subsection (d) [approve the request] not later than the 60th day after the date the commission determines the company is eligible ~~[and has met all the procedural requirements under this subchapter].~~~~

~~(h) Subsections (a), (c), (d), (e), and (f) [This section] and any monthly support amount approved under those subsections [this section] expire ~~[on] September 1, 2017 [2013].~~~~

SECTION 6. Section 3, Chapter 535 (H.B. 2603), Acts of the 82nd Legislature, Regular Session, 2011, which amended Section 56.031, Utilities Code, is repealed.

SECTION 7. The Public Utility Commission of Texas shall adopt rules under Subsection (j), Section 56.023, Utilities Code, as added by this Act, not later than December 1, 2014. The commission shall initiate the rulemaking proceeding not later than January 1, 2014.

SECTION 8. This Act takes effect June 1, 2013, if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary to take effect on that date, this Act takes effect on the 91st day after the last day of the legislative session.

The amendment was read.

Senator Carona moved to concur in the House amendment to **SB 583**.

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

SENATE BILL 673 WITH HOUSE AMENDMENTS

Senator Carona called **SB 673** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 673** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the requirements for elevators, escalators, and related equipment; providing penalties.

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

SECTION 1. Section 754.011, Health and Safety Code, is amended to read as follows:

Sec. 754.011. DEFINITIONS. In this ~~chapter~~ subchapter:

(1) "Acceptance inspection" means an inspection performed at the completion of the initial installation or alteration of equipment and in accordance with the applicable ASME Code A17.1.

(2) "Accident" means an event involving equipment that results in death or serious bodily injury to a person.

(3) "Alteration" means a change in ~~[or modernization of]~~ existing equipment. The term does not include testing, maintenance, repair, replacement, or a cosmetic change that does not affect the operational safety of the equipment or diminish the safety of the equipment below the level required by the ASME Code A17.1, ASME Code A17.3, ASME Code A18.1, or ASCE Code 21, as applicable, at the time of alteration.

(4) "Annual inspection" means an inspection of equipment performed in a 12-month period in accordance with the applicable ASME Code A17.1, ASME Code A17.3, ASME Code A18.1, or ASCE Code 21. The term includes an acceptance inspection performed within that period.

(5) "ASCE" means the American Society of Civil Engineers.

(6) "ASCE Code 21" means the American Society of Civil Engineers Code 21 for people movers operated by cables, as it existed on January 1, 2004, or any subsequent revision of that code adopted after a review by the commission, as required by law.

(7) "ASME" means the American Society of Mechanical Engineers.

(8) ~~[(6)]~~ "ASME Code A17.1" means the American Society of Mechanical Engineers Safety Code for Elevators and Escalators (Bi-national standard with CSA B44-2007), ASME A17.1/CSA-B44, as it existed on January 1, 2004, or any subsequent revision of that code adopted after a review by the commission, as required by law.

(9) ~~[(6 a)]~~ "Executive director" means the ~~executive director of the department~~.

~~[(7)]~~ "ASME Code A17.3" means the 2002 American Society of Mechanical Engineers Safety Code for Elevators and Escalators A17.3.

(10) ~~[(8)]~~ "ASME Code A18.1" means the American Society of Mechanical Engineers Safety Code for Platform Lifts and Stairway Chairlifts A18.1, as it existed on January 1, 2004, or any subsequent revision of that code adopted after a review by the commission, as required by law.

(11) ~~[(9)]~~ "Board" means the elevator advisory board.

(12) [~~(40)~~] "Commission" means the Texas Commission of Licensing and Regulation.

(13) [~~(42)~~] "Contractor" means a person engaged in the installation, alteration, testing, repair, or maintenance of equipment. The term does not include an employee of a contractor or a person engaged in cleaning or any other work performed on equipment that does not affect the operational safety of the equipment or diminish the safety of the equipment below the level required by the ASME Code A17.1, ASME Code A17.3, ASME Code A18.1, or ASCE Code 21, as applicable.

(14) [~~(43)~~] "Department" means the Texas Department of Licensing and Regulation.

(15) [~~(44)~~] "Equipment" means an elevator, escalator, chairlift, platform lift, automated people mover operated by cables, or moving sidewalk, or related equipment.

(16) "Executive director" means the executive director of the department.

(17) [~~(45)~~] "Industrial facility" means a facility to which access is primarily limited to employees or contractors working in that facility.

(18) "Inspector" means a person engaged in the inspection and witnessing of the tests specified in the adopted standards of ASME Code A17.1, ASME Code A17.3, ASME Code A18.1, or ASCE Code 21, as applicable, to determine compliance with those standards.

(19) "Owner" means a person, company, corporation, authority, commission, board, governmental entity, institution, or other entity that holds title to a building or facility in which equipment regulated by this chapter is located.

(20) [~~(46)~~] "Qualified historic building or facility" means a building or facility that is:

(A) listed in or eligible for listing in the National Register of Historic Places; or

(B) designated as a Recorded Texas Historic Landmark or State Archeological Landmark.

(21) [~~(47)~~] "Related equipment" means:

(A) automatic equipment that is used to move a person in a manner that is similar to that of an elevator, an escalator, a chairlift, a platform lift, an automated people mover operated by cables, or a moving sidewalk; and

(B) hoistways, pits, and machine rooms for equipment.

(22) [~~(48)~~] "Serious bodily injury" means a major impairment to bodily function or serious dysfunction of any bodily organ or part requiring medical attention.

(23) [~~(49)~~] "Unit of equipment" means one elevator, escalator, chairlift, platform lift, automated people mover operated by cables, or moving sidewalk, or related equipment.

SECTION 2. Section 754.0111, Health and Safety Code, is amended to read as follows:

Sec. 754.0111. EXEMPTIONS [~~EXEMPTION~~]. (a) This chapter [~~subchapter~~] does not apply to equipment in a private building for a labor union, trade association, private club, or charitable organization that has two or fewer floors.

(b) This chapter [~~subchapter~~] does not apply to an elevator located in a single-family dwelling, except as provided by Section 754.0141.

(c) This chapter does not apply to equipment located in a building owned and operated by the federal government.

(d) This chapter does not apply to equipment in an industrial facility, or in a grain silo, radio antenna, bridge tower, underground facility, or dam, to which access is limited primarily to employees of or working in that facility or structure.

SECTION 3. Sections 754.012(a) and (d), Health and Safety Code, are amended to read as follows:

(a) The elevator advisory board is composed of nine members appointed by the presiding officer of the commission, with the commission's approval, as follows:

(1) a representative of the insurance industry or a registered [~~certified~~] elevator inspector;

(2) a representative of equipment constructors;

(3) a representative of owners or managers of a building having fewer than six stories and having equipment;

(4) a representative of owners or managers of a building having six stories or more and having equipment;

(5) a representative of independent equipment maintenance companies;

(6) a representative of equipment manufacturers;

(7) a licensed or registered engineer or architect;

(8) a public member; and

(9) a public member with a physical disability.

(d) The board shall meet as determined by the executive director or by the presiding officer of the commission [at least twice each calendar year].

SECTION 4. Section 754.013, Health and Safety Code, is amended to read as follows:

Sec. 754.013. BOARD DUTIES. To protect public safety and to identify and correct potential hazards, the board shall advise the commission on:

(1) the adoption of appropriate standards for the installation, maintenance, alteration, operation, testing, and inspection of equipment;

(2) the status of equipment used by the public in this state;

(3) sources of information relating to equipment safety;

(4) public awareness programs related to elevator safety, including programs for sellers and buyers of single-family dwellings with elevators, chairlifts, or platform lifts; and

(5) any other matter considered relevant by the commission.

SECTION 5. Section 754.014, Health and Safety Code, is amended by amending Subsections (a), (b), (c), (d), (e), (h), (j), (k), (l), and (m) and adding Subsection (h-1) to read as follows:

(a) The commission by rule shall adopt standards for the installation, maintenance, alteration, operation, testing, and inspection of equipment used by the public in:

(1) buildings owned or operated by the state, a state-owned institution or agency, or a political subdivision of the state; and

(2) buildings that contain equipment that is open to the general public, including a hotel, motel, apartment house, boardinghouse, church, office building, shopping center, or other commercial establishment.

(b) Standards adopted under ~~[by the]~~ commission rules may not contain requirements in addition to the requirements in the ASME Code A17.1, ASME Code A17.3, ASME Code A18.1, or ASCE Code 21. The standards must allow alteration of existing equipment if the alteration does not diminish the safety of the equipment below the level required by this chapter ~~[subchapter]~~ at the time of alteration.

(c) Standards adopted under ~~[by the]~~ commission rules must require equipment to comply with the installation requirements of the ASME Code A17.1, ASME Code A18.1, or ASCE Code 21 that was in effect and applicable on the date of installation of the equipment.

(d) Standards adopted under ~~[by the]~~ commission rules must require equipment to comply with the installation requirements of the ASME Code A17.3 that contains minimum safety standards for all equipment, regardless of the date of installation.

(e) The executive director may ~~[shall]~~ grant a delay for compliance with the codes and adopted standards ~~[applicable ASME Code A17.1, ASME Code A17.3, or ASME Code A18.1]~~ until a specified time if the executive director determines that the noncompliance does not constitute a significant threat to passenger or worker safety ~~[compliance is not readily achievable, as that phrase is defined in the Americans with Disabilities Act (42 U.S.C. Section 12101 et seq.), or regulations adopted under that Act]~~. The accumulated total time of all delays for a specific noncompliant condition may not exceed three years, except as determined ~~[provided]~~ by ~~[Subsection (f) or as allowed in the discretion of]~~ the executive director.

(h) The executive director shall grant a waiver of compliance if the noncompliance resulted from compliance with a municipal equipment construction code at the time of the original installation and the noncompliance does not pose imminent and significant danger.

(h-1) The executive director may grant a waiver of compliance with the firefighter's service provisions of the ASME Code A17.1 or the ASME Code A17.3 in an elevator that exclusively serves a vehicle parking garage in a building that:

- (1) is used only for parking;
- (2) is constructed of noncombustible materials; and
- (3) is not greater than 75 feet in height.

(j) One application for a waiver or delay may contain all requests related to a unit of equipment. ~~[A delay may not be granted indefinitely but must be granted for a specified time not to exceed three years.]~~

(k) For purposes of determining the applicable standards and codes under this chapter ~~[section]~~, the date of installation or alteration of equipment is the date that the owner of the real property entered into a contract for the installation or alteration of the equipment. If that date cannot be established, the date of installation or alteration is the date of issuance of the municipal building permit under which the equipment was installed or altered or, if a municipal building permit was not issued, the date that electrical consumption began for the construction of the building in which the equipment was installed.

(l) Standards adopted under [by the] commission rules may include and be guided by revised versions of ASME Code A17.1, ASME Code A18.1, and ASCE Code 21, as appropriate.

(m) The executive director may on application of a person and in accordance with procedures adopted under [by the] commission rules, grant a variance to allow the installation of new technology if the new component, system, subsystem, function, or device is equivalent or superior to the standards adopted under [by the] commission rules.

SECTION 6. Sections 754.0141(a), (b), (c), (e), and (f), Health and Safety Code, are amended to read as follows:

(a) Elevators, chairlifts, or platform lifts installed in a single-family dwelling on or after January 1, 2004, must comply with the ASME Code A17.1 or A18.1, as applicable, and must be inspected by a registered elevator [QEI-1 certified] inspector after the installation is complete. The inspector shall provide the dwelling owner a copy of the inspection report.

(b) The commission shall~~[, before January 1, 2004,]~~ adopt rules containing minimum safety standards that must be used by registered elevator [QEI-1 certified] inspectors when inspecting elevators, chairlifts, and platform lifts installed in single-family dwellings.

(c) A municipality may withhold a certificate of occupancy for a dwelling or for the installation of the elevator or chairlift until the owner provides a copy of the [QEI-1] inspection report to the municipality.

(e) On completing installation of equipment in a single-family dwelling, a contractor shall provide the dwelling owner with relevant information, in writing, about use, safety, and maintenance of the equipment, including the advisability of having the equipment periodically and timely inspected by a registered elevator [QEI-1 certified] inspector.

(f) An inspection by a registered elevator [QEI-1 certified] inspector of equipment in a single-family dwelling may be performed only at the request and with the consent of the owner. The owner of a single-family dwelling is not subject to Section 754.0231, 754.0232, 754.0233, 754.0234, or 754.0235 [754.022, 754.023, or 754.024].

SECTION 7. Section 754.015, Health and Safety Code, is amended to read as follows:

Sec. 754.015. RULES. (a) The commission by rule shall provide for:

(1) an annual inspection and certification of the equipment covered by standards adopted under this chapter [subchapter];

(2) enforcement of those standards;

(3) registration, including certification, of elevator [qualified] inspectors [and contractors];

(4) registration of contractors;

(5) the procedures by which a certificate of compliance is issued and displayed [the form of inspection documents, contractor reports, and certificates of compliance];

(6) ~~(5)~~ notification to building owners, architects, and other building industry professionals regarding the necessity of annually inspecting equipment;

(7) ~~(6)~~ approval of continuing education programs for registered elevator ~~[QEI 1 certified]~~ inspectors;

(8) ~~(7)~~ standards of conduct for individuals who are registered under this chapter ~~[subchapter]~~;

(9) ~~(8)~~ general liability insurance written by an insurer authorized to engage in the business of insurance in this state or an eligible surplus lines insurer, as defined by Section 981.002, Insurance Code, as a condition of contractor registration with coverage of not less than:

(A) \$1 million for each single occurrence of bodily injury or death; and

(B) \$500,000 for each single occurrence of property damage;

(10) ~~(9)~~ the submission and review of plans for the installation or alteration of equipment; ~~[and]~~

(11) ~~(10)~~ continuing education requirements for renewal of contractor registration;

(12) maintenance control programs, maintenance, repair, and parts manuals, and product-specific inspection, testing, and maintenance procedures;

(13) the method and manner of reporting accidents and reportable conditions to the department; and

(14) an owner's designation of an agent for purposes of this chapter.

(b) The commission by rule may not:

(1) require inspections of equipment to be made more often than every 12 months, except as provided by Subsection (c); or

(2) require persons to post a bond or furnish insurance or to have minimum experience or education as a condition of certification or registration, except as otherwise provided by this chapter ~~[- or~~

~~(3) prohibit a QEI 1 certified inspector who is registered with the department from inspecting equipment].~~

(c) The commission by rule may require a reinspection or recertification of equipment if:

(1) the equipment has been altered;

(2) the equipment ~~[and]~~ poses a significant threat to passenger or worker safety; or

(3) [if] an annual inspection report indicates an existing violation has continued longer than permitted in a delay granted by the executive director.

(d) The executive director may charge a reasonable fee as set by the commission for:

(1) registering or renewing registration of an elevator inspector;

(2) registering or renewing registration of a contractor;

(3) applying for a certificate of compliance;

(4) filing an inspection report as required by Section 754.019(a)(3), 30 days or more after the date the report is due, for each day the report remains not filed after the date the report is due;

(5) submitting for review plans for the installation or alteration of equipment;

(6) reviewing and approving continuing education providers and courses for renewal of elevator inspector and contractor registrations ~~[registration]~~;

(7) applying for a waiver, new technology variance, or delay; and

(8) attending a continuing education program sponsored by the department for registered elevator [~~QEI~~] inspectors.

(e) The commission by rule may require inspection reports, other documents, and fees to be filed in a manner prescribed by the department, including electronically.

SECTION 8. Section 754.016, Health and Safety Code, is amended to read as follows:

Sec. 754.016. INSPECTION REPORTS AND CERTIFICATES OF COMPLIANCE. (a) Inspection reports and certificates of compliance required under this chapter [~~subchapter~~] must cover all equipment in a building or structure appurtenant to the building, including a parking facility, that are owned by the same person or persons.

(b) A registered elevator [~~An~~] inspector shall issue [~~date and sign~~] an inspection report [~~and shall issue the report~~] to the [~~building~~] owner not later than the fifth [~~10th~~] calendar day after the date of inspection in accordance with the procedures established by commission rule.

(c) The executive director shall issue [~~date and sign~~] a certificate of compliance [~~and shall issue the certificate~~] to the [~~building~~] owner. [~~The certificate of compliance shall state:~~

~~(1) that the equipment has been inspected by a certified inspector and found by the inspector to be in compliance, except for any delays or waivers granted by the executive director and stated in the certificate;~~

~~(2) the date of the last inspection and the due date for the next inspection;~~
and

~~(3) contact information at the department to report a violation of this subchapter.]~~

(d) The commission by rule shall:

(1) [~~specify what information must be contained in a certificate of compliance;~~

~~(2) describe the procedure by which a certificate of compliance is issued;~~

~~(3) require that a certificate of compliance for any equipment [~~related to an elevator~~] be posted in a publicly visible area of the building; and~~

(2) [(4)] determine what constitutes a "publicly visible area" under Subdivision (1) [(3)].

(e) The department shall prescribe the format and the required information contained in the inspection reports, the certificates of compliance, and other documents.

SECTION 9. The heading to Section 754.017, Health and Safety Code, is amended to read as follows:

Sec. 754.017. REGISTERED ELEVATOR [~~CERTIFIED~~] INSPECTORS.

SECTION 10. Sections 754.017(a), (b), and (d), Health and Safety Code, are amended to read as follows:

(a) In order to inspect equipment, an individual must:

(1) be registered with the department;

(2) attend educational programs approved by the department;

(3) be certified as an [a-QEI-1] inspector in accordance with the rules adopted by the commission [by an organization accredited by the American Society of Mechanical Engineers]; [and]

(4) comply with the continuing education requirements established by commission rule for registration renewal; and

(5) pay all applicable fees.

(b) A person assisting a registered elevator [certified] inspector and working under the direct, on-site supervision of the inspector is not required to be registered [certified].

(d) A registered elevator [certified] inspector may not inspect equipment if the inspector or the inspector's employer has a financial or personal conflict of interest or the appearance of impropriety related to the inspection of that equipment [may not be required to attend more than seven hours of continuing education during each licensing period].

SECTION 11. Sections 754.0171(a) and (f), Health and Safety Code, are amended to read as follows:

(a) A person may not install, repair, alter, test, or maintain equipment without registering as a contractor with the department as required by this chapter [subchapter].

(f) Installation, repair, alteration, testing, and maintenance standards for contractors must be consistent with ASME Code A17.1, ASME Code A17.3, ASME Code A18.1, and ASCE Code 21.

SECTION 12. Section 754.0172, Health and Safety Code, is amended to read as follows:

Sec. 754.0172. INSPECTION FEE. The amount charged for an inspection or the performance of an inspection of equipment under this chapter [subchapter] may not be contingent on the existence of a maintenance contract between the person performing the inspection and any other person.

SECTION 13. The heading to Section 754.0174, Health and Safety Code, is amended to read as follows:

Sec. 754.0174. CONTINUING EDUCATION FOR RENEWAL OF ELEVATOR INSPECTOR AND CONTRACTOR REGISTRATIONS.

SECTION 14. Section 754.0174, Health and Safety Code, is amended by adding Subsection (a-1) and amending Subsection (b) to read as follows:

(a-1) Each registered elevator inspector must complete continuing education requirements set by commission rule before the inspector may renew the inspector's registration.

(b) A provider of continuing education under this section must:

(1) register with the department; and

(2) comply with rules adopted by the commission relating to continuing education for a registered elevator inspector or designated responsible party, as applicable.

SECTION 15. Section 754.018, Health and Safety Code, is amended to read as follows:

Sec. 754.018. POWERS OF MUNICIPALITIES. Subject to Section 754.014(h), if a municipality operates a program for the installation, maintenance, alteration, inspection, testing, or certification of equipment, this chapter [~~subchapter~~] shall not apply to the equipment in that municipality, provided that the standards of installation, maintenance, alteration, inspection, testing, and certification are at least equivalent to those contained in this chapter [~~subchapter~~].

SECTION 16. The heading to Section 754.019, Health and Safety Code, is amended to read as follows:

Sec. 754.019. DUTIES OF [~~REAL PROPERTY~~] OWNERS.

SECTION 17. Sections 754.019(a), (b), and (e), Health and Safety Code, are amended to read as follows:

(a) The owner [~~of real property on which equipment covered by this subchapter is located~~] shall:

(1) have the equipment inspected annually by a registered elevator [~~certified~~] inspector;

(2) obtain an inspection report from the inspector evidencing that all equipment in a building on the real property was inspected in accordance with this chapter [~~subchapter~~] and rules adopted under this chapter [~~subchapter~~];

(3) file with the executive director each inspection report, and all applicable fees, not later than the 30th calendar [~~60th~~] day after the date on which an inspection is made under this chapter [~~subchapter~~];

(4) display the certificate of compliance for the equipment in a publicly visible area as defined by commission rule[-

~~[(A) in a publicly visible area of the building, as determined by commission rule under Section 754.016, if the certificate relates to an elevator;~~

~~[(B) in the escalator box if the certificate relates to an escalator; or~~

~~[(C) in a place designated by the executive director if the certificate relates to equipment other than an elevator or escalator]; and~~

(5) maintain the equipment in compliance with the standards and codes adopted under commission rules [~~display the inspection report at the locations designated in Subdivision (4) until a certificate of compliance is issued~~].

(b) When an inspection report is filed, the owner shall submit to the executive director, as applicable:

(1) verification that any deficiencies in the registered elevator inspector's report have been remedied or that a bona fide contract to remedy the deficiencies has been entered into; or

(2) any application for delay or waiver of an applicable standard.

(e) An owner shall report to the department each accident involving equipment not later than 24 [~~72~~] hours following the accident.

SECTION 18. Section 754.020, Health and Safety Code, is amended to read as follows:

Sec. 754.020. CHIEF ELEVATOR INSPECTOR. The executive director may appoint a chief elevator inspector to administer the equipment inspection and registration program. The chief elevator inspector:

(1) may not have a financial or commercial interest in the manufacture, maintenance, repair, inspection, installation, or sale of equipment; and

(2) must possess the [a-QEI-1] certification or obtain the certification required under Section 754.017 within six months after becoming chief elevator inspector.

SECTION 19. Section 754.021, Health and Safety Code, is amended to read as follows:

Sec. 754.021. LIST OF REGISTERED ELEVATOR INSPECTORS AND CONTRACTORS; PERSONNEL. The executive director shall:

(1) compile a list of elevator [certified] inspectors and contractors who are registered with the department; and

(2) employ personnel who are necessary to enforce this chapter [subchapter].

SECTION 20. Chapter 754, Health and Safety Code, is amended by adding Sections 754.0231, 754.0232, 754.0233, 754.0234, and 754.0235 to read as follows:

Sec. 754.0231. INSPECTIONS AND INVESTIGATIONS. (a) Except as provided by Subsection (b), the department may conduct an inspection or investigation of equipment regulated under this chapter in accordance with Chapter 51, Occupations Code. The department shall be granted access to any location in the building that is inaccessible to the public in order to conduct a full inspection or investigation of the equipment.

(b) If there is good cause for the executive director to believe that equipment on the property poses an imminent and significant danger or that an accident involving equipment occurred on the property, the executive director or the executive director's designee may at any time enter the property to inspect the equipment or investigate the danger or accident. The executive director or the executive director's designee must be granted access to any location in the building that is inaccessible to the public in order to conduct a full inspection or investigation.

Sec. 754.0232. REGISTRATION PROCEEDINGS. (a) The commission or executive director may deny, suspend, or revoke a registration under this chapter and may assess an administrative penalty for:

(1) obtaining registration by fraud or false representation;

(2) falsifying a report submitted to the executive director; or

(3) violating this chapter or a rule adopted under this chapter.

(b) Proceedings for the denial, suspension, or revocation of a registration and appeals from these proceedings are governed by Chapter 2001, Government Code.

Sec. 754.0233. INJUNCTIVE RELIEF; CIVIL PENALTY. (a) The attorney general or the executive director may institute an action for injunctive relief to prevent or restrain a violation or threatened violation of this chapter or a rule adopted under this chapter.

(b) The attorney general or the executive director may institute an action to collect a civil penalty from a person that appears to be violating or threatening to violate this chapter or a rule adopted under this chapter. A civil penalty assessed under this subsection may not exceed \$5,000 per day for each violation.

(c) An action filed under this section must be filed in a district court in Travis County.

(d) The attorney general and the department may recover reasonable expenses incurred in obtaining injunctive relief or civil penalties under this section, including court costs, reasonable attorney's fees, investigative costs, witness fees, and deposition expenses.

Sec. 754.0234. EMERGENCY ORDERS. (a) The executive director may issue an emergency order as necessary to enforce this chapter if the executive director determines that an emergency exists requiring immediate action to protect the public health and safety.

(b) The executive director shall issue an emergency order in accordance with Chapter 51, Occupations Code.

Sec. 754.0235. ORDERS TO DISCONNECT POWER TO OR LOCK OUT EQUIPMENT. (a) An emergency order issued in accordance with Section 754.0234 may also direct an owner to disconnect power to or lock out equipment if:

(1) the department determines imminent and significant danger to passenger or worker safety exists if action is not taken immediately; or

(2) an annual inspection has not been performed in more than two years.

(b) If an emergency order to disconnect power or lock out equipment is issued, the owner may have the power reconnected or the equipment unlocked only if a registered elevator inspector or contractor or a department representative verifies in writing to the department that the imminent and significant danger has been removed by repair, replacement, or other means.

(c) If an emergency order to disconnect power or lock out equipment is issued and the owner later notifies the department that the imminent and significant danger no longer exists, the executive director or the executive director's designee shall, after the requirements of Subsection (b) are satisfied, issue written permission to reconnect power or unlock the equipment and notify the owner.

SECTION 21. Section 754.025, Health and Safety Code, is amended to read as follows:

Sec. 754.025. APPLICATION OF CERTAIN LAW. [~~(a) Chapter 53, Occupations Code, applies to a registration under this subchapter.~~

[~~(b)~~] Sections 51.401 and 51.404, Occupations Code, do not apply to this chapter, except those sections do apply to Sections 754.017 and 754.0171 [~~subchapter~~].

SECTION 22. The following provisions of the Health and Safety Code are repealed:

- (1) Subchapter A, Chapter 754;
- (2) the heading to Subchapter B, Chapter 754;
- (3) Section 754.014(i);
- (4) Sections 754.0171(d) and (e); and
- (5) Sections 754.022, 754.023, and 754.024.

SECTION 23. (a) The Texas Commission of Licensing and Regulation shall adopt rules implementing Chapter 754, Health and Safety Code, as amended by this Act, not later than January 1, 2014.

(b) Sections 754.016(b) and 754.019(a)(3), Health and Safety Code, as amended by this Act, apply only to an inspection initiated on or after January 1, 2014.

(c) The repeal by this Act of Subchapter A, Chapter 754, Health and Safety Code, and Section 754.024, Health and Safety Code, does not apply to an offense committed under Section 754.003 or 754.024, Health and Safety Code, before the effective date of the repeal. An offense committed before the effective date of the repeal is governed by Section 754.003 or 754.024, Health and Safety Code, as it existed on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of the repeal if any element of the offense occurred before that date.

SECTION 24. This Act takes effect September 1, 2013.

Floor Amendment No. 1

Amend **CSSB 673** (house committee printing) by adding the following SECTION, appropriately numbered, and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____ . Chapter 754, Health and Safety Code, is amended by adding Section 754.0112 to read as follows:

Sec. 754.0112. INSTITUTION OF HIGHER EDUCATION: EMPLOYEE DUTIES AND INSURANCE REQUIREMENT. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003, Education Code.

(b) Notwithstanding any contrary provision of this chapter, this chapter does not prohibit a registered elevator inspector or registered contractor from performing an activity regulated by this chapter or the rules adopted under this chapter if the inspector or contractor is performing the activity as an employee of an institution of higher education.

(c) Notwithstanding any contrary provision of this chapter, this chapter does not prohibit a registered elevator inspector or registered contractor performing an activity described by Subsection (b) as an employee of an institution of higher education from providing written evidence of self-insurance coverage to satisfy an insurance requirement under this chapter or rules adopted under this chapter.

The amendments were read.

Senator Carona moved to concur in the House amendments to **SB 673**.

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

SENATE BILL 742 WITH HOUSE AMENDMENTS

Senator Carona called **SB 742** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 742** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED AN ACT

relating to reports of missing children, missing persons, or attempted child abductions and to education and training for peace officers regarding missing or exploited children.

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

SECTION 1. Article 63.001, Code of Criminal Procedure, is amended by amending Subdivision (1) and adding Subdivision (1-a) to read as follows:

(1) "Abduct" has the meaning assigned by Section 20.01, Penal Code.

(1-a) "Child" means a person under 18 years of age.

SECTION 2. Subchapter A, Chapter 63, Code of Criminal Procedure, is amended by adding Article 63.0016 to read as follows:

Art. 63.0016. ATTEMPTED CHILD ABDUCTION BY RELATIVE. For purposes of this chapter, "attempted child abduction" does not include an attempted abduction in which the actor was a relative, as defined by Section 20.01, Penal Code, of the person intended to be abducted.

SECTION 3. Article 63.003, Code of Criminal Procedure, is amended to read as follows:

Art. 63.003. FUNCTION OF CLEARINGHOUSE. (a) The clearinghouse is a central repository of information on missing children, ~~and~~ missing persons, and attempted child abductions.

(b) The clearinghouse shall:

(1) establish a system of intrastate communication of information relating to missing children and missing persons;

(2) provide a centralized file for the exchange of information on missing children, missing persons, and unidentified dead bodies within the state;

(3) communicate with the national crime information center for the exchange of information on missing children and missing persons suspected of interstate travel;

(4) collect, process, maintain, and disseminate accurate and complete information on missing children and missing persons;

(5) provide a statewide toll-free telephone line for the reporting of missing children and missing persons and for receiving information on missing children and missing persons; ~~and~~

(6) provide and disseminate to legal custodians, law enforcement agencies, and the Texas Education Agency information that explains how to prevent child abduction and what to do if a child becomes missing; and

(7) receive and maintain information on attempted child abductions in this state.

SECTION 4. Article 63.004(a), Code of Criminal Procedure, is amended to read as follows:

(a) The Department of Public Safety shall distribute missing children and missing person report forms. The forms must be in a format that will allow a seamless transfer of that information to the national crime information center.

SECTION 5. Subchapter A, Chapter 63, Code of Criminal Procedure, is amended by adding Article 63.0041 to read as follows:

Art. 63.0041. REPORTING OF ATTEMPTED CHILD ABDUCTION. A law enforcement officer or local law enforcement agency reporting an attempted child abduction to the clearinghouse shall make the report by use of the Texas Law

Enforcement Telecommunications System or a successor system of telecommunication used by law enforcement agencies and operated by the Department of Public Safety.

SECTION 6. Article 63.009, Code of Criminal Procedure, is amended by adding Subsection (a-1) to read as follows:

(a-1) A local law enforcement agency, on receiving a report of an attempted child abduction, shall immediately, but not later than eight hours after receiving the report, provide any relevant information regarding the attempted child abduction to the clearinghouse.

SECTION 7. Subchapter A, Chapter 63, Code of Criminal Procedure, is amended by adding Article 63.0091 to read as follows:

Art. 63.0091. LAW ENFORCEMENT REQUIREMENTS REGARDING REPORTS OF CERTAIN MISSING CHILDREN. (a) The public safety director of the Department of Public Safety shall adopt rules regarding the procedures for a local law enforcement agency on receiving a report of a missing child who:

(1) had been reported missing on four or more occasions in the 24-month period preceding the date of the current report; or

(2) is in foster care or in the conservatorship of the Department of Family and Protective Services and had been reported missing on two or more occasions in the 24-month period preceding the date of the current report.

(b) The rules adopted under this article must require that in entering information regarding the report into the national crime information center missing person file as required by Article 63.009(a)(3) for a missing child described by Subsection (a), the local law enforcement agency shall indicate, in the manner specified in the rules, that the child is endangered and include relevant information regarding the prior occasions on which the child was reported missing.

(c) If, at the time the initial entry into the national crime information center missing person file is made, the local law enforcement agency has not determined that the requirements of this article apply to the report of the missing child, the information required by Subsection (b) must be added to the entry promptly after the agency investigating the report determines that the missing child is described by Subsection (a).

SECTION 8. Article 63.013, Code of Criminal Procedure, is amended to read as follows:

Art. 63.013. INFORMATION TO CLEARINGHOUSE. Each law enforcement agency shall provide to the missing children and missing persons information clearinghouse:

(1) any information that would assist in the location or identification of any missing child who has been reported to the agency as missing; and

(2) any information regarding an attempted child abduction that has been reported to the agency or that the agency has received from any person or another agency.

SECTION 9. Subchapter A, Chapter 411, Government Code, is amended by adding Section 411.0133 to read as follows:

Sec. 411.0133. MISSING OR EXPLOITED CHILDREN PREVENTION GRANTS. (a) In this section, "nonprofit organization" has the meaning assigned by Section 403.351.

(b) This section applies to a nonprofit organization that is formed to offer programs and provide information to parents or other legal custodians, children, schools, public officials, organizations serving youths, nonprofit organizations, and the general public concerning child safety and Internet safety and the prevention of child abductions and child sexual exploitation.

(c) The department may award a grant to a nonprofit organization described by Subsection (b) that is operating in this state to provide programs and information described by that subsection to assist the department in the performance of the department's duties related to missing or exploited children, including any duty related to the missing children and missing persons information clearinghouse under Chapter 63, Code of Criminal Procedure.

(d) The department may adopt rules to implement this section.

SECTION 10. Section 1701.402, Occupations Code, is amended by adding Subsection (k) to read as follows:

(k) As a requirement for an intermediate or advanced proficiency certificate issued by the commission on or after January 1, 2015, an officer must complete an education and training program on missing and exploited children. The commission by rule shall establish the program. The program must:

(1) consist of at least four hours of training;

(2) include instruction on reporting an attempted child abduction to the missing children and missing persons information clearinghouse under Chapter 63, Code of Criminal Procedure;

(3) include instruction on responding to and investigating situations in which the Internet is used to commit crimes against children; and

(4) include a review of the substance of Chapters 20 and 43, Penal Code.

SECTION 11. Article 63.001(5), Code of Criminal Procedure, is repealed.

SECTION 12. Not later than January 1, 2014:

(1) the Commission on Law Enforcement Officer Standards and Education shall adopt the rules necessary to implement Section 1701.402(k), Occupations Code, as added by this Act; and

(2) the Department of Public Safety of the State of Texas and the public safety director of the department shall adopt rules and forms necessary to implement Chapter 63, Code of Criminal Procedure, as amended by this Act.

SECTION 13. (a) The change in law made by this Act in adding Article 63.0091, Code of Criminal Procedure, applies to a missing child report that is received by a law enforcement agency on or after January 1, 2014.

(b) The change in law made by this Act in adding Article 63.009(a-1), Code of Criminal Procedure, and amending Article 63.013, Code of Criminal Procedure, applies to an attempted child abduction that is reported to a law enforcement agency on or after January 1, 2014.

SECTION 14. This Act takes effect September 1, 2013.

Floor Amendment No. 1

Amend **CSSB 742** (house committee report) as follows:

- (1) Strike page 2, lines 22 through 27.
- (2) Strike page 6, lines 14 and 15.
- (3) Add the following appropriately numbered SECTION to the bill:

SECTION _____. Article 63.001(5), Code of Criminal Procedure, is amended to read as follows:

(5) "Missing child or missing person report" [~~or "report"~~] means information that is:

(A) given to a law enforcement agency on a form used for sending information to the national crime information center; and

(B) about a child or missing person whose whereabouts are unknown to the reporter and who is alleged in the form by the reporter to be missing.

- (4) Renumber the SECTIONS of the bill appropriately.

The amendments were read.

Senator Carona moved to concur in the House amendments to **SB 742**.

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

SENATE BILL 1251 WITH HOUSE AMENDMENT

Senator Carona called **SB 1251** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1251** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to authorized charges and terms for certain consumer loans.

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

SECTION 1. Section 342.002, Finance Code, is amended by adding Subsection (d) to read as follows:

(d) Interest under the scheduled installment earnings method or true daily earnings method may not be compounded.

SECTION 2. The heading to Section 342.201, Finance Code, is amended to read as follows:

Sec. 342.201. MAXIMUM INTEREST CHARGE AND ADMINISTRATIVE FEE.

SECTION 3. Section 342.201, Finance Code, is amended by amending Subsection (f) and adding Subsection (g) to read as follows:

(f) A loan contract under this subchapter may provide for an administrative fee in an amount not to exceed \$25 for a loan of more than \$1,000 or \$20 for a loan of \$1,000 or less. The administrative fee is considered earned when the loan is made or refinanced and is not subject to refund. An administrative fee is not interest. A lender refinancing the loan may not contract for or receive an administrative fee for the loan more than once in any 180-day period, except that if the loan has an interest charge

authorized by Subsection (e) the lender may not contract for or receive the administrative fee more than once in any 365-day period. One dollar of each administrative fee may be deposited with the comptroller for use in carrying out the finance commission's responsibilities under Section 11.3055.

(g) The finance commission by rule may prescribe a reasonable maximum amount of an administrative fee for a loan contract under this subchapter that is greater than the maximum amount authorized by this section for the amount of the loan.

SECTION 4. Section 342.252, Finance Code, is amended to read as follows:

Sec. 342.252. ALTERNATE CHARGES [~~INTEREST CHARGE~~]. (a) Instead of the charges authorized by Section 342.201, a loan contract may provide for:

- (1) on a cash advance of less than \$30, an acquisition charge that is not more than \$1 for each \$5 of the cash advance;
- (2) on a cash advance equal to or more than \$30 but not more than \$100:
 - (A) an acquisition charge that is not more than the amount equal to one-tenth of the amount of the cash advance; and
 - (B) an installment account handling charge that is not more than:
 - (i) \$3 a month if the cash advance is not more than \$35;
 - (ii) \$3.50 a month if the cash advance is more than \$35 but not more than \$70; or
 - (iii) \$4 a month if the cash advance is more than \$70; or
- (3) on a cash advance of more than \$100:
 - (A) an acquisition charge that is not more than \$10; and
 - (B) an installment account handling charge that is not more than the ratio of \$4 a month for each \$100 of cash advance.

(b) For an acquisition charge authorized by this subchapter, the finance commission by rule may prescribe a reasonable maximum amount for an acquisition charge that is greater than the maximum amount authorized by the applicable section of this subchapter for the amount of the cash advance.

(c) An acquisition charge under this subchapter is not interest.

SECTION 5. Section 342.255, Finance Code, is amended to read as follows:

Sec. 342.255. MAXIMUM LOAN TERM. The maximum scheduled term of a loan made under this subchapter is:

- (1) for a loan of \$100 or less, the lesser of:
 - (A) one month for each multiple of \$10 of cash advance; or
 - (B) six months; and
- (2) for a loan of more than \$100, one month for each multiple of \$20 of cash advance.

SECTION 6. Section 342.352(a), Finance Code, is amended to read as follows:

- (a) This section applies to a loan contract:
 - (1) that includes precomputed interest and to which Section 342.351 does not apply;
 - (2) that includes interest contracted for under Section 342.201 or 342.260;
- or
- (3) that has a term of more than 60 months.

SECTION 7. Subchapter F, Chapter 342, Finance Code, is amended by adding Section 342.260 to read as follows:

Sec. 342.260. ALTERNATE INTEREST CHARGE COMPUTATION METHODS. (a) A loan contract under this subchapter may provide for an interest charge computed using the true daily earnings method or the scheduled installment earnings method that does not exceed the equivalent rate or effective return of the installment account handling charge for the original scheduled term of the loan.

(b) The principal balance of a loan contract authorized by this section may not include the acquisition charge, installment account handling charge, default charges, or deferment charges or the return check fees authorized by Section 3.506, Business & Commerce Code.

(c) Interest may accrue on the principal balance from time to time unpaid at the rate provided for by the contract until the date of payment in full or demand for payment in full.

(d) A payment on a loan contract authorized by this section shall be applied to the borrower's account in the following order or, at the lender's option, under another method of applying a payment that is more favorable to the borrower:

(1) the straight line allocation of the acquisition charge using the original scheduled term of the loan based on the proportional scheduled payment that was paid or scheduled to be paid;

(2) default charges authorized by Section 342.257;

(3) return check fees authorized by Section 3.506, Business & Commerce

Code;

(4) any other charges authorized by this subchapter;

(5) accrued interest authorized by this section; and

(6) principal.

SECTION 8. The changes in law made by this Act apply only to a loan made on or after the effective date of this Act. A loan made before the effective date of this Act is governed by the law in effect on the date the loan was made, and the former law is continued in effect for that purpose.

SECTION 9. This Act takes effect September 1, 2013.

The amendment was read.

Senator Carona moved to concur in the House amendment to **SB 1251**.

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

SENATE BILL 1756 WITH HOUSE AMENDMENT

Senator Uresti called **SB 1756** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1756** (house committee report) on page 2, line 13, by striking "proceeded" and substituting "processed".

The amendment was read.

Senator Uresti moved to concur in the House amendment to **SB 1756**.

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

Nays: Seliger.

HOUSE BILL 2139 ON SECOND READING

On motion of Senator Ellis and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2139** at this time on its second reading:

HB 2139, Relating to the authority of the Near Northside Management District to undertake tax increment financing.

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 2139 ON THIRD READING

Senator Ellis moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2139** 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 2294 ON SECOND READING

Senator Carona moved to suspend the regular order of business to take up for consideration **CSHB 2294** at this time on its second reading:

CSHB 2294, Relating to an exemption from air conditioning and refrigeration contracting regulation for installation of a thermostat.

The motion prevailed.

Senators Garcia, Seliger, and Watson asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Carona offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2294** (senate committee report) in SECTION 1 of the bill, in amended Section 1302.002(2), Occupations Code (page 1, lines 31 through 35), by striking the underlined text and substituting the following:

Notwithstanding any other provision of this chapter, the term does not include the performance of or an offer to perform the installation, repair, replacement, or modification of a thermostat or other temperature control interface by a person licensed or registered under Chapter 1702.

The amendment to **CSHB 2294** 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 Carona and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

CSHB 2294 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: Garcia, Hegar, Seliger, Watson.

COMMITTEE SUBSTITUTE HOUSE BILL 2294 ON THIRD READING

Senator Carona moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2294** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodríguez, Schwertner, Taylor, Uresti, Van de Putte, West, Whitmire, Williams, Zaffirini.

Nays: Garcia, Seliger, Watson.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 4.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Hancock, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodríguez, Schwertner, Taylor, Uresti, Van de Putte, West, Whitmire, Williams, Zaffirini.

Nays: Garcia, Hegar, Seliger, Watson.

HOUSE BILL 1122 ON SECOND READING

Senator West moved to suspend the regular order of business to take up for consideration **HB 1122** at this time on its second reading:

HB 1122, Relating to a pilot program for a three-year high school diploma plan and cost-neutral expansion of full-day prekindergarten programs.

The motion prevailed.

Senators Birdwell, Campbell, Fraser, Hancock, Nelson, Nichols, and Schwertner asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator West offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 1122** (senate committee printing) as follows:

(1) In SECTION 1 of the bill, in added Section 28.0255(c), Education Code (page 1, line 39), strike the colon.

(2) In SECTION 1 of the bill, strike added Section 28.0255(c)(1), Education Code (page 1, lines 40-42).

(3) In SECTION 1 of the bill, in added Section 28.0255(c)(2), Education Code (page 1, line 43), strike "(2)".

(4) In SECTION 1 of the bill, strike added Section 28.0255(f), Education Code (page 2, lines 1-5), and substitute the following:

(f) The school district shall submit to the commissioner for approval the district's proposal regarding the scope of the program and the program curriculum requirements. The school district shall also submit the proposed curriculum requirements to the State Board of Education for comment. The district may not implement the program before obtaining the commissioner's approval of the scope of the program and the program curriculum requirements.

The amendment to **HB 1122** 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 West and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

HB 1122 as amended was passed to third reading by a viva voce vote.

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

Nays: Birdwell, Campbell, Fraser, Hancock, Nelson, Nichols, Schwertner.

HOUSE BILL 1122 ON THIRD READING

Senator West moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1122** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 6.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hegar, Hinojosa, Huffman, Lucio, Patrick, Paxton, Rodríguez, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Hancock, Nelson, Nichols, Schwertner.

The bill was read third time and was passed by the following vote: Yeas 24, Nays 7.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Garcia, Hegar, Hinojosa, Huffman, Lucio, Patrick, Paxton, Rodríguez, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Fraser, Hancock, Nelson, Nichols, Schwertner.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Monday, May 20, 2013 - 2

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 80 Anchia

Requesting the lieutenant governor and the speaker of the house of representatives to create a joint interim committee to study the effects on international trade of wait times at points of entry between the United States and Mexico.

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

HB 139 (138 Yeas, 6 Nays, 2 Present, not voting)**HB 338** (144 Yeas, 0 Nays, 2 Present, not voting)**HB 347** (105 Yeas, 37 Nays, 2 Present, not voting)**HB 788** (139 Yeas, 5 Nays, 2 Present, not voting)**HB 1227** (144 Yeas, 1 Nays, 2 Present, not voting)**HB 1296** (144 Yeas, 0 Nays, 3 Present, not voting)**HB 1554** (133 Yeas, 10 Nays, 2 Present, not voting)**HB 2392** (144 Yeas, 1 Nays, 4 Present, not voting)**HB 2725** (147 Yeas, 0 Nays, 2 Present, not voting)**HB 2772** (128 Yeas, 16 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 396 (non-record vote)

House Conferees: Thompson, Senfronia - Chair/Burnam/Davis, Sarah/Howard/Miller, Rick

HB 429 (non-record vote)

House Conferees: Guillen - Chair/Flynn/Larson/Lozano/Muñoz, Jr.

HB 773 (non-record vote)

House Conferees: Farney - Chair/Aycock/Branch/Deshotel/Lucio III

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 4 (144 Yeas, 4 Nays, 2 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

HOUSE BILL 3483 ON SECOND READING

Senator Watson moved to suspend the regular order of business to take up for consideration **HB 3483** at this time on its second reading:

HB 3483, Relating to requirements for a driver education course and the eligibility of persons under 18 years of age to operate a motor vehicle at certain times.

The motion prevailed.

Senators Campbell, Hancock, and Hegar asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Watson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3483** (Senate committee printing) by adding the appropriately number SECTIONS of the bill and renumbering the existing SECTIONS of the bill accordingly:

SECTION _____. The heading to Section 521.1655, Transportation Code, is amended to read as follows:

Sec. 521.1655. TESTING BY DRIVER EDUCATION SCHOOL AND CERTAIN DRIVER EDUCATION COURSE PROVIDERS.

SECTION _____. Section 521.1655, Transportation Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) A driver education course provider approved under Section 521.205 may administer to a student of that course the highway sign and traffic law parts of the examination required by Section 521.161.

SECTION _____. Section 521.205(c), Transportation Code, is amended to read as follows:

(c) The rules must provide a method by which:

(1) approval of a course is obtained;

(2) an applicant submits proof of completion of the course; ~~and~~

(3) approval for delivering course materials by an alternative method, including electronic means, is obtained;

(4) a provider of a course approved under this section may administer to an applicant the highway sign and traffic law parts of the examination as provided by Section 521.1655(a-1) through electronic means; and

(5) an applicant submits proof of passage of an examination administered under Subdivision (4).

SECTION _____. The Department of Public Safety shall adopt the rules required by Section 521.205, Transportation Code, as amended by this Act, not later than January 1, 2014.

The amendment to **HB 3483** 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 Watson and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

HB 3483 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: Campbell, Hancock, Hegar.

HOUSE BILL 3483 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 3483** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Campbell, Hancock, Hegar.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 3. (Same as previous roll call)

HOUSE BILL 394 ON SECOND READING

Senator Van de Putte moved to suspend the regular order of business to take up for consideration **HB 394** at this time on its second reading:

HB 394, Relating to limits on prizes for bingo games.

The motion prevailed by the following vote: Yeas 22, Nays 9.

Yeas: Carona, Davis, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hegar, Hinojosa, Lucio, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Deuell, Hancock, Huffman, Nelson, Nichols, Patrick, Paxton.

The bill was read second time and was passed to third reading by the following vote: Yeas 21, Nays 10.

Yeas: Carona, Davis, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hinojosa, Lucio, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Deuell, Hancock, Hegar, Huffman, Nelson, Nichols, Patrick, Paxton.

HOUSE BILL 3106 ON SECOND READING

Senator Carona moved to suspend the regular order of business to take up for consideration **HB 3106** at this time on its second reading:

HB 3106, Relating to compensatory payments made in connection with the issuance of certain title insurance policies.

The motion prevailed.

Senator Paxton asked to be recorded as "Present-not voting" on suspension of the regular order of business.

The bill was read second time.

Senator Carona offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3106** (senate committee printing) in SECTION 1 of the bill, in added Section 2502.057, Insurance Code (page 1, between lines 55 and 56), by adding the following:

(e) This section does not apply to a payment to a reinsurer for the assumption of reinsurance described by Subchapter G, Chapter 2551.

The amendment to **HB 3106** 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:

Present-not voting: Paxton.

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

HB 3106 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:

Present-not voting: Paxton.

HOUSE BILL 3106 ON THIRD READING

Senator Carona moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3106** be placed on its third reading and final passage.

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

Present-not voting: Paxton.

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

**COMMITTEE SUBSTITUTE
HOUSE BILL 2585 ON SECOND READING**

Senator Paxton moved to suspend the regular order of business to take up for consideration **CSHB 2585** at this time on its second reading:

CSHB 2585, Relating to the reimbursement of utilities for relocation of utility facilities following improvement or construction of certain tolled highways.

The motion prevailed by the following vote: Yeas 26, Nays 4, Present-not voting 1.

Yeas: Birdwell, Campbell, Carona, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Lucio, Nelson, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Ellis, Garcia, Huffman, Nichols.

Present-not voting: Davis.

The bill was read second time.

Senator Nichols offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 2585** (senate committee printing) as follows:

(1) Strike the introductory language in SECTION 1 of the bill and substitute:

"SECTION 1. Section 203.092, Transportation Code, is amended by amending Subsections (a-1), (a-2), and (a-3), and adding Subsection (a-4) to read as follows:".

(2) Immediately before SECTION 2, insert Subsection (a-4), Section 203.092, to read as follows:

(a-4) Reimbursement by the department under Subsection (a-1), (a-2), or (a-3) shall be subject to the utility's completion of the relocation of the utility facility by the date specified by the department.

The amendment to **CSHB 2585** was read.

On motion of Senator Paxton, Floor Amendment No. 1 was tabled by the following vote: Yeas 20, Nays 10, Present-not voting 1.

Yeas: Birdwell, Carona, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hinojosa, Lucio, Patrick, Paxton, Rodríguez, Schwertner, Taylor, Uresti, Van de Putte, Whitmire, Williams, Zaffirini.

Nays: Campbell, Ellis, Garcia, Hegar, Huffman, Nelson, Nichols, Seliger, Watson, West.

Present-not voting: Davis.

Senator Nichols offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 2585** (Senate committee printing) by striking SECTION 1 of the bill (page 1, lines 25-43) and substituting the following:

SECTION 1. Chapter 372, Transportation Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. UTILITIES

Sec. 372.101. COSTS OF RELOCATION. (a) A toll project entity and a utility shall share equally the cost of the relocation of a utility facility that is required by:

(1) the improvement of a nontolled highway to add one or more tolled lanes;

(2) the improvement of a nontolled highway that has been converted to a toll project; or

(3) by construction on a new location of a toll project or the expansion of such a toll project.

(b) Section 203.092(d) applies in determining the cost of relocation for the purposes of this section.

(c) If this section conflicts with a provision of Section 203.092 or Chapter 251, 284, 366, or 370, this section controls to the extent of the conflict.

The amendment to **CSHB 2585** was read.

On motion of Senator Paxton, Floor Amendment No. 2 was tabled by the following vote: Yeas 21, Nays 9, Present-not voting 1.

Yeas: Birdwell, Carona, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hinojosa, Lucio, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Whitmire, Williams, Zaffirini.

Nays: Campbell, Ellis, Garcia, Hegar, Huffman, Nelson, Nichols, Watson, West.

Present-not voting: Davis.

Senator Nichols offered the following amendment to the bill:

Floor Amendment No. 3

Amend **CSHB 2585** (Senate Committee Report version), by striking SECTION 1 of the bill, and replacing as follows:

SECTION 1. Sections 203.092(a-1), (a-2), and (a-3), Transportation Code, are amended to read as follows:

(a-1) Notwithstanding Subsection (a)(3), the department and the utility shall share equally the cost of the relocation of a utility facility that is made before September 1, 2017 [~~2013~~], and required by the improvement of a nontolled highway to add one or more tolled lanes. This subsection expires September 1, 2017 [~~2013~~].

(a-2) Notwithstanding Subsection (a)(3), the department and the utility shall share equally the cost of the relocation of a utility facility that is made before September 1, 2017 [~~2013~~], and required by the improvement of a nontolled highway that has been converted to a turnpike project or toll project. This subsection expires September 1, 2017 [~~2013~~].

(a-3) Notwithstanding Subsection (a)(3), the department and the utility shall share equally the cost of the relocation of a utility facility that is made before September 1, 2017 [~~2013~~], and required by the construction on a new location of a turnpike project or toll project or the expansion of such a turnpike project or toll project. This subsection expires September 1, 2017 [~~2013~~].

The amendment to **CSHB 2585** was read.

On motion of Senator Paxton, Floor Amendment No. 3 was tabled by the following vote: Yeas 16, Nays 14, Present-not voting 1.

Yeas: Carona, Duncan, Eltife, Estes, Fraser, Hancock, Hinojosa, Lucio, Patrick, Paxton, Rodríguez, Seliger, Taylor, Uresti, Whitmire, Williams.

Nays: Birdwell, Campbell, Deuell, Ellis, Garcia, Hegar, Huffman, Nelson, Nichols, Schwertner, Van de Putte, Watson, West, Zaffirini.

Present-not voting: Davis.

CSHB 2585 was passed to third reading by the following vote: Yeas 26, Nays 4, Present-not voting 1.

Yeas: Birdwell, Campbell, Carona, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Lucio, Nelson, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Ellis, Garcia, Huffman, Nichols.

Present-not voting: Davis.

COMMITTEE SUBSTITUTE HOUSE BILL 2585 ON THIRD READING

Senator Paxton moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2585** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 4, Present-not voting 1.

Yeas: Birdwell, Campbell, Carona, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Lucio, Nelson, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Ellis, Garcia, Huffman, Nichols.

Present-not voting: Davis.

The bill was read third time and was passed by the following vote: Yeas 26, Nays 4, Present-not voting 1. (Same as previous roll call)

COMMITTEE SUBSTITUTE HOUSE BILL 3093 ON SECOND READING

On motion of Senator Zaffirini and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 3093** at this time on its second reading:

CSHB 3093, Relating to the powers and duties of the Department of Information Resources and the Legislative Budget Board regarding information resources technologies of state agencies.

The bill was read second time.

Senator Zaffirini offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3093** (Senate Committee printing) as follows:

(1) In SECTION 1 of the bill strike the words "and Legislature Budget Board," (page 1, lines 26 - 27).

(2) Strike SECTION 3 of the bill (page 2, line 35, through page 3, line 30) and renumber the subsequent sections appropriately.

(3) Strike SECTION 5 of the bill (page 3, line 47, through page 4, line 24) and renumber the subsequent sections appropriately.

The amendment to **CSHB 3093** 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 Uresti offered the following amendment to the bill:

Floor Amendment No. 2

Amend **CSHB 3093** (senate committee report) by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS accordingly:

SECTION _____. Subchapter F, Chapter 2054, Government Code, is amended by adding Section 2054.133 to read as follows:

Sec. 2054.133. ELECTRONIC VOTER REGISTRATION. (a) The secretary of state, working in conjunction with the Department of Information Resources, shall implement a program to allow a person to complete a voter registration application over the Internet from the official website of this state. The websites of the secretary of state and the Department of Public Safety must also provide a link to the location of the application on the official website of this state.

(b) An applicant for electronic voter registration who has an unexpired driver's license or personal identification card issued in this state must:

(1) attest to the truth of the information provided on the application by affirmatively accepting the information as true; and

(2) affirmatively consent to the use of the signature on the applicant's driver's license or personal identification card for voter registration purposes.

(c) An applicant for electronic voter registration who does not have an unexpired driver's license or personal identification card issued in this state must:

(1) attest to the truth of the information provided on the application by affirmatively accepting the information as true; and

(2) print a registration application from the website the applicant is using to register, sign the application, and mail it to the registrar.

(d) For each application submitted under Subsection (b), the program shall require that a digital copy of the applicant's signature be obtained from the Department of Public Safety.

(e) For each application submitted under Subsection (c), the program shall provide the applicant with:

(1) a registration application that the applicant can print from the registration website, sign, and mail to the registrar as required under Subsection (c)(2); and

(2) information about how the applicant can obtain a driver's license or personal identification card from the Department of Public Safety.

(f) An application submitted under this section is considered for all purposes as an application submitted by mail under Title 2, Election Code.

(g) The secretary of state shall adopt rules as necessary to implement this section, including rules to provide for additional security measures necessary to ensure the accuracy and integrity of applications submitted electronically.

(h) The rules adopted under Subsection (g) must require that:

(1) the Internet website through which a person may complete a voter registration application include a description of the offense described by Section 13.007, Election Code, in a conspicuous location on the website near the place where the person begins or submits the application; and

(2) the state electronic Internet portal project be used to authenticate the identity of a person who submits an application electronically under this section.

The amendment to **CSHB 3093** 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 except as follows:

Nays: Campbell, Fraser, Nelson, Schwertner, Taylor.

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

CSHB 3093 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: Campbell, Fraser, Schwertner, Taylor.

COMMITTEE SUBSTITUTE HOUSE BILL 3093 ON THIRD READING

Senator Zaffirini moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 3093** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Birdwell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodríguez, Seliger, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Campbell, Fraser, Schwertner, Taylor.

The bill was read third time and was passed by the following vote: Yeas 27, Nays 4. (Same as previous roll call)

(President in Chair)**HOUSE BILL 581 ON SECOND READING**

Senator Lucio moved to suspend the regular order of business to take up for consideration **HB 581** at this time on its second reading:

HB 581, Relating to the waiver of sovereign immunity in certain employment lawsuits by nurses and in certain employment discrimination actions in connection with a workers' compensation claim.

The motion prevailed by the following vote: Yeas 21, Nays 10.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hegar, Hinojosa, Lucio, Rodriguez, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Hancock, Huffman, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger.

The bill was read second time.

Senator Lucio offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 581** (senate committee printing) as follows:

(1) In the recital to SECTION 3 of the bill (page 2, line 2), strike "and (j)" and substitute "(j), (k), and (l)".

(2) In SECTION 3 of the bill, in proposed Section 301.413(g), Occupations Code (page 2, line 3), strike "A" and substitute "Subject to Subsection (h), a".

(3) In SECTION 3 of the bill, in amended Section 301.413, Occupations Code (page 2, between lines 17 and 18), insert the following new Subsections (h) and (i) and reletter the subsequent subsections of that section accordingly:

(h) Relief may be granted in a lawsuit brought under Subsection (g) for an alleged violation of Subsection (b)(1) based on a report made by a nurse under Section 301.4025(b) only if the nurse:

(1) made the report:

(A) in writing, which may be provided electronically; or

(B) verbally, if authorized by the nurse's employer or another entity at

which the nurse is authorized to practice;

(2) made the report to:

(A) the nurse's supervisor;

(B) a committee authorized under state or federal law to receive reports under Section 301.4025(b); or

(C) an individual or committee authorized by the nurse's employer or another entity at which the nurse is authorized to practice; and

(3) made the report not later than:

(A) the fifth day after the date the nurse became aware of the situation if the situation involves a single incident; or

(B) the fifth day after the date the nurse became aware of the most recent occurrence of the situation if the situation involves multiple incidents or a pattern of behavior.

(i) For purposes of Subsection (h), "supervisor" means an individual who has authority over the responsibilities of the nurse making the report or an individual who is in the nurse's chain of command.

(4) Strike SECTION 1 of the bill, adding Section 451.0025, Labor Code (page 1, lines 23 through 36).

(5) Strike SECTION 2 of the bill, amending Section 504.002, Labor Code (page 1, lines 37 through 61).

(6) Strike SECTION 4 of the bill (page 2, lines 34 through 40).

(7) Renumber the SECTIONS of the bill appropriately.

The amendment to **HB 581** 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 Lucio and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

HB 581 as amended was passed to third reading by the following vote: Yeas 21, Nays 10.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hegar, Hinojosa, Lucio, Rodriguez, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Hancock, Huffman, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger.

HOUSE BILL 3523 ON SECOND READING

Senator Paxton moved to suspend the regular order of business to take up for consideration **HB 3523** at this time on its second reading:

HB 3523, Relating to punishment for the offense of driving a commercial motor vehicle without a commercial driver's license.

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.

Senator Paxton offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3523** (senate committee printing) in SECTION 1 of the bill as follows:

(1) In Section 522.011(c), Transportation Code (page 1, line 29), strike "[Class C]" and insert "Class C".

(2) In Section 522.011(c), Transportation Code (page 1, line 30), strike "punishable by a fine not to exceed \$1,000".

The amendment to **HB 3523** 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 Nichols offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 3523** (senate committee printing) as follows:

(1) Strike the recital to SECTION 1 of the bill, and substitute the following:

Section 522.011, Transportation Code, is amended by amending Subsections (a) and (c) and adding Subsections (e) and (f) to read as follows:

(2) In SECTION 1 of the bill, immediately preceding amended Section 522.011(c), Transportation Code (page 1, between lines 23 and 24), insert the following:

(a) A person may not drive a commercial motor vehicle unless:

(1) the person:

(A) has in the person's immediate possession a commercial driver's license issued by the department appropriate for the class of vehicle being driven; and

(B) is not disqualified or subject to an out-of-service order;

(2) the person:

(A) has in the person's immediate possession a commercial [~~driver~~] learner's permit and driver's license issued by the department; and

(B) is accompanied by the holder of a commercial driver's license issued by the department with any necessary endorsements appropriate for the class of vehicle being driven, and the license holder:

(i) for the purpose of giving instruction in driving the vehicle, at all times occupies a seat beside the permit holder or, in the case of a passenger vehicle, directly behind the driver in a location that allows for direct observation and supervision of the permit holder [~~for the purpose of giving instruction in driving the vehicle~~]; and

(ii) is not disqualified or subject to an out-of-service order; or

(3) the person is authorized to drive the vehicle under Section 522.015.

(3) In SECTION 1 of the bill, immediately following amended Section 522.011(c), Transportation Code (page 1, between lines 29 and 30), insert the following:

(e) It is a defense to prosecution for a violation of Subsection (a)(2)(A) if the person charged produces in court a commercial learner's permit or driver's license, as appropriate, that:

(1) was issued to the person; and

(2) was valid when the offense was committed.

(f) The court may assess a defendant an administrative fee not to exceed \$10 if a charge under this section is dismissed because of the defense listed under Subsection (e).

(4) Strike SECTION 2 of the bill (page 1, lines 30 to 37).

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

SECTION _____. Section 522.003, Transportation Code, is amended by amending Subdivisions (4), (12), (22), (23), and (25) and adding Subdivisions (22-a) and (23-a) to read as follows:

(4) "Commercial [~~driver~~] learner's permit" means a permit [commercial driver's license] that restricts the holder to driving a commercial motor vehicle as provided by Section 522.011(a)(2)(B).

(12) "Driver's license" has the meaning assigned by Section 521.001, except the term does not include a commercial learner's permit unless otherwise provided by this chapter.

(22) "Non-domiciled [~~Nonresident~~] commercial driver's license" means a commercial driver's license issued by a state to an individual who is domiciled [resides] in a foreign jurisdiction.

(22-a) "Non-domiciled commercial learner's permit" means a commercial learner's permit issued by a state to an individual who is domiciled in a foreign jurisdiction.

(23) "Out-of-service order" means:

(A) a temporary prohibition against driving a commercial motor vehicle issued under Section 522.101, the law of another state, ~~[or]~~ 49 C.F.R. Section 383.5, 386.72, 392.5, 392.9a, 395.13, or 396.9, a law compatible with those federal regulations, or the North American Uniform Out-of-Service Criteria; or

(B) a declaration by the Federal Motor Carrier Safety Administration or an authorized enforcement officer of a state or local jurisdiction that a driver, commercial motor vehicle, or motor carrier operation is out of service under 49 C.F.R. Section 383.5, 386.72, 392.5, 392.9a, 395.13, or 396.9, a law compatible with those federal regulations, or the North American Uniform Out-of-Service Criteria.

(23-a) "Person" includes the United States, a state, or a political subdivision of a state.

(25) "Serious traffic violation" means:

(A) a conviction arising from the driving of a motor vehicle, other than a parking, vehicle weight, or vehicle defect violation, for:

(i) excessive speeding, involving a single charge of driving 15 miles per hour or more above the posted speed limit;

(ii) reckless driving, as defined by state or local law;

(iii) a violation of a state or local law related to motor vehicle traffic control, including a law regulating the operation of vehicles on highways, arising in connection with a fatal accident;

(iv) improper or erratic traffic lane change;

(v) following the vehicle ahead too closely; ~~[or]~~

(vi) a violation of Sections 522.011 or 522.042; or

(vii) a violation of a state or local law or ordinance prohibiting texting while driving or restricting or prohibiting the use of a wireless communication device while operating a commercial motor vehicle; or

(B) a violation of Section 522.015.

SECTION _____. Section 522.013, Transportation Code, is amended to read as follows:

Sec. 522.013. NON-DOMICILED [NONRESIDENT] LICENSE OR PERMIT.

(a) The department may issue a non-domiciled [nonresident] commercial driver's license or commercial learner's permit to a person domiciled in [resident of] a foreign jurisdiction if the secretary has determined that the commercial motor vehicle testing and licensing standards in the foreign jurisdiction do not meet the testing standards established by 49 C.F.R. Part 383.

(b) An applicant for a non-domiciled commercial driver's license must surrender any non-domiciled [nonresident] commercial driver's license issued by another state.

(c) Before issuing a non-domiciled [nonresident] commercial driver's license, the department must establish the practical capability of disqualifying the person under the conditions applicable to a commercial driver's license issued to a resident of this state. Before issuing a non-domiciled commercial learner's permit, the department must establish the practical capability of disqualifying the person under the conditions applicable to a commercial learner's permit issued to a resident of this state.

(d) "Non-domiciled" ["Nonresident"] must appear on the face of a license or permit issued under this section.

(e) The department may issue a temporary non-domiciled [nonresident] commercial driver's license to a person who does not present a social security card as required by Section 522.021(a-1)(1) but who otherwise meets the requirements for a non-domiciled [nonresident] commercial driver's license, including the requirement that the commercial motor vehicle testing and licensing standards of the country of which the applicant is domiciled [a resident] not meet the testing and licensing standards established by 49 C.F.R. Part 383. A license issued under this subsection:

(1) expires on the earlier of:

(A) the 60th day after the date the license is issued; or

(B) ~~the expiration date of the visa presented under Section 522.021(a-1)(2)(B); or~~

~~(C) the expiration date of the Form I-94 Arrival/Departure record, or a successor document, presented under Section 522.021(a-1)(2)(A) [522.021(a-1)(2)(C)]; and~~

(2) may not be renewed.

(f) The department may not issue more than one temporary non-domiciled [nonresident] commercial driver's license to a person.

SECTION _____. Section 522.014, Transportation Code, is amended to read as follows:

Sec. 522.014. PERMIT. (a) The department may issue a commercial ~~[driver]~~ learner's permit to an individual who:

(1) has been issued a driver's license by the department; and

(2) has passed the vision and written tests required for [a Texas driver's license appropriate for] the class of vehicle to be driven.

(b) A commercial learner's permit must be a separate document from a driver's license or a commercial driver's license.

(c) The issuance of a commercial learner's permit is required for:

(1) the initial issuance of a commercial driver's license; or

(2) the upgrade in classification of a commercial driver's license that requires a skills test.

(d) A commercial learner's permit holder may not take a commercial driver's license skills test before the 15th day after the date of the issuance of the permit.

SECTION _____. Section 522.015, Transportation Code, is amended to read as follows:

Sec. 522.015. LICENSE OR PERMIT ISSUED BY OTHER JURISDICTION. A person may drive a commercial motor vehicle in this state if:

(1) the person has a commercial driver's license or a commercial [driver] learner's permit issued by:

(A) another state in accordance with the minimum federal standards for the issuance of a commercial motor vehicle driver's license; or

(B) a foreign jurisdiction the testing and licensing standards of which the United States Department of Transportation has determined meet the requirements of the federal act;

(2) the person's license or permit is appropriate for the class of vehicle being driven;

(3) the person is not disqualified from driving a commercial motor vehicle and is not subject to an out-of-service order; ~~and~~

(4) the person has not had a domicile in this state for more than 30 days; and

(5) if the person has a permit, the person also has a driver's license issued by the same jurisdiction that issued the permit.

SECTION _____. Sections 522.021(a), (a-1), and (d), Transportation Code, are amended to read as follows:

(a) An application for a commercial driver's license or commercial ~~[driver]~~ learner's permit must include:

(1) the full name and current residence and mailing address of the applicant;

(2) a physical description of the applicant, including sex, height, and eye color;

(3) the applicant's date of birth;

(4) the applicant's social security number, unless the application is for a non-domiciled [nonresident] commercial driver's license and the applicant is domiciled in [a resident of] a foreign jurisdiction;

(5) certifications, including those required by 49 C.F.R. Section 383.71(a); and

(6) any other information required by the department.

(a-1) If the application is for a non-domiciled ~~[nonresident]~~ commercial driver's license and the applicant is domiciled in [a resident of] a foreign jurisdiction that does not meet the testing and licensing standards established by 49 C.F.R. Part 383, the applicant must present:

(1) a social security card issued to the applicant; ~~and~~

(2) either ~~[each of the following]:~~

(A) an unexpired foreign [a] passport issued to the applicant and a Form I-94 Arrival/Departure record or a successor document [by the country of which the applicant is a resident]; or

(B) an unexpired employment authorization document [a Temporary Worker visa]; and

(3) documentation demonstrating proof of Texas residence as provided by Section 522.0225 [(C) a Form I-94 Arrival/Departure record or a successor document].

(d) A person who knowingly falsifies information or a certification required by Subsection (a) commits an offense and is subject to a 60-day disqualification [cancellation] of the person's commercial driver's license, commercial [driver] learner's permit, or application. An offense under this subsection is a Class C misdemeanor.

SECTION _____. Section 522.022, Transportation Code, is amended to read as follows:

Sec. 522.022. LICENSE REQUIREMENTS. The department may not issue a commercial driver's license other than a non-domiciled [nonresident] license to a person unless the person:

- (1) has a domicile in this state;
- (2) has passed knowledge and skills tests for driving a commercial motor vehicle that comply with minimal federal standards established by 49 C.F.R. Part 383, Subparts G and H; and
- (3) has satisfied the requirements imposed by the federal act, federal regulation, or state law.

SECTION _____. Section 522.023, Transportation Code, is amended by adding Subsection (j) to read as follows:

(j) The department may administer a skills test to a person who holds a commercial learner's permit issued by another state or jurisdiction.

SECTION _____. Section 522.025, Transportation Code, is amended to read as follows:

Sec. 522.025. LIMITATIONS ON ISSUANCE OF LICENSE OR PERMIT. (a) The department may not issue a commercial driver's license or commercial [driver] learner's permit to a person who is disqualified from driving a commercial motor vehicle or while the person's driver's license or driving privilege is suspended, revoked, or canceled in any state.

(b) The department may not issue a commercial driver's license to a person who has a driver's license, commercial driver's license, or commercial [driver] learner's permit issued by another state unless the person surrenders the license or permit. The department shall notify [return a surrendered license or permit to] the issuing state of the surrendered license or permit [for cancellation].

SECTION _____. Section 522.027, Transportation Code, is amended to read as follows:

Sec. 522.027. MINIMUM AGE. The department may not issue a commercial driver's license or a commercial [driver] learner's permit to a person who is younger than 18 years of age.

SECTION _____. Section 522.028, Transportation Code, is amended to read as follows:

Sec. 522.028. CHECK OF DRIVING RECORD. Before issuing a commercial driver's license or commercial learner's permit, the department shall check the applicant's driving record as required by 49 C.F.R. Section 383.73.

SECTION _____. Section 522.029, Transportation Code, is amended by amending Subsections (a), (b), (c), (h), (j), and (k) and adding Subsections (h-1) and (l) to read as follows:

(a) The fee for a commercial driver's license [~~or commercial driver learner's permit~~] issued by the department is \$60, except as provided by Subsections (f), (h), (j), and (k).

(b) The fee for a commercial driver's license [~~or commercial driver learner's permit~~] shall be reduced by \$4 for each remaining year of validity of a driver's license, other than a commercial driver's license [~~or commercial driver learner's permit~~] issued by the department to the applicant.

(c) The fee for a duplicate commercial driver's license or commercial [~~driver~~] learner's permit is \$10.

(h) The fee for a commercial driver's license [~~or commercial driver learner's permit~~] issued under Section 522.033 is \$20.

(h-1) The fee for the issuance or renewal of a commercial learner's permit is \$24.

(j) The fee for issuance or renewal of a commercial driver's license [~~or commercial driver learner's permit~~] is \$25 for a license with an expiration date established under Section 522.054.

(k) The fee for a non-domiciled [~~nonresident~~] commercial driver's license or a non-domiciled commercial learner's permit is \$120. The fee for a temporary non-domiciled [~~nonresident~~] commercial driver's license is \$20.

(l) The fee for the administration of a skills test to a person who is not domiciled in this state is \$60.

SECTION _____. Section 522.029(f), Transportation Code, as added by Chapter 1372 (H.B. 1200), Acts of the 75th Legislature, Regular Session, 1997, is amended to read as follows:

(f) If a commercial driver's license [~~or commercial driver learner's permit~~] includes an authorization to operate a motorcycle or moped, the fee for the driver's license [~~or permit~~] is increased by \$8.

SECTION _____. Section 522.030(a), Transportation Code, is amended to read as follows:

(a) A commercial driver's license or commercial learner's permit must:

(1) be marked:

(A) "Commercial Driver License" or "CDL" for a commercial driver's license; or

(B) "Commercial Learner's Permit" or "CLP" for a commercial learner's permit;

(2) be, to the extent practicable, tamper-proof; and

(3) include:

(A) the name and domicile [~~mailing~~] address of the person to whom it is issued;

(B) the person's [~~color~~] photograph;

(C) a physical description of the person, including sex, height, and eye color;

(D) the person's date of birth;

- (E) a number or identifier the department considers appropriate;
- (F) the person's signature;
- (G) each class of commercial motor vehicle that the person is authorized to drive, with any endorsements or restrictions;
- (H) the name of this state; and
- (I) the dates between which the license is valid.

SECTION _____. Sections 522.032(a) and (b), Transportation Code, are amended to read as follows:

(a) The holder of a commercial driver's license or commercial [~~driver~~] learner's permit who changes the holder's name or mailing address must apply for a duplicate license or permit not later than the 30th day after the date of the change in the manner provided by Section 521.054.

(b) The holder of a commercial driver's license or commercial [~~driver~~] learner's permit who changes the holder's residence address shall notify the department not later than the 30th day after the date of the change.

SECTION _____. Section 522.033, Transportation Code, is amended to read as follows:

Sec. 522.033. COMMERCIAL DRIVER'S LICENSE ISSUED TO CERTAIN SEX OFFENDERS. (a) The department may issue an original or renewal commercial driver's license or commercial [~~driver~~] learner's permit to a person whose driver's license or personal identification certificate record indicates that the person is subject to the registration requirements of Chapter 62, Code of Criminal Procedure, only if the person is otherwise eligible for the commercial driver's license or commercial [~~driver~~] learner's permit and:

(1) applies in person for the issuance of a license or permit under this section; and

(2) pays a fee of:

(A) \$20 for a commercial driver's license; or

(B) \$24 for a commercial learner's permit.

(b) Notwithstanding Sections 522.013 and [~~Section~~] 522.051, a commercial driver's license [~~or commercial driver learner's permit~~] issued under this section, including a renewal, duplicate, or corrected license, expires[~~:-~~

~~[(1) if the license or permit holder is a citizen, national, or legal permanent resident of the United States or a refugee or asylee lawfully admitted into the United States;] on the first birthday of the license holder occurring after the date of application, except that the initial license issued under this section expires on the second birthday of the license holder occurring after the date of application[~~;- or~~~~

~~[(2) if the applicant is not described by Subdivision (1), on the earlier of:~~

~~[(A) the expiration date of the applicant's authorized stay in the United States; or~~

~~[(B) the first birthday of the license holder occurring after the date of application, except that the initial license issued under this section expires on the second birthday of the license holder occurring after the date of application].~~

SECTION _____. Sections 522.034(a) and (b), Transportation Code, are amended to read as follows:

(a) An applicant for an original commercial driver's license [~~or commercial driver learner's permit~~] that includes an authorization to operate a motorcycle must furnish to the department evidence satisfactory to the department that the applicant has successfully completed a basic motorcycle operator training course approved by the department under Chapter 662.

(b) The department may not issue an original commercial driver's license [~~or commercial driver learner's permit~~] that includes an authorization to operate a motorcycle to an applicant who fails to comply with Subsection (a).

SECTION _____. Sections 522.041(a) and (e), Transportation Code, are amended to read as follows:

(a) The department may issue a Class A, Class B, or Class C commercial driver's license or commercial learner's permit.

(e) The holder of a commercial driver's license or commercial learner's permit may drive any vehicle in the class for which the license or permit is issued and lesser classes of vehicles except a motorcycle or moped. The holder may drive a motorcycle only if authorization to drive a motorcycle is shown on the commercial driver's license and the requirements for issuance of a motorcycle license have been met.

SECTION _____. Section 522.042, Transportation Code, is amended by amending Subsections (b) and (c) and adding Subsections (d), (e), and (f) to read as follows:

(b) The department may issue a commercial learner's permit with endorsements authorizing the driving of a passenger vehicle, a school bus, or a tank vehicle.

(c) An endorsement under Subsection (b) for a passenger vehicle or a school bus allows a permit holder to operate a vehicle with only the following passengers:

(1) federal or state auditors and inspectors, test examiners, or other permit holders; and

(2) the commercial driver's license holder required under Section 522.011(a)(2)(B).

(d) An endorsement under Subsection (b) for a tank vehicle allows a permit holder to operate only an empty tank vehicle that has been purged of any hazardous materials.

(e) The holder of a commercial driver's license or commercial learner's permit may not drive a vehicle that requires an endorsement unless the proper endorsement appears on the license or permit.

(f) [~~(e)~~] A person commits an offense if the person violates Subsection (c), (d), or (e) [~~(b)~~]. An offense under this section is a Class C misdemeanor.

SECTION _____. Section 522.051, Transportation Code, is amended by amending Subsections (a), (b), (c), (d), and (f) and adding Subsection (h) to read as follows:

(a) Except as provided by Subsection (f) and Sections 522.013(e), 522.033, and 522.054, an original commercial driver's license [~~or commercial driver learner's permit~~] expires five years after the applicant's next birthday.

(b) Except as provided by Section 522.054, a commercial driver's license [~~or commercial driver learner's permit~~] issued to a person holding a Texas Class A, B, C, or M license that would expire one year or more after the date of issuance of the commercial driver's license [~~or commercial driver learner's permit~~] expires five years after the applicant's next birthday.

(c) Except as provided by Section 522.054, a commercial driver's license [~~or commercial driver learner's permit~~] issued to a person holding a Texas Class A, B, C, or M license that would expire less than one year after the date of issuance of the commercial driver's license [~~or commercial driver learner's permit~~] or that has been expired for less than one year expires five years after the expiration date shown on the Class A, B, C, or M license.

(d) Except as provided by Section 522.054, a commercial driver's license [~~or commercial driver learner's permit~~] issued to a person holding a Texas Class A, B, C, or M license that has been expired for at least one year but not more than two years expires five years after the applicant's last birthday.

(f) Except as provided by Section 522.013, a non-domiciled [~~nonresident~~] commercial driver's license other than a temporary non-domiciled [~~nonresident~~] commercial driver's license under Section 522.013(e) expires on [the earlier of]:

(1) the earlier of:

(A) the first birthday of the license holder occurring after the fifth anniversary of the date of the application; or

(B) the expiration date of the license holder's lawful presence in the United States as determined by the appropriate United States agency in compliance with federal law [the expiration date of the visa presented under Section 522.021(a-1)(2)(B)]; or

(2) the first anniversary of the date of issuance, if there is no definitive expiration date for the applicant's authorized stay in the United States [expiration date of the Form I-94 Arrival/Departure record, or a successor document, presented under Section 522.021(a-1)(2)(C)].

(h) A commercial learner's permit expires on the earlier of:

(1) the expiration date of the driver's license or commercial driver's license;

or

(2) the 181st day after the date of issuance.

SECTION _____. Section 522.052(e), Transportation Code, is amended to read as follows:

(e) A commercial driver learner's permit may [~~not~~] be renewed once for an additional 180 days without requiring the applicant to retake the general and endorsement knowledge tests.

SECTION _____. Section 522.054(a), Transportation Code, is amended to read as follows:

(a) Each original commercial driver's license [~~and commercial driver learner's permit~~] of a person 85 years of age or older expires on the license holder's second birthday after the date of the license application.

SECTION _____. Section 522.0541, Transportation Code, is amended to read as follows:

Sec. 522.0541. DENIAL OF RENEWAL OF COMMERCIAL DRIVER LICENSE OR LEARNER PERMIT. (a) In the manner ordered by a court in another state in connection with a matter involving the violation of a state law or local ordinance relating to motor vehicle traffic control and on receipt of the necessary information from the other state, the department may deny renewal of the commercial driver's license or commercial learner's permit issued to a person by the department for the person's:

- (1) failure to appear in connection with a complaint or citation; [✕]
- (2) failure to pay or satisfy a judgment ordering the payment of a fine and costs; or
- (3) failure to answer a citation or to pay fines, penalties, or costs related to the original violation.

(b) The information necessary under Subsection (a) may be transmitted through the commercial driver's license information system and must include:

- (1) the name, date of birth, and the commercial driver's license number of the license held by the person;
- (2) notice that the person failed to appear as required by law or failed to satisfy a judgment that ordered the payment of a fine and costs in the manner ordered by the court;
- (3) the nature of the violation; and
- (4) any other information required by the department.

(c) The department shall apply any notification received under Subsection (a) as a conviction to the person's driving record.

SECTION _____. Section 522.055, Transportation Code, is amended to read as follows:

Sec. 522.055. CLEARANCE NOTICE TO DEPARTMENT. On receipt of notice from the other state that the grounds for denial of the renewal of the commercial driver's license or commercial learner's permit based on the ~~[license]~~ holder's previous failure to appear or failure to pay a fine and costs previously reported by that state under Section 522.0541 have ceased to exist, the department shall renew the person's commercial driver's license or commercial learner's permit.

SECTION _____. Sections 522.061(a), (b), and (c), Transportation Code, are amended to read as follows:

(a) A person who holds or is required to hold a commercial driver's license or a commercial learner's permit under this chapter and who is convicted in another state of violating a state law or local ordinance relating to motor vehicle traffic control shall notify the department in the manner specified by the department not later than the seventh day after the date of conviction.

(b) A person who holds or is required to hold a commercial driver's license or commercial learner's permit under this chapter and who is convicted in this state or another state of violating a state law or local ordinance relating to motor vehicle traffic control, including a law regulating the operation of vehicles on highways, shall notify the person's employer in writing of the conviction not later than the seventh day after the date of conviction.

(c) A notification to the department or an employer must be in writing and must contain:

- (1) the driver's full name;
- (2) the driver's license or permit number;
- (3) the date of conviction;
- (4) the nature of the violation;
- (5) a notation of whether the violation was committed in a commercial motor vehicle;
- (6) the location where the offense was committed; and
- (7) the driver's signature.

SECTION _____. Section 522.062(a), Transportation Code, is amended to read as follows:

(a) If a person holds a driver's license, commercial driver's license, or commercial learner's permit issued by another state and is finally convicted of a violation of a state traffic law or local traffic ordinance that was committed in a commercial motor vehicle, the department shall notify the driver's licensing authority in the issuing state of that conviction, in the time and manner required by 49 U.S.C. Section 31311.

SECTION _____. Section 522.071(a), Transportation Code, as amended by Chapters 424 (S.B. 1372) and 499 (S.B. 333), Acts of the 80th Legislature, Regular Session, 2007, is reenacted and amended to read as follows:

(a) A person commits an offense if the person drives a commercial motor vehicle on a highway:

- (1) after the person has been denied the issuance of a license or permit, unless the person has a driver's license appropriate for the class of vehicle being driven that was subsequently issued;
- (2) during a period that a disqualification of the person's driver's license, permit, or privilege is in effect;
- (3) while the person's driver's license or permit is expired, if the license or permit expired during a period of disqualification;
- (4) during a period that the person was subject to an order prohibiting the person from obtaining a driver's license or permit; or
- (5) during a period in which the person, the person's employer, or the vehicle being operated is subject to an out-of-service order.

SECTION _____. Section 522.071(b), Transportation Code, is amended to read as follows:

(b) It is not a defense to prosecution that the person had not received notice of a disqualification imposed as a result of a conviction that results in an automatic disqualification of the person's driver's license, permit, or privilege.

SECTION _____. Sections 522.081(a), (b), (e), and (g), Transportation Code, are amended to read as follows:

(a) This subsection applies to a violation committed while operating any motor vehicle, including a commercial motor vehicle. A person who holds a commercial driver's license or commercial learner's permit is disqualified from driving a commercial motor vehicle for:

- (1) 60 days if convicted of:
 - (A) two serious traffic violations that occur within a three-year period;

or

(B) one violation of a law that regulates the operation of a motor vehicle at a railroad grade crossing; or

(2) 120 days if convicted of:

(A) three serious traffic violations arising from separate incidents occurring within a three-year period; or

(B) two violations of a law that regulates the operation of a motor vehicle at a railroad grade crossing that occur within a three-year period.

(b) Except as provided by this subsection, this [This] subsection applies to a violation committed while operating any type of motor vehicle, including a commercial motor vehicle~~[except as provided by this subsection]~~. A person who holds a commercial driver's license or commercial learner's permit is disqualified from driving a commercial motor vehicle for one year:

(1) if convicted of three violations of a law that regulates the operation of a motor vehicle at a railroad grade crossing that occur within a three-year period;

(2) on first conviction of:

(A) driving a motor vehicle under the influence of alcohol or a controlled substance, including a violation of Section 49.04, 49.045, or 49.07, Penal Code;

(B) leaving the scene of an accident involving a motor vehicle driven by the person;

(C) using a motor vehicle in the commission of a felony, other than a felony described by Subsection (d)(2);

(D) causing the death of another person through the negligent or criminal operation of a motor vehicle; or

(E) driving a commercial motor vehicle while the person's commercial driver's license or commercial learner's permit is revoked, suspended, or canceled, or while the person is disqualified from driving a commercial motor vehicle, for an action or conduct that occurred while operating a commercial motor vehicle;

(3) for refusing to submit to a test under Chapter 724 to determine the person's alcohol concentration or the presence in the person's body of a controlled substance or drug while operating a motor vehicle in a public place; or

(4) if an analysis of the person's blood, breath, or urine under Chapter 522, 524, or 724 determines that the person:

(A) had an alcohol concentration of 0.04 or more, or that a controlled substance or drug was present in the person's body, while operating a commercial motor vehicle in a public place; or

(B) had an alcohol concentration of 0.08 or more while operating a motor vehicle, other than a commercial motor vehicle, in a public place.

(e) A person may not be issued a commercial driver's license or a commercial learner's permit and is disqualified from operating a commercial motor vehicle if, in connection with the person's operation of a commercial motor vehicle, the person commits an offense or engages in conduct that would disqualify the holder of a commercial driver's license from operating a commercial motor vehicle, or is determined to have had an alcohol concentration of 0.04 or more or to have had a

controlled substance or drug present in the person's body. The period of prohibition under this subsection is equal to the appropriate period of disqualification required by Subsections (a)-(d).

(g) A person who holds a commercial driver's license or commercial learner's permit is disqualified from operating a commercial motor vehicle if the person's driving is determined to constitute an imminent hazard under 49 C.F.R. Section 383.52. The disqualification is for the disqualification period imposed under that section and shall be noted on the person's driving record.

SECTION _____. Section 522.084, Transportation Code, is amended to read as follows:

Sec. 522.084. NOTIFICATION TO OTHER JURISDICTION. After disqualifying a person who has a domicile in another state or in a foreign jurisdiction, the department shall give notice of that fact to the licensing authority of the state that issued the person's driver's license, commercial driver's license, or commercial [driver] learner's permit.

SECTION _____. Section 522.087, Transportation Code, is amended by adding Subsection (d) to read as follows:

(d) A disqualification imposed under Section 522.081(a)(1)(B) or 522.081(b)(2) or (d)(2) takes effect on the 10th day after the date the department issues the order of disqualification.

SECTION _____. Section 522.089, Transportation Code, is amended to read as follows:

Sec. 522.089. EFFECT OF SUSPENSION, REVOCATION, CANCELLATION, OR DENIAL OF LICENSE OR PERMIT UNDER OTHER LAW. (a) A suspension, revocation, cancellation, or denial of a driver's license, permit, or privilege under Chapter 521 or another law of this state disqualifies the person under this chapter.

(b) If the department disqualifies a person under this chapter [~~disqualifies a person~~] for a longer period than the other law, the person is disqualified for the longer period.

SECTION _____. Effective January 30, 2014, Subchapter H, Chapter 522, Transportation Code, is amended by adding Section 522.093 to read as follows:

Sec. 522.093. SELF-CERTIFICATION OF MEDICAL STATUS. The department shall remove the commercial driver's license privilege from the holder of a commercial driver's license or a commercial learner's permit if the holder:

(1) fails to provide the department a self-certification of operating status; or
(2) fails to provide and maintain with the department a current medical examiner's certificate that is required based on the self-certification.

SECTION _____. Section 522.105(a), Transportation Code, is amended to read as follows:

(a) On receipt of a report under Section 522.104, the department shall disqualify the person from driving a commercial motor vehicle under Section 522.081 beginning on the 45th day after the date the report is received unless a hearing is granted.

SECTION _____. Section 524.001(10), Transportation Code, is amended to read as follows:

(10) "Driver's license" has the meaning assigned by Section 521.001. The term includes a commercial driver's license or a commercial [~~driver~~] learner's permit issued under Chapter 522.

SECTION _____. Section 543.007, Transportation Code, is amended to read as follows:

Sec. 543.007. NOTICE TO APPEAR: COMMERCIAL VEHICLE OR LICENSE. A notice to appear issued to the operator of a commercial motor vehicle or holder of a commercial driver's license or commercial [~~driver~~] learner's permit, for the violation of a law regulating the operation of vehicles on highways, must contain the information required by department rule, to comply with Chapter 522 and the federal Commercial Motor Vehicle Safety Act of 1986 (Title 49, U.S.C. Section 2701 et seq.).

SECTION _____. Section 543.202(b), Transportation Code, is amended to read as follows:

(b) The record must be made on a form or by a data processing method acceptable to the department and must include:

- (1) the name, address, physical description, including race or ethnicity, date of birth, and driver's license number of the person charged;
- (2) the registration number of the vehicle involved;
- (3) whether the vehicle was a commercial motor vehicle as defined by Chapter 522 or was involved in transporting hazardous materials;
- (4) the person's social security number, if the person was operating a commercial motor vehicle or was the holder of a commercial driver's license or commercial [~~driver~~] learner's permit;
- (5) the date and nature of the offense, including whether the offense was a serious traffic violation as defined by Chapter 522;
- (6) whether a search of the vehicle was conducted and whether consent for the search was obtained;
- (7) the plea, the judgment, whether the individual was adjudicated under Article 45.0511, Code of Criminal Procedure, and whether bail was forfeited;
- (8) the date of conviction; and
- (9) the amount of the fine or forfeiture.

SECTION _____. Subchapter I, Chapter 545, Transportation Code, is amended by adding Section 545.4255 to read as follows:

Sec. 545.4255. CERTAIN COMMUNICATIONS BY OPERATOR OF COMMERCIAL MOTOR VEHICLE PROHIBITED; OFFENSE. (a) In this section:

(1) "Driving" means operating a vehicle on a highway, including while temporarily stopped because of traffic, a traffic control device, or other momentary delays. The term does not include stationary operation of the vehicle alongside or off of a highway in a safe location.

(2) "Text message" means a message generated by manually entering alphanumeric characters into an electronic device. The term includes a short message service, e-mail, instant message, a command or request to access an Internet website, a voice communication using a wireless communication device that requires pressing more than one button to initiate or terminate, or any other form of electronic text for present or future communication.

(b) The operator of a commercial motor vehicle may not generate, send, or read a text message while driving the vehicle.

(c) A person who violates Subsection (b) commits an offense. An offense under this subsection is a Class C misdemeanor.

(d) This section does not apply to:

(1) an operator of a commercial motor vehicle who:

(A) inputs, selects, or reads information on a global positioning or navigation system;

(B) presses a single button to initiate or terminate a voice communication using a wireless communication device;

(C) uses a device capable of performing multiple functions, such as a fleet management system, dispatch service, smart phone, citizens band radio, or music player, in a manner that is not prohibited by this section; or

(D) communicates with law enforcement officials or other emergency services personnel; or

(2) a law enforcement officer, firefighter, or operator of an authorized emergency vehicle communicating while engaged in the performance of official duties.

SECTION _____. Article 62.060(a), Code of Criminal Procedure, is amended to read as follows:

(a) A person subject to registration under this chapter shall apply to the department in person for the issuance of, as applicable, an original or renewal driver's license under Section 521.272, Transportation Code, an original or renewal personal identification certificate under Section 521.103, Transportation Code, or an original or renewal commercial driver's license or commercial [~~driver~~] learner's permit under Section 522.033, Transportation Code, not later than the 30th day after the date:

(1) the person is released from a penal institution or is released by a court on community supervision or juvenile probation; or

(2) the department sends written notice to the person of the requirements of this article.

SECTION _____. Section 522.029(f), Transportation Code, as added by Chapter 1156 (S.B. 99), Acts of the 75th Legislature, Regular Session, 1997, is repealed.

SECTION _____. (a) The changes in law made by this Act to Sections 522.011, 522.042, and 522.071, Transportation Code, apply only to an offense that is committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this subsection, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

(b) The change in law made by this Act to Section 522.021, Transportation Code, applies only to an application for a license that is filed on or after the effective date of this Act.

(c) The changes in law made by this Act to Sections 522.029, 522.033, and 522.051, Transportation Code, apply only to a license or permit that is issued on or after the effective date of this Act.

The amendment to **HB 3523** 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 Paxton and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

HB 3523 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: Hegar.

HOUSE BILL 3523 ON THIRD READING

Senator Paxton moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3523** be placed on its third reading and final passage.

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

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

Nays: Hegar.

MOMENT OF SILENCE OBSERVED

At the request of Senator Patrick, the Senate observed a moment of silence in honor of those affected by the tornadoes in Oklahoma.

BILLS AND RESOLUTIONS SIGNED

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

HB 120, HB 150, HB 154, HB 220, HB 241, HB 242, HB 252, HB 308, HB 333, HB 402, HB 424, HB 436, HB 442, HB 455, HB 518, HB 616, HB 654, HB 693, HB 712, HB 729, HB 736, HB 802, HB 808, HB 809, HB 845, HB 885, HB 964, HB 995, HB 1043, HB 1188, HB 1191, HB 1237, HB 1256, HB 1259, HB 1385, HB 1427, HB 1448, HB 1491, HB 1492, HB 1506, HB 1514, HB 1580, HB 1589, HB 1772, HB 1920, HB 1969, HB 1973, HB 1982, HB 2006, HB 2015, HB 2034, HB 2137, HB 2213, HB 2254, HB 2300, HB 2465, HB 2482, HB 2760, HB 2929, HB 2952, HB 3064, HB 3152, HB 3561, HB 3568, HB 3729, HB 3889, HB 3925, HB 3935, HCR 40, HCR 51, HCR 56, HCR 68, HCR 84, HCR 87, HCR 96, HCR 102, HJR 147.

AT EASE

The President at 5:00 p.m. announced the Senate would stand At Ease subject to the call of the Chair.

IN LEGISLATIVE SESSION

Senator Eltife at 5:14 p.m. called the Senate to order as In Legislative Session.

**SESSION HELD FOR
LOCAL AND UNCONTESTED CALENDAR**

The Presiding Officer announced that the time had arrived to consider bills and resolutions placed on the Local and Uncontested Calendar.

Pursuant to Senate Rule 9.03(d), the following bills and resolutions were laid before the Senate in the order listed, read second time, amended where applicable, passed to engrossment or third reading, read third time, and passed. The votes on passage to engrossment or third reading, suspension of the Constitutional Three-day Rule, and final passage are indicated after each caption. All Members are deemed to have voted "Yea" on viva voce votes unless otherwise indicated.

HB 33 (Uresti)

Relating to alternative methods of dispute resolution in certain disputes between the Department of Aging and Disability Services and an assisted living facility licensed by the department.

(viva voce vote) (31-0) (31-0)

HB 35 (Deuell)

Relating to the authority of a property owners' association to regulate the use of certain lots for residential purposes.

(viva voce vote) (31-0) (31-0)

HB 115 (Uresti)

Relating to identification numbers on vessels.

(viva voce vote) (31-0) (31-0)

CSHB 326 (Huffman)

Relating to eligibility to serve on the appraisal review board of an appraisal district.

(viva voce vote) (31-0) (31-0)

HB 339 (Paxton)

Relating to the authority to propose the creation of a fire control, prevention, and emergency medical services district.

(viva voce vote) (31-0) (31-0)

HB 432 (Van de Putte)

Relating to charitable contributions by state employees to assist domestic victims of human trafficking.

(viva voce vote) (30-1) "Nay" Birdwell (30-1) "Nay" Birdwell

CSHB 474 (Hinojosa)

Relating to an optional procedure for the issuance of a permit by a certain regional mobility authority for the movement of oversize or overweight vehicles carrying cargo; authorizing a fee.

(viva voce vote) (31-0) (31-0)

HB 483 (Fraser)

Relating to a public hearing held on the issue of making a payment in excess of the compensation contracted for by a political subdivision.

(viva voce vote) (31-0) (31-0)

HB 588 (Uresti)

Relating to the regulation of the practice of physical therapy; authorizing fees.
(viva voce vote) (30-1) "Nay" Patrick (30-1) "Nay" Patrick

HB 646 (Uresti)

Relating to the requirements for members appointed to the Texas State Board of Examiners of Psychologists.
(viva voce vote) (31-0) (31-0)

CSHB 674 (Carona)

Relating to providing notice of certain proposed municipal zoning changes to a school district.
(viva voce vote) (31-0) (31-0)

HB 677 (Eltife)

Relating to the regulation and enforcement of dam safety by the Texas Commission on Environmental Quality.
(viva voce vote) (31-0) (31-0)

HB 698 (Estes)

Relating to certain procedures for submitting legible and classifiable fingerprints with an application for a license to carry a concealed handgun.
(viva voce vote) (31-0) (31-0)

CSHB 699 (Taylor)

Relating to the location of certain public sales of real property.
(viva voce vote) (31-0) (31-0)

HB 749 (Lucio)

Relating to a plan to increase outcomes in the summer food service program.
(viva voce vote) (29-2) "Nays" Birdwell, Patrick (29-2) "Nays" Birdwell, Patrick

CSHB 842 (Deuell)

Relating to the provision of certain opportunities to career and technical students by public school districts under the college credit program.
(viva voce vote) (31-0) (31-0)

CSHB 897 (Hinojosa)

Relating to instruction in cardiopulmonary resuscitation in secondary education curriculum.
(viva voce vote) (28-3) "Nays" Birdwell, Nichols, Paxton (28-3) "Nays" Birdwell, Nichols, Paxton

HB 908 (Uresti)

Relating to the assessment of an elderly or disabled person's psychological status for purposes of an emergency order authorizing protective services.
(viva voce vote) (31-0) (31-0)

HB 985 (Huffman)

Relating to the deadlines by which provisional ballots must be processed and the state canvass must be conducted for certain elections.
(viva voce vote) (31-0) (31-0)

HB 1018 (Nelson)

Relating to the establishment of community partnerships and the development of policy recommendations for increasing physical activity and improving fitness among public school students.

(viva voce vote) (31-0) (31-0)

HB 1047 (Estes)

Relating to the regulation of certain surety companies.

(viva voce vote) (31-0) (31-0)

HB 1081 (Rodríguez)

Relating to a study regarding the prohibition of dairy farming in certain areas of the state.

(viva voce vote) (31-0) (31-0)

HB 1086 (Eltife)

Relating to interruption of electric service by a residential landlord.

(viva voce vote) (31-0) (31-0)

CSHB 1093 (Deuell)

Relating to the composition of the Texas Private Security Board.

(viva voce vote) (31-0) (31-0)

CSHB 1097 (Paxton)

Relating to the amount of a fine for certain traffic offenses committed in a construction or maintenance work zone.

(viva voce vote) (31-0) (31-0)

HB 1183 (Lucio)

Relating to prohibited conduct by insurance adjusters, public insurance adjusters, and roofing contractors.

(viva voce vote) (31-0) (31-0)

(Senator Uresti in Chair)**HB 1241** (Deuell)

Relating to the adoption of rules by the Parks and Wildlife Commission to protect the public water of this state from the spread of aquatic invasive species.

(viva voce vote) (31-0) (31-0)

HB 1358 (Van de Putte)

Relating to procedures for certain audits of pharmacists and pharmacies.

(viva voce vote) (31-0) (31-0)

HB 1405 (Carona)

Relating to the collection of surplus lines insurance premium taxes for insurance placed with a managing underwriter.

(viva voce vote) (31-0) (31-0)

HB 1442 (Patrick)

Relating to the authority of a county to deposit fees collected by a county bail bond board in a separate county fund.

(viva voce vote) (31-0) (31-0)

HB 1458 (Deuell)

Relating to the designation of U.S. Highway 175 in Kaufman County as the Veterans Memorial Highway.

(viva voce vote) (31-0) (31-0)

HB 1503 (Eltife)

Relating to the appointment of building contractors to certain trade advisory boards of the Texas Department of Licensing and Regulation.

(viva voce vote) (31-0) (31-0)

CSHB 1545 (Ellis)

Relating to a study regarding the use of certain public transportation services by persons with disabilities.

(viva voce vote) (31-0) (31-0)

HB 1563 (Hegar)

Relating to fees of office for directors of groundwater conservation districts.

(viva voce vote) (30-1) "Nay" Paxton (30-1) "Nay" Paxton

HB 1593 (Whitmire)

Relating to the powers and duties of the Harris County Municipal Utility District No. 505; providing authority to issue bonds; providing authority to impose fees and taxes.

(viva voce vote) (31-0) (31-0)

HB 1594 (Whitmire)

Relating to the powers and duties of the Harris County Municipal Utility District No. 504; providing authority to issue bonds; providing authority to impose fees and taxes.

(viva voce vote) (31-0) (31-0)

CSHB 1605 (Huffman)

Relating to the establishment of a pilot program in Harris County to provide maternity care management to certain women enrolled in the Medicaid managed care program.

(viva voce vote) (30-1) "Nay" Paxton (30-1) "Nay" Paxton

HB 1607 (Nichols)

Relating to the authority of the commissioners court of a county to alter speed limits on county roads.

(viva voce vote) (31-0) (31-0)

HB 1690 (Nelson)

Relating to measures to prevent or control the entry into or spread in this state of certain communicable diseases; providing a penalty.

(viva voce vote) (31-0) (31-0)

HB 1753 (Hancock)

Relating to authorizing the board of regents of The University of Texas System to acquire certain property in the city of Arlington.

(viva voce vote) (31-0) (31-0)

HB 1777 (Rodríguez)

Relating to a study regarding the effects on international trade of wait times at points of entry between the United States and the United Mexican States.

(viva voce vote) (31-0) (31-0)

HB 1791 (Deuell)

Relating to the facilitation and operation of space flight activities in this state.
(viva voce vote) (31-0) (31-0)

HB 1800 (Whitmire)

Relating to the powers and duties of the Harris County Municipal Utility District No. 422; providing authority to issue bonds; providing authority to impose fees and taxes.
(viva voce vote) (31-0) (31-0)

HB 1801 (Whitmire)

Relating to the powers and duties of the Harris County Municipal Utility District No. 423; providing authority to issue bonds; providing authority to impose fees and taxes.
(viva voce vote) (31-0) (31-0)

HB 1807 (Hinojosa)

Relating to fever tick eradication; creating a penalty.
(viva voce vote) (31-0) (31-0)

HB 1819 (Seliger)

Relating to liability for injuring a trespassing sheep or goat.
(viva voce vote) (31-0) (31-0)

CSHB 1888 (Hinojosa)

Relating to low income housing tax credits awarded to at-risk developments.
(viva voce vote) (31-0) (31-0)

HB 1953 (Carona)

Relating to the payment for liquor by a retailer.
(viva voce vote) (31-0) (31-0)

HB 1970 (Rodríguez)

Relating to the authority of certain municipalities and counties to regulate subdivisions in the extraterritorial jurisdiction of a municipality by agreement.
(viva voce vote) (31-0) (31-0)

HB 1971 (Deuell)

Relating to a pilot program conducted by the Department of Aging and Disability Services to authorize certain accreditation surveys of assisted living facilities.
(viva voce vote) (31-0) (31-0)

HB 1979 (Carona)

Relating to interest on commercial loans.
(viva voce vote) (31-0) (31-0)

HB 2094 (Hinojosa)

Relating to the regulation of roadside vendors and solicitors in certain counties.
(viva voce vote) (31-0) (31-0)

HB 2111 (Nelson)

Relating to the transitional living services program for certain youth in foster care.
(viva voce vote) (31-0) (31-0)

HB 2134 (Carona)

Relating to the regulation of money services businesses.

(viva voce vote) (31-0) (31-0)

HB 2155 (Duncan)

Relating to eligibility of certain dependents for coverage under the state employee group benefits program.

(viva voce vote) (31-0) (31-0)

HB 2312 (Hegar)

Relating to the membership of and the beef marketing, education, research, and promotion programs of the Texas Beef Council.

(viva voce vote) (31-0) (31-0)

CSHB 2318 (Seliger)

Relating to public school educator preparation and alternative certification programs.

(viva voce vote) (31-0) (31-0)

HB 2356 (Nichols)

Relating to the designation of a portion of Recreational Road 255 in Jasper County as Sam Rayburn Parkway.

(viva voce vote) (31-0) (31-0)

HB 2509 (Carona)

Relating to the business leave time account for a police officer employee organization in certain municipalities.

(viva voce vote) (31-0) (31-0)

(Senator Hancock in Chair)**HB 2512** (Duncan)

Relating to the disclosure of certain information to the secretary of state for use in voter registration or the administration of elections.

(viva voce vote) (31-0) (31-0)

HB 2549 (Paxton)

Relating to the periodic review and revision of college and career readiness standards in public education.

(viva voce vote) (31-0) (31-0)

HB 2610 (Hegar)

Relating to the issuance of interest-bearing time warrants and certain notes by school districts.

(viva voce vote) (31-0) (31-0)

HB 2627 (Eltife)

Relating to the issuance of remedial plans to resolve complaints filed with the Texas Optometry Board; authorizing a fee.

(viva voce vote) (31-0) (31-0)

HB 2649 (Hinojosa)

Relating to the punishment for violating certain rules or permit terms under a permit to trap, transport, and transplant certain animals.

(viva voce vote) (31-0) (31-0)

HB 2662 (Patrick)

Relating to a personal financial literacy credit for high school programs.

(viva voce vote) (31-0) (31-0)

HB 2673 (Nelson)

Relating to the protection and care of individuals with intellectual and developmental disabilities.

(viva voce vote) (31-0) (31-0)

HB 2873 (Zaffirini)

Relating to the development of a model contract management process for use with low-risk state procurements.

(viva voce vote) (31-0) (31-0)

HB 2874 (Paxton)

Relating to the designation by the Texas Department of Motor Vehicles of the registration year for certain vehicles sold by a dealer.

(viva voce vote) (31-0) (31-0)

HB 3017 (Van de Putte)

Relating to determination of the amount of certain child support obligations.

(viva voce vote) (31-0) (31-0)

HB 3097 (Seliger)

Relating to the election of directors of the board of the Ector County Hospital District.

(viva voce vote) (31-0) (31-0)

HB 3102 (Duncan)

Relating to political parties' governance and conventions.

(viva voce vote) (31-0) (31-0)

HB 3137 (Lucio)

Relating to limiting the amount of a fee or assessment imposed by the Rio Grande Regional Water Authority.

(viva voce vote) (31-0) (31-0)

HB 3178 (Estes)

Relating to the Texas Statewide Mutual Aid System.

(viva voce vote) (31-0) (31-0)

CSHB 3201 (Nelson)

Relating to the practice of dentistry; imposing surcharges and fees.

(viva voce vote) (31-0) (31-0)

(Senator Schwertner in Chair)**HB 3212** (Estes)

Relating to the Red River Boundary Compact and the creation of the Red River Boundary Commission.

(viva voce vote) (31-0) (31-0)

CSHB 3253 (Nelson)

Relating to the notation of death on a birth certificate and the release of birth certificate information for certain purposes.

(viva voce vote) (31-0) (31-0)

CSHB 3279 (Hegar)

Relating to the uprooting of seagrass plants; creating an offense.

(viva voce vote) (30-1) "Nay" Paxton (30-1) "Nay" Paxton

HB 3285 (Nelson)

Relating to the reporting of health care associated infections.

(viva voce vote) (31-0) (31-0)

HB 3307 (Watson)

Relating to the manufacture of malt beverages, including under alternating brewery proprietorship and contract brewing arrangements.

(viva voce vote) (31-0) (31-0)

HB 3332 (Fraser)

Relating to junior college district territory annexation and program approval in certain counties.

(viva voce vote) (31-0) (31-0)

HB 3355 (Carona)

Relating to cable operators' attachments on distribution poles owned or controlled by electric cooperatives.

(viva voce vote) (31-0) (31-0)

HB 3412 (Estes)

Relating to the qualifications for certain positions with the Department of Public Safety of the State of Texas.

(viva voce vote) (31-0) (31-0)

CSHB 3567 (Estes)

Relating to the composition of the structural pest control advisory committee.

(viva voce vote) (31-0) (31-0)

HB 3676 (Paxton)

Relating to the application of restrictions on drivers under 18 years of age.

(viva voce vote) (31-0) (31-0)

HB 3795 (Hegar)

Relating to the creation of a county assistance district.

(viva voce vote) (31-0) (31-0)

HB 3800 (Hinojosa)

Relating to the recording and indexing of property owners' association management certificates in the county real property records.

(viva voce vote) (31-0) (31-0)

HB 3896 (Estes)

Relating to the Jack County Hospital District; authorizing the imposition of a tax.

(viva voce vote) (31-0) (31-0)

HB 3905 (Taylor)

Relating to the Angleton-Danbury Hospital District of Brazoria County, Texas.

(viva voce vote) (31-0) (31-0)

HCR 41 (Schwertner)

Designating Jewett as the Sculpture Capital of Texas and commemorating the third annual Leon County Art Trail.

(31-0)

HCR 104 (Seliger)

Encouraging school districts to adopt policies that promote the use of technology and technological devices in classrooms.

(31-0)

**BILLS REMOVED FROM
LOCAL AND UNCONTESTED CALENDAR**

Senator West and Senator Eltife requested in writing that **HB 1122** be removed from the Local and Uncontested Calendar.

Senator Carona and Senator Eltife requested in writing that **HB 3106** be removed from the Local and Uncontested Calendar.

Senator Carona and Senator Eltife requested in writing that **HB 1664** be removed from the Local and Uncontested Calendar.

Senator West and Senator Eltife requested in writing that **HCR 1** be removed from the Local and Uncontested Calendar.

**SESSION CONCLUDED FOR
LOCAL AND UNCONTESTED CALENDAR**

Senator Schwetner announced that the session to consider bills and resolutions placed on the Local and Uncontested Calendar was concluded.

AT EASE

The Presiding Officer at 5:53 p.m. announced the Senate would stand At Ease subject to the call of the Chair.

IN LEGISLATIVE SESSION

Senator Eltife at 6:25 p.m. called the Senate to order as In Legislative Session.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Monday, May 20, 2013 - 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:

SB 8 Nelson Sponsor: Kolkhorst
Relating to the provision and delivery of certain health and human services in this state, including the provision of those services through the Medicaid program and the prevention of fraud, waste, and abuse in that program and other programs.
(Committee Substitute/Amended)

SB 24 Hinojosa Sponsor: Oliveira
Relating to the creation of a new university in South Texas within The University of Texas System.
(Amended)

SB 34 Zaffirini Sponsor: Naishtat
Relating to the administration of psychoactive medications to persons receiving services in certain facilities.

SB 58 Nelson Sponsor: Zerwas
Relating to the integration of behavioral health and physical health services into the Medicaid managed care program.
(Committee Substitute/Amended)

SB 124 Rodríguez Sponsor: Márquez
Relating to the punishment for the offense of tampering with certain governmental records based on certain reporting for school districts and open-enrollment charter schools.
(Amended)

SB 146 Williams Sponsor: Kolkhorst
Relating to access by a public institution of higher education to the criminal history record information of certain persons seeking to reside in on-campus housing.
(Amended)

SB 147 Deuell Sponsor: Smithee
Relating to the amount of outstanding total liability of a mortgage guaranty insurer.

SB 149 Nelson Sponsor: Keffer
Relating to the Cancer Prevention and Research Institute of Texas.
(Committee Substitute/Amended)

- SB 198** Watson Sponsor: Dukes
Relating to restrictive covenants regulating drought-resistant landscaping or water-conserving natural turf.
- SB 421** Zaffirini Sponsor: Naishtat
Relating to the Texas System of Care and the development of local mental health systems of care for certain children.
(Committee Substitute)
- SB 484** Whitmire Sponsor: Turner, Sylvester
Relating to the creation of a prostitution prevention program; authorizing a fee.
(Committee Substitute/Amended)
- SB 515** Eltife Sponsor: Smith
Relating to the sale and production of malt liquor, ale, and beer by the holder of a brewpub license.
- SB 516** Eltife Sponsor: Smith
Relating to the distribution of ale by certain brewers.
- SB 517** Eltife Sponsor: Smith
Relating to the distribution of beer by certain manufacturers.
- SB 518** Eltife Sponsor: Smith
Relating to the authority of certain brewers and manufacturers to sell beer and ale to ultimate consumers.
- SB 542** Watson Sponsor: Allen
Relating to alternative dispute resolution methods regarding educational services for students with disabilities, including individualized education program facilitation.
- SB 632** Carona Sponsor: Lozano
Relating to contracts between optometrists or therapeutic optometrists and health maintenance organizations or insurers.
- SB 639** Carona Sponsor: Geren
Relating to the sale of beer, ale, and malt liquor by a brewer or beer manufacturer to a wholesaler or distributor and contractual agreements between those entities.
- SB 652** Van de Putte Sponsor: Guillen
Relating to the transfer of alcoholic beverages for manufacturing purposes between certain permit and license holders.
(Amended)
- SB 758** Williams Sponsor: Pitts
Relating to the established schedule of payments from the foundation school fund of the yearly entitlement of certain school districts.
- SB 895** Davis Sponsor: Alvarado
Relating to access to records of a nonprofit organization supporting the Cancer Prevention and Research Institute of Texas under the public information law.
- SB 978** Deuell Sponsor: Davis, Sarah
Relating to regulation by the Texas Medical Board of local anesthesia and peripheral nerve blocks administered in an outpatient setting.

- SB 981** Van de Putte Sponsor: Menéndez
Relating to electric utility bill payment assistance programs for certain veterans burned in combat.
- SB 1017** Paxton Sponsor: Lavender
Relating to the funding for and administration of travel and information operations by the Texas Department of Transportation.
(Amended)
- SB 1057** Nelson Sponsor: Zerwas
Relating to information about private health care insurance coverage and the health insurance exchange for individuals applying for certain Department of State Health Services health or mental health benefits, services, and assistance.
- SB 1106** Schwertner Sponsor: Davis, John
Relating to the use of maximum allowable cost lists under a Medicaid managed care pharmacy benefit plan.
(Amended)
- SB 1114** Whitmire Sponsor: Herrero
Relating to the prosecution of certain misdemeanor offenses committed by children and to school district law enforcement.
- SB 1214** Schwertner Sponsor: Darby
Relating to certain economic development programs administered by the Department of Agriculture.
(Committee Substitute)
- SB 1356** Van de Putte Sponsor: McClendon
Relating to requiring trauma-informed care training for certain staff of county and state juvenile facilities.
(Amended)
- SB 1364** Schwertner Sponsor: Murphy
Relating to the computation of an electric utility's income taxes.
- SB 1390** Davis Sponsor: Davis, John
Relating to an audit by the state auditor of the Texas Enterprise Fund.
(Committee Substitute/Amended)
- SB 1401** Carona Sponsor: Rodriguez, Eddie
Relating to the eligibility of certain providers of laboratory services to participate in programs administered by health and human services agencies or the Health and Human Services Commission.
- SB 1411** Deuell Sponsor: Gooden
Relating to regulation of traffic in a conservation and reclamation district by a commissioners court.
(Amended)
- SB 1458** Duncan Sponsor: Callegari
Relating to contributions to, benefits from, and the administration of systems and programs administered by the Teacher Retirement System of Texas.
(Amended)

SB 1678

Deuell

Sponsor: Isaac

Relating to the events and expenses eligible for, reporting requirements concerning disbursements from, and a study by the comptroller of the Major Events trust fund and the Events trust fund.

(Committee Substitute/Amended)

SB 1729

Nichols

Sponsor: King, Ken

Relating to an agreement between the Department of Public Safety and a county for the provision of renewal and duplicate driver's license and other identification certificate services; authorizing a fee.

(Amended)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

HOUSE BILL 3739 ON SECOND READING

Senator Garcia moved to suspend the regular order of business to take up for consideration **HB 3739** at this time on its second reading:

HB 3739, Relating to the continued employment of municipal employees who become candidates for public office.

The motion prevailed.

Senators Fraser, Hancock, and Schwertner asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Garcia offered the following committee amendment to the bill:

Committee Amendment No. 1

Amend **HB 3739** (House engrossed version) to add "However, the employee is still expected to fulfill all the duties and responsibilities associated with their municipal employment." after "office." on page 1, line 16.

The amendment to **HB 3739** was read and was adopted by a viva voce vote.

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

Senator Garcia offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 3739** (senate committee printing) as follows:

(1) Immediately before SECTION 1 of the bill (page 1, between lines 23 and 24), insert the following:

SECTION 1. This Act shall be known as the Senator Mario Gallegos Act.

(2) Renumber subsequent SECTIONS of the bill accordingly.

The amendment to **HB 3739** 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 Garcia offered the following amendment to the bill:

Floor Amendment No. 2

Amend **HB 3739** (senate committee printing) in SECTION 1 of the bill, in added Section 150.041(c), Local Government Code (page 1, line 34), between "employee," and "because", by inserting "solely".

The amendment to **HB 3739** 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 Garcia and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

HB 3739 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: Fraser, Hancock, Schwertner.

HOUSE BILL 3739 ON THIRD READING

Senator Garcia moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3739** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Garcia, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodríguez, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Fraser, Hancock, Schwertner.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 3. (Same as previous roll call)

COMMITTEE SUBSTITUTE

HOUSE BILL 3813 ON SECOND READING

On motion of Senator Watson and by unanimous consent, the regular order of business was suspended to take up for consideration **CSHB 3813** at this time on its second reading:

CSHB 3813, Relating to municipal fire suppression standards in certain municipalities.

The bill was read second time.

Senator Watson offered the following amendment to the bill:

Floor Amendment No. 1

Amend **CSHB 3813** (senate committee printing) in SECTION 1 of the bill as follows:

(1) Strike added Section 342.901(c), Local Government Code (page 1, lines 47-51), and substitute the following:

(c) Before a municipality adopts an ordinance under this section, the municipality and the district described by Subsection (a)(3) that is subject to the proposed ordinance shall establish the scope of and estimate the costs associated with any capital improvements necessary to comply with the proposed ordinance.

(2) In added Section 342.901(d)(1), Local Government Code (page 1, line 56), after "additional", insert "capital improvement".

(3) In added Section 342.901(d)(2), Local Government Code (page 1, line 59), strike "different" and substitute "more stringent".

The amendment to **CSHB 3813** 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 Watson and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

CSHB 3813 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 3813 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 **CSHB 3813** 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 2806 ON SECOND READING

On motion of Senator Van de Putte and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 2806** at this time on its second reading:

HB 2806, Relating to delinquent payment of an alcoholic beverage retailer's account for liquor.

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 2806 ON THIRD READING

Senator Van de Putte moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2806** 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 1287 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 1287** at this time on its second reading:

HB 1287, Relating to the contents of an application by certain persons for an exemption from ad valorem taxation of the person's residence homestead.

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 1287 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 1287** 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.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 4 ADOPTED

Senator Fraser called from the President's table the Conference Committee Report on **HB 4**. The Conference Committee Report was filed with the Senate on Friday, May 17, 2013.

On motion of Senator Fraser, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Seliger.

REASON FOR VOTE

Senator Seliger submitted the following reason for vote on the Conference Committee Report on **HB 4**:

I cast the sole dissenting vote on the Committee Substitute to House Bill 4 in the Senate. So important is sound governance and a forward-looking funding strategy for water issues, it seems necessary to explain a "no" vote on a significant change to the Texas Water Development Board.

Currently the Board consists of 6 volunteer members, appointed by the Governor. With the passage of HB 4, the new Board will be 3 full-time members, salaried, staffed, and appointed by the Governor. I don't believe that there is really enough work to be done to justify 9 new full-time employees. Six members currently represent the entire State of Texas where a 3 member Board is sure to be so limited as

to overwhelmingly represent urban Texas. The decision to appoint commissioners should be made without regional bias. Full-time employees and a 2.4 million dollar fiscal note seems unnecessarily abundant.

Secondly, the advisory committee empaneled by this legislation and composed mostly of legislators is a conflict of responsibilities between the executive and legislative branches of government. This commingling is rare, if not nonexistent in other agencies. It serves mainly to add to the state's bureaucracy and while I support legislative oversight, especially with two million dollars of taxpayer money at stake, I don't think the Legislature should micromanage the Texas Water Development Board. HB 4 even directs the advisory committee to dictate what the agency should and should not post on its website.

Lastly, as one who believes in local control, I find it difficult to comprehend how the state is going to dictate priorities for regional water planning areas. HB 4 has a laundry list of criteria for how the state is going to choose which projects to fund, and at the very bottom of the list is the priority given by the local folks. It is for all of these reasons that I felt compelled to cast a "no" vote for HB 4. As a representative of the Texas panhandle, where ours is an agricultural economy, water is essential to our continued success and existence. And while I am absolutely supportive of funding the State Water Plan, I think HB 4 was an irresponsible overreach.

SELIGER

REMARKS ORDERED PRINTED

On motion of Senator Fraser and by unanimous consent, the remarks by Senators Hinojosa and Fraser regarding **HB 4** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Hinojosa: In this bill, in the priority criteria, there is a reference to "up front capital."

Senator Fraser: That is correct.

Senator Hinojosa: Is it the intent of this legislation that "up front capital" includes capital that has already been invested in a project by an applicant?

Senator Fraser: That is correct.

Senator Hinojosa: And this makes good public policy because we wouldn't want to give any more of a priority to applicants who will make a local contribution than to those that already have made that contribution.

Senator Fraser: That is correct.

COMMITTEE SUBSTITUTE HOUSE BILL 1035 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 1035** at this time on its second reading:

CSHB 1035, Relating to the filing of reports of political contributions and expenditures and of personal financial statements by certain officeholders and candidates.

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 1035 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 1035** 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 1079 ON SECOND READING**

Senator Hancock moved to suspend the regular order of business to take up for consideration **CSHB 1079** at this time on its second reading:

CSHB 1079, Relating to procedural requirements for action by the Texas Commission on Environmental Quality on applications for production area authorizations.

The motion prevailed.

Senators Ellis, Garcia, Rodríguez, Uresti, and 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: Ellis, Garcia, Rodríguez, Uresti, Watson.

**COMMITTEE SUBSTITUTE
HOUSE BILL 1079 ON THIRD READING**

Senator Hancock moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 1079** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Van de Putte, West, Whitmire, Williams, Zaffirini.

Nays: Ellis, Garcia, Rodríguez, Uresti, Watson.

The bill was read third time and was passed by the following vote: Yeas 26, Nays 5. (Same as previous roll call)

HOUSE BILL 843 ON SECOND READING

On motion of Senator Lucio and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 843** at this time on its second reading:

HB 843, Relating to persons entitled to notice of and to participation in certain hearings regarding a child in the conservatorship of the state.

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 843 ON THIRD READING

Senator Lucio moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 843** 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 3176 ON SECOND READING

On motion of Senator Taylor and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3176** at this time on its second reading:

HB 3176, Relating to the appointment of a board member of a property owners' association to fill a vacancy.

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 3176 ON THIRD READING

Senator Taylor moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3176** 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 2478 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 2478** at this time on its second reading:

HB 2478, Relating to the collection, study, and reporting by the Texas Workforce Commission of certain information regarding shortages in high-wage, high-demand occupations.

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: Hegar.

HOUSE BILL 2478 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 2478** be placed on its third reading and final passage.

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

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

Nays: Hegar.

HOUSE BILL 2454 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 2454** at this time on its second reading:

HB 2454, Relating to reimbursement of health care services rendered by a health care provider for an inmate of a county jail or another county correctional facility.

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

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

HOUSE BILL 2454 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 2454** 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 508 ON SECOND READING

Senator Patrick moved to suspend the regular order of business to take up for consideration **HB 508** at this time on its second reading:

HB 508, Relating to certain offenses relating to carrying concealed handguns on property owned or leased by a governmental entity; providing a civil penalty.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Ellis, Garcia, Lucio, Rodríguez.

The bill was read second time.

Senator Carona offered the following amendment to the bill:

Floor Amendment No. 1

Amend **HB 508** (senate committee report) as follows:

(1) In SECTION 3 of the bill, in the transition language (page 2, line 29), between "SECTION 3." and "The change", insert "(a)".

(2) In SECTION 3 of the bill, in the transition language (page 2, line 30), strike "Section 46.035(c)" and substitute "Subsections (c) and (h-1), Section 46.035, and Subsection (a), Section 46.15".

(3) In SECTION 3 of the bill, in the transition language (page 2, between lines 36 and 37), insert the following:

(b) The change in law made by this Act to Subdivision (1), Subsection (a), Section 411.201, Government Code, applies only to an application to obtain or renew a license to carry a concealed handgun submitted on or after the effective date of this Act. An application submitted before the effective date of this Act is governed by the law in effect when the application was submitted, and the former law is continued in effect for that purpose.

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

SECTION _____. Subsection (a), Section 411.1882, Government Code, is amended to read as follows:

(a) A person who is serving in this state as a judge or justice of a federal court, as an active judicial officer, as defined by Section 411.201, or as the holder of a statewide office, as defined by Section 1.005, Elections Code, a member of the house of representatives or the senate, the state prosecuting attorney or an assistant state prosecuting attorney, an assistant attorney general, United States attorney, assistant United States attorney, special assistant United States attorney, [✱] district attorney, assistant district attorney, criminal district attorney, assistant criminal district attorney, county attorney, or assistant county attorney may establish handgun proficiency for the purposes of this subchapter by obtaining from a handgun proficiency instructor approved by the Commission on Law Enforcement Officer Standards and Education for purposes of Section 1702.1675, Occupations Code, a sworn statement that:

(1) indicates that the person, during the 12-month period preceding the date of the person's application to the department, demonstrated to the instructor proficiency in the use of handguns; and

(2) designates the categories of handguns with respect to which the person demonstrated proficiency.

SECTION _____. Subdivision (1), Subsection (a), Section 411.201, Government Code, is amended to read as follows:

(1) "Active judicial officer" means:

(A) a person serving as a judge or justice of the supreme court, the court of criminal appeals, a court of appeals, a district court, a criminal district court, a constitutional county court, a statutory county court, a justice court, or a municipal court;

(B) a federal judge who is a resident of this state; or

(C) a person appointed and serving as:

(i) an associate judge under Chapter 201, Family Code, or Chapter

54 or 54A; or

(ii) a master or magistrate under Chapter 54.

SECTION _____. Subsection (h-1), Section 46.035, Penal Code, as added by Chapters 1214 (H.B. 1889) and 1222 (H.B. 2300), Acts of the 80th Legislature, Regular Session, 2007, is reenacted and amended to read as follows:

(h-1) It is a defense to prosecution under Subsections (b) and (c) that the actor, at the time of the commission of the offense, was:

(1) a judge or justice of a federal court;

(2) an active judicial officer, as defined by Section 411.201, Government Code; ~~or~~

(3) ~~(2)~~ a bailiff designated by the active judicial officer and engaged in escorting the officer; or

(4) the holder of a statewide office, as defined by Section 1.005, Elections Code, a member of the house of representatives or the senate, the state prosecuting attorney, an assistant state prosecuting attorney, an assistant attorney general, or a United States attorney, assistant United States attorney, special assistant United States attorney, ~~(3) a~~ district attorney, assistant district attorney, criminal district attorney, assistant criminal district attorney, county attorney, or assistant county attorney.

SECTION _____. Subsection (a), Section 46.15, Penal Code, is amended to read as follows:

(a) Sections 46.02 and 46.03 do not apply to:

(1) peace officers or special investigators under Article 2.122, Code of Criminal Procedure, and neither section prohibits a peace officer or special investigator from carrying a weapon in this state, including in an establishment in this state serving the public, regardless of whether the peace officer or special investigator is engaged in the actual discharge of the officer's or investigator's duties while carrying the weapon;

(2) parole officers and neither section prohibits an officer from carrying a weapon in this state if the officer is:

(A) engaged in the actual discharge of the officer's duties while carrying the weapon; and

(B) in compliance with policies and procedures adopted by the Texas Department of Criminal Justice regarding the possession of a weapon by an officer while on duty;

(3) community supervision and corrections department officers appointed or employed under Section 76.004, Government Code, and neither section prohibits an officer from carrying a weapon in this state if the officer is:

(A) engaged in the actual discharge of the officer's duties while carrying the weapon; and

(B) authorized to carry a weapon under Section 76.0051, Government Code;

(4) a judge or justice of a federal court or an active judicial officer as defined by Section 411.201, Government Code, who is licensed to carry a concealed handgun under Subchapter H, Chapter 411, Government Code;

(5) an honorably retired peace officer or federal criminal investigator who holds a certificate of proficiency issued under Section 1701.357, Occupations Code, and is carrying a photo identification that:

(A) verifies that the officer honorably retired after not less than 15 years of service as a commissioned officer; and

(B) is issued by a state or local law enforcement agency;

(6) the holder of a statewide office, as defined by Section 1.005, Elections Code, a member of the house of representatives or the senate, the state prosecuting attorney, or United States attorney, or a district attorney, criminal district attorney, county attorney, or municipal attorney who is licensed to carry a concealed handgun under Subchapter H, Chapter 411, Government Code;

(7) an assistant state prosecuting attorney, assistant attorney general, assistant United States attorney, special assistant United States attorney, assistant district attorney, assistant criminal district attorney, or assistant county attorney who is licensed to carry a concealed handgun under Subchapter H, Chapter 411, Government Code;

(8) a bailiff designated by an active judicial officer as defined by Section 411.201, Government Code, who is:

(A) licensed to carry a concealed handgun under Chapter 411, Government Code; and

(B) engaged in escorting the judicial officer; or

(9) a juvenile probation officer who is authorized to carry a firearm under Section 142.006, Human Resources Code.

The amendment to **HB 508** 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: Birdwell.

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

HB 508 as amended was passed to third reading by a viva voce vote.

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

Nays: Birdwell, Ellis, Garcia, Lucio, Rodríguez.

HOUSE BILL 508 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 508** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Campbell, Carona, Davis, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Ellis, Garcia, Lucio, Rodríguez.

The bill was read third time and was passed by the following vote: Yeas 26, Nays 5. (Same as previous roll call)

REASON FOR VOTE

Senator Birdwell submitted the following reason for vote on **HB 508**:

Today, I voted against House Bill 508, which would prohibit a state agency or political subdivision from providing false notice to a CHL-holder that entering certain government premises with a concealed handgun is prohibited. Though I initially supported the bill, I ultimately voted against it due to the addition of an amendment allowing CHL-holding elected officials to carry their firearms in all locations prohibited to regular citizens. Though I am an unwavering proponent of Second Amendment rights, I could not in good conscience grant myself a privilege that I had failed to first grant law-abiding citizens. Concealed Handgun License holders are allowed to carry almost everywhere they go. In my judgment, if we are going to expand when and where Texans can legally carry a concealed firearm, we should start with our citizens—not our lawmakers.

BIRDWELL

HOUSE BILL 561 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 561** at this time on its second reading:

HB 561, Relating to an exemption for land owned by a school from the additional tax imposed on the change of use of land appraised for ad valorem tax purposes as qualified open-space land.

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 561 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 561** 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 3668 ON SECOND READING

On motion of Senator Ellis and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 3668** at this time on its second reading:

HB 3668, Relating to an individual's responsibilities following an accident reasonably likely to result in injury to or death of a person; imposing criminal penalties.

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

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

HOUSE BILL 3668 ON THIRD READING

Senator Ellis moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 3668** 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 BILL 1238 WITH HOUSE AMENDMENT

Senator Hinojosa called **SB 1238** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1238** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the composition and duties of and investigations conducted by the Texas Forensic Science Commission, the administrative attachment of the Texas Forensic Science Commission to Sam Houston State University, the accreditation of criminal laboratories by the Department of Public Safety of the State of Texas, and the status of certain local government corporations as criminal justice agencies for the purpose of engaging in criminal identification activities, including forensic analysis.

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

SECTION 1. Section 2, Article 38.01, Code of Criminal Procedure, is amended to read as follows:

Sec. 2. **DEFINITIONS** [~~DEFINITION~~]. In this article:

(1) "Accredited field of forensic science" means a specific forensic method or methodology validated or approved by the public safety director of the Department of Public Safety under Section 411.0205(b-1)(2), Government Code, as part of the accreditation process for crime laboratories established by rule under Section 411.0205(b) of that code.

(2) "Commission" means the Texas Forensic Science Commission.

(3) "Crime laboratory" has the meaning assigned by Article 38.35.

(4) "Forensic analysis" means a medical, chemical, toxicologic, ballistic, or other expert examination or test performed on physical evidence, including DNA evidence, for the purpose of determining the connection of the evidence to a criminal action, except that the term does not include the portion of an autopsy conducted by a medical examiner or other forensic pathologist who is a licensed physician[; "forensic analysis" has the meaning assigned by Article 38.35(a)].

SECTION 2. Subsections (a) and (b), Section 3, Article 38.01, Code of Criminal Procedure, are amended to read as follows:

(a) The commission is composed of ~~[the following]~~ nine members~~[-~~

~~[(1) four members]~~ appointed by the governor as follows:

(1) two members who [(A) two of whom] must have expertise in the field of forensic science;

(2) ~~[(B)]~~ one member who ~~[of whom]~~ must be a prosecuting attorney that the governor selects from a list of 10 names submitted by the Texas District and County Attorneys Association;

(3) ~~and~~

~~[(C)]~~ one member who ~~[of whom]~~ must be a defense attorney that the governor selects from a list of 10 names submitted by the Texas Criminal Defense Lawyers Association;

(4) one member who ~~[(2) three members appointed by the lieutenant governor:~~

~~[(A) one of whom]~~ must be a faculty member or staff member of The University of Texas who specializes in clinical laboratory medicine that the governor selects [selected] from a list of 10 names submitted ~~[to the lieutenant governor]~~ by the chancellor of The University of Texas System;

(5) one member who ~~[(B) one of whom]~~ must be a faculty member or staff member of Texas A&M University who specializes in clinical laboratory medicine that the governor selects [selected] from a list of 10 names submitted ~~[to the lieutenant governor]~~ by the chancellor of The Texas A&M University System;

(6) one member who ~~[(C) one of whom]~~ must be a faculty member or staff member of Texas Southern University that the governor selects [who has expertise in pharmaceutical laboratory research selected] from a list of 10 names submitted ~~[to the lieutenant governor]~~ by the chancellor of Texas Southern University;

(7) one member who ~~and~~

~~[(3) two members appointed by the attorney general:~~

~~[(A) one of whom]~~ must be a director or division head of the University of North Texas Health Science Center at Fort Worth Missing Persons DNA Database; and

(8) one member who ~~[(B) one of whom]~~ must be a faculty or staff member of the Sam Houston State University College of Criminal Justice and have expertise in the field of forensic science or statistical analyses that the governor selects [selected] from a list of 10 names submitted ~~[to the lieutenant governor]~~ by the chancellor of the Texas State University System.

(b) Each member of the commission serves a two-year term. The terms expire [term of the members appointed under Subsections (a)(1) and (2) expires] on September 1 of:

(1) each odd-numbered year, for a member appointed under Subsection (a)(1), (2), (3), or (4); and

(2) [The term of the members appointed under Subsection (a)(3) expires on September 1 of] each even-numbered year, for a member appointed under Subsection (a)(5), (6), (7), or (8).

SECTION 3. Section 4, Article 38.01, Code of Criminal Procedure, is amended by amending Subsections (a), (b), (d), and (e) and adding Subsections (a-1), (b-1), (b-2), (f), and (g) to read as follows:

(a) The commission shall:

(1) develop and implement a reporting system through which a crime laboratory may [accredited laboratories, facilities, or entities] report professional negligence or professional misconduct;

(2) require a crime laboratory [all laboratories, facilities, or entities] that conducts [conduct] forensic analyses to report professional negligence or professional misconduct to the commission; and

(3) investigate, in a timely manner, any allegation of professional negligence or professional misconduct that would substantially affect the integrity of the results of a forensic analysis conducted by a crime laboratory [an accredited laboratory, facility, or entity].

(a-1) The commission may initiate for educational purposes an investigation of a forensic analysis without receiving a complaint, submitted through the reporting system implemented under Subsection (a)(1), that contains an allegation of professional negligence or professional misconduct involving the forensic analysis conducted if the commission determines by a majority vote of a quorum of the members of the commission that an investigation of the forensic analysis would advance the integrity and reliability of forensic science in this state.

(b) If the commission conducts an [An] investigation under Subsection (a)(3) of a crime laboratory that is accredited by the Department of Public Safety under Section 411.0205, Government Code, pursuant to an allegation of professional negligence or professional misconduct involving an accredited field of forensic science, the investigation:

(1) must include the preparation of a written report that identifies and also describes the methods and procedures used to identify:

(A) the alleged negligence or misconduct;

(B) whether negligence or misconduct occurred; [and]

(C) any corrective action required of the laboratory, facility, or entity;

(D) observations of the commission regarding the integrity and reliability of the forensic analysis conducted;

(E) best practices identified by the commission during the course of the investigation; and

(F) other recommendations that are relevant, as determined by the commission; and

(2) may include one or more:

(A) retrospective reexaminations of other forensic analyses conducted by the laboratory, facility, or entity that may involve the same kind of negligence or misconduct; and

(B) follow-up evaluations of the laboratory, facility, or entity to review:

(i) the implementation of any corrective action required under Subdivision (1)(C); or

(ii) the conclusion of any retrospective reexamination under Paragraph (A).

(b-1) If the commission conducts an investigation under Subsection (a)(3) of a crime laboratory that is not accredited by the Department of Public Safety under Section 411.0205, Government Code, or the investigation is conducted pursuant to an allegation involving a forensic method or methodology that is not an accredited field of forensic science, the investigation may include the preparation of a written report that contains:

(1) observations of the commission regarding the integrity and reliability of the forensic analysis conducted;

(2) best practices identified by the commission during the course of the investigation; or

(3) other recommendations that are relevant, as determined by the commission.

(b-2) If the commission conducts an investigation of a forensic analysis under Subsection (a-1), the investigation must include the preparation of a written report that contains:

(1) observations of the commission regarding the integrity and reliability of the forensic analysis conducted;

(2) best practices identified by the commission during the course of the investigation; and

(3) other recommendations that are relevant, as determined by the commission.

(d) The commission may require that a crime laboratory[~~facility, or entity~~] investigated under this section pay any costs incurred to ensure compliance with Subsection (b), (b-1), or (b-2) [~~(b)(1)~~].

(e) The commission shall make all investigation reports completed under Subsection (b), (b-1), or (b-2) [~~(b)(1)~~] available to the public. A report completed under Subsection (b), (b-1), or (b-2) [~~(b)(1)~~], in a subsequent civil or criminal proceeding, is not prima facie evidence of the information or findings contained in the report.

(f) The commission may not make a determination of whether professional negligence or professional misconduct occurred or issue a finding on that question in an investigation initiated under Subsection (a-1) or for which an investigation report may be prepared under Subsection (b-1).

(g) The commission may not issue a finding related to the guilt or innocence of a party in an underlying civil or criminal trial involving conduct investigated by the commission under this article.

SECTION 4. Article 38.01, Code of Criminal Procedure, is amended by adding Sections 8, 9, 10, and 11 to read as follows:

Sec. 8. ANNUAL REPORT. Not later than December 1 of each year, the commission shall prepare and publish a report that includes:

(1) a description of each complaint filed with the commission during the preceding 12-month period, the disposition of each complaint, and the status of any complaint still pending on December 31;

(2) a description of any specific forensic method or methodology the commission recommends to the public safety director of the Department of Public Safety for validation or approval under Section 411.0205(b-1)(2), Government Code, as part of the accreditation process for crime laboratories established by rule under Section 411.0205(b) of that code;

(3) recommendations for best practices concerning the definition of "forensic analysis" provided by statute or by rule of the Department of Public Safety;

(4) developments in forensic science made or used in other state or federal investigations and the activities of the commission, if any, with respect to those developments; and

(5) other information that is relevant to investigations involving forensic science, as determined by the presiding officer of the commission.

Sec. 9. ADMINISTRATIVE ATTACHMENT TO SAM HOUSTON STATE UNIVERSITY. (a) The commission is administratively attached to Sam Houston State University.

(b) The Board of Regents of the Texas State University System shall provide administrative support to the commission as necessary to carry out the purposes of this article.

(c) Only the commission may exercise the duties of the commission under this article. Except as provided by Subsection (b), neither the Board of Regents of the Texas State University System nor Sam Houston State University has any authority or responsibility with respect to the duties of the commission under this article.

Sec. 10. OPEN RECORDS LIMITATION. Information that is filed as part of an allegation of professional misconduct or professional negligence or that is obtained during an investigation of an allegation of professional misconduct or professional negligence is not subject to release under Chapter 552, Government Code, until the conclusion of an investigation by the commission under Section 4.

Sec. 11. REPORT INADMISSIBLE AS EVIDENCE. A written report prepared by the commission under this article is not admissible in a civil or criminal action.

SECTION 5. Subchapter A, Chapter 411, Government Code, is amended by adding Section 411.0011 to read as follows:

Sec. 411.0011. CERTAIN LOCAL GOVERNMENT CORPORATIONS ENGAGED IN CRIMINAL IDENTIFICATION ACTIVITIES. For purposes of this chapter, a reference to "criminal justice agency" includes a local government corporation created under Subchapter D, Chapter 431, Transportation Code, for governmental purposes relating to criminal identification activities, including forensic analysis, that allocates a substantial part of its annual budget to those criminal identification activities.

SECTION 6. Section 411.0205, Government Code, is amended by adding Subsection (b-3) to read as follows:

(b-3) The director shall require that a laboratory, facility, or entity that must be accredited under this section, as part of the accreditation process, agree to consent to any request for cooperation by the Texas Forensic Science Commission that is made as part of the exercise of the commission's duties under Article 38.01, Code of Criminal Procedure.

SECTION 7. The term of a person appointed under former Subdivision (3), Subsection (a), Section 3, Article 38.01, Code of Criminal Procedure, as that law existed immediately before the effective date of this Act, expires September 1, 2014, and the governor shall appoint a person to fill each vacancy on that date in accordance with Subdivisions (7) and (8), Subsection (a), Section 3, Article 38.01, Code of Criminal Procedure, as amended by this Act. On the expiration of a term under former Subdivision (1) or (2), Subsection (a), Section 3, Article 38.01, Code of Criminal Procedure, as that law existed immediately before the effective date of this Act, the governor shall appoint a person to fill each vacancy in accordance with Subdivision (1), (2), (3), (4), (5), or (6), Subsection (a), Section 3, Article 38.01, Code of Criminal Procedure, as amended by this Act, as applicable.

SECTION 8. Not later than December 1, 2014, the Texas Forensic Science Commission shall submit the first annual report required by Section 8, Article 38.01, Code of Criminal Procedure, as added by this Act.

SECTION 9. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

The amendment was read.

Senator Hinojosa moved to concur in the House amendment to **SB 1238**.

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

SENATE BILL 1372 WITH HOUSE AMENDMENTS

Senator Hinojosa called **SB 1372** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1372** (house committee report) as follows:

- (1) On page 1, strike lines 9-11.
- (2) On page 1, line 12, strike "221.082" and substitute "221.081" and renumber subsequent sections and cross-references in added Subchapter I, Chapter 221, Property Code, accordingly.
- (3) On page 1, line 13, strike "and to" and substitute ";".
- (4) On page 1, line 15, between "plan" and "regardless", insert ", and the association related to the timeshare plan,".
- (5) On page 1, line 18, strike "and to" and substitute ";".
- (6) On page 1, line 20, between "plan" and "created", insert ", and the association related to the timeshare plan,".
- (7) On page 2, line 1, strike "subchapter" and substitute "chapter".

(8) On page 10, line 16, strike "2" and substitute "or".

(9) On page 10, line 17, strike ", or any other purpose".

(10) On page 10, line 19, strike "subchapter" and substitute "chapter".

(11) On page 12, between lines 13 and 14, insert the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter A, Chapter 221, Property Code, is amended by adding Section 221.004 to read as follows:

Sec. 221.004. CONFLICTS OF LAW. (a) The provisions of this chapter prevail over a conflicting or inconsistent provision of law applicable to timeshare owners' associations.

(b) Provisions of this code relating to property owners' associations do not apply to an association subject to this chapter.

(12) On page 13, lines 13 and 14, strike "unless the project instrument provides otherwise, provisions required by Subchapter I" and substitute "the provisions required by Subchapter I to be included in a project instrument unless the provisions are included in one or more other project instruments".

Floor Amendment No. 2

Amend **SB 1372** (house committee report), as follows:

(1) On page 14, line 7, strike "Subsection (a)".

(2) On page 14, line 8, between "amended" and "to read", insert "by adding Subsection (e)".

(3) Strike page 14, line 9, through page 15, line 13, and substitute the following:

(e) A person, other than an owner of a timeshare interest who purchased the interest from a developer for the person's own personal use and occupancy, commits a false, misleading, or deceptive act or practice within the meaning of Sections 17.46(a) and (b), Business & Commerce Code, and an unconscionable action or course of action as defined by Section 17.45, Business & Commerce Code, by knowingly participating, for consideration or with the expectation of consideration, in any plan or scheme a purpose of which is to transfer a timeshare interest to a transferee who does not have the ability, means, or intent to pay all assessments and taxes for the timeshare interest. An association or other managing entity does not commit an act or action as described by this subsection by performing administrative acts and collecting fees or expenses as customary or required by law or under the project instruments in connection with a transfer by an owner of a timeshare interest in the timeshare property.

The amendments were read.

Senator Hinojosa moved to concur in the House amendments to **SB 1372**.

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

SENATE BILL 734 WITH HOUSE AMENDMENTS

Senator Carona called **SB 734** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 734** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the licensing of captive insurance companies; authorizing fees and authorizing and imposing taxes.

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

SECTION 1. Subtitle B, Title 3, Insurance Code, is amended by adding Chapter 223A to read as follows:

CHAPTER 223A. CAPTIVE INSURANCE PREMIUM TAX

Sec. 223A.001. DEFINITION. In this chapter, "captive insurance company" means a captive insurance company holding a certificate of authority under Chapter 964.

Sec. 223A.002. APPLICABILITY OF CHAPTER. This chapter applies to a captive insurance company holding a certificate of authority under Chapter 964.

Sec. 223A.003. TAX IMPOSED; RATE. (a) An annual tax is imposed on each captive insurance company that receives gross premiums subject to taxation under this chapter. The rate of the tax is one-half percent of the company's taxable premium receipts for a calendar year.

(b) Except as provided by Subsection (c), in determining a captive insurance company's taxable premium receipts, the captive insurance company shall include the total gross amounts of premiums, membership fees, assessments, dues, revenues, and other considerations for insurance written by the captive insurance company in a calendar year from any kind of insurance written by the company on each kind of property or risk without regard to the location of the property or risk.

(c) The following premium receipts are not included in determining a captive insurance company's taxable premium receipts:

(1) premium receipts received from another authorized insurer for reinsurance;

(2) returned premiums and dividends paid to policyholders; and

(3) premiums excluded by another law of this state.

(d) In determining a captive insurance company's taxable premium receipts, a company is not entitled to a deduction for premiums paid for reinsurance.

(e) The annual minimum aggregate tax to be paid by a captive insurance company under this chapter is \$7,500 and the annual maximum aggregate tax to be paid by a company under this chapter is \$200,000. Gross premiums subject to taxation under this chapter are not subject to taxes, surcharges, or other regulatory assessments or fees under this code other than insurance maintenance taxes as provided by Section 964.068.

Sec. 223A.004. TAX DUE DATES. (a) The total tax imposed by this chapter is due and payable not later than March 1 after the end of the calendar year for which the tax is due.

(b) A captive insurance company that had a net tax liability for the previous calendar year of more than \$1,000 shall make semiannual prepayments of tax on March 1 and August 1. The tax paid on each date must be equal to 50 percent of the total amount of tax the company paid under this chapter for the previous calendar

year. If the company did not pay a tax under this chapter during the previous calendar year, the tax paid on each date must be equal to the tax that would be owed on the aggregate of the gross premiums for the two previous calendar quarters.

(c) The comptroller may refund any overpayment of taxes that results from the semiannual prepayment system prescribed by this section.

Sec. 223A.005. TAX REPORT. (a) A captive insurance company liable for the tax imposed by this chapter must file annually with the comptroller a tax report on a form prescribed by the comptroller.

(b) The tax report is due on the date the tax is due under Section 223A.004(a).

Sec. 223A.006. CHANGE IN DUE DATES. (a) The comptroller by rule may change the dates for reporting and paying taxes under this chapter to improve operating efficiencies within the agency.

(b) A change by the comptroller in a reporting or payment date must retain the system of semiannual prepayments prescribed by Section 223A.004.

Sec. 223A.007. CREDIT FOR FEES PAID. (a) A captive insurance company is entitled to a credit on the amount of tax due under this chapter for all examination and evaluation fees paid to this state during the calendar year for which the tax is due. The limitations provided by Sections 803.007(1) and (2)(B) for a domestic insurance company apply to a captive insurance company.

(b) The credit provided by this section is in addition to any other credit authorized by statute.

Sec. 223A.008. FAILURE TO PAY TAXES. A captive insurance company that fails to pay all taxes imposed by this chapter is subject to Section 203.002 of this code and Subtitles A and B, Title 2, Tax Code.

SECTION 2. Subtitle H, Title 6, Insurance Code, is amended by adding Chapter 964 to read as follows:

CHAPTER 964. CAPTIVE INSURANCE COMPANIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 964.001. DEFINITIONS. (a) In this chapter:

(1) "Affiliated company" or "affiliate" has the meaning assigned by Section 823.003 and includes a parent entity that controls a captive insurance company.

(2) "Captive insurance company" means a company that holds a certificate of authority under this chapter to insure the operational risks of the company's affiliates or risks of a controlled unaffiliated business.

(3) "Captive management company" means an entity providing administrative services to a captive insurance company.

(4) "Control" means the power to direct, or cause the direction of, the management and policies of an entity, other than the power that results from an official position with or corporate office held in the entity. The power may be possessed directly or indirectly by any means, including through the ownership of voting securities or by contract, other than a commercial contract for goods or nonmanagement services.

(5) "Controlled unaffiliated business" means a person:

(A) that is not an affiliate;

(B) that has an existing contractual relationship with an affiliate under which the affiliate bears a potential financial loss; and

(C) the risks of which are managed by a captive insurance company under Section 964.066.

(6) "Operational risk" means any potential financial loss of an affiliate, except for a loss arising from an insurance policy issued by a captive or insurance affiliate.

(7) "Redomestication" means the transfer to or from this state of the insurance domicile of an authorized captive insurer.

(b) Notwithstanding Section 30.003, in this chapter, "person" has the meaning assigned by Section 311.005, Government Code.

Sec. 964.002. APPLICABILITY OF OTHER LAWS. (a) Except as otherwise provided by this chapter, this code does not apply to a captive insurance company except:

- (1) Title 2;
- (2) Chapter 223A and Subtitles A and C, Title 3;
- (3) Chapter 401;
- (4) Chapter 441;
- (5) Chapter 443; and
- (6) Chapter 803.

(b) A captive insurance company operating under this chapter is subject to the Business Organizations Code, including the requirement to be authorized by the secretary of state, to the extent those laws do not conflict with this chapter.

(c) Chapter 823 applies to a captive insurance company only if the company is affiliated with another insurer that is subject to Chapter 823.

SUBCHAPTER B. CAPTIVE INSURANCE COMPANIES

Sec. 964.051. AUTHORITY TO WRITE DIRECT BUSINESS. (a) Except as provided by this section, a captive insurance company may write any type of insurance, but may only insure the operational risks of the company's affiliates and risks of a controlled unaffiliated business.

(b) A captive insurance company may not issue:

- (1) life insurance;
- (2) annuities;
- (3) accident and health insurance for the company's parent and affiliates, except to insure employee benefits that are subject to the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.);

- (4) title insurance;
- (5) mortgage guaranty insurance;
- (6) financial guaranty insurance;
- (7) residential property insurance;
- (8) personal automobile insurance; or
- (9) workers' compensation insurance.

(c) A captive insurance company may not issue a type of insurance, including automobile liability insurance, that is required, under the laws of this state or a political subdivision of this state, as a prerequisite for obtaining a license or permit if the law requires that the liability insurance be issued by an insurer authorized to engage in the business of insurance in this state.

(d) A captive insurance company is authorized to issue a contractual reimbursement policy to:

(1) an affiliated certified self-insurer authorized under Chapter 407, Labor Code, or a similar affiliated entity expressly authorized by analogous laws of another state; or

(2) an affiliate that is insured by a workers' compensation insurance policy with a negotiated deductible endorsement.

Sec. 964.052. AUTHORITY TO PROVIDE REINSURANCE. (a) A captive insurance company may provide reinsurance to an insurer covering the operational risks of the captive insurance company's affiliates or risks of a controlled unaffiliated business that the captive insurance company may insure directly under Section 964.051 and:

(1) employee benefit plans offered by affiliates;

(2) liability insurance an affiliate must maintain as a prerequisite for obtaining a license or permit if the law requires maintenance of the liability insurance; and

(3) workers' compensation insurance and employer liability policies issued to affiliates if the insurer that directly issues workers' compensation insurance and employer's liability policies or its licensed, if required by law, administrator or adjuster:

(A) services all claims incurred during the policy period; and

(B) complies with all requirements for an insurer under this code, including Chapter 462, and under Title 5, Labor Code.

(b) A captive insurance company shall provide notice to the commissioner of a reinsurance agreement that the company becomes a party to not later than the 30th day after the date of the execution of the agreement.

(c) A captive insurance company shall provide notice of a termination of a previously filed reinsurance agreement to the commissioner not later than the 30th day after the date of termination.

(d) A captive insurance company may take credit for reserves on risks or portions of risks ceded to reinsurers under Subchapter C, Chapter 492, and Subchapter C, Chapter 493.

Sec. 964.053. FORMATION. (a) A captive insurance company must be formed for the purpose of engaging in the business of insurance under this chapter.

(b) A captive insurance company may be formed and operated in any form of business organization authorized under the Business Organizations Code except a risk retention group or general partnership. A captive insurance company may only be formed as a nonprofit corporation if it is controlled by a nonprofit corporation.

(c) The certificate of formation of a captive insurance company must include:

(1) the name of the company, which may not be the same as, deceptively similar to, or likely to be confused with or mistaken for any other existing business name registered in this state;

(2) the location of the company's principal business office;

(3) the type of insurance business in which the company proposes to engage;

(4) the number of directors or members of the governing body of the company;

(5) the number of authorized shares and the par value of the company's capital stock for a captive insurance company formed as a corporation;

(6) the amount of the company's initial capital and surplus; and

(7) any other information required by the commissioner as necessary to explain the company's objectives, management, and control.

(d) The board of directors or governing body of a captive insurance company formed in this state must have at least three members, and at least one of the members must be a resident of this state.

(e) The certificate of formation or bylaws of a captive insurance company must authorize a quorum of the board of directors or governing body to consist of not fewer than one-third of the fixed number of directors or members of the governing body.

Sec. 964.054. RESERVES AND ACCOUNTING BASIS. (a) A captive insurance company shall maintain reserves in an amount stated in the aggregate to provide for the payment of all losses or claims for which the captive insurance company may be liable and that are:

(1) incurred on or before the date of the annual report under Section 964.060, whether reported or unreported; and

(2) unpaid as of the date of the annual report under Section 964.060.

(b) In addition to the reserves required by Subsection (a), a captive insurance company shall maintain reserves in an amount estimated to provide for the expenses of adjustment or settlement of the losses or claims described by Subsection (a).

(c) The captive insurance company shall use generally accepted accounting principles as an accounting basis except that a captive insurance company that is required to hold a certificate of authority under another jurisdiction's insurance laws shall use statutory accounting principles.

Sec. 964.055. CERTIFICATE OF AUTHORITY REQUIRED. (a) An entity may not engage in business as a captive insurance company domiciled in this state unless it holds a certificate of authority issued by the department to act as a captive insurance company. A captive insurance company, when permitted by its certificate of formation, may apply for a certificate of authority under this chapter.

(b) An entity does not qualify for a certificate of authority under this chapter unless:

(1) its affiliates have significant operations in this state, as determined by the commissioner;

(2) its board of directors or governing body holds at least one meeting each year in this state;

(3) it maintains its principal office and books and records in this state, unless the commissioner grants an application to relocate the entity's books and records under Chapter 803; and

(4) it complies with Section 804.101 or 804.102.

Sec. 964.056. CAPITAL AND SURPLUS REQUIREMENTS. (a) The department may not issue a certificate of authority to a captive insurance company unless the company possesses and maintains unencumbered capital and surplus in an amount determined by the commissioner after considering:

(1) the amount of premium written by the captive insurance company;
(2) the characteristics of the assets held by the captive insurance company;
(3) the terms of reinsurance arrangements entered into by the captive insurance company;
(4) the type of business covered in policies issued by the captive insurance company;
(5) the underwriting practices and procedures of the captive insurance company; and
(6) any other criteria that has an impact on the operations of the captive insurance company determined to be significant by the commissioner.

(b) The amount of capital and surplus determined by the commissioner under Subsection (a) may not be less than \$250,000.

(c) The capital and surplus required by Subsection (a) must be in the form of:

(1) United States currency;
(2) an irrevocable letter of credit, in a form approved by the commissioner and not secured by a guarantee from an affiliate, naming the commissioner as beneficiary for the security of the captive insurance company's policyholders and issued by a bank approved by the commissioner;
(3) bonds of this state; or
(4) bonds or other evidences of indebtedness of the United States, the principal and interest of which are guaranteed by the United States.

Sec. 964.057. APPLICATION FOR CERTIFICATE OF AUTHORITY. (a) To obtain a certificate of authority for a captive insurance company, the incorporators or organizers must pay to the commissioner an application fee and file with the commissioner an application for the certificate of authority, which must include:

(1) a financial statement certified by two principal officers;
(2) a plan of operation and projections, which must include an actuarial report prepared by a qualified independent actuary;
(3) the captive insurance company's certificate of formation;
(4) an affidavit by the incorporators, organizers, or officers of the captive insurance company stating that:

(A) the capital and surplus are the bona fide property of the company;
and

(B) the certificate of formation is true and correct; and
(5) if the application provides for the issuance of shares of stock or other type of equity instrument without par value, a certificate authenticated by the incorporators or officers stating:

(A) the number of shares or other type of equity instrument without par value that are subscribed; and

(B) the actual consideration received by the captive insurance company for those shares or other type of equity instrument.

(b) If the commissioner is not satisfied with the affidavit filed under Subsection (a)(4), the commissioner may require that the incorporators, organizers, or officers provide at their expense additional evidence as described by Subsection (a) before the commissioner takes action on the application.

(c) The application fee required under this section is \$1,500 or a greater amount set by the commissioner by rule as necessary to recover the cost of administering this section.

(d) Notwithstanding Subsection (c), for a complete application filed on or before December 30, 2018, the application fee may not exceed \$1,500. This subsection expires January 1, 2019.

(e) Fees collected under this section shall be deposited to the credit of the Texas Department of Insurance operating account.

Sec. 964.058. EXAMINATION BY COMMISSIONER. (a) After the application and application fee for a certificate of authority under Section 964.057 are filed with the department and the applicant has complied with all legal requirements, the commissioner shall conduct an examination of the applicant to determine whether:

(1) the minimum capital and surplus requirements of Section 964.056 are satisfied;

(2) the capital and surplus are the bona fide property of the applicant; and

(3) the applicant has fully complied with applicable insurance laws.

(b) The commissioner may appoint a competent and disinterested person to conduct the examination required by this section. The examiner shall file an affidavit of the examiner's findings with the commissioner. The commissioner shall record the affidavit.

Sec. 964.059. ACTION ON APPLICATION. (a) The commissioner shall determine whether:

(1) the capital structure of the applicant meets the requirements of this chapter;

(2) the officers or directors of the applicant have sufficient insurance experience, ability, standing, and good record to make success of the captive insurance company probable;

(3) the applicant is acting in good faith; and

(4) the applicant otherwise satisfies the requirements of this chapter.

(b) In evaluating the application, the commissioner shall consider:

(1) the amount and liquidity of the applicant's assets relative to the risks to be assumed;

(2) the adequacy of the expertise, experience, and character of each individual who will manage the applicant;

(3) the overall soundness of the applicant's plan of operations and the projections contained in that plan;

(4) whether the applicant's affiliates have significant operations located in this state; and

(5) any other factors the commissioner considers relevant to determine whether the applicant will be able to meet its policy obligations.

(c) If the commissioner determines that the applicant has not met the standards set out by Subsection (a), the commissioner shall deny the application in writing, giving the reason for the denial. On the applicant's request, the commissioner shall hold a hearing on a denial. Not later than the 30th day after the date the commissioner receives the applicant's request for a hearing, the commissioner shall set a hearing date.

(d) If the commissioner does not deny the application under Subsection (c), the commissioner shall approve the application and:

(1) issue to the applicant a certificate of authority to engage in business as provided for in the applicant's certificate of formation;

(2) certify and file the approved document with the department; and

(3) issue a certified copy of the certificate of authority to the applicant's incorporators or officers.

(e) A certificate of authority issued to a captive insurance company under this section may not be sold.

Sec. 964.060. ANNUAL REPORT. (a) A captive insurance company holding a certificate of authority under this chapter is not required to file a report, except as provided by this section, Chapter 223A, and Subtitle C, Title 3.

(b) A captive insurance company that holds a certificate of authority to engage in captive insurance business in this state shall file with the commissioner:

(1) on or before March 1 of each year, a statement of the company's financial condition, verified by two of its executive officers and filed in a format prescribed by the commissioner; and

(2) on or before June 1 of each year, a report of its financial condition at last year-end with an independent certified public accountant's opinion of the company's financial condition.

(c) A captive insurance company may make a written application to the commissioner for filing its annual report required under this section on a fiscal year-end. If an alternative filing date is granted, the company shall file:

(1) the annual report not later than the 60th day after the date of the company's fiscal year-end;

(2) the report of its financial condition at last year-end with an independent certified public accountant's opinion of the company's financial condition not later than the 150th day after the date the annual report is due; and

(3) its balance sheet, income statement, and statement of cash flows, verified by two of its executive officers, before March 1 of each year to provide sufficient detail to support a premium tax return.

Sec. 964.061. INVESTMENTS. (a) A captive insurance company is not subject to a restriction on allowable investments, except as provided by this section.

(b) A captive insurance company may make loans to its affiliates with the prior approval of the commissioner. Each loan must be evidenced by a note approved by the commissioner. A captive insurance company may not make a loan of the minimum capital and surplus funds required by this chapter.

(c) The commissioner may prohibit or limit an investment that threatens the solvency or liquidity of a captive insurance company.

Sec. 964.062. AMENDMENTS TO CERTIFICATE OF FORMATION. A captive insurance company may not amend its certificate of formation unless the amendment has been filed with and approved by the commissioner.

Sec. 964.063. NOTICE OF DIVIDENDS. A captive insurance company shall notify the commissioner in writing when issuing policyholder dividends.

Sec. 964.064. PROHIBITION ON JOINING OR CONTRIBUTING TO CERTAIN ENTITIES AND FUNDS. A captive insurance company may not join or contribute financially to any plan, pool, association, or guaranty or insolvency fund in this state, and a captive insurance company, its insured, or any affiliate is not entitled to receive any benefit from a plan, pool, association, or guaranty or insolvency fund for claims arising out of the operations of the company.

Sec. 964.065. SUSPENSION OR REVOCATION OF CERTIFICATE OF AUTHORITY. The commissioner, after notice and an opportunity for hearing, may revoke or suspend the certificate of authority of a captive insurance company for:

- (1) insolvency or impairment of required capital or surplus to policyholders;
- (2) failure to submit an annual report, as required by Section 964.060;
- (3) failure to comply with the provisions of its own charter or bylaws;
- (4) failure to submit to examination, as required by Chapter 401;
- (5) failure to pay the cost of examination, as required by Chapter 401;
- (6) failure to pay any tax or fee required by this code;
- (7) removal of its principal office or books and records from this state without prior approval of the commissioner;
- (8) use of practices that render its operation detrimental to the public or its condition unsound; or
- (9) failure to otherwise comply with the laws of this state.

Sec. 964.066. STANDARDS FOR RISK MANAGEMENT OF CONTROLLED UNAFFILIATED BUSINESS. The commissioner may adopt rules establishing standards to ensure that an affiliated company is able to exercise control of the risk management function of any controlled unaffiliated business to be insured by the captive insurance company. Until rules under this section are adopted, the commissioner may approve the coverage of these risks by a captive insurance company.

Sec. 964.067. CAPTIVE MANAGERS. Before providing captive management services to a licensed captive insurance company, a captive management company shall register with the commissioner by providing the information required on a form adopted by the commissioner.

Sec. 964.068. MAINTENANCE TAX. A captive insurance company is subject to maintenance tax under Subtitle C, Title 3, on direct premiums for risks located in this state as applicable to the individual lines of business written by the captive insurance company.

Sec. 964.069. RULEMAKING AUTHORITY. The commissioner may adopt reasonable rules as necessary to implement the purposes and provisions of this chapter.

Sec. 964.070. CONFIDENTIALITY. (a) Any information filed by an applicant or captive insurance company under this chapter is confidential and privileged for all purposes, including for purposes of Chapter 552, Government Code, a response to a subpoena, or evidence in a civil action. Except as provided by Subsections (b) and (c), the information may not be disclosed without the prior written consent of the applicant or captive insurance company to which the information pertains.

(b) If the recipient of the information described by Subsection (a) has the legal authority to maintain the confidential or privileged status of the information and verifies that authority in writing, the commissioner or another person may disclose the information to any of the following entities functioning in an official capacity:

(1) a commissioner of insurance or an insurance department of another state;

(2) an authorized law enforcement official;

(3) a district attorney of this state;

(4) the attorney general;

(5) a grand jury;

(6) the National Association of Insurance Commissioners if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Chapter 823;

(7) another state or federal regulator if the applicant or captive insurance company to which the information relates operates in the entity's jurisdiction;

(8) an international insurance regulator or analogous financial agency if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Chapter 823 and the holding company system operates in the entity's jurisdiction; or

(9) members of a supervisory college described by Section 823.0145, if the captive insurance company is affiliated with an insurance company that is part of an insurance holding company system as described in Chapter 823.

(c) The commissioner may use information described by Subsection (a) in the furtherance of a legal or regulatory action relating to the administration of this code.

Sec. 964.071. REDOMESTICATION. (a) An authorized foreign or alien captive insurance company licensed under laws of any jurisdiction may become a domestic captive insurance company in this state on a determination by the commissioner that the authorized foreign or alien captive insurance company has complied with all of the requirements of this chapter for the issuance of a certificate of authority to, and the Business Organizations Code for converting to an entity of this state for, a domestic captive insurance company of the same type.

(b) A domestic captive insurance company, on the approval of the commissioner, may transfer its domicile. On the transfer, the captive insurance company ceases to be a domestic captive insurance company. The commissioner shall approve any proposed transfer unless the commissioner determines the transfer is not in the best interest of the policyholders.

(c) The commissioner may postpone or waive the imposition of any fees or taxes under this code for a period not to exceed two years for any foreign or alien captive insurance company redomesticating to this state.

SECTION 3. Section 203.001(b), Insurance Code, is amended to read as follows:

(b) Except as otherwise provided by this code or the Labor Code, an insurer or health maintenance organization subject to a tax imposed by Chapter 4, 221, 222, 223A, 224, or 257 may not be required to pay any additional tax imposed by this state or a county or municipality in proportion to the insurer's or health maintenance organization's gross premium receipts.

SECTION 4. Section 228.001(11), Insurance Code, is amended to read as follows:

(11) "State premium tax liability" means:

(A) any liability incurred by any person under Chapter 221, 222, 223, 223A, or 224; or

(B) if the tax liability imposed under Chapter 221, 222, 223, or 224 is eliminated or reduced, any tax liability imposed on an insurer or other person that had premium tax liability under Subchapter A, Chapter 4, or Article 9.59 as those laws existed on January 1, 2003.

SECTION 5. Section 171.052(a), Tax Code, is amended to read as follows:

(a) Except as provided by Subsection (c), an insurance organization, title insurance company, or title insurance agent authorized to engage in insurance business in this state now required to pay an annual tax under Chapters 221, 222, 223, 223A, and 224 [~~Chapter 4 or 9~~], Insurance Code, measured by its gross premium receipts is exempted from the franchise tax. A nonadmitted insurance organization that is required to pay a gross premium receipts tax during a tax year is exempted from the franchise tax for that same tax year.

SECTION 6. As soon as practicable after the effective date of this Act, but not later than January 1, 2014, the commissioner of insurance shall adopt rules and procedures necessary to implement Chapter 964, Insurance Code, as added by this Act.

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Floor Amendment No. 1

Amend **CSSB 734** (house committee printing) as follows:

(1) On page 19, line 11, strike "direct" and substitute "the correctly reported gross".

(2) On page 19, line 12, strike "for" and substitute "from writing insurance on".

The amendments were read.

Senator Carona moved to concur in the House amendments to **SB 734**.

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

SENATE BILL 1461 WITH HOUSE AMENDMENT

Senator Carona called **SB 1461** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1461** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to addition of certain municipalities to the territory of a regional transportation authority.

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

SECTION 1. Section 452.6025, Transportation Code, is amended to read as follows:

Sec. 452.6025. ADDITION OF CERTAIN MUNICIPALITIES BY ELECTION. (a) In this section, "special sales and use tax" means a sales and use tax levied by a municipality that is in excess of one percent;

~~[(1) a sales and use tax levied by a municipality under:~~

~~[(A) Chapter 504 or 505, Local Government Code;~~

~~[(B) Section 379A.081, Local Government Code, for the benefit of a municipal development corporation; or~~

~~[(C) Section 363.055, Local Government Code, for the benefit of a crime control and prevention district; or~~

~~[(2) an additional municipal sales and use tax levied by a municipality under Chapter 321, Tax Code].~~

(b) This section applies only to a municipality that levies a special sales and use tax that, when combined with the authority's sales and use tax, would result in a sales and use tax rate of more than two percent in the territory of the municipality.

(c) A [Notwithstanding Section 452.606, a] municipality that does not have territory that is [not] part of an authority may be added to the territory of an authority on a date determined by the executive committee if:

(1) any part of the territory of the municipality is located in a county in which the authority has territory or in a county that is adjacent to a county in which the authority has territory;

(2) the executive committee states, by resolution, the authority's intention to provide transportation services in the territory of the municipality;

(3) [(2)] the governing body of the municipality calls an election on the addition of the territory of the municipality to the territory of the authority; and

(4) [(3)] a majority of the votes cast in the election favor the proposition.

(d) The election in a municipality to approve the addition of the territory of the municipality to the territory of the authority is to be treated for all purposes as an election to reduce the rate of the municipality's special sales and use tax, on the effective date determined by the executive committee, to the highest rate that will not impair the imposition of the authority's sales and use tax.

(e) At any time after the date of the election approving the addition of the territory of the municipality to the territory of the authority, the executive committee and the governing body of the municipality may enter into an interlocal agreement that provides for the eventual admission of the territory of the municipality to the territory of the authority.

(f) Notwithstanding Section 452.607, a sales and use tax imposed by the authority takes effect in the territory of the municipality on the first day of the first calendar quarter that begins after the date the comptroller receives a certified copy of an order adopted by the executive committee adding the territory of the municipality, accompanied by a map of the authority clearly showing the territory added.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

The amendment was read.

Senator Carona moved to concur in the House amendment to **SB 1461**.

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

HOUSE BILL 1664 ON SECOND READING

On motion of Senator Carona and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1664** at this time on its second reading:

HB 1664, Relating to the regulation of banks, trust companies, and bank holding companies.

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 1664 ON THIRD READING

Senator Carona moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1664** 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 1721 ON SECOND READING

On motion of Senator Carona and by unanimous consent, the regular order of business was suspended to take up for consideration **HB 1721** at this time on its second reading:

HB 1721, Relating to use of the Nationwide Mortgage Licensing System and Registry in connection with the regulatory authority of the consumer credit commissioner; affecting 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.

HOUSE BILL 1721 ON THIRD READING

Senator Carona moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1721** 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 BILL 215 WITH HOUSE AMENDMENTS (Motion In Writing)

Senator Birdwell submitted a Motion In Writing to call **SB 215** from the President's table for consideration of the House amendments to the bill.

The Motion In Writing prevailed without objection.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 215** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED AN ACT

relating to the continuation and functions of the Texas Higher Education Coordinating Board, including related changes to the status and functions of the Texas Guaranteed Student Loan Corporation.

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

SECTION 1. Section 61.0511, Education Code, is transferred to Subchapter G, Chapter 51, Education Code, and redesignated as Section 51.359, Education Code, to read as follows:

Sec. 51.359 [~~61.0511~~]. **ROLE AND MISSION STATEMENT.** Each institution of higher education shall develop a statement regarding the role and mission of the institution reflecting the three missions of higher education: teaching, research, and public service.

SECTION 2. Section 51.406, Education Code, is amended by adding Subsection (d) to read as follows:

(d) At least every five years, the Texas Higher Education Coordinating Board shall reevaluate its rules and policies to ensure the continuing need for the data requests the coordinating board imposes on university systems, institutions of higher education, or private or independent institutions of higher education. The coordinating board shall consult with those entities to identify unnecessary data requests and shall eliminate data requests identified as unnecessary from its rules and policies. In this subsection, "private or independent institution of higher education" has the meaning assigned by Section 61.003.

SECTION 3. Subdivisions (2) and (3), Section 56.451, Education Code, are amended to read as follows:

(2) "Eligible institution" means:

(A) a general academic teaching institution, other than a public state college [~~an institution of higher education~~]; [~~or~~]

(B) a medical and dental unit that offers baccalaureate degrees; or
(C) a private or independent institution of higher education that offers baccalaureate degree programs.

(3) "General academic teaching institution," "medical and dental unit," "private or independent institution of higher education," and "public state ~~junior~~ college," ~~and "public technical institute"~~ have the meanings assigned by Section 61.003.

SECTION 4. Subsection (b), Section 56.452, Education Code, is amended to read as follows:

(b) The purpose of this subchapter is to provide no-interest loans to eligible students to enable those students to earn baccalaureate degrees at ~~attend all~~ public and private or independent institutions of higher education in this state.

SECTION 5. Section 56.455, Education Code, is amended to read as follows:

Sec. 56.455. INITIAL ELIGIBILITY FOR LOAN. To be eligible initially for a Texas B-On-time loan, a person must:

(1) be a resident of this state under Section 54.052 or be entitled, as a child of a member of the armed forces of the United States, to pay tuition at the rate provided for residents of this state under Section 54.241;

(2) meet one of the following academic requirements:

(A) be a graduate of a public or private high school in this state who graduated not earlier than the 2002-2003 school year under the recommended or advanced high school program established under Section 28.025(a) or its equivalent;

(B) be a graduate of a high school operated by the United States Department of Defense who:

(i) graduated from that school not earlier than the 2002-2003 school year; and

(ii) at the time of graduation from that school was a dependent child of a member of the armed forces of the United States; or

(C) have received an associate degree from an [eligible] institution of higher education or private or independent institution of higher education not earlier than May 1, 2005;

(3) be enrolled for a full course load for an undergraduate student, as determined by the coordinating board, in a baccalaureate ~~an undergraduate~~ degree ~~or certificate~~ program at an eligible institution;

(4) be eligible for federal financial aid, except that a person is not required to meet any financial need requirement applicable to a particular federal financial aid program; and

(5) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

SECTION 6. Subsection (a), Section 56.456, Education Code, is amended to read as follows:

(a) After initially qualifying for a Texas B-On-time loan, a person may continue to receive a Texas B-On-time loan for each semester or term in which the person is enrolled at an eligible institution only if the person:

(1) is enrolled for a full course load for an undergraduate student, as determined by the coordinating board, in a baccalaureate ~~[an undergraduate]~~ degree ~~[or certificate]~~ program at an eligible institution;

(2) is eligible for federal financial aid, except that a person is not required to meet any financial need requirement applicable to a particular federal financial aid program;

(3) makes satisfactory academic progress toward a degree ~~[or certificate]~~ as determined by the institution at which the person is enrolled, if the person is enrolled in the person's first academic year at the institution;

(4) completed at least 75 percent of the semester credit hours attempted by the person in the most recent academic year and has a cumulative grade point average of at least 2.5 on a four-point scale or the equivalent on all coursework previously attempted at institutions of higher education or private or independent institutions of higher education, if the person is enrolled in any academic year after the person's first academic year; and

(5) complies with any additional nonacademic requirement adopted by the coordinating board.

SECTION 7. Subsections (a) and (b), Section 56.459, Education Code, are amended to read as follows:

(a) The amount of a Texas B-On-time loan for a semester or term for a student enrolled full-time at an eligible institution other than an institution covered by Subsection (b) ~~[(c), or (d)]~~ is an amount determined by the coordinating board as the average statewide amount of tuition and required fees that a resident student enrolled full-time in a baccalaureate ~~[an undergraduate]~~ degree program would be charged for that semester or term at general academic teaching institutions.

(b) The amount of a Texas B-On-time loan for a student enrolled full-time at a private or independent institution of higher education is an amount determined by the coordinating board as the average statewide amount of tuition and required fees that a resident student enrolled full-time in a baccalaureate ~~[an undergraduate]~~ degree program would be charged for that semester or term at general academic teaching institutions.

SECTION 8. Sections 56.461 and 56.462, Education Code, are amended to read as follows:

Sec. 56.461. LOAN PAYMENT DEFERRED. The repayment of a Texas B-On-time loan received by a student under this subchapter is deferred as long as the student remains continuously enrolled in a baccalaureate ~~[an undergraduate]~~ degree ~~[or certificate]~~ program at an eligible institution.

Sec. 56.462. LOAN FORGIVENESS. A student who receives a Texas B-On-time loan shall be forgiven the amount of the student's loan if the student is awarded a baccalaureate ~~[an undergraduate certificate or]~~ degree at an eligible institution with a cumulative grade point average of at least 3.0 on a four-point scale or the equivalent:

(1) within:

(A) four calendar years after the date the student initially enrolled in an ~~[the]~~ institution of higher education or private or independent institution of higher education ~~[or another eligible institution]~~ if []:

~~[(i) the institution is a four-year institution; and~~

~~[(ii) the student is awarded a degree other than a degree in engineering, architecture, or any other program determined by the coordinating board to require more than four years to complete; or~~

~~(B) five calendar years after the date the student initially enrolled in an [the] institution of higher education or private or independent institution of higher education [or another eligible institution] if:~~

~~[(i) the institution is a four-year institution; and~~

~~[(ii) the student is awarded a degree in engineering, architecture, or any other program determined by the coordinating board to require more than four years to complete; or~~

~~[(C) two years after the date the student initially enrolled in the institution or another eligible institution if the institution is a public junior college or public technical institute;] or~~

(2) with a total number of semester credit hours, including transfer credit hours and excluding hours earned exclusively by examination, hours earned for a course for which the student received credit toward the student's high school academic requirements, and hours earned for developmental coursework that an institution of higher education required the student to take under Section 51.3062 or under the former provisions of Section 51.306, that is not more than six hours more than the minimum number of semester credit hours required to complete the ~~[certificate or]~~ degree.

SECTION 9. Subchapter A, Chapter 57, Education Code, is amended by adding Section 57.011 to read as follows:

Sec. 57.011. STATUS OF TEXAS GUARANTEED STUDENT LOAN CORPORATION. (a) The Texas Guaranteed Student Loan Corporation is converted as provided by this section from a public nonprofit corporation created by general law to a nonprofit corporation under Chapter 22, Business Organizations Code.

(b) On or immediately after September 1, 2013, to effectuate the conversion under Subsection (a), the corporation shall file a certificate of formation with the secretary of state or, if the secretary of state determines it appropriate, the corporation shall file a certificate of conversion under Chapter 10, Business Organizations Code.

(c) The corporation as converted under this section continues in existence uninterrupted from the date of its creation, September 1, 1979. The secretary of state shall recognize the continuous existence of the corporation from that date in the certificate of formation or certificate of conversion, as applicable.

(d) The corporation continues to serve as the designated guaranty agency for the State of Texas under the Higher Education Act of 1965 (20 U.S.C. Section 1001 et seq.).

(e) Student loan borrower information collected, assembled, or maintained by the corporation is confidential and is not subject to public disclosure.

SECTION 10. Section 57.01, Education Code, is transferred to Section 61.002, Education Code, redesignated as Subsection (c), Section 61.002, Education Code, and amended to read as follows:

(c) Postsecondary [Sec. 57.01. DECLARATION OF POLICY. The legislature, giving due consideration to the historical and continuing interest of the people of the State of Texas in encouraging deserving and qualified persons to realize their aspirations for education beyond high school, finds and declares that postsecondary] education for qualified Texans [those] who desire to pursue such [an] education [and are properly qualified therefor] is important to the welfare and security of this state and the nation and, consequently, is an important public purpose. The legislature finds and declares that the state can achieve its full economic and social potential only if every individual has the opportunity to contribute to the full extent of the individual's [his or her] capabilities and only when financial barriers to the individual's [his or her] economic, social, and educational goals are removed. In order to facilitate the removal of those barriers, the board, in consultation with one or more nonprofit entities with experience providing the services on a statewide basis, may [It is, therefore, the purpose of this chapter to establish the Texas Guaranteed Student Loan Corporation to:

[(1) administer a guaranteed student loan program to assist qualified Texas students in receiving a postsecondary education in this state or elsewhere in the nation; and

[(2)] provide necessary and desirable services related to financial aid services [the loan program], including cooperative awareness efforts with appropriate educational and civic associations designed to disseminate postsecondary education awareness information, including information regarding available grant and loan programs and [student financial aid and the Federal Family Education Loan Program, and other relevant topics including] the prevention of student loan default.

SECTION 11. Section 61.0211, Education Code, is amended to read as follows:

Sec. 61.0211. SUNSET PROVISION. The Texas Higher Education Coordinating Board is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished and this chapter expires September 1, 2025 [2013].

SECTION 12. Subsection (a), Section 61.022, Education Code, is amended to read as follows:

(a) The board shall consist of nine members appointed by the governor so as to provide representation from all areas of the state with the advice and consent of the senate, and as the constitution provides. One-third of the members must possess experience in the field of higher education governance or administration so that the board includes experience from both general academic teaching institutions and public junior colleges or public technical institutes. In making an appointment under this section, the governor may consider appointing a person with experience in higher education governance or administration from a private or independent institution of higher education. Members of the board serve staggered six-year terms. The terms of one-third of the members expire August 31 of each odd-numbered year.

SECTION 13. Subsection (d), Section 61.025, Education Code, is amended to read as follows:

(d) The board shall develop and implement policies that provide the public with a reasonable opportunity to appear before the board and to speak on any issue under the jurisdiction of the board, including a policy to specifically provide, as an item on the board's agenda at each meeting, an opportunity for public comment before the board makes a decision on any agenda item.

SECTION 14. Section 61.026, Education Code, is amended to read as follows:

Sec. 61.026. COMMITTEES AND ADVISORY COMMITTEES. (a) The chair [chairman] may appoint committees from the board's membership as the chair [he] or the board considers [may find] necessary [from time to time].

(b) The board may appoint advisory committees from outside its membership as the board considers [it may deem] necessary. Chapter 2110, Government Code, applies to an advisory committee appointed by the chair or the board. The board shall adopt rules, in compliance with Chapter 2110, Government Code, regarding an advisory committee that primarily functions to advise the board, including rules governing an advisory committee's purpose, tasks, reporting requirements, and abolishment date. A board member may not serve on a board advisory committee.

(c) The board may adopt rules under this section regarding an advisory committee's:

- (1) size and quorum requirements;
- (2) qualifications for membership, including experience requirements and geographic representation;
- (3) appointment procedures;
- (4) terms of service; and
- (5) compliance with the requirements for open meetings under Chapter 551,

Government Code.

(d) Each advisory committee must report its recommendations directly to the board.

SECTION 15. Subchapter B, Chapter 61, Education Code, is amended by adding Section 61.0331 to read as follows:

Sec. 61.0331. NEGOTIATED RULEMAKING REQUIRED. (a) The board shall engage affected institutions of higher education in a negotiated rulemaking process as described by Chapter 2008, Government Code, if:

(1) at any time the board determines that the development of a policy, procedure, or rule is likely to be controversial; or

(2) not later than the 15th day after the date notice of a potential policy, procedure, or rule is provided to the affected institutions, in the Texas Register or otherwise, at least one-half of the affected institutions request negotiated rulemaking and agree to share the costs of the process, including those of the facilitator.

(b) The board shall determine the sharing of costs under this section by rule.

(c) This section expires September 1, 2017.

SECTION 16. Subchapter B, Chapter 61, Education Code, is amended by adding Section 61.035 to read as follows:

Sec. 61.035. COMPLIANCE MONITORING. (a) The board, in consultation with affected stakeholders, shall adopt rules to establish an agency-wide, risk-based compliance monitoring function for:

(1) funds allocated by the board to institutions of higher education, private or independent institutions of higher education, and other entities, including student financial assistance funds, academic support grants, and any other grants, to ensure that those funds are distributed in accordance with applicable law and board rule; and

(2) data reported by institutions of higher education to the board and used by the board for funding or policymaking decisions, including data used for formula funding allocations, to ensure the data is reported accurately.

(b) For purposes of this section, student financial assistance includes grants, scholarships, loans, and work-study.

(c) After considering potential risks and the board's resources, the board shall review a reasonable portion of the total funds allocated by the board and of data reported to the board. The board shall use various levels of monitoring, according to risk, ranging from checking reported data for errors and inconsistencies to conducting comprehensive audits, including site visits.

(d) In developing the board's risk-based approach to compliance monitoring under this section, the board shall consider the following factors relating to an institution of higher education or private or independent institution of higher education:

(1) the amount of student financial assistance or grant funds allocated to the institution by the board;

(2) whether the institution is required to obtain and submit an independent audit;

(3) the institution's internal controls;

(4) the length of time since the institution's last desk review or site visit;

(5) past misuse of funds or misreported data by the institution;

(6) in regard to data verification, whether the data reported to the board by the institution is used for determining funding allocations; and

(7) other factors as considered appropriate by the board.

(e) The board shall train compliance monitoring staff to ensure that the staff has the ability to monitor both funds compliance and data reporting accuracy. Program staff in other board divisions who conduct limited monitoring and contract administration shall coordinate with the compliance monitoring function to identify risks and avoid duplication.

(f) If the board determines through its compliance monitoring function that funds awarded by the board to an institution of higher education or private or independent institution of higher education have been misused or misallocated by the institution, the board shall present its determination to the institution's governing board, or to the institution's chief executive officer if the institution is a private or independent institution of higher education, and provide an opportunity for a response from the institution. Following the opportunity for response, the board shall report its determination and the institution's response, together with any recommendations, to the institution's governing board or chief executive officer, as applicable, the governor, and the Legislative Budget Board.

(g) If the board determines through its compliance monitoring function that an institution of higher education has included errors in the institution's data reported for formula funding, the board:

(1) for a public junior college, may adjust the appropriations made to the college for a fiscal year as necessary to account for the corrected data; and

(2) for a general academic teaching institution, a medical and dental unit, or a public technical institute, shall calculate a revised appropriation amount for the applicable fiscal year based on the corrected data and report that revised amount to the governor and Legislative Budget Board for consideration as the basis for budget execution or other appropriate action, and to the comptroller.

(h) In conducting the compliance monitoring function under this section, the board may partner with internal audit offices at institutions of higher education and private or independent institutions of higher education, as institutional resources allow, to examine the institutions' use of funds allocated by, and data reported to, the board. To avoid duplication of effort and assist the board in identifying risk, an internal auditor at an institution shall notify the board of any audits conducted by the auditor involving funds administered by the board or data reported to the board. A private or independent institution of higher education shall notify the board of any external audits involving funds administered by the board. The board by rule may determine the timing and format of the notification required by this subsection.

(i) The board may seek technical assistance from the state auditor in establishing the compliance monitoring function under this section. The state auditor may periodically audit the board's compliance monitoring function as the state auditor considers appropriate.

(j) In this section:

(1) "Desk review" means an administrative review by the board that is based on information reported by an institution of higher education or private or independent institution of higher education, including supplemental information required by the board for the purposes of compliance monitoring, except that the term does not include information or accompanying notes gathered by the board during a site visit.

(2) "Site visit" means an announced or unannounced in-person visit by a representative of the board to an institution of higher education or private or independent institution of higher education for the purposes of compliance monitoring.

SECTION 17. Section 61.051, Education Code, is amended by amending Subsections (a), (a-1), (a-2), and (a-3) and adding Subsection (a-5) to read as follows:

(a) The board represents ~~[shall represent]~~ the highest authority in the state in matters of public higher education and is charged with the duty to take an active part in promoting quality education throughout ~~[in the various regions of]~~ the state by:

(1) providing a statewide perspective to ensure the efficient and effective use of higher education resources and to eliminate unnecessary duplication;

(2) developing and evaluating progress toward a long-range master plan for higher education and providing analysis and recommendations to link state spending for higher education with the goals of the long-range master plan;

(3) collecting and making accessible data on higher education in the state and aggregating and analyzing that data to support policy recommendations;

(4) making recommendations to improve the efficiency and effectiveness of transitions, including between high school and postsecondary education, between institutions of higher education for transfer purposes, and between postsecondary education and the workforce; and

(5) administering programs and trusteed funds for financial aid and other grants as necessary to achieve the state's long-range goals and as directed by the legislature. ~~[The board shall be responsible for assuring that there is no discrimination in the distribution of programs and resources throughout the state on the basis of race, national origin, or sex.]~~

(a-1) The board shall develop a long-range ~~[five-year]~~ master plan for higher education in this state. The ~~[five-year]~~ plan shall:

(1) establish long-term, measurable goals and provide strategies for implementing those goals;

(2) assess the higher education needs of each region of the state;

(3) provide for regular evaluation and revision of the plan, as the board considers necessary, to ensure the relevance of goals and strategies; and

(4) take into account the resources of private or independent institutions of higher education ~~[in this state].~~

(a-2) The board shall establish methods for obtaining input from stakeholders and the general public when developing or revising ~~[periodically review and revise]~~ the long-range ~~[five-year]~~ master plan developed under Subsection (a-1). ~~[As a specific element of its review, the board shall identify and analyze the degree to which the plan reflects the continuing higher education needs of this state, as well as any policy changes necessary to improve overall implementation of the plan and the fiscal impact of those changes. The board shall establish procedures for monitoring the board's implementation of the plan, including an analysis of the degree to which its current activities support implementation of the plan and any change in board rules or practices necessary to improve implementation of the plan. The board shall identify additional strategies necessary to achieve the goals of the plan, emphasizing implementation by institutions of higher education and specific recommendations for the different regions of the state. The board shall notify each institution of higher education of all strategies for implementing the plan.]~~

(a-3) Not later than December 1 of each even-numbered year, the board shall prepare and deliver a report to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing committees of the senate and house of representatives with primary jurisdiction over higher education ~~[The board shall inform the legislature on matters pertaining to higher education, including the state's activities in the Board of Control for Southern Regional Education, and shall report to the legislature not later than January 1 of each odd numbered year on the state of higher education in Texas].~~ In the ~~[biennial]~~ report, the board shall assess the state's progress in meeting the goals established ~~[stated]~~ in the long-range master plan developed under Subsection (a-1) and ~~[shall]~~ recommend legislative action, including statutory or funding changes, to assist the state in meeting those goals. The report must include updates on implementation strategies provided for in the long-range master plan ~~[the analyses performed in connection with the board's periodic review]~~ under Subsection (a-1) ~~[(a-2)].~~

(a-5) In conjunction with development of the long-range master plan under Subsection (a-1), the board shall evaluate the role and mission of each general academic teaching institution, other than a public state college, to ensure that the roles and missions of the institutions collectively contribute to the state's goals identified in the master plan.

SECTION 18. Section 61.0512, Education Code, is amended to read as follows:

Sec. 61.0512. BOARD APPROVAL OF ACADEMIC ~~[NEW DEGREE]~~ PROGRAMS~~[- NOTIFICATION TO BOARD]~~. (a) A new degree or certificate program may be added at an institution of higher education only with specific prior approval of the board. A new degree or certificate program is considered approved if the board has not completed a review under this section and acted to approve or disapprove the proposed program before the first anniversary of the date on which an institution of higher education submits a completed application for approval to the board. The board may not summarily disapprove a program without completing the review required by this section. The board shall specify by rule the elements that constitute a completed application and shall make an administrative determination of the completeness of the application not later than the fifth business day after receiving the application. A request for additional information in support of an application that has been determined administratively complete does not toll the period within which the application is considered approved under this section.

(b) At the time an institution of higher education ~~[a public senior college or university]~~ begins preliminary planning for a new degree program ~~[or a new organizational unit to administer a new degree program]~~, the institution must ~~[college or university shall]~~ notify the board before the institution may carry out that planning~~[- In the implementation of this subsection, the board may not require additional reports from the institutions].~~

(c) The board shall review each degree or certificate program offered by an institution of higher education at the time the institution requests to implement a new program to ensure that the program:

(1) is needed by the state and the local community and does not unnecessarily duplicate programs offered by other institutions of higher education or private or independent institutions of higher education;

(2) has adequate financing from legislative appropriation, funds allocated by the board, or funds from other sources;

(3) has necessary faculty and other resources to ensure student success; and

(4) meets academic standards specified by law or prescribed by board rule, including rules adopted by the board for purposes of this section, or workforce standards established by the Texas Workforce Investment Council.

(d) The board may review the number of degrees or certificates awarded through a degree or certificate program every four years or more frequently, at the board's discretion.

(e) The board shall review each degree or certificate program offered by an institution of higher education at least every 10 years after a new program is established using the criteria prescribed by Subsection (c).

(f) The board may not order the consolidation or elimination of any degree or certificate program offered by an institution of higher education but may, based on the board's review under Subsections (d) and (e), recommend such action to an institution's governing board. If an institution's governing board does not accept recommendations to consolidate or eliminate a degree or certificate program, the university system or, where a system does not exist, the institution, must identify the programs recommended for consolidation or elimination on the next legislative appropriations request submitted by the system or institution.

(g) An institution of higher education may offer off-campus courses for credit within the state or distance learning courses only with specific prior approval of the board. An institution must certify to the board that a course offered for credit outside the state meets the board's academic criteria. An institution shall include the certification in submitting any other reports required by the board.

SECTION 19. The heading to Section 61.055, Education Code, is amended to read as follows:

Sec. 61.055. ~~[INITIATION OF NEW DEPARTMENTS, SCHOOLS, AND PROGRAMS;]~~ PARTNERSHIPS OR AFFILIATIONS.

SECTION 20. Subsection (a), Section 61.055, Education Code, is amended to read as follows:

(a) The board shall encourage cooperative programs and agreements among institutions of higher education, including programs and agreements relating to degree offerings, research activities, and library and computer sharing. [Except as otherwise provided by law, a new department, school, or degree or certificate program approved by the board or its predecessor, the Texas Commission on Higher Education, may not be initiated by any institution of higher education until the board has made a written finding that the department, school, or degree or certificate program is adequately financed by legislative appropriation, by funds allocated by the board, or by funds from other sources.]

SECTION 21. Subsection (l), Section 61.051, Education Code, is transferred to Subchapter C, Chapter 61, Education Code, redesignated as Section 61.0571, Education Code, and amended to read as follows:

Sec. 61.0571. BOARD ASSISTANCE TO INSTITUTIONS. (a) [(4)] The board shall advise and offer technical assistance on the request of any institution of higher education or system administration.

SECTION 22. Subsection (n), Section 61.051, Education Code, is transferred to Section 61.0571, Education Code, as added by this Act, and redesignated as Subsection (b), Section 61.0571, Education Code, to read as follows:

(b) [(n)] The board shall develop guidelines for institutional reporting of student performance.

SECTION 23. Subsection (a-4), Section 61.051, Education Code, is transferred to Subchapter C, Chapter 61, Education Code, redesignated as Section 61.0661, Education Code, and amended to read as follows:

Sec. 61.0661. OPPORTUNITIES FOR GRADUATE MEDICAL EDUCATION. (a) ~~[(a-4)]~~ The board shall conduct ~~[include in the five-year master plan developed under Subsection (a-1)]~~ an assessment of the adequacy of opportunities for graduates of medical schools in this state to enter graduate medical education in this state. The assessment must:

- (1) compare the number of first-year graduate medical education positions available annually with the number of medical school graduates;
- (2) include a statistical analysis of recent trends in and projections of the number of medical school graduates and first-year graduate medical education positions in this state;
- (3) develop methods and strategies for achieving a ratio for the number of first-year graduate medical education positions to the number of medical school graduates in this state of at least 1.1 to 1;
- (4) evaluate current and projected physician workforce needs of this state, by total number and by specialty, in the development of additional first-year graduate medical education positions; and
- (5) examine whether this state should ensure that a first-year graduate medical education position is created in this state for each new medical student position established by a medical and dental unit.

(b) Not later than December 1 of each even-numbered year, the board shall report the results of the assessment to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing committees of the senate and house of representatives with primary jurisdiction over higher education.

SECTION 24. Subsection (h), Section 61.051, Education Code, is transferred to Subchapter C, Chapter 61, Education Code, redesignated as Section 61.0662, Education Code, and amended to read as follows:

Sec. 61.0662. INFORMATION ON RESEARCH CONDUCTED BY INSTITUTIONS. (a) ~~[(h) The board shall make continuing studies of the needs of the state for research and designate the institutions of higher education to perform research as needed.]~~ The board shall ~~[also]~~ maintain an inventory of all institutional and programmatic research activities being conducted by the various institutions of higher education, whether state-financed or not.

(b) Once a year, on dates prescribed by the board, each institution of higher education shall report to the board all research conducted at that institution during the ~~[last]~~ preceding year.

(c) All reports required by this section ~~[subsection]~~ shall be made subject to the limitations imposed by security regulations governing defense contracts for research.

SECTION 25. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.069 to read as follows:

Sec. 61.069. BOARD ROLE IN ESTABLISHING BEST PRACTICES. (a) The board may administer or oversee a program to identify best practices only in cases where funding or other restrictions prevent entities other than the board from administering the program.

(b) The board may initiate a new pilot project only if other entities, including nonprofit organizations and institutions of higher education, are not engaging in similar projects or if the initiative cannot be performed by another entity.

(c) The board may use its position as a statewide coordinator to assist with matching nonprofit organizations or grant-funding entities with institutions of higher education and private or independent institutions of higher education to implement proven programs and best practices.

(d) The board may compile best practices and strategies resulting from its review of external studies for use in providing technical assistance to institutions of higher education and as the basis for the board's statewide policy recommendations.

SECTION 26. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.0763 to read as follows:

Sec. 61.0763. STUDENT LOAN DEFAULT PREVENTION AND FINANCIAL AID LITERACY PILOT PROGRAM. (a) In this section, "career school or college" has the meaning assigned by Section 132.001.

(b) Not later than January 1, 2014, the board shall establish and administer a pilot program at selected postsecondary educational institutions to ensure that students of those institutions are informed consumers with regard to all aspects of student financial aid, including:

(1) the consequences of borrowing to finance a student's postsecondary education;

(2) the financial consequences of a student's academic and career choices;
and

(3) strategies for avoiding student loan delinquency and default.

(c) The board shall select at least one institution from each of the following categories of postsecondary educational institutions to participate in the program:

(1) general academic teaching institutions;

(2) public junior colleges;

(3) private or independent institutions of higher education; and

(4) career schools or colleges.

(d) In selecting postsecondary educational institutions to participate in the pilot program, the board shall give priority to institutions that have a three-year cohort student loan default rate, as reported by the United States Department of Education:

(1) of more than 20 percent; or

(2) that has above average growth as compared to the rates of other postsecondary educational institutions in this state.

(e) The board, in consultation with postsecondary educational institutions, shall adopt rules for the administration of the pilot program, including rules governing the selection of postsecondary educational institutions to participate in the pilot program consistent with the requirements of Subsection (d).

(f) The board may contract with one or more entities to administer the pilot program according to criteria established by board rule.

(g) Not later than January 1 of each year, beginning in 2016:

(1) the board shall submit a report to the governor, the lieutenant governor, and the speaker of the house of representatives regarding the outcomes of the pilot program, as reflected in the federal student loan default rates reported for the participating institutions; and

(2) each participating institution shall submit a report to the governor, the lieutenant governor, and the speaker of the house of representatives regarding the outcomes of the pilot program at the institution, as reflected in the federal student loan default rate reported for the institution.

(h) This section expires December 31, 2020.

SECTION 27. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.07761 to read as follows:

Sec. 61.07761. FINANCIAL AID AND OTHER TRUSTEED FUNDS ALLOCATION. (a) For any funds trusted to the board for allocation to institutions of higher education and private or independent institutions of higher education, including financial aid program funds, the board by rule shall:

(1) establish and publish the allocation methodologies; and

(2) develop procedures to verify the accuracy of the application of those allocation methodologies by board staff.

(b) The board shall consult with affected stakeholders before adopting rules under this section.

SECTION 28. The heading to Section 61.822, Education Code, is amended to read as follows:

Sec. 61.822. TRANSFER OF CREDITS; CORE CURRICULUM.

SECTION 29. Section 61.822, Education Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) The board shall encourage the transferability of lower division course credit among institutions of higher education.

(a-1) The board, with the assistance of advisory committees composed of representatives of institutions of higher education, shall develop a recommended core curriculum of at least 42 semester credit hours, including a statement of the content, component areas, and objectives of the core curriculum. At least a majority of the members of any advisory committee named under this section shall be faculty members of an institution of higher education. An institution shall consult with the faculty of the institution before nominating or recommending a person to the board as the institution's representative on an advisory committee.

SECTION 30. The heading to Chapter 142, Education Code, is amended to read as follows:

CHAPTER 142. NORMAN HACKERMAN ADVANCED RESEARCH PROGRAM; ADVANCED TECHNOLOGY PROGRAM

SECTION 31. Section 142.001, Education Code, is amended by amending Subdivisions (1) and (4) and adding Subdivisions (1-a) and (6) to read as follows:

(1) "Applied research" means research directed at gaining the knowledge or understanding necessary to meet a specific and recognized need, including the discovery of new scientific knowledge that has specific objectives relating to products or processes.

(1-a) "Basic research" means research the primary object of which is to gain a fuller fundamental knowledge of the subject under study.

(4) "Research program [Program]" means the Norman Hackerman advanced research program established under this chapter.

(6) "Technology program" means the advanced technology program established under this chapter.

SECTION 32. The heading to Section 142.002, Education Code, is amended to read as follows:

Sec. 142.002. NORMAN HACKERMAN ADVANCED RESEARCH PROGRAM; PURPOSE.

SECTION 33. Section 143.002, Education Code, is transferred to Chapter 142, Education Code, redesignated as Section 142.0025, Education Code, and amended to read as follows:

Sec. 142.0025 [~~143.002~~]. ADVANCED TECHNOLOGY PROGRAM [ESTABLISHMENT]; PURPOSE. (a) It is essential to the state's economic growth that the state ~~[it]~~ exploit the potential of technology to advance the development and growth of technology and that industry be promoted and expanded. The advanced technology program is established as a means to accomplish this purpose.

(b) Providing appropriated funds to faculty members of institutions of higher education [public] and private or independent institutions of higher education to conduct applied research is important to the state's welfare and, consequently, is an important public purpose for the expenditure of public funds because the applied research will enhance the state's economic growth by:

- (1) educating the state's scientists and engineers;
- (2) creating new products and production processes; and
- (3) contributing to the application of science and technology to state businesses.

SECTION 34. Section 142.003, Education Code, is amended to read as follows:

Sec. 142.003. ADMINISTRATION; GUIDELINES AND PROCEDURES. (a) The coordinating board shall administer the technology program and the research program.

(b) The coordinating board shall appoint an advisory committee that consists of experts in the specified research areas of both programs to advise the coordinating board regarding the coordinating board's development of research priorities, guidelines, and procedures for the selection of specific projects at eligible institutions.

(c) The guidelines and procedures developed for the research program by the coordinating board must:

(1) provide for awards on a competitive, peer review basis for specific projects at eligible institutions; and

(2) require that, as a condition of receiving an award, an eligible institution must use a portion of the award to support, in connection with the project for which the award is made, basic research conducted by:

(A) graduate or undergraduate students, if the eligible institution is a medical and dental unit; or

(B) undergraduate students, if the eligible institution is any other eligible institution [of higher education].

(d) The guidelines and procedures developed for the technology program by the coordinating board must:

(1) provide for determining whether an institution of higher education or private or independent institution of higher education qualifies as an eligible institution for the purposes of the technology program by demonstrating exceptional capability to attract federal, state, and private funding for scientific and technical research and having an exceptionally strong research staff and the necessary equipment and facilities; and

(2) provide for awards on a competitive, peer review basis for specific projects at eligible institutions.

(e) The coordinating board shall encourage projects under the technology program that leverage funds from other sources and projects that propose innovative, collaborative efforts:

(1) across academic disciplines;

(2) among two or more eligible institutions; or

(3) between an eligible institution or institutions and private industry.

SECTION 35. Section 143.003, Education Code, is transferred to Chapter 142, Education Code, redesignated as Section 142.0035, Education Code, and amended to read as follows:

Sec. 142.0035 [~~143.003~~]. TECHNOLOGY PROGRAM: PRIORITY RESEARCH AREAS. The technology program may provide support for faculty members to conduct research in areas determined by an advisory panel appointed by the coordinating board. Initial research areas shall include: agriculture, biotechnology, biomedicine, energy, environment, materials science, microelectronics, aerospace, marine science, aquaculture, telecommunications, manufacturing science, environmental issues affecting the Texas-Mexico border region, the reduction of industrial, agricultural, and domestic water use, recycling, and related disciplines. The advisory committee appointed under Section 142.003(b) [~~panel~~] may add or delete priority research areas as the advisory committee [~~panel~~] considers warranted.

SECTION 36. Section 142.004, Education Code, is amended by amending Subsections (a) and (c) and adding Subsections (c-1) and (f) to read as follows:

(a) The programs created under this chapter are [~~program is~~] funded by appropriations and by gifts, grants, and donations made for purposes of each [~~the~~] program.

(c) The funds allocated [~~appropriated~~] for the research program may be expended to support the particular projects for which an award is made and may not be expended for the general support of ongoing research at an eligible institution or for the construction or remodeling of a facility.

(c-1) The funds allocated for the technology program may be:

(1) expended to support particular research projects for which an award is made, and may not be expended for the general support of ongoing research and instruction at an eligible institution or for the construction or remodeling of a facility; and

(2) used to match a grant provided by private industry for a particular collaborative research project with an eligible institution.

(f) The advisory committee appointed under Section 142.003(b) shall determine when and to what extent funds appropriated under this chapter will be allocated to each program under this chapter unless the legislature specifies a division in the General Appropriations Act.

SECTION 37. Sections 142.006 and 142.007, Education Code, are amended to read as follows:

Sec. 142.006. MERIT REVIEW. (a) The coordinating board shall appoint a committee that consists of experts in the specified research areas to evaluate the research program's effectiveness and report its findings to the coordinating board not later than January 31 of each odd-numbered year.

(b) The coordinating board shall appoint a committee consisting of representatives of higher education and private enterprise advanced technology research organizations to evaluate the technology program's effectiveness and report its findings to the coordinating board not later than January 31 of each odd-numbered year.

Sec. 142.007. CONFIDENTIALITY. Information submitted as part of a pre-proposal or proposal or related to the evaluation and selection of research projects to be funded by the research program or technology program is confidential unless made public by coordinating board rule.

SECTION 38. Section 143.0051, Education Code, is transferred to Chapter 142, Education Code, and redesignated as Section 142.009, Education Code, to read as follows:

Sec. 142.009 [~~143.0051~~]. APPLIED RESEARCH FOR CLEAN COAL PROJECT AND OTHER PROJECTS FOR ELECTRICITY GENERATION. The coordinating board shall use money available for the purpose from legislative appropriations, including gifts, grants, and donations, to support at one or more eligible institutions applied research related to:

(1) the development, construction, and operation in this state of a clean coal project, as defined by Section 5.001, Water Code; or

(2) electricity generation using lignite coal deposits in this state or integrated gasification combined cycle technology.

SECTION 39. Subsection (f), Section 130.0012, Education Code, is amended to read as follows:

(f) Each public junior college that offers a baccalaureate degree program under this section must enter into an articulation agreement for the first five years of the program with one or more general academic teaching institutions to ensure that students enrolled in the degree program have an opportunity to complete the degree if the public junior college ceases to offer the degree program. The coordinating board may require a general academic teaching institution that offers a comparable degree program to enter into an articulation agreement with the public junior college as provided by this subsection.

SECTION 40. Subsection (f), Section 42.0421, Human Resources Code, as added by Chapter 82 (S.B. 265), Acts of the 82nd Legislature, Regular Session, 2011, is amended to read as follows:

(f) The training required by this section must be appropriately targeted and relevant to the age of the children who will receive care from the individual receiving training and must be provided by a person who:

(1) is a training provider registered with the Texas Early Care and Education Career Development System's Texas Trainer Registry that is maintained by the Texas Head Start State Collaboration Office;

(2) is an instructor at a public or private secondary school, ~~an [or at a public or private]~~ institution of higher education, as defined by Section ~~61.003 [61.801]~~, Education Code, or a private college or university accredited by a recognized accrediting agency who teaches early childhood development or another relevant course, as determined by rules adopted by the commissioner of education and the commissioner of higher education;

(3) is an employee of a state agency with relevant expertise;

(4) is a physician, psychologist, licensed professional counselor, social worker, or registered nurse;

(5) holds a generally recognized credential or possesses documented knowledge relevant to the training the person will provide;

(6) is a registered family home care provider or director of a day-care center or group day-care home in good standing with the department, if applicable, and who:

(A) has demonstrated core knowledge in child development and caregiving; and

(B) is only providing training at the home or center in which the provider or director and the person receiving training are employed; or

(7) has at least two years of experience working in child development, a child development program, early childhood education, a childhood education program, or a Head Start or Early Head Start program and:

(A) has been awarded a Child Development Associate (CDA) credential; or

(B) holds at least an associate's degree in child development, early childhood education, or a related field.

SECTION 41. The following provisions of the Education Code are repealed:

(1) Chapters 144, 147, 148, and 152;

(2) Subchapters J, M, Q, and X, Chapter 51;

(3) Subchapters B and D, Chapter 57;

(4) Subchapters K, P, Q, U, and W, Chapter 61;

(5) Section 51.916; Subsection (f), Section 52.17; Section 52.56; Subsection (d), Section 56.456; and Subsections (c) and (d), Section 56.459;

(6) Subdivisions (1) and (3), Section 57.02;

(7) Sections 57.41, 57.42, 57.43, 57.44, 57.45, 57.46, 57.461, 57.47, 57.471, 57.481, and 57.50;

(8) Subsections (b), (c), (d), (e), (f), (g), (i), (j), (k), (m), (o), (p), and (q), Section 61.051;

(9) Subsections (i) and (i-1), Section 61.059; Sections 61.0591, 61.0631, and 61.066; Subsection (d), Section 61.0761; Sections 61.078, 61.088, and 61.660; and Subsection (c), Section 62.096; and

(10) Sections 143.001, 143.004, 143.005, 143.007, and 143.008.

SECTION 42. (a) The change in law made by this Act in amending Subchapter Q, Chapter 56, Education Code, applies beginning with Texas B-On-time loans awarded for the 2014-2015 academic year.

(b) Notwithstanding Subsection (a) of this section, a student who first receives a Texas B-On-time loan for a semester or other academic term before the 2014 fall semester may continue to receive Texas B-On-time loans under Subchapter Q, Chapter 56, Education Code, as that subchapter existed immediately before the effective date of this Act, as long as the student remains eligible for a Texas B-On-time loan under the former law, and is entitled to obtain forgiveness of the loans as permitted by Section 56.462, Education Code, as that section existed immediately before the effective date of this Act. The Texas Higher Education Coordinating Board shall adopt rules to administer this subsection and shall notify each student who receives a Texas B-On-time loan in the 2013-2014 academic year of the provisions of this subsection.

SECTION 43. The change in law made by Subsection (a), Section 61.022, Education Code, as amended by this Act, regarding the qualifications of members of the Texas Higher Education Coordinating Board does not affect the entitlement of a member serving on the coordinating board immediately before the effective date of this Act to continue to serve as a member of the coordinating board for the remainder of the member's term. As the terms of coordinating board members expire, the governor shall appoint or reappoint a member who has the required experience until the composition of the coordinating board meets the requirements under Subsection (a), Section 61.022, Education Code, as amended by this Act.

SECTION 44. The Texas Higher Education Coordinating Board shall adopt rules for the administration of Section 61.0763, Education Code, as added by this Act, as soon as practicable after this Act takes effect. For that purpose, the coordinating board may adopt the initial rules in the manner provided by law for emergency rules.

SECTION 45. The Texas Higher Education Coordinating Board shall adopt rules as required by Section 61.07761, Education Code, as added by this Act, as soon as practicable after this Act takes effect. For that purpose, the coordinating board may adopt the initial rules in the manner provided by the law for emergency rules.

SECTION 46. This Act takes effect September 1, 2013.

Floor Amendment No. 1

Amend **CSSB 215** (house committee printing) as follows:

- (1) On page 7, line 18, strike "created by general law".
- (2) On page 8, line 1, strike "September 1, 1979" and substitute "August 27, 1979".

Floor Amendment No. 2

Amend **CSSB 215** (house committee printing) by striking the text on page 15, lines 14 through 18, and substituting the following:

to the board. The board by rule may prescribe the timing and format of the notification required by this subsection. The board by rule shall require a private or independent institution of higher education to provide to the board the institution's external audit

involving funds administered by the board. The private or independent institution of higher education's external audit must comply with the board's rules for auditing those funds.

Floor Amendment No. 3

Amend **CSSB 215** (house committee printing) as follows:

(1) On page 37, line 3, strike "and 57.50" and substitute "57.50, 58.001, 58.003, 58.004, and 58.005".

(2) Add the following appropriately numbered subdivisions to SECTION 41 of the bill and renumber the other subdivisions of that SECTION accordingly:

() Subchapter T, Chapter 61;

() Section 29.185(b);

() Subsections (b), (c), (d), and (e), Section 58.002;

(3) Add the following appropriately numbered SECTIONS to the bill and renumber the remaining SECTIONS of the bill accordingly:

SECTION _____. Section 28.009(d)(2), Education Code, is amended to read as follows:

(2) "Sequence of courses" means career and technical education courses approved by the State Board of Education or [] innovative courses approved by the State Board of Education that are provided for local credit[~~, or a tech prep program of study under Section 61.852~~].

SECTION _____. Section 39.301(c), Education Code, is amended to read as follows:

(c) Indicators for reporting purposes must include:

(1) the percentage of graduating students who meet the course requirements established by State Board of Education rule for the minimum high school program, the recommended high school program, and the advanced high school program;

(2) the results of the SAT, ACT, [~~articulated postsecondary degree programs described by Section 61.852,~~] and certified workforce training programs described by Chapter 311, Labor Code;

(3) for students who have failed to perform satisfactorily, under each performance standard under Section 39.0241, on an assessment instrument required under Section 39.023(a) or (c), the performance of those students on subsequent assessment instruments required under those sections, aggregated by grade level and subject area;

(4) for each campus, the number of students, disaggregated by major student subpopulations, that agree under Section 28.025(b) to take courses under the minimum high school program;

(5) the percentage of students, aggregated by grade level, provided accelerated instruction under Section 28.0211(c), the results of assessment instruments administered under that section, the percentage of students promoted through the grade placement committee process under Section 28.0211, the subject of the assessment instrument on which each student failed to perform satisfactorily under each performance standard under Section 39.0241, and the performance of those students in the school year following that promotion on the assessment instruments required under Section 39.023;

(6) the percentage of students of limited English proficiency exempted from the administration of an assessment instrument under Sections 39.027(a)(1) and (2);

(7) the percentage of students in a special education program under Subchapter A, Chapter 29, assessed through assessment instruments developed or adopted under Section 39.023(b);

(8) the percentage of students who satisfy the college readiness measure;

(9) the measure of progress toward dual language proficiency under Section 39.034(b), for students of limited English proficiency, as defined by Section 29.052;

(10) the percentage of students who are not educationally disadvantaged;

(11) the percentage of students who enroll and begin instruction at an institution of higher education in the school year following high school graduation; and

(12) the percentage of students who successfully complete the first year of instruction at an institution of higher education without needing a developmental education course.

SECTION _____. Section 42.154(a), Education Code, is amended to read as follows:

(a) For each full-time equivalent student in average daily attendance in an approved career and technology education program in grades nine through 12 or in career and technology education programs for students with disabilities in grades seven through 12, a district is entitled to:

(1) an annual allotment equal to the adjusted basic allotment multiplied by a weight of 1.35; and

(2) \$50, if the student is enrolled in[=

~~[(A)] two or more advanced career and technology education classes for a total of three or more credits[= or~~

~~[(B) an advanced course as part of a tech-prep program under Subchapter T, Chapter 61].~~

SECTION _____. Section 58.002(a), Education Code, is amended to read as follows:

(a) In this chapter:

(1) "Resident physician" means a person who is appointed a resident physician by a school of medicine in The University of Texas System, the Texas Tech University System, The Texas A&M University System, or the University of North Texas System ~~[one of the schools of medicine listed in Section 58.001 of this code]~~ and who:

(A) has received a Doctor of Medicine or a Doctor of Osteopathic Medicine degree from the Baylor College of Medicine or from a school of medicine in a university system listed in Subdivision (1) ~~[one of the schools listed in Section 58.001 of this code];~~ or

(B) is a citizen of Texas and has received a Doctor of Medicine or a Doctor of Osteopathic Medicine degree from some other school of medicine that is accredited by the Liaison Committee on Medical Education or by the Bureau of Professional Education of the American Osteopathic Association.

~~(2) ["Primary teaching hospital" means a hospital at which one of the schools listed in Section 58.001 of this code educates and trains both resident physicians and undergraduate medical students.~~

~~[(3)] "Compensation" includes:~~

~~(A) stipends;~~

~~(B) payments, if any, for services rendered; and~~

~~(C) fringe benefits when applied to payments to or for the benefit of resident physicians.~~

Floor Amendment No. 4

Amend Floor Amendment No. 3 by Anchia to **CSSB 215** (house committee printing) on page 4, lines 5 and 6, by striking "a school of medicine in a university system listed in Subdivision (1)" and substituting "an approved school of medicine".

Floor Amendment No. 5

Amend **CSSB 215** (house committee printing) on page 37, line 6, between "(9)" and "Subsections (i)", by inserting "Subsection (e), Section 56.407;".

Floor Amendment No. 9

Amend **CSSB 215** as follows:

Strike the text of Section 61.0331, Education Code, as added by SECTION 15 (page 11, line 21 through page 12, line 9) and substitute the following:

Sec. 61.0331. NEGOTIATED RULEMAKING REQUIRED. The board shall engage institutions in a negotiated rulemaking process as described by Chapter 2008, Government Code, when adopting a policy, procedure, or rule relating to:

(1) admission policy under Section 51.762 (common admission application), 51.807 (uniform admission policy), or 51.843 (graduate and professional admissions), or transfer of credit under Section 61.827;

(2) the allocation or distribution of funds, including financial aid or other trusted funds under 61.07761;

(3) the revaluation of data requests under Section 51.406; or

(4) compliance monitoring under Section 61.035.

Floor Amendment No. 10

Amend **CSSB 215** in SECTION 18 of the bill to add a new Subsection (h) to amended Section 61.0512, Education Code, to read as follows:

(h) The board may not consider undergraduate graduation or persistence rates in the criteria for approval of doctoral programs.

Floor Amendment No. 11

Amend **CSSB 215** (house committee printing) on page 36, line 22, by striking "J,".

Floor Amendment No. 12

Amend **CSSB 215** (house committee printing) by adding the following appropriately numbered SECTION to the bill and by renumbering existing SECTIONS of the bill accordingly:

SECTION _____. Section 61.306, Education Code, is amended by adding Subsection (c) to read as follows:

(c) The board may not issue a certificate of authority for a private postsecondary institution to grant a professional degree or to represent that credits earned in this state are applicable towards a degree if the institution is chartered in a foreign country or has its principal office or primary educational program in a foreign country. In this section, "professional degree" includes a Doctor of Medicine (M.D.), Doctor of Osteopathy (D.O.), Doctor of Dental Surgery (D.D.S.), Doctor of Veterinary Medicine (D.V.M.), Juris Doctor (J.D.), and Bachelor of Laws (LL.B.).

Floor Amendment No. 14

Amend **CSSB 215** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter A, Chapter 56, Education Code, is amended by adding Section 56.009 to read as follows:

Sec. 56.009. FINANCIAL ASSISTANCE FOR STUDENTS ENROLLED AT WGU TEXAS OR SIMILAR ONLINE COLLEGES OR UNIVERSITIES. (a) In this section, "general academic teaching institution" and "private or independent institution of higher education" have the meanings assigned by Section 61.003.

(b) The Texas Higher Education Coordinating Board by rule shall:

(1) provide student financial assistance grants during the 2013-2014 and 2014-2015 academic years for students enrolled:

(A) at WGU Texas, or a similar nonprofit, tax-exempt, regionally accredited college or university operating in accordance with a memorandum of understanding with this state pursuant to an executive order issued by the governor and offering competency-based, exclusively online or other distance education; and

(B) in a degree program approved by the coordinating board for purposes of this section; and

(2) in consultation with representatives of the coordinating board's financial aid advisory committee, representatives of financial aid offices of institutions of higher education and private or independent institutions of higher education offering online or other distance education courses and programs similar to those offered by nonprofit colleges or universities described by Subdivision (1)(A), and representatives of financial aid offices of nonprofit colleges or universities described by Subdivision (1)(A):

(A) conduct a study regarding, and prepare proposed draft legislation for, the creation of a state-funded student financial assistance program:

(i) that is available only to students of nonprofit, tax-exempt, regionally accredited universities or colleges domiciled in this state that offer competency-based, exclusively online or other distance education; and

(ii) under which the highest priority is given to awarding grants to those eligible students who demonstrate the greatest financial need; and

(B) not later than October 1, 2014, submit to each standing committee of the legislature with primary jurisdiction of higher education a report of the results of the study conducted under Paragraph (A), together with the proposed draft legislation prepared under that paragraph.

(c) The rules adopted under Subsection (b)(1) must prescribe eligibility requirements for an award of a grant under that subdivision, including:

(1) a requirement that a student:

(A) be a resident of this state; and

(B) demonstrate financial need; and

(2) any additional eligibility requirements, such as academic achievement, satisfactory academic progress, course load, or course completion requirements, that the coordinating board considers reasonable and appropriate for students enrolled in online or other distance education programs.

(d) The amount of a grant awarded to a student under Subsection (b)(1) for an academic year may not exceed the lesser of:

(1) the amount prescribed under Section 61.227(c) as the maximum annual amount of a tuition equalization grant paid to a student; or

(2) the amount of the difference between:

(A) the tuition charged to the student by the college or university in which the student is enrolled for that academic year; and

(B) the average tuition charged to a similarly situated student by a general academic teaching institution for that academic year, as determined by the coordinating board.

(e) This section expires January 1, 2016.

SECTION ____. (a) The Texas Higher Education Coordinating Board shall adopt any rules necessary under Section 56.009, Education Code, as added by this Act, as soon as practicable after this Act takes effect. For that purpose, the coordinating board may adopt the initial rules in the manner provided by law for emergency rules.

(b) The coordinating board shall begin awarding grants in accordance with Section 56.009(b)(1), Education Code, as added by this Act, as soon as practicable after this Act takes effect.

Floor Amendment No. 15

Amend Floor Amendment No. 14 by Branch to **CSSB 215** (house committee printing) in added Section 56.009, Education Code, by striking page 1, line 11, through page 3, line 20, and substituting the following:

(b) The Texas Higher Education Coordinating Board shall, in consultation with representatives of the coordinating board's financial aid advisory committee, representatives of financial aid offices of WGU Texas and any similar nonprofit, tax-exempt, regionally accredited college or university operating in accordance with a memorandum of understanding with this state pursuant to an executive order issued by the governor and offering competency-based, exclusively online or other distance education, and representatives of financial aid offices of institutions of higher education and private or independent institutions of higher education offering online or other distance education courses and programs similar to those offered by WGU Texas or any similar nonprofit colleges or universities:

(1) conduct a study regarding, and prepare proposed draft legislation for, the creation of a state-funded student financial assistance program:

(A) that is available only to students of nonprofit, tax-exempt, regionally accredited universities or colleges domiciled in this state that offer competency-based, exclusively online or other distance education; and

(B) under which the highest priority is given to awarding grants to those eligible students who demonstrate the greatest financial need; and

(2) not later than October 1, 2014, submit to each standing committee of the legislature with primary jurisdiction over higher education a report of the results of the study conducted under Subdivision (1), together with the proposed draft legislation prepared under that subdivision.

(c) This section expires January 1, 2016.

Floor Amendment No. 17

Amend **CSSB 215** (house committee printing) as follows:

(1) On page 2, lines 3-4, strike "Subdivisions (2) and (3), Section 56.451, Education Code, are amended" and substitute "Section 56.451, Education Code, is amended by amending Subdivisions (2) and (3) and adding Subdivisions (4) and (5)".

(2) On page 2, between lines 16 and 17, insert the following:

(4) "Administering entity" means the coordinating board or institution of higher education, as applicable, that administers the Texas B-On-time loan program for students enrolled at one or more institutions.

(5) "Program" means the Texas B-On-time loan program.

(3) On page 2, between lines 22 and 23, insert the following appropriately numbered SECTION:

SECTION ____ . Section 56.453, Education Code, is amended to read as follows:

Sec. 56.453. ADMINISTRATION OF PROGRAM; RULES. (a) Each eligible institution that sets aside a portion of the tuition charged to students of the institution under Section 56.465 shall administer the Texas B-On-time loan program for students enrolled at that institution and shall adopt rules for that purpose.

(b) The coordinating board shall:

(1) administer the Texas B-On-time loan program for students enrolled at eligible institutions that are private or independent institutions of higher education; and

(2) ~~[determine the repayment and other terms of a Texas B-On-time loan; and~~

~~(3)~~ in consultation with the student financial aid officers of those eligible institutions, adopt any rules necessary to implement the program or this subchapter for students enrolled at those institutions.

(c) An administering entity:

(1) shall determine the repayment and other terms of a Texas B-On-time loan awarded by the entity; and

(2) ~~[(b) The coordinating board]~~ may charge and collect a loan origination fee from a person who receives a Texas B-On-time loan awarded by the entity to be used by the entity ~~[board]~~ to pay for the operating expenses for making loans under this subchapter.

(d) ~~(e)~~ The total amount of Texas B-On-time loans awarded may not exceed the amount available in the applicable Texas B-On-time student loan account under Section 56.463.

(4) Strike page 3, line 27, through page 4, line 2, and substitute the following:

(5) comply with any additional nonacademic requirement adopted by the administering entity for the institution at which the student enrolls ~~[coordinating board]~~ under this subchapter.

(5) On page 5, strike lines 1-2 and substitute the following:

(5) complies with any additional nonacademic requirement adopted by the applicable administering entity ~~[coordinating board]~~.

(6) On page 5, between lines 2-3, insert the following appropriately numbered SECTION:

SECTION _____. Section 56.457, Education Code, is amended to read as follows:

Sec. 56.457. WAIVER OF COURSE LOAD REQUIREMENT. (a) The applicable administering entity ~~[coordinating board]~~ shall adopt rules to allow a person who is otherwise eligible to receive a Texas B-On-time loan, in the event of a hardship or other good cause, to receive a Texas B-On-time loan while enrolled in a number of semester credit hours that is less than the number of semester credit hours required under Section 56.455 or 56.456, as applicable.

(b) The administering entity ~~[coordinating board]~~ may not allow a person to receive a Texas B-On-time loan while enrolled in fewer than six semester credit hours.

(7) On page 5, line 3, strike "(a) and (b)" and substitute "(a), (b), (c), and (f)".

(8) Strike page 5, lines 5-12, and substitute the following:

(a) The amount of a Texas B-On-time loan for a semester or term for a student enrolled full-time at an eligible institution other than an institution covered by Subsection (b) ~~[(c), or (d)]~~ is an amount determined by the applicable administering entity ~~[coordinating board]~~ as the average [statewide] amount of tuition and required fees that a resident student enrolled full-time in a baccalaureate ~~[an undergraduate]~~ degree program would be charged for that semester or term at the eligible institution at which the student is enrolled ~~[general academic teaching institutions]~~.

(9) On page 5, between lines 19 and 20, insert the following:

(e) Not later than January 31 of each year, the coordinating board shall publish the amounts of each loan established by the board for each type of institution for which the coordinating board is the administering entity for the academic year beginning the next fall semester.

(f) If in any academic year the amount of money in the statewide Texas B-On-time student loan account is insufficient to provide the loans to all eligible persons enrolled at institutions for which the coordinating board is the administering entity in amounts specified by this section, the coordinating board shall determine the amount of available money and shall allocate that amount to eligible institutions for which the coordinating board is the administering entity in proportion to the number of full-time equivalent undergraduate students enrolled at each institution. Each institution shall use the money allocated to award Texas B-On-time loans to eligible students enrolled at the institution selected according to financial need.

(10) Insert the following appropriately numbered SECTIONS to the bill:

SECTION _____. Section 56.460(a), Education Code, is amended to read as follows:

(a) The coordinating board, in consultation with all eligible institutions, shall prepare materials designed to inform prospective students, their parents, and high school counselors about the program and eligibility for a Texas B-On-time loan. The coordinating board shall distribute to each eligible institution and to each school district a copy of the materials prepared ~~rules adopted~~ under this subchapter.

SECTION _____. Subchapter Q, Chapter 56, Education Code, is amended by adding Section 56.4621 to read as follows:

Sec. 56.4621. LOAN FORGIVENESS FOR TRANSFER STUDENTS. If a student becomes eligible for forgiveness of the student's Texas B-On-time loans under Section 56.462 and the student was awarded Texas B-On-time loans while attending more than one eligible institution, the student shall be forgiven all of the loans regardless of which institution the student attended when the student became eligible for forgiveness of the loans.

SECTION _____. Sections 56.463 and 56.464, Education Code, are amended to read as follows:

Sec. 56.463. TEXAS B-ON-TIME STUDENT LOAN ACCOUNTS ~~[ACCOUNT]~~. (a) The statewide Texas B-On-time student loan account is an account in the general revenue fund. The account consists of gifts and grants and legislative appropriations received under Section 56.464, ~~tuition set aside under Section 56.465,~~ and other money required by law to be deposited in the account.

~~[(b)]~~ Money in the ~~[Texas B-On-time student loan]~~ account may be used only to pay any costs of the coordinating board related to the operation of the Texas B-On-time loan program and as otherwise provided by this subchapter.

(b) Each eligible institution that administers the program for students enrolled at that institution shall establish a Texas B-On-time student loan account at the institution. The account consists of gifts and grants, any legislative appropriations received under Section 56.464, tuition set aside at the institution under Section 56.465, and other money required by law to be deposited in the account. The account is considered institutional funds of the institution. Money in the institution's Texas B-On-time student loan account may be used only to pay any costs of the institution related to the operation of the Texas B-On-time loan program at the institution and as otherwise provided by this subchapter.

Sec. 56.464. FUNDING. (a) The coordinating board and each eligible institution may solicit and accept gifts and grants from any public or private source for the purposes of this subchapter.

(b) The coordinating board may issue and sell general obligation bonds under Subchapter F, Chapter 52, for the purposes of this subchapter. An eligible institution that administers the program for students enrolled at that institution, or the university system of which the eligible institution is a component, may issue and sell bonds, establish any necessary interest and sinking funds, and provide appropriate security for those bonds, as necessary to administer the program for those students.

(c) The coordinating board shall administer the program for students at eligible institutions for which the coordinating board is the administering entity using funds in the statewide Texas B-On-time student loan account established for those institutions under Section 56.463(a).

(d) The legislature may appropriate money for the purposes of this subchapter.

SECTION ____. Section 56.465, Education Code, is amended to read as follows:

Sec. 56.465. TUITION SET ASIDE FOR PROGRAM; UNUSED SET-ASIDE MONEY. (a) The governing board of each institution of higher education that charges tuition under Section 54.0513 shall cause to be set aside five percent of the amount of the tuition charged to a resident undergraduate student at the institution under that section [Section 54.0513] in excess of \$46 per semester credit hour. The amount of a student's tuition set aside under this subsection is considered a part of the amount required to be set aside from that tuition under Section 56.011.

(b) The amount of tuition set aside under Subsection (a) shall be deposited to the credit of the Texas B-On-time student loan account established by the institution under Section 56.463(b) [56.463 or to the interest and sinking fund established by the coordinating board under Section 52.91(b) in accordance with the resolution of the board establishing such fund].

(c) If the amount of money deposited in the Texas B-On-time student loan account established by an eligible institution under Section 56.463(b) for the preceding five academic years exceeds the amount necessary to administer the program for that period, the institution may transfer not more than one-fifth of the excess amount to an account established by the institution for that purpose. Money in the account established under this subsection may be used only:

(1) for providing additional money for Texas public educational grants awarded by the institution under Subchapter C; or

(2) for other purposes for which tuition set aside under Subchapter B may be used, if the institution determines that the amount in the account exceeds the amount necessary to fully fund grants to eligible students at the institution under Subchapter C for the next academic year.

SECTION ____. Subchapter Q, Chapter 56, Education Code, is amended by adding Section 56.466 to read as follows:

Sec. 56.466. TRANSITION PROVISIONS FOR TRANSFER OF LOAN PROGRAM TO PUBLIC INSTITUTIONS. (a) The coordinating board, in consultation with institutions of higher education, shall develop and adopt a transition plan to provide for the orderly and prompt transfer of administration of the program from the coordinating board to institutions of higher education that are authorized to administer the program for students enrolled at those institutions.

(b) Subject to the other provisions of this section, the transition plan shall permit institutions of higher education authorized to administer the program for students enrolled at those institutions to retain the tuition set aside under Section 56.465 beginning with tuition charged for the 2014-2015 academic year and to begin administering the program for their own students for that academic year. At the request of an institution authorized to administer the program for its own students, the

coordinating board shall permit the institution to postpone to a later academic year the transfer of administration of the program at that institution and the retention of tuition set aside by the institution.

(c) The transition plan must provide for a portion of tuition set aside at an eligible institution under Section 56.465 to continue to be deposited to the credit of the statewide Texas B-On-time student loan account or to the interest and sinking fund established by the coordinating board under Section 52.91(b) as necessary to provide for the repayment of bonds issued on or before September 1, 2013, to support the Texas B-On-time loan program. The amount of tuition set aside at eligible institutions that continues to be deposited to the credit of the statewide Texas B-On-time student loan account or to the interest and sinking fund under this subsection must be allocated among the affected eligible institutions in proportion to the average amount of loans made under this subchapter at those institutions for the 2009-2010, 2010-2011, 2011-2012, and 2012-2013 academic years.

(d) The transition plan may include any other provision the coordinating board determines necessary to implement the transfer of administration of the program to affected eligible institutions that is not inconsistent with this subchapter, including provisions necessary to ensure the repayment of outstanding state bonds and obligations.

(e) The Texas B-On-time student loan account established in the general revenue fund under this subchapter before January 1, 2013, is renamed as the statewide Texas B-On-time student loan account.

(11) Renumber the SECTIONS of the bill appropriately.

Floor Amendment No. 18

Amend **CSSB 215** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 52.39, Education Code, is amended to read as follows:

Sec. 52.39. DEFAULT; SUIT. When any person who has received or cosigned as a guarantor for a loan authorized by this chapter has failed or refused to make as many as six monthly payments due in accordance with an executed note, then the full amount of the remaining principal and interest becomes due and payable immediately, and the amount due, the person's name and [~~his~~] last known address, and other necessary information shall be reported by the board to the attorney general. Suit for the remaining sum may [~~shall~~] be instituted by the attorney general, or any county or district attorney acting for the attorney general [~~him~~], in the county of the person's residence, the county in which is located the institution at which the person was last enrolled, or in Travis County, unless the attorney general finds reasonable justification for delaying suit and so advises the board in writing.

SECTION _____. The changes in law made by this Act to Section 52.39, Education Code, apply only to a suit filed under that section on or after the effective date of this Act. A suit filed under Section 52.39, Education Code, before the effective date of this Act is governed by the law in effect on the date the suit is filed, and the former law is continued in effect for that purpose.

Floor Amendment No. 19

Amend Floor Amendment No. 18 by Gonzales to **CSSB 215** (house committee printing) as follows:

(1) On page 1, line 14, strike "may [~~shall~~]" and substitute "shall".

(2) On page 1, lines 14 through 20, strike "or any county or district attorney acting for the attorney general [~~him~~], in the county of the person's residence, the county in which is located the institution at which the person was last enrolled, or in Travis County, unless the attorney general finds reasonable justification for delaying suit and so advises the board in writing" and substitute "[~~or any county or district attorney acting for him, in the county of the person's residence, the county in which is located the institution at which the person was last enrolled, or in Travis County,~~]" unless the attorney general finds reasonable justification for delaying suit and so advises the board in writing".

(3) On page 1, line 20, immediately following the period, insert "Venue for a suit arising under this section is exclusively conferred on a court of competent jurisdiction in Travis County.".

Floor Amendment No. 20

Amend **CSSB 215** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the remaining SECTIONS of the bill accordingly:

SECTION _____. Subchapter A, Chapter 54, Education Code, is amended by adding Section 54.017 to read as follows:

Sec. 54.017. MAXIMUM TUITION RATE; STUDY. (a) In this section:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "General academic teaching institution" has the meaning assigned by Section 61.003.

(b) Notwithstanding any other provision of this chapter or other law, not later than February 1 of each year, the coordinating board, based on the most recent study conducted under Subsection (c), shall establish the maximum amount of tuition that a general academic teaching institution may charge a student for the next academic year.

(b-1) Subsection (b) does not apply to tuition charged for the 2013-2014 academic year. For the 2013-2014 academic year, the maximum amount of tuition that a general academic teaching institution may charge a student for that academic year is \$10,000. This subsection expires September 1, 2014.

(c) The coordinating board shall conduct an annual study regarding the affordability of tuition rates at general academic teaching institutions, including a comparison of rates at similar institutions in and outside of this state, the return on investment based on expected salaries of graduates of the institution, and other appropriate economic factors as determined by the coordinating board. The coordinating board shall use the results of its study in establishing the maximum amount of tuition for purposes of Subsection (b).

Floor Amendment No. 22

Amend Floor Amendment No. 20 by Capriglione to **CSSB 215** (house committee printing) as follows:

(1) On page 1, line 6, strike "MAXIMUM TUITION RATE" and substitute "RECOMMENDED LIMITATIONS ON TUITION AND FEE INCREASES".

(2) On page 1, line 15, strike "establish the maximum amount of tuition" and substitute "recommend the maximum percentage rate of increase in the amount of tuition and fees".

(3) On page 1, line 16, strike "a student" and substitute "a resident undergraduate student".

(4) On page 1, at the end of line 17, insert "The coordinating board shall submit the recommendations to affected institutions, the governor, and the legislative standing committees with primary jurisdiction over higher education."

(5) On page 1, strike lines 18 through 22.

(6) On page 1, line 24, between "tuition" and "rates", insert "and fee".

(7) On page 1, line 27, following the comma, insert "the employment rate of graduates of the institution,".

(8) On page 2, line 1, strike "maximum amount of tuition" and substitute "recommended maximum percentage rate of increase in the amount of tuition and fees".

(9) On page 2, after line 2, insert the following:

SECTION _____. The change in law made by this Act in adding Section 54.017, Education Code, applies beginning with tuition and fees charged for the 2014-2015 academic year.

Floor Amendment No. 24

Amend **CSSB 215** (house committee printing) as follows:

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

SECTION _____. Sections 56.301(2) and (3), Education Code, are amended to read as follows:

(2) "Eligible institution" means a general academic teaching ~~[an]~~ institution or a medical and dental unit ~~[of higher education]~~ that offers one or more undergraduate degree or certification programs. The term does not include a public state college.

(3) "General academic teaching institution," "institution of higher education," "medical and dental unit," "public ~~["Public"]~~ junior college," "public state college," and "public technical institute" have the meanings assigned by Section 61.003.

SECTION _____. Section 56.302(b), Education Code, is amended to read as follows:

(b) The purpose of this subchapter is to provide a grant of money to enable eligible students to attend eligible ~~[public]~~ institutions ~~[of higher education]~~ in this state.

SECTION _____. Sections 56.303(d-1), (e), and (f), Education Code, are amended to read as follows:

(d-1) In allocating among eligible [~~general academic teaching~~] institutions money available for initial TEXAS grants for an academic year, the coordinating board shall ensure that each of those institutions' proportional [~~percentage~~] share of the total amount of money for initial grants that is allocated to eligible [~~general academic teaching~~] institutions under this section [~~subsection~~] for that year does not, as a result of the number of students who establish eligibility at the institution for an initial grant under Section 56.3041(2)(A), change from the institution's proportional [~~percentage~~] share of the total amount of money for initial grants that is allocated to those institutions under this section [~~subsection~~] for the preceding academic year.

(e) In determining who should receive a TEXAS grant, the coordinating board and the eligible institutions shall give priority to awarding TEXAS grants to students who demonstrate the greatest financial need and whose expected family contribution, as determined according to the methodology used for federal student financial aid, does not exceed 60 percent of the average statewide amount of tuition and required fees described by Section 56.307(a). In giving priority based on financial need as required by this subsection to students who meet the requirements for the highest priority as provided by Subsection (f), an eligible [~~a general academic teaching~~] institution shall determine financial need according to the relative expected family contribution of those students, beginning with students who have the lowest expected family contribution.

(f) Beginning with TEXAS grants awarded for the 2013-2014 academic year, in determining who should receive an initial TEXAS grant, each eligible [~~general academic teaching~~] institution, in addition to giving priority as provided by Subsection (e), shall give highest priority to students who meet the eligibility criteria described by Section 56.3041(2)(A). If there is money available in excess of the amount required to award an initial TEXAS grant to all students meeting those criteria, an eligible [~~a general academic teaching~~] institution shall make awards to other students who meet the eligibility criteria described by Section 56.304(a)(2)(A), provided that the institution continues to give priority to students as provided by Subsection (e).

SECTION _____. Sections 56.304(a) and (e-1), Education Code, are amended to read as follows:

(a) To be eligible initially for a TEXAS grant, a person who graduated from high school before May 1, 2013, must:

- (1) be a resident of this state as determined by coordinating board rules;
- (2) meet either of the following academic requirements:

(A) be a graduate of a public or accredited private high school in this state who graduated not earlier than the 1998-1999 school year and who completed the recommended or advanced high school curriculum established under Section 28.002 or 28.025 or its equivalent; or

(B) have received an associate degree from a public or private institution of higher education not earlier than May 1, 2001;

- (3) meet financial need requirements as defined by the coordinating board;
- (4) be enrolled in a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~] program at an eligible institution;
- (5) be enrolled as:

(A) an entering undergraduate student for at least three-fourths of a full course load for an entering undergraduate student, as determined by the coordinating board, not later than the 16th month after the date of the person's graduation from high school; or

(B) an entering student for at least three-fourths of a full course load for an undergraduate student as determined by the coordinating board, not later than the 12th month after the month the person receives an associate degree from a public or private institution of higher education;

(6) have applied for any available financial aid or assistance; and

(7) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

(e-1) If a person is initially awarded a TEXAS grant during or after the 2005 fall semester, unless the person is provided additional time during which the person may receive a TEXAS grant under Subsection (e-2), the person's eligibility for a TEXAS grant ends on:

(1) the fifth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree ~~[or certificate]~~ program of four years ~~[or less]~~; or

(2) the sixth anniversary of the initial award of a TEXAS grant to the person, if the person is enrolled in a degree program of more than four years.

SECTION _____. Section 56.3041, Education Code, is amended to read as follows:

Sec. 56.3041. INITIAL ELIGIBILITY OF PERSON GRADUATING FROM HIGH SCHOOL ON OR AFTER MAY 1, 2013 ~~[, AND ENROLLING IN A GENERAL ACADEMIC TEACHING INSTITUTION]~~. To ~~[Notwithstanding Section 56.304(a), to]~~ be eligible initially for a TEXAS grant, a person graduating from high school on or after May 1, 2013, and enrolling in an eligible ~~[a general academic teaching]~~ institution must:

(1) be a resident of this state as determined by coordinating board rules;

(2) meet the academic requirements prescribed by Paragraph (A), (B), ~~[or]~~ (C), or (D) as follows:

(A) be a graduate of a public or accredited private high school in this state who completed the recommended high school program established under Section 28.025 or its equivalent and have accomplished any two or more of the following:

(i) graduation under the advanced high school program established under Section 28.025 or its equivalent, successful completion of the course requirements of the international baccalaureate diploma program, or earning of the equivalent of at least 12 semester credit hours of college credit in high school through courses described in Sections 28.009(a)(1), (2), and (3);

(ii) satisfaction of the Texas Success Initiative (TSI) college readiness benchmarks prescribed by the coordinating board under Section 51.3062(f) on any assessment instrument designated by the coordinating board under Section 51.3062(c) ~~[or (e)]~~ or qualification for an exemption as described by Section 51.3062(p), (q), or (q-1);

(iii) graduation in the top one-third of the person's high school graduating class or graduation from high school with a grade point average of at least 3.0 on a four-point scale or the equivalent; or

(iv) completion for high school credit of at least one advanced mathematics course following the successful completion of an Algebra II course, as permitted by Section 28.025(b-3), or at least one advanced career and technical course, as permitted by Section 28.025(b-2);

(B) have received an associate degree from a public or private institution of higher education; ~~or~~

(C) be an undergraduate student who has:

(i) previously attended another institution of higher education;

(ii) received an initial Texas Educational Opportunity Grant under Subchapter P for the 2014 fall semester or a subsequent academic term;

(iii) completed at least 24 semester credit hours at any institution or institutions of higher education; and

(iv) earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on all course work previously attempted; or

(D) if sufficient money is available, meet the eligibility criteria described by Section 56.304(a)(2)(A);

(3) meet financial need requirements established by the coordinating board;

(4) be enrolled in an undergraduate degree or certificate program at an eligible ~~[the general academic teaching]~~ institution;

(5) except as provided under rules adopted under Section 56.304(h), be enrolled as:

(A) an entering undergraduate student for at least three-fourths of a full course load, as determined by the coordinating board, not later than the 16th month after the calendar month in which the person graduated from high school;

(B) an entering undergraduate student who entered military service not later than the first anniversary of the date the person graduated from high school and who enrolled for at least three-fourths of a full course load, as determined by the coordinating board, at the eligible ~~[general academic teaching]~~ institution not later than 12 months after being honorably discharged from military service; ~~or~~

(C) a continuing undergraduate student for at least three-fourths of a full course load, as determined by the coordinating board, not later than the 12th month after the calendar month in which the person received an associate degree from a public or private institution of higher education; or

(D) an undergraduate student described by Subdivision (2)(C) who has never previously received a TEXAS grant;

(6) have applied for any available financial aid or assistance; and

(7) comply with any additional nonacademic requirements adopted by the coordinating board under this subchapter.

SECTION ____ . Sections 56.3042(b) and (d), Education Code, are amended to read as follows:

(b) The coordinating board or the eligible institution may require the student to forgo or repay the amount of an initial TEXAS grant awarded to the student as described by Subsection (a) or (a-1) if the student fails to meet the eligibility requirements described by Subsection (a) or (a-1) ~~[of Section 56.304(a)(2)(A), 56.3041(2)(A), 56.304(a)(2)(B), or 56.3041(2)(B)]~~, as applicable to the student, after the issuance of the available high school or college transcript.

(d) A person who receives an initial TEXAS grant under Subsection (a) or (a-1) but does not satisfy the applicable eligibility requirement that the person was considered to have satisfied under the applicable subsection and who is not required to forgo or repay the amount of the grant under Subsection (b) may become eligible to receive a subsequent TEXAS grant under Section 56.305 only by satisfying the associate degree requirement prescribed by Section 56.304(a)(2)(B) or 56.3041(2)(B), as applicable to the person, in addition to the requirements of Section 56.305 at the time the person applies for the subsequent grant.

SECTION _____. Section 56.305(a), Education Code, is amended to read as follows:

(a) After initially qualifying for a TEXAS grant, a person may continue to receive a TEXAS grant during each semester or term in which the person is enrolled at an eligible institution only if the person:

- (1) meets financial need requirements as defined by the coordinating board;
- (2) is enrolled in a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~] program at an eligible institution;
- (3) is enrolled for at least three-fourths of a full course load for an undergraduate student, as determined by the coordinating board;
- (4) makes satisfactory academic progress toward a baccalaureate [~~an undergraduate~~] degree [~~or certificate~~]; and
- (5) complies with any additional nonacademic requirement adopted by the coordinating board.

SECTION _____. Section 56.306, Education Code, is amended to read as follows:

Sec. 56.306. GRANT USE. A person receiving a TEXAS grant may use the money to pay any usual and customary cost of attendance at an eligible institution [~~of higher education~~] incurred by the student. The institution may disburse all or part of the proceeds of a TEXAS grant directly to an eligible person only if the tuition and required fees incurred by the person at the institution have been paid.

SECTION _____. Section 56.307, Education Code, is amended by amending Subsections (a), (d-1), and (i) and adding Subsection (b) to read as follows:

(a) Except as provided by Subsection (b), the [~~The~~] amount of a TEXAS grant for a semester or term for a person enrolled full-time at an eligible institution [~~other than an institution covered by Subsection (c) or (d)~~] is an [~~the~~] amount determined by the coordinating board as the average statewide amount of tuition, [~~and~~] required fees, and allowance for course materials that a resident student enrolled full-time in a baccalaureate degree program would be charged for that semester or term at general academic teaching institutions.

(b) An eligible institution may award a TEXAS grant to an eligible student for a semester or term in an amount that is less than the amount determined by the coordinating board under Subsection (a).

(d-1) The coordinating board shall determine the average statewide tuition, [~~and~~] fee amounts, and allowance for course materials for a semester or term of the next academic year for purposes of this section by using the amounts of tuition and required fees that will be charged by the [~~applicable~~] eligible institutions for that

semester or term in that academic year. The board may estimate the amount of the charges for a semester or term in the next academic year by an institution if the relevant information is not yet available to the board.

(i) A public institution of higher education may not[~~:-~~

~~[(1) unless the institution complies with Subsection (j), charge a person attending the institution who also receives a TEXAS grant an amount of tuition and required fees in excess of the amount of the TEXAS grant received by the person; or~~

~~[(2)] deny admission to or enrollment in the institution based on a person's eligibility to receive a TEXAS grant or a person's receipt of a TEXAS grant.~~

SECTION _____. (a) The change in law made by this Act to Subchapter M, Chapter 56, Education Code, applies beginning with TEXAS grants awarded for the 2014 fall semester. Grants awarded for a semester or term before the 2014 fall semester are governed by the applicable law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

(b) Notwithstanding Subsection (a) of this section, a student who first receives a TEXAS grant for attendance at a public junior college, public state college, or public technical institute for a semester or other academic term before the 2014 fall semester may continue to receive a TEXAS grant under Subchapter M, Chapter 56, Education Code, as that subchapter existed immediately before the effective date of this Act, as long as the student remains eligible for a TEXAS grant under the former law, and, if eligible, may continue to receive a TEXAS grant if the student enrolls at an eligible institution under Subchapter M, Chapter 56, Education Code, as amended by this Act. The Texas Higher Education Coordinating Board shall adopt rules to administer this subsection and shall notify each student who receives a TEXAS grant in the 2013-2014 academic year of the provisions of this subsection.

(2) Add the following appropriately numbered subdivision at the end of page 36:

(_____) Sections 56.307(c), (d), (e), (f), (i-1), (j), and (l);

(3) In SECTION 41 of the bill (page 36, line 19, through page 37, line 11), renumber the subdivisions as appropriate.

Floor Amendment No. 25

Amend **CSSB 215** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter C, Chapter 62, Education Code, is amended to read as follows:

SUBCHAPTER C. TEXAS COMPETITIVE KNOWLEDGE [~~RESEARCH~~
~~UNIVERSITY DEVELOPMENT~~] FUND

Sec. 62.051. DEFINITIONS. In this subchapter:

(1) "Eligible institution" means an institution of higher education that:

~~(A) is designated as a research university [or emerging research university] under the coordinating board's accountability system and, for any three consecutive state fiscal years beginning on or after September 1, 2010, made total annual research expenditures in an average annual amount of not less than \$450 million; or~~

(B) is designated as an emerging research university under the coordinating board's accountability system and, for any three consecutive state fiscal years beginning on or after September 1, 2010, made total annual research expenditures in an average annual amount of not less than \$50 million.

(2) "Fund" means the Texas competitive knowledge fund.

(3) "Institution of higher education" has the meaning assigned by Section 61.003.

Sec. 62.052. PURPOSE. The purpose of this subchapter is to provide funding to eligible research universities and emerging research universities to support faculty to ensure excellence in instruction and research [~~for the recruitment and retention of highly qualified faculty and the enhancement of research productivity at those universities~~].

Sec. 62.053. FUND [~~FUNDING~~]. (a) The Texas competitive knowledge fund consists of money [~~For each state fiscal year, the coordinating board shall distribute any funds~~] appropriated by the legislature for the purposes of this subchapter [~~and any other funds made available for the purposes of this subchapter,~~] to eligible institutions [~~based on the average amount of total research funds expended by each institution annually during the three most recent state fiscal years, according to the following rates:~~

~~[(1) at least \$1 million for every \$10 million of the average annual amount of those research funds expended by the institution, if that average amount for the institution is \$50 million or more; and~~

~~[(2) at least \$500,000 for every \$10 million of the average annual amount of those research funds expended by the institution, if that average amount for the institution is less than \$50 million].~~

(b) For purposes of this section [~~Subsection (a)~~], the amount of total research funds expended by an eligible institution in a state fiscal year is the amount of those funds as reported to the coordinating board by the institution for that fiscal year, subject to any adjustment by the coordinating board in accordance with the standards and accounting methods the coordinating board prescribes for purposes of this section. [~~If the funds available for distribution for a state fiscal year under Subsection (a) are not sufficient to provide the amount specified by Subsection (a) for each eligible institution or exceed the amount sufficient for that purpose, the available amount shall be distributed in proportion to the total amount to which each institution is otherwise entitled under Subsection (a).~~]

Sec. 62.0535. INITIAL CONTRIBUTION. For the first state fiscal biennium in which an eligible institution receives an appropriation under this subchapter, the institution's other general revenue appropriations shall be reduced by an amount not to exceed the lesser of \$5 million for the biennium or the amount of the institution's appropriation under this subchapter for the biennium. The bill making the appropriation must expressly identify the purpose for which the appropriations were reduced in accordance with this section.

Sec. 62.054. APPROPRIATION AMOUNTS [~~RULES~~]. (a) Of the total amount appropriated for purposes of this subchapter in a state fiscal year, an eligible institution is entitled to receive an appropriation in the amount determined in accordance with this section.

(b) Not less than 50 percent of the total amount appropriated for purposes of this subchapter shall be appropriated to eligible institutions described by Section 62.051(1)(A). Each institution is entitled to receive a share of that amount in proportion to the average amount of total research funds expended by each institution annually during the three fiscal years preceding the state fiscal biennium for which the money is appropriated.

(c) The remainder of the total amount appropriated for purposes of this subchapter shall be appropriated to eligible institutions described by Section 62.051(1)(B). Each institution is entitled to receive a share of that amount in proportion to the average amount of total research funds expended by each institution annually during the three fiscal years preceding the state fiscal biennium for which the money is appropriated. [The coordinating board shall adopt rules for the administration of this subchapter, including any rules the coordinating board considers necessary regarding the submission to the coordinating board by eligible institutions of any student data required for the coordinating board to carry out its duties under this subchapter.]

Floor Amendment No. 29

Amend **CSSB 215** as follows:

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

SECTION _____. Subsections (b), (d), and (e), Section 61.0572, Education Code, are amended to read as follows:

(b) The board shall:

(1) determine formulas for space utilization in all educational and general buildings and facilities at institutions of higher education;

(2) devise and promulgate methods to assure maximum daily and year-round use of educational and general buildings and facilities, including but not limited to maximum scheduling of day and night classes and maximum summer school enrollment;

(3) consider plans for selective standards of admission when institutions of higher education approach capacity enrollment;

(4) require, and assist the public technical institutes, public senior colleges and universities, medical and dental units, and other agencies of higher education in developing long-range campus master plans for campus development;

(5) by rule adopt [endorse, or delay until the next succeeding session of the legislature has the opportunity to approve or disapprove, the proposed purchase of any real property by an institution of higher education, except a public junior college;

~~[(6) develop and publish] standards[, rules, and regulations] to guide the board's review [institutions and agencies of higher education in making application for the approval] of new construction and the [major] repair and rehabilitation of all buildings and facilities regardless of proposed use; and~~

(6) [(7)] ascertain that the board's standards and specifications for new construction, repair, and rehabilitation of all buildings and facilities are in accordance with Chapter 469, Government Code [Article 9102, Revised Statutes].

(d) ~~[(1)]~~ The board ~~[, for purposes of state funding,]~~ may review purchases of [and approve as an addition to an institution's educational and general buildings and facilities inventory any] improved real property added to an institution's educational and general buildings and facilities inventory [acquired by gifts or lease purchase only if:

~~[(A) the institution requests to place the improved real property on its educational and general buildings and facilities inventory; and~~

~~[(B) the value of the improved real property is more than \$300,000 at the time the institution requests the property to be added to the educational and general buildings and facilities inventory.~~

~~[(2) This subsection does not apply to gifts, grants, or lease purchase arrangements intended for clinical or research facilities.~~

~~[(e) Approval of the board is not required to acquire real property that is financed by bonds issued under Section 55.17(e)(3) or (4), 55.1713-55.1718, 55.1721-55.1728, 55.1735(a)(1), 55.174, 55.1742, 55.1743, 55.1744, 55.1751-55.1759, 55.1768, 55.1771, or 55.1772, except that the board shall review all real property to be financed by bonds issued under those sections] to determine whether the property meets the standards adopted by the board for cost, efficiency, and space use, but the purchase of the improved real property is not contingent on board review. If the property does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, the governing board of the applicable institution, and the Legislative Budget Board. This subsection does not impair the board's authority to collect data relating to the improved real property that is added each year to the educational and general buildings and facilities inventory of institutions of higher education.~~

SECTION _____. Subsections (a) and (b), Section 61.058, Education Code, are amended to read as follows:

(a) This section does not apply to ~~[Except as provided by Subsection (b) of this section, the board shall approve or disapprove all new construction and repair and rehabilitation of all buildings and facilities at institutions of higher education financed from any source provided that:~~

~~[(A) the board's consideration and determination shall be limited to the purpose for which the new or remodeled buildings are to be used to assure conformity with approved space utilization standards and the institution's approved programs and role and mission if the cost of the project is not more than \$4,000,000, but the board may consider cost factors and the financial implications of the project to the state if the total cost is in excess of \$4,000,000;~~

~~[(B) the requirement of approval for new construction applies only to projects the total cost of which is in excess of \$4,000,000;~~

~~[(C) the requirement of approval for major repair and rehabilitation of buildings and facilities applies only to a project the total cost of which is more than \$4,000,000;~~

~~[(D) the requirement of approval or disapproval by the board does not apply to any new construction or major repair and rehabilitation project that is specifically approved by the legislature;~~

~~[(E) the requirement of approval by the board does not apply to a junior college's construction, repair, or rehabilitation financed entirely with funds from a source other than the state, including funds from ad valorem tax receipts of the college, gifts, grants, and donations to the college, and student fees; and~~

~~[(F) the requirement of approval by the board does not apply to construction, repair, or rehabilitation of privately owned buildings and facilities located on land leased from an institution of higher education if the construction, repair, or rehabilitation is financed entirely from funds not under the control of the institution, and provided further that:~~

~~[(i) the] buildings and facilities that are to be used exclusively for auxiliary enterprises[;] and~~

~~[(ii) the buildings and facilities] will not require appropriations from the legislature for operation, maintenance, or repair [unless approval by the board has been obtained].~~

(b) ~~The [This section does not apply to construction, repair, or rehabilitation financed by bonds issued under Section 55.17(e)(3) or (4), 55.1713 55.1718, 55.1721 55.1728, 55.174, 55.1742, 55.1743, 55.1744, 55.1751 55.17592, 55.1768, 55.1771, or 55.17721, except that the] board may [shall] review all construction, repair, or rehabilitation of buildings and facilities at institutions of higher education [to be financed by bonds issued under those sections] to determine whether the construction, rehabilitation, or repair meets the standards adopted by board rule for cost, efficiency, and space use, but the construction, rehabilitation, or repair is not contingent on board review. If the construction, rehabilitation, or repair does not meet those standards, the board shall notify the governor, the lieutenant governor, the speaker of the house of representatives, the governing boards of the applicable institutions, and the Legislative Budget Board. This subsection does not impair the board's authority to collect data relating to the construction, repair, or rehabilitation of buildings and facilities occurring each year at institutions of higher education.~~

(2) In SECTION 41 of the bill (on page 37, between lines 5 and 6), insert the following appropriately designated subdivisions and redesignate the other subdivisions of that SECTION appropriately:

() Section 61.0573;

() Subsection (c), Section 61.058;

Floor Amendment No. 30

Amend Floor Amendment No. 29 by Darby to **CSSB 215** by adding the following appropriately numbered item to the amendment:

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

SECTION _____. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.05821 to read as follows:

Sec. 61.05821. CONDITION OF BUILDINGS AND FACILITIES; ANNUAL REPORT REQUIRED. Each institution of higher education, excluding each public junior college and excluding other agencies of higher education, annually shall report to the governing board of the institution information regarding the condition of the buildings and facilities of the institution, including information concerning deferred maintenance with respect to those buildings and facilities as defined by the board.

Floor Amendment No. 31

Amend **CSSB 215** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter G, Chapter 51, Education Code, is amended by adding Section 51.360 to read as follows:

Sec. 51.360 DUTY OF TEXAS HIGHER EDUCATION COORDINATING BOARD TO PROTECT DIVERSITY OF THOUGHT AND FREEDOM OF SPEECH (a) It is the policy of this state, and the duty of the Texas Higher Education Coordinating Board, working in conjunction with governing boards, system administrations, and institutions, to promote diversity of thought and the marketplace of ideas on the campuses of institutions of higher education in this state, including by:

(1) protecting the rights of freedom of speech and freedom of association guaranteed by the constitutions of the United States and of this state so that all students of those institutions may assemble peaceably for a specific stated purpose and goal; and

(2) ensuring that those rights are not unnecessarily restricted or impeded by rules or policies adopted by those institutions.

(b) The Texas Higher Education Coordinating Board, working in conjunction with governing boards, system administrations, and institutions, shall ensure that each institution does not implement a policy or otherwise engage in a practice that requires a student organization, including a religious student organization, to accept for membership in the organization a student:

(1) who demonstrates opposition to the organization's stated beliefs and purposes; or

(2) whose membership in the organization:

(A) would affect in a significant way the organization's ability to advocate public or private viewpoints; or

(B) is designed for the subversive intent of undermining the organization's ability to assemble for its stated purposes.

Floor Amendment No. 1 on Third Reading

Amend **CSSB 215** on third reading as follows:

(1) In the SECTION of the bill amending Section 61.0572(d), Education Code (as amended by Second Reading Floor Amendment No. 29 by Darby, page 2, line 29), between "efficiency," and "and space use", insert "space need,".

(2) In the SECTION of the bill amending Section 61.0572(d), Education Code (as amended by Second Reading Floor Amendment No. 29 by Darby, page 2, line 30), between the period and "If the property", insert "Standards must be adopted by the board using the negotiated rulemaking procedures under Chapter 2008, Government Code."

(3) In the SECTION of the bill amending Section 61.058(b), Education Code (as amended by Second Reading Floor Amendment No. 29 by Darby, page 4, line 29), between "efficiency," and "and space use", insert "space need,".

(4) In the SECTION of the bill amending Section 61.058(b), Education Code (as amended by Second Reading Floor Amendment No. 29 by Darby, page 4, line 31), between the period and "If the construction", insert "Standards must be adopted by the board using the negotiated rulemaking procedures under Chapter 2008, Government Code."

Floor Amendment No. 2 on Third Reading

Amend **CSSB 215** as follows:

(1) Add a new SECTION to the bill, appropriately numbered, to read as follows:
SECTION _____. Section 61.002, Education Code, is amended by adding Subsection (c) to read as follows:

(c) The Texas Higher Education Coordinating Board has only the powers expressly provided by this chapter or other law. A power not expressly granted to the board by law in regard to the administration, organization, control, management, jurisdiction, or governance of an institution of higher education is reserved to the governing board of the institution unless that power is expressly reposed by law in another officer or entity.

(2) In SECTION 17 of the bill, in amended Section 61.051(a), Education Code, (page 16, lines 12-13) strike "represents" [~~shall represent~~] the highest authority in the state in matters of public higher education and" and substitute "~~[shall represent the highest authority in the state in matters of public higher education and]~~".

Floor Amendment No. 3 on Third Reading

Amend Floor Amendment No. 2 by Aycock to **CSSB 215** (house committee printing) on page 1 by striking lines 13 through 18.

Floor Amendment No. 4 on Third Reading

Amend **CSSB 215** by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill appropriately:

SECTION _____. Section 61.822(b), Education Code, is amended to read as follows:

(b) Each institution of higher education shall adopt a core curriculum of not [~~no~~] less than 42 semester credit hours, including specific courses comprising the curriculum. The core curriculum shall be consistent with the single common course numbering system approved by the board under Section 61.832(a) and with the statement, recommendations, and rules issued by the board. An institution may have a core curriculum of other than 42 semester credit hours only if approved by the board.

SECTION _____. Section 61.830, Education Code, is amended to read as follows:

Sec. 61.830. PUBLICATION OF GUIDELINES ADDRESSING TRANSFER PRACTICES. In its course catalogs and on its website, each institution of higher education shall publish guidelines addressing the practices of the institution regarding the transfer of course credit. In the guidelines, the institution must identify a course by using the single common course numbering system approved by the board under Section 61.832(a).

SECTION _____. Section 61.832, Education Code, is amended to read as follows:

Sec. 61.832. COMMON COURSE NUMBERING SYSTEM. (a) The board shall approve a single common course numbering system for lower-division courses to facilitate the transfer of those courses among institutions of higher education by promoting consistency in course designation and identification.

(b) The board shall solicit input from institutions of higher education regarding the development of the single common course numbering system.

(c) Each institution of higher education other than The University of Texas at Austin and Texas A&M University shall:

(1) use the approved common course numbering system for each course for which a common number designation and course description are included in that system; and

(2) include the applicable course numbers from that system in its course catalogs and other course listings.

(d) The board may approve only a common course numbering system already in common use in this state by one or more institutions of higher education.

(e) ~~(e)~~ The board shall cooperate with institutions of higher education in any additional development or alteration of the common course numbering system approved under Subsection (a), including the taxonomy to be used, and in the development of rules for the administration and applicability of the system.

(f) Not later than June 1, 2014, the board shall:

(1) approve a single common course numbering system as required by Subsection (a); and

(2) establish a timetable that requires the institutions of higher education to which Subsection (c) applies to phase in the inclusion of the applicable course numbers from the common course numbering system in their individual course listings and course numbering systems as required by this section so that each institution fully complies with this section for all courses offered for the 2018-2019 academic year and subsequent years.

(f-1) Subsection (f) and this subsection expire January 1, 2020.

~~[(d) An institution of higher education shall include in its course listings the applicable course numbers from the common course numbering system approved by the board under this section. For good cause, the board may grant to an institution of higher education an exemption from the requirements of this subsection.]~~

Floor Amendment No. 6 on Third Reading

Amend **CSSB 215** is to read as follows:

SECTION _____. Subtitle H, Title 3, Education Code, is amended by adding Chapter 156 to read as follows:

CHAPTER 156. ADULT STEM CELL RESEARCH PROGRAM

Sec. 156.001. DEFINITIONS. In this chapter:

(1) "Adult stem cell" means an undifferentiated cell that is:

(A) found in differentiated tissue; and

(B) able to renew itself and differentiate to yield all or nearly all of the specialized cell types of the tissue from which the cell originated.

(2) "Consortium" means the Texas Adult Stem Cell Research Consortium.

(3) "Institution of higher education" means an institution of higher education as defined by Section 61.003 or a private college or university that receives state funds.

(4) "Program" means the adult stem cell research program established under this chapter.

(5) "Research coordinating board" means the Texas Adult Stem Cell Research Coordinating Board.

Sec. 156.002. COMPOSITION OF RESEARCH COORDINATING BOARD.

(a) The Texas Adult Stem Cell Research Coordinating Board is composed of:

(1) two members representing the Texas Higher Education Coordinating Board; each of whom is appointed by the commissioner of higher education;

(2) three members who are interested persons, including at least one person who represents an institution of higher education, appointed by the governor;

(3) two members who are interested persons appointed by the lieutenant governor; and

(4) two members who are interested persons appointed by the speaker of the house of representatives.

(b) The governor shall designate as the presiding officer of the research coordinating board a board member appointed under Subsection (a)(1) who represents an institution of higher education. The presiding officer serves in that capacity at the will of the governor.

(c) The members of the research coordinating board serve staggered six-year terms. If a vacancy occurs on the board, the appropriate appointing authority shall appoint, in the same manner as the original appointment, another person to serve for the remainder of the unexpired term.

Sec. 156.003. CONFLICT OF INTEREST. (a) In this section, "Texas trade association" means a cooperative and voluntarily joined association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not be a member of the research coordinating board if:

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

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of medicine.

(c) A person may not be a member of the research coordinating board if the person is required to register as a lobbyist under Chapter 305, Government Code, because of the person's activities for compensation on behalf of a profession related to the operation of the board.

Sec. 156.004. COMPOSITION OF CONSORTIUM. (a) The research coordinating board shall establish the Texas Adult Stem Cell Research Consortium.

(b) The consortium is composed of participating institutions of higher education and businesses that:

(1) accept public money for adult stem cell research; or

(2) otherwise agree to participate in the consortium.

Sec. 156.005. ADMINISTRATION OF PROGRAM; GUIDELINES AND PROCEDURES. (a) The research coordinating board shall administer the program to:

(1) make grants, investments, and loans to consortium members for:

(A) adult stem cell research activities and projects including but not limited to: pre-clinical trials and studies, treatment protocol development, state and/or regulatory submissions including FDA Investigational New Drug Applications and approvals, clinical trials including the use of Contract Research Organizations, Data Safety Monitoring Boards, intellectual property development; pathways and processes to commercialization as well as to address the collection; development; cGMP manufacturing; characterization and use of adult stem cells;

(B) the development of facilities to be used solely for adult stem cell research projects or for the cGMP manufacturing of adult stem cell and related projects; and

(C) the commercialization of products or technology involving adult stem cell research and treatments;

(2) support consortium members in all stages of the process of developing treatments and cures based on adult stem cell research, beginning with initial laboratory research through successful cGMP manufacturing and clinical trials;

(3) establish appropriate regulatory standards and oversight bodies for:

(A) adult stem cell research conducted by consortium members; and

(B) the development of facilities for consortium members conducting adult stem cell research and cGMP manufacturing; and

(4) assist consortium members in applying for grants, investments, or loans under the program.

(b) The research coordinating board shall develop research priorities, guidelines, and procedures for providing grants, investments, and loans for specific research projects conducted by consortium members. The priorities, guidelines, and procedures must require the grants and loans to be made on a competitive, peer review basis.

Sec. 156.006. FUNDING. The program may only be funded by gifts, grants, investments, and donations described by Section 156.007.

Sec. 156.007. GIFTS, GRANTS, AND DONATIONS. The consortium shall solicit, and the research coordinating board may accept on behalf of the consortium, a gift, grant, or donation made from any public or private source for the purpose of promoting adult stem cell research or commercialization.

Sec. 156.008. BIENNIAL REPORT. Not later than September 1 of each even-numbered year, the research coordinating board shall submit a report of the board's activities and recommendations to the Texas Higher Education Coordinating Board and to the governor, the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each legislative standing committee or subcommittee with jurisdiction over higher education.

SECTION ____. Section 162.001, Health and Safety Code, is amended by adding Subdivision (4) to read as follows:

(4) "Adult stem cell" means an undifferentiated cell that is:

(A) found in differentiated tissue; and

(B) able to renew itself and differentiate to yield all or nearly all of the specialized cell types of the tissue from which the cell originated.

SECTION _____. Chapter 162, Health and Safety Code, is amended by adding Section 162.020 to read as follows:

Sec. 162.020. ADULT STEM CELL COLLECTION. Blood obtained by a blood bank may be used for the collection of adult stem cells if the donor consents in writing to that use.

SECTION _____. Section 241.003, Health and Safety Code, is amended by amending Subdivision (1) and adding Subdivision (1-a) to read as follows:

(1) "Adult stem cell" has the meaning assigned by Section 162.001.

(1-a) "Advanced practice nurse" means a registered nurse recognized as an advanced practice nurse by the Texas Board of Nursing.

SECTION _____. Subchapter A, Chapter 241, Health and Safety Code, is amended by adding Section 241.009 to read as follows:

Sec. 241.009. USE OF ADULT STEM CELLS. A hospital may use adult stem cells in a procedure if a physician providing services at the hospital determines that the use of adult stem cells in the procedure is appropriate and the patient consents in writing to the use.

SECTION _____. (a) As soon as practicable after the effective date of this Act, the governor, lieutenant governor, and speaker of the house of representatives shall appoint members to the Texas Adult Stem Cell Research Coordinating Board, as required by Section 156.002, Education Code, as added by this Act, as follows:

(1) the governor shall appoint one member to a term expiring February 1, 2015, one member to a term expiring February 1, 2017, and one member to a term expiring February 1, 2019;

(2) the lieutenant governor shall appoint one member to a term expiring February 1, 2017, and one member to a term expiring February 1, 2019; and

(3) the speaker of the house of representatives shall appoint one member to a term expiring February 1, 2017, and one member to a term expiring February 1, 2019.

(b) Not later than September 1, 2014, the Texas Adult Stem Cell Research Coordinating Board shall submit the first report of the board's activities and recommendations as required by Chapter 156, Education Code, as added by this Act.

Floor Amendment No. 7 on Third Reading

Amend **CSSB 215** on third reading by amending Section 54.017, Education Code, as added on second reading by Floor Amendment No. 20 by Capriglione, as that amendment was amended by Floor Amendment No. 22 by Capriglione, as follows:

(1) Strike the heading to added Section 54.017, Education Code, and substitute "STUDY ON TUITION RATES AND FEE AMOUNTS".

(2) Strike added Section 54.017(b), Education Code.

(3) In added Section 54.017(c), Education Code, strike "affordability of tuition and fee rates" and substitute "affordability of tuition rates and fee amounts".

(4) Strike the last sentence of added Section 54.017(c), Education Code, and substitute "The coordinating board shall submit the results of the study to general academic teaching institutions, the governor, and the legislative standing committees with primary jurisdiction over higher education."

(5) Redesignate added Section 54.017(c), Education Code, as Section 54.017(b), Education Code.

Floor Amendment No. 8 on Third Reading

Amend **CSSB 215** on third reading as follows:

(1) In the SECTION of the bill amending Section 56.451, Education Code, as amended by Second Reading Amendment No. 17 by Giddings:

(A) In the recital, strike "Section 56.451, Education Code, is amended by amending Subdivisions (2) and (3) and adding Subdivisions (4) and (5)" and substitute "Subdivisions (2) and (3), Section 56.451, Education Code, are amended".

(B) Strike added Subdivisions (4) and (5), Section 56.451, Education Code.

(2) Strike the SECTION of the bill amending Section 56.453, Education Code, as added by Second Reading Amendment No. 17 by Giddings, and substitute the following appropriately numbered SECTION:

SECTION _____. Section 56.453, Education Code, is amended by adding Subsection (d) to read as follows:

(d) The coordinating board, in collaboration with eligible institutions and other appropriate entities, shall adopt and implement measures to:

(1) improve student participation in the Texas B-On-time loan program, including strategies to better inform students and prospective students about the program; and

(2) improve the rate of student satisfaction of the requirements for obtaining Texas B-On-time loan forgiveness.

(3) In the SECTION of the bill amending Section 56.455, Education Code, as amended by Second Reading Amendment No. 17 by Giddings, strike amended Subdivision (5) and substitute the following:

(5) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

(4) In the SECTION of the bill amending Section 56.456(a), Education Code, as amended by second reading Amendment No. 17 by Giddings, strike amended Subdivision (5) and substitute the following:

(5) complies with any additional nonacademic requirement adopted by the coordinating board.

(5) In the SECTION of the bill amending Section 56.459, Education Code, as amended by second reading Amendment No. 17 by Giddings:

(A) In the recital, strike "Subsections (a), (b), (e), and (f)" and substitute "Subsections (a), (b), and (f)".

(B) Strike amended Subsection (a) and substitute the following:

(a) The amount of a Texas B-On-time loan for a semester or term for a student enrolled full-time at an eligible institution other than an institution covered by Subsection (b) [~~, (c), or (d)~~] is an amount determined by the coordinating board as the average statewide amount of tuition and required fees that a resident student enrolled full-time in a baccalaureate [~~an undergraduate~~] degree program would be charged for that semester or term at general academic teaching institutions.

(C) Strike amended Subsections (e) and (f) and substitute the following:

(f) If in any academic year the amount of money in the Texas B-On-time student loan account, other than money appropriated to the account exclusively for loans at eligible institutions that are private or independent institutions of higher education, is insufficient to provide the loans in the maximum amount specified by this section to all eligible persons at eligible institutions that are institutions of higher education [~~in amounts specified by this section~~], the coordinating board shall determine the amount of that available money and shall allocate that amount to those eligible institutions in proportion to the amount of tuition set aside by [~~number of full-time equivalent undergraduate students enrolled at~~] each of those institutions under Section 56.465 for the preceding academic year [institution]. In the manner prescribed by the coordinating board for purposes of this subsection, each eligible institution that is a private or independent institution of higher education is entitled to receive an allocation only from the general revenue appropriations made for that academic year to eligible private or independent institutions of higher education for the purposes of this subchapter. Each institution shall use the money allocated to award Texas B-On-time loans to eligible students enrolled at the institution selected according to financial need.

(6) Strike the SECTION of the bill amending Section 56.465, Education Code, as added by second reading Amendment No. 17 by Giddings, and substitute the following appropriately numbered SECTION:

SECTION _____. Section 56.465, Education Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) If the amount of tuition set aside by an eligible institution under Subsection (a) in any academic year exceeds the amount necessary to fund Texas B-On-time loans awarded to students enrolled at the institution in that academic year, the coordinating board shall determine the amount by which the tuition set aside by the institution exceeds the amount necessary to fund those loans. The coordinating board shall transfer that amount from the Texas B-On-time student loan account to the credit of an account established for the institution if:

(1) the coordinating board determines that the participation rate of students of the institution in the Texas B-On-time loan program has increased from the participation rate for the preceding academic year; or

(2) the measures adopted by the coordinating board under Section 56.453(d) have been fully implemented at the institution in the current academic year.

(d) Money transferred to the credit of the account established for an eligible institution under Subsection (c) is considered to be institutional funds of the institution and may be used only for a purpose for which tuition set aside under Subchapter B may be used.

(7) Strike the following SECTIONS of the bill, as added by Second Reading Amendment No. 17 by Giddings:

- (A) the SECTION amending Section 56.457, Education Code;
- (B) the SECTION adding Section 56.4621, Education Code;
- (C) the SECTION amending Sections 56.463 and 56.464, Education

Code; and

- (D) the SECTION adding Section 56.466, Education Code.

(8) Renumber the SECTIONS of the bill as appropriate.

Floor Amendment No. 9 on Third Reading

Amend **CSSB 215** on third reading by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill appropriately:

SECTION _____. The heading to Section 51.968, Education Code, is amended to read as follows:

Sec. 51.968. ALTERNATE METHODS FOR EARNING UNDERGRADUATE COURSE CREDIT [FOR HIGH SCHOOL STUDENTS COMPLETING POSTSECONDARY LEVEL PROGRAM].

SECTION _____. Section 51.968(a)(4), Education Code, is amended to read as follows:

(4) "Institution of higher education" has the meaning assigned [means an institution of higher education, as defined] by Section 61.003~~[, that offers freshman level courses]~~.

SECTION _____. Section 51.968, Education Code, is amended by adding Subsections (a-1), (a-2), (a-3), (d-1), and (f-1) and amending Subsections (b), (c), and (e) to read as follows:

(a-1) This section applies only to an institution of higher education that offers freshman-level and sophomore-level courses.

(a-2) To maximize opportunities for students to earn undergraduate course credit at the institution, each institution of higher education may develop and administer one or more institution-specific examinations or assessments by which entering or current undergraduate students may earn freshman-level or sophomore-level course credit in the same manner as an entering freshman student may earn course credit through a CLEP examination or Advanced Placement examination. The institution may charge students a reasonable fee for taking an examination or assessment described by this subsection. The institution may develop and administer examinations or assessments for course credit for as many freshman-level and sophomore-level courses as practicable and may develop those examinations or assessments using source material from other institutions of higher education.

(a-3) Each institution of higher education that ceases to offer credit through the College-Level Examination Program or the Advanced Placement Program for a specific course shall offer credit for the course through an institution-specific examination or assessment administered under Subsection (a-2).

(b) Each institution of higher education ~~[that offers freshman level courses]~~ shall adopt and implement a policy to grant ~~[undergraduate]~~ course credit for freshman-level and sophomore-level courses to undergraduate ~~[entering freshman]~~ students who have:

(1) successfully completed the International Baccalaureate Diploma Program;

(2)~~[, who have]~~ achieved required scores on one or more examinations in the Advanced Placement Program or the College-Level Examination Program;

(3)~~[, or who have]~~ successfully completed one or more courses offered through concurrent enrollment in high school and at an institution of higher education;

or

(4) achieved required scores on one or more institution-specific examinations or assessments administered by the institution under Subsection (a-2).

(c) In the policy, the institution shall:

(1) establish the institution's conditions for granting course credit, including the minimum required scores on CLEP examinations, Advanced Placement examinations, ~~and~~ examinations for courses constituting the International Baccalaureate Diploma Program, and institution-specific examinations or assessments administered by the institution under Subsection (a-2); and

(2) based on the correlations identified under Subsections ~~Subsection~~ (f) and (f-1), identify the specific freshman-level or sophomore-level course credit or other academic requirements of the institution, including the number of semester credit hours or other course credit, that the institution will grant to a student who successfully completes a course or program or achieves a required score on an examination or assessment as described by Subsection (b) ~~[the diploma program, who successfully completes a course through concurrent enrollment, or who achieves required scores on CLEP examinations or Advanced Placement examinations].~~

(d-1) Each institution of higher education shall:

(1) report to the coordinating board:

(A) a list of courses for which the institution offers undergraduate students the opportunity to earn course credit through an institution-specific examination or assessment;

(B) the institution's policy adopted under this section; and

(C) any fee charged for an examination or assessment administered under Subsection (a-2); and

(2) include a copy of the list, policy, and applicable fee schedule with the institution's undergraduate student application materials, including application materials available on the institution's Internet website.

(e) On request of an applicant for admission as an entering undergraduate student ~~[freshman]~~, an institution of higher education, based on information provided by the applicant, shall determine and notify the applicant regarding:

(1) the amount and type of any course credit that would or could be granted to the applicant under the policy; and

(2) any other academic requirement that the applicant would satisfy under the policy.

(f-1) An institution of higher education shall:

(1) identify correlations between the subject matter and content of courses offered by the institution and the subject matter and content of institution-specific examinations or assessments administered by the institution under Subsection (a-2); and

(2) make that information available to the public on the institution's Internet website in a manner that conforms to the requirements of Section 51.974.

SECTION _____. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.96852 to read as follows:

Sec. 51.96852. TRANSFER OF CREDIT FROM LOWER-DIVISION INSTITUTIONS; ARTICULATION AGREEMENTS. (a) In this section:

(1) "Articulation agreement" means a formal written agreement between a public junior college and a general academic teaching institution identifying courses offered by the public junior college that must be accepted for credit toward specific course requirements at the general academic teaching institution.

(2) "Lower-division institution of higher education" means a public junior college, public state college, or public technical institute.

(3) "Public junior college" and "general academic teaching institution" have the meanings assigned by Section 61.003.

(b) Each general academic teaching institution shall:

(1) publish on the institution's Internet website for use by prospective undergraduate students a detailed description developed by the institution's faculty of the learning objectives, content, and prior knowledge requirements for at least 12 courses offered by the institution for which credit is frequently transferred to the institution from lower-division institutions of higher education;

(2) identify the public junior colleges from which the general academic teaching institution regularly receives transfer students; and

(3) establish, for at least five degree plans for which credit is frequently transferred to the institution from lower-division institutions of higher education, articulation agreements with each public junior college from which the general academic teaching institution has received an average of at least five percent of the institution's transfer students in the three preceding academic years.

(c) A general academic teaching institution's participation in an articulation agreement under this section does not affect the institution's admissions policies.

(d) In consultation with general academic teaching institutions and public junior colleges, the Texas Higher Education Coordinating Board shall adopt any rules the coordinating board considers necessary for the administration of this section.

SECTION _____. Section 61.0515, Education Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) To earn a baccalaureate degree, a student may not be required by a general academic teaching institution to complete more than the minimum number of semester credit hours required for the degree by the institution's board-recognized accrediting agency [~~Southern Association of Colleges and Schools or its successor~~] unless the institution determines that there is a compelling academic reason for requiring completion of additional semester credit hours for the degree.

(d) The board shall adopt any rules the board considers necessary for the administration of this section.

SECTION _____. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.05151 to read as follows:

Sec. 61.05151. SEMESTER CREDIT HOURS REQUIRED FOR ASSOCIATE DEGREE. (a) To earn an associate degree, a student may not be required by an institution of higher education to complete more than the minimum number of semester credit hours required for the degree by the institution's board-recognized accrediting agency unless academic accreditation or professional licensure requirements require the completion of additional semester credit hours for the degree.

(b) The board may review one or more of an institution's associate degree programs to ensure compliance with this section.

(c) Subsection (a) does not apply to an associate degree awarded by an institution to a student enrolled in the institution before the 2015 fall semester.

(d) The board shall adopt any rules the board considers necessary for the administration of this section.

SECTION _____. Section 61.052, Education Code, is amended by amending Subsections (a) and (b) and adding Subsection (b-1) to read as follows:

(a) Each governing board shall submit to the board once each year on dates designated by the board a comprehensive list by department, division, and school of all courses, together with a description of content, scope, and prerequisites of all these courses, that will be offered by each institution under the supervision of that governing board during the following academic year. The list for each institution must also specifically identify any course included in the single common course numbering system under Section 61.832 that has been added to or removed from the institution's list for the current academic year, and the board shall distribute that information as necessary to accomplish the purposes of Section 61.832.

(b) After the comprehensive list of courses is submitted by a governing board under Subsection (a) ~~[of this section]~~, the governing board shall submit on dates designated by the board any changes in the comprehensive list of courses to be offered, including any changes relating to offering a course included in the single common course numbering system.

(b-1) Each governing board must certify at the time of submission under Subsection (a) that the institution does not:

(1) prohibit the acceptance of transfer credit based solely on the accreditation of the sending institution; or

(2) include language in any materials published by the institution, whether in printed or electronic form, suggesting that such a prohibition exists.

SECTION _____. Section 61.822, Education Code, is amended by amending Subsections (a) and (b) and adding Subsection (f) to read as follows:

(a) The board, with the assistance of advisory committees composed of representatives of institutions of higher education, shall develop a recommended core curriculum of at least 42 semester credit hours, including a statement of the content, component areas, and objectives of the core curriculum. Administrators of an institution of higher education may serve as representatives of the institution on any advisory committee under this section. At least a majority of the members of any advisory committee named under this section shall be faculty members of an institution of higher education. An institution shall consult with the faculty of the institution before nominating or recommending a person to the board as the institution's representative on an advisory committee.

(b) Each institution of higher education shall adopt a core curriculum of not ~~[no]~~ less than 42 semester credit hours, including specific courses comprising the curriculum. The core curriculum shall be consistent with the single common course numbering system approved by the board under Section 61.832(a) and with the statement, recommendations, and rules issued by the board. An institution may have a core curriculum of other than 42 semester credit hours only if approved by the board.

(f) In an effort to facilitate the transfer of major-related coursework beyond the general education core curriculum, the board, with the assistance of the advisory committees described by Subsection (a), shall:

(1) develop a course-specific core curriculum for each broad academic discipline within the general core curriculum; and

(2) identify those degree programs offered at institutions of higher education to which the course-specific core curriculum, if successfully completed by a student at another institution of higher education, is fully transferable.

SECTION _____. Section 61.830, Education Code, is amended to read as follows:

Sec. 61.830. PUBLICATION OF GUIDELINES ADDRESSING TRANSFER PRACTICES. In its course catalogs and on its website, each institution of higher education shall publish guidelines addressing the practices of the institution regarding the transfer of course credit. In the guidelines, the institution must identify a course by using the single common course numbering system approved by the board under Section 61.832(a).

SECTION _____. Section 61.832, Education Code, is amended to read as follows:

Sec. 61.832. COMMON COURSE NUMBERING SYSTEM. (a) The board shall approve a single common course numbering system for lower-division courses to facilitate the transfer of those courses among institutions of higher education by promoting consistency in course designation and identification.

(b) The board shall solicit input from institutions of higher education regarding the development of the single common course numbering system.

(c) Each institution of higher education other than The University of Texas at Austin and Texas A&M University shall:

(1) use the approved common course numbering system for each course for which a common number designation and course description are included in that system; and

(2) include the applicable course numbers from that system in its course catalogs and other course listings.

(d) The board may approve only a common course numbering system already in common use in this state by one or more institutions of higher education.

(e) ~~(e)~~ The board shall cooperate with institutions of higher education in any additional development or alteration of the common course numbering system approved under Subsection (a), including the taxonomy to be used, and in the development of rules for the administration and applicability of the system.

(f) A student who transfers from one institution of higher education to another shall receive academic credit from the receiving institution for each course that the student has successfully completed that serves as an equivalent course under the single common course numbering system at the institution from which the student transfers.

(g) Not later than June 1, 2014, the board shall:

(1) approve a single common course numbering system as required by Subsection (a); and

(2) establish a timetable that requires the institutions of higher education to which Subsection (c) applies to phase in the inclusion of the applicable course numbers from the single common course numbering system in their individual course listings and course numbering systems as required by this section so that each institution fully complies with this section for all courses offered for the 2018-2019 academic year and subsequent years.

(g-1) Subsection (g) and this subsection expire January 1, 2020. [(d) An institution of higher education shall include in its course listings the applicable course numbers from the common course numbering system approved by the board under this section. For good cause, the board may grant to an institution of higher education an exemption from the requirements of this subsection.]

SECTION _____. The change in law made by this Act to Section 51.968, Education Code, applies beginning with the 2014-2015 academic year. An academic year occurring before that academic year is covered by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION _____. Not later than May 31, 2015, each general academic teaching institution shall publish on the institution's Internet website the information required by Section 51.96852, Education Code, as added by this Act, and establish articulation agreements in accordance with that section.

SECTION _____. The change in law made by this Act to Section 61.0515(a), Education Code, applies beginning with undergraduate students who initially enroll in a general academic teaching institution for the 2015 fall semester. An undergraduate student who initially enrolls in a general academic teaching institution before that semester is covered by the law in effect before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION _____. The changes in law made by this Act to Section 61.052, Education Code, apply to the comprehensive lists of courses offered by public institutions of higher education beginning with lists required to be submitted for the 2014-2015 academic year. Course lists for an academic year before that academic year are covered by the law in effect before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION _____. Not later than May 31, 2015, the Texas Higher Education Coordinating Board shall develop core curricula for broad academic disciplines included within the general core curriculum that conform to the requirements of Section 61.822, Education Code, as amended by this Act.

SECTION _____. Section 61.832(f), Education Code, as added by this Act, applies beginning with the 2013 fall semester.

The amendments were read.

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

The motion prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 215** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Birdwell, Chair; Nichols, Seliger, Watson, and Duncan.

**SENATE BILL 217 WITH HOUSE AMENDMENTS
(Motion In Writing)**

Senator Patrick submitted a Motion In Writing to call **SB 217** from the President's table for consideration of the House amendments to the bill.

The Motion In Writing prevailed without objection.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 217** (house committee report) as follows:

- (1) On page 5, strike lines 12-16 and substitute the following:
 - (1) developing and overseeing contracts; and
 - (2) developing the budget of the state employee charitable campaign.
- (2) On page 12, lines 24-26, strike the recital to SECTION 13 of the bill and substitute "Sections 659.151(a), (b), and (c), Government Code, are amended to read as follows:".
- (3) On page 13, strike lines 6-9.

Floor Amendment No. 1 on Third Reading

Amend **SB 217** (house committee report) as follows:

- (1) On page 2, line 2, strike "and (e)" and substitute "(e), and (i)".
- (2) On page 5, between lines 16 and 17, insert the following:
 - (i) The state employee charitable campaign policy committee is subject to the Texas Sunset Act. Unless continued in existence as provided by that chapter, the committee is abolished and Government Code Chapter 659, Subchapter I, and Sections 814.0095 and 814.0096 expire on September 1, 2025 [~~2013~~].
- (3) Strike page 14, lines 4-6, and substitute the following:

SECTION 15. Subdivisions (1), (12), and (14), Section 659.131 and Sections 659.143 and 659.144, Government Code, are repealed.

The amendments were read.

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

The motion prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 217** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Patrick, Chair; Garcia, Whitmire, Birdwell, and Huffman.

**HOUSE BILL 1951 REREFERRED
(Motion In Writing)**

Senator Carona submitted a Motion In Writing requesting that **HB 1951** be withdrawn from the Committee on Agriculture, Rural Affairs and Homeland Security and rereferred to the Committee on Business and Commerce.

The Motion In Writing prevailed without objection.

HOUSE RESOLUTION ON FIRST READING

The following resolution received from the House was read first time and referred to the committee indicated:

HCR 80 to Committee on Business and Commerce.

**SENATE RULE 11.18(a) SUSPENDED
(Public Hearings)**

On motion of Senator Carona and by unanimous consent, Senate Rule 11.18(a) was suspended in order that the Committee on Business and Commerce might consider the following bill and resolution today: **HB 1951, HCR 80**.

**SENATE RULE 11.18(a) SUSPENDED
(Public Hearings)**

On motion of Senator Whitmire and by unanimous consent, Senate Rule 11.18(a) was suspended in order that the Committee on Criminal Justice might consider the following bill and resolution today: **HB 3952, HCR 57**.

**SENATE RULE 11.18(a) SUSPENDED
(Public Hearings)**

On motion of Senator Hinojosa and by unanimous consent, Senate Rule 11.18(a) was suspended in order that the Committee on Finance might consider **HB 2972** today.

**SENATE RULE 11.18(a) SUSPENDED
(Public Hearings)**

On motion of Senator Hinojosa and by unanimous consent, Senate Rule 11.18(a) was suspended in order that the Committee on Intergovernmental Relations might consider **HB 3350** today.

CO-AUTHOR OF SENATE BILL 115

On motion of Senator Williams, Senator Lucio will be shown as Co-author of **SB 115**.

CO-AUTHOR OF SENATE BILL 537

On motion of Senator Deuell, Senator Lucio will be shown as Co-author of **SB 537**.

CO-SPONSOR OF HOUSE BILL 148

On motion of Senator Paxton, Senator Campbell will be shown as Co-sponsor of **HB 148**.

CO-SPONSOR OF HOUSE BILL 462

On motion of Senator Patrick, Senator Campbell will be shown as Co-sponsor of **HB 462**.

CO-SPONSOR OF HOUSE BILL 866

On motion of Senator Seliger, Senator Patrick will be shown as Co-sponsor of **HB 866**.

CO-SPONSOR OF HOUSE BILL 928

On motion of Senator Estes, Senator Campbell will be shown as Co-sponsor of **HB 928**.

CO-SPONSOR OF HOUSE BILL 972

On motion of Senator Birdwell, Senator Campbell will be shown as Co-sponsor of **HB 972**.

CO-SPONSOR OF HOUSE BILL 1926

On motion of Senator Hegar, Senator Patrick will be shown as Co-sponsor of **HB 1926**.

CO-SPONSOR OF HOUSE BILL 2478

On motion of Senator Watson, Senator Garcia will be shown as Co-sponsor of **HB 2478**.

CO-SPONSORS OF HOUSE BILL 2500

On motion of Senator Watson, Senators Estes and Rodriguez will be shown as Co-sponsors of **HB 2500**.

CO-SPONSORS OF HOUSE BILL 2824

On motion of Senator Paxton, Senators Eltife and Seliger will be shown as Co-sponsors of **HB 2824**.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolutions

SR 1016 by Watson, In memory of John P. Nieman.

SR 1020 by Van de Putte, In memory of Rudolph G. Suniga.

SR 1021 by Van de Putte, In memory of Jerry "Coach" Dosser.

Welcome and Congratulatory Resolutions

SR 1013 by Birdwell and Huffman, Recognizing Lynn Forney Young on her installation as president general of the National Society Daughters of the American Revolution.

SR 1014 by Ellis, Welcoming Abiola and Florence Ajimobi to the State Capitol.

SR 1015 by Watson, Recognizing Mike and Pam Reese for their stewardship of Texas lands and water.

SR 1018 by Whitmire, Recognizing Northwest Preparatory Academy Charter School on the occasion of its 12th annual eighth grade promotion ceremony.

SR 1019 by Deuell, Recognizing members of the 2013 Leadership Rockwall Class.

ADJOURNMENT

On motion of Senator Whitmire, the Senate at 7:51 p.m. adjourned 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, 2013

CRIMINAL JUSTICE — **CSHB 3370**

HIGHER EDUCATION — **CSHB 2099, CSHB 870, CSHB 2448**

ECONOMIC DEVELOPMENT — **CSHB 3436, HB 3643**

TRANSPORTATION — **CSHB 1573, CSHB 3838**

AGRICULTURE, RURAL AFFAIRS AND HOMELAND SECURITY — **CSHB 2150**

FINANCE — **CSHB 7, CSHB 213, CSHB 500, CSHB 1025, CSHB 1223, CSHB 6, HB 97, HB 315, HB 697, HB 709, HB 1511, HB 1712, HB 2500, HB 2636, HB 2684, HB 2712, HB 2766, HB 2792, HB 3086, HB 3169, HB 3438, HB 3439, HJR 24**

STATE AFFAIRS — **HB 724, HB 1468, HB 3015, HB 3276**

EDUCATION — **CSHB 2012, CSHB 2836, CSHB 1926**

HIGHER EDUCATION — **CSHB 2036**

NATURAL RESOURCES — **CSHB 2532, CSHB 2859, HB 2781**

ADMINISTRATION — **HB 1260, HB 1588, HB 3954, HCR 115**

GOVERNMENT ORGANIZATION — **HB 2422, CSHB 1726, CSHB 12**

ADMINISTRATION — **HB 1587, HCR 111**

CRIMINAL JUSTICE — **CSHB 899**

NATURAL RESOURCES — **CSHB 3509**

FINANCE — **CSHB 3536, CSHB 3572**

JURISPRUDENCE — **HB 2621, HB 1228, HB 1245, HB 1846, HB 3314, HB 1755, HB 2080 (Amended), HB 2912 (Amended), HB 2913, HB 2918**

FINANCE — **CSHB 826, CSHB 585**

JURISPRUDENCE — **CSHB 2978, CSHB 3259**

AGRICULTURE, RURAL AFFAIRS AND HOMELAND SECURITY — **HB 1090, HB 1179, HB 1382, HB 3433, HB 3566, HB 3569, HB 3761**

VETERAN AFFAIRS AND MILITARY INSTALLATIONS — **CSHB 489**

ADMINISTRATION — **HB 3945**

JURISPRUDENCE — **CSHB 984, CSHB 1847**

BILLS ENGROSSED

May 17, 2013

SB 1648, SB 1909, SB 1920

BILLS AND RESOLUTIONS ENROLLED

May 17, 2013

SB 12, SB 63, SB 109, SB 111, SB 152, SB 201, SB 222, SB 246, SB 260, SB 286, SB 344, SB 356, SB 394, SB 395, SB 406, SB 772, SB 819, SB 944, SB 983, SB 1120, SB 1167, SB 1665, SB 1719, SB 1792, SJR 18, SJR 42, SR 973, SR 1001, SR 1002, SR 1003, SR 1004, SR 1005, SR 1006, SR 1007, SR 1008

SIGNED BY GOVERNOR

May 18, 2013

SB 60, SB 120, SB 162, SB 166, SB 202, SB 265, SB 275, SB 276, SB 299, SB 307, SB 330, SB 334, SB 348, SB 349, SB 354, SB 365, SB 366, SB 367, SB 411, SB 412, SB 447, SB 458, SB 466, SB 471, SB 506, SB 595, SB 611, SB 649, SB 655, SB 686, SB 698, SB 733, SB 743, SB 777, SB 795, SB 820, SB 849, SB 852, SB 866, SB 885, SB 900, SB 902, SB 905, SB 920, SB 945, SB 965, SB 972, SB 1019, SB 1026, SB 1041, SB 1110, SB 1157, SB 1236, SB 1286, SB 1489, SB 1537, SB 1814, SB 1815, SCR 35

SENT TO GOVERNOR

May 20, 2013

SB 12, SB 63, SB 109, SB 111, SB 152, SB 201, SB 222, SB 246, SB 260, SB 286, SB 344, SB 356, SB 377, SB 394, SB 395, SB 406, SB 715, SB 772, SB 819, SB 914, SB 944, SB 983, SB 1120, SB 1142, SB 1167, SB 1312, SB 1541, SB 1665, SB 1719, SB 1792, SB 1868