

# HOUSE JOURNAL

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EIGHTY-SIXTH LEGISLATURE, REGULAR SESSION

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## PROCEEDINGS

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SEVENTY-THIRD DAY — FRIDAY, MAY 24, 2019

The house met at 10:17 a.m. and was called to order by the speaker.

The roll of the house was called and a quorum was announced present (Record 1784).

Present — Mr. Speaker(C); Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Cole; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Absent, Excused — Davis, S.; Johnson, E.

Absent — Darby.

The invocation was offered by Kent C. Miller, retired pastor, Austin, as follows:

Most gracious God of many names gathered into one, in your wisdom and power, come meet us in this place, moving among us, endlessly becoming the guiding spirit in all we do today as we continue our work as legislators to craft a state government worthy of all your people. Deliver us today from the demons of small-mindedness and of impatience, lest in our haste our labor is foolish or harmful. Settle us down and clear the room of the spirits of contention and distrust and pettiness so that by your presence we may be able to see solutions beyond our own short horizons. By your presence we may be able to hear harmony when our legislation solves real problems. By your presence we may be able to stand together on the solid ground of justice upholding all our people. By

your presence we may be able to hear the sighs of relief when our actions lift burdens from lives of people throughout Texas. O God of many names gathered into one, we invoke your presence to guide and empower each man and woman to so carefully craft their legislation and cast their vote that this ship of state may safely carry all your people through calm waters and turbulent seas in the many days ahead. Amen.

The chair recognized Representative Geren who led the house in the pledges of allegiance to the United States and Texas flags.

(Goldman in the chair)

### **LEAVES OF ABSENCE GRANTED**

The following member was granted leave of absence for today because of illness in the family:

S. Davis on motion of Geren.

The following member was granted leave of absence for today because of important business in the district:

E. Johnson on motion of Muñoz.

The following member was granted leave of absence for the remainder of today because of personal business:

Darby on motion of Shine.

### **CAPITOL PHYSICIAN**

The chair recognized Representative Larson who presented Dr. Cristian Fernandez Falcon of San Antonio as the "Doctor for the Day."

The house welcomed Dr. Fernandez Falcon and thanked him for his participation in the Physician of the Day Program sponsored by the Texas Academy of Family Physicians.

### **HR 2082 - ADOPTED (by Ortega)**

Representative Ortega moved to suspend all necessary rules to take up and consider at this time **HR 2082**.

The motion prevailed.

The following resolution was laid before the house:

**HR 2082**, Commending Ginger McGalin for her service as Capitol nurse practitioner during the 86th Legislative Session.

**HR 2082** was adopted.

On motion of Representative Sheffield, the names of all the members of the house were added to **HR 2082** as signers thereof.

### **INTRODUCTION OF GUEST**

The chair recognized Representative Ortega who introduced Ginger McGalin.

**REGULAR ORDER OF BUSINESS SUSPENDED**

On motion of Representative Bucy and by unanimous consent, the reading and referral of bills was postponed until just prior to adjournment.

(Geren in the chair)

**HR 2002 - ADOPTED**

(by Raymond)

Representative Raymond moved to suspend all necessary rules to take up and consider at this time **HR 2002**.

The motion prevailed.

The following resolution was laid before the house:

**HR 2002**, In memory of former University of Texas baseball coach August "Augie" Edmun Garrido Jr.

**HR 2002** was unanimously adopted by a rising vote.

On motion of Representative Goldman, the names of all the members of the house were added to **HR 2002** as signers thereof.

**INTRODUCTION OF GUESTS**

The chair recognized Representative Raymond who introduced former players for August "Augie" Edmun Garrido Jr.

**HR 2018 - ADOPTED**

(by J. Turner)

Representative J. Turner moved to suspend all necessary rules to take up and consider at this time **HR 2018**.

The motion prevailed.

The following resolution was laid before the house:

**HR 2018**, In memory of Debby Hay Spradley of Dallas.

**HR 2018** was unanimously adopted by a rising vote.

On motion of Representative Raymond, the names of all the members of the house were added to **HR 2018** as signers thereof.

**HR 1946 - ADOPTED**

(by Middleton)

Representative Middleton moved to suspend all necessary rules to take up and consider at this time **HR 1946**.

The motion prevailed.

The following resolution was laid before the house:

**HR 1946**, In memory of Jeffrey C. Weiss of Houston.

**HR 1946** was unanimously adopted by a rising vote.

On motion of Representative Murphy, the names of all the members of the house were added to **HR 1946** as signers thereof.

### **INTRODUCTION OF GUESTS**

The chair recognized Representative Middleton who introduced family members of Jeffrey C. Weiss.

### **INTRODUCTION OF GUESTS**

The chair recognized Representative Hinojosa who introduced Sarah Beth Lively and members of her family.

(Goldman in the chair)

### **HR 2052 - ADOPTED (by Sherman)**

Representative Sherman moved to suspend all necessary rules to take up and consider at this time **HR 2052**.

The motion prevailed.

The following resolution was laid before the house:

**HR 2052**, Commending Carl Sherman Jr. for his service on the DeSoto ISD Board of Trustees.

**HR 2052** was adopted.

On motion of Representative Rose, the names of all the members of the house were added to **HR 2052** as signers thereof.

### **INTRODUCTION OF GUEST**

The chair recognized Representative Sherman who introduced Carl Sherman Jr.

### **HR 409 - INTRODUCTION OF GUESTS**

The chair recognized Representative Murr who introduced representatives of Camp La Junta.

### **HR 1660 - ADOPTED (by Toth)**

Representative Toth moved to suspend all necessary rules to take up and consider at this time **HR 1660**.

The motion prevailed.

The following resolution was laid before the house:

**HR 1660**, Honoring retired U.S. Army Lt. Colonel Robert Grant Harmon of Montgomery County for his outstanding record of service.

**HR 1660** was adopted.

**HR 2083 - ADOPTED**  
**(by Dutton)**

Representative Dutton moved to suspend all necessary rules to take up and consider at this time **HR 2083**.

The motion prevailed.

The following resolution was laid before the house:

**HR 2083**, Commending Betty J. Hoffman for her career in education on the occasion of her 70th birthday.

**HR 2083** was adopted.

**HR 1881 - ADOPTED**  
**(by Nevárez)**

Representative Nevárez moved to suspend all necessary rules to take up and consider at this time **HR 1881**.

The motion prevailed.

The following resolution was laid before the house:

**HR 1881**, Recognizing the contributions of the youth football organization Club Venados.

**HR 1881** was adopted.

**INTRODUCTION OF GUESTS**

The chair recognized Representative Nevárez who introduced representatives of Club Venados.

**HR 1809 - ADOPTED**  
**(by Nevárez)**

Representative Nevárez moved to suspend all necessary rules to take up and consider at this time **HR 1809**.

The motion prevailed.

The following resolution was laid before the house:

**HR 1809**, Commending the officers and staff of Region VII of the Texas Department of Public Safety for their work in protecting the Capitol Complex in Austin.

**HR 1809** was adopted.

On motion of Representatives Murphy and Minjarez, the names of all the members of the house were added to **HR 1809** as signers thereof.

**INTRODUCTION OF GUESTS**

The chair recognized Representative Nevárez who introduced officers and staff of Region VII of the Texas Department of Public Safety.

**HR 2110 - ADOPTED**  
**(by Hunter)**

Representative Hunter moved to suspend all necessary rules to take up and consider at this time **HR 2110**.

The motion prevailed.

The following resolution was laid before the house:

**HR 2110**, Recognizing the efforts of a coalition of students, teachers, counselors, administrators, veterans, and community advocates from the Coastal Bend of Texas in studying the issue of suicide among veterans and adolescents.

**HR 2110** was adopted.

**HR 1653 - ADOPTED**  
**(by Reynolds)**

Representative Reynolds moved to suspend all necessary rules to take up and consider at this time **HR 1653**.

The motion prevailed.

The following resolution was laid before the house:

**HR 1653**, Congratulating the Dulles High School academic decathlon team on a successful showing at the 2019 USAD Nationals competition.

**HR 1653** was adopted.

On motion of Representative Miller, the names of all the members of the house were added to **HR 1653** as signers thereof.

**INTRODUCTION OF GUESTS**

The chair recognized Representative Reynolds who introduced representatives of the Dulles High School academic decathlon team.

**HR 2103 - ADOPTED**  
**(by Nevárez)**

Representative Nevárez moved to suspend all necessary rules to take up and consider at this time **HR 2103**.

The motion prevailed.

The following resolution was laid before the house:

**HR 2103**, Commemorating the signing of the memorandum of understanding between the Center for Big Bend Studies, the Instituto Nacional de Antropología e Historia, and the city of Ágreda, Spain.

**HR 2103** was adopted.

On motion of Representative Anderson, the names of all the members of the house were added to **HR 2103** as signers thereof.

## INTRODUCTION OF GUESTS

The chair recognized Representative Nevárez who introduced representatives of Sul Ross State University and Instituto Nacional de Antropología e Historia.

### HCR 181 - ADOPTED (by Oliverson)

The following privileged resolution was laid before the house:

#### HCR 181

WHEREAS, **HB 4686** has passed the Texas House of Representatives and the Texas Senate, been enrolled by the enrolling clerk of the house of representatives, and been signed by the speaker of the house of representatives and is being prepared to be sent to the senate; and

WHEREAS, **HB 4686** contains a technical error that should be corrected; now, therefore, be it

RESOLVED, That the signature of the speaker of the house of representatives be declared null and void and that the speaker be authorized to remove the speaker's signature from enrolled **HB 4686**; and, be it further

RESOLVED, That the enrolling clerk of the house of representatives be hereby instructed to correct **HB 4686** by striking SECTION 4 of the bill (page 4, lines 5 and 6), repealing provisions of the Special District Local Laws Code, and substituting the following appropriately numbered SECTION:

SECTION \_\_\_\_\_. Sections 8334.103(b) and 8334.104, Special District Local Laws Code, are repealed.

**HCR 181** was adopted by (Record 1785): 143 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Goldman(C).

Absent, Excused — Darby; Davis, S.; Johnson, E.

Absent — Cole; Schaefer.

(Guillen in the chair)

### **LEAVE OF ABSENCE GRANTED**

The following member was granted leave of absence for the remainder of today because of important business:

Cole on motion of Bailes.

### **CONGRATULATORY AND MEMORIAL CALENDAR**

The following congratulatory resolutions were laid before the house:

**HR 1597** (by D. Bonnen), Congratulating Ryan Lindveit on being awarded the grand prize in the New York Youth Symphony's First Music program.

**HR 1599** (by White), Congratulating William Howard Townsend on his 100th Birthday.

**HR 1617** (by Murr), Congratulating Vivian Torres on her retirement as the county court at law judge for Medina County.

**HR 1624** (by Wu), Commending Britnee Chuor for her service as a policy analyst in the office of State Representative Gene Wu.

**HR 1625** (by Wu), Commending Julia Durnan for her service as a policy analyst in the office of State Representative Gene Wu during the 86th Legislative Session.

**HR 1626** (by Wu), Commending Kelsey Lammons for her service as a policy analyst in the office of State Representative Gene Wu.

**HR 1627** (by J.D. Johnson), Congratulating Dr. Nghia Le of Booker T. Washington High School and The High School for Engineering Professions in Houston on winning a 2019 H-E-B Excellence in Education Leadership Award.

**HR 1629** (by Holland), Commending Reid Rakow for his service as a legislative intern in the office of State Representative Justin Holland.

**HR 1630** (by P. King), Congratulating Paula Jean Ard on her retirement from Weatherford ISD.

**HR 1631** (by Blanco), Congratulating the boys' soccer team from Bel Air High School in El Paso on winning the 2019 UIL 5A state championship.

**HR 1632** (by Blanco), Congratulating the members of the Riverside High School solar technology program and math team on earning regional awards in environmental engineering and applied mathematics.

**HR 1637** (by J. González), Honoring Promise House for its work to alleviate youth homelessness in Dallas and North Texas.

**HR 1638** (by J. González), Honoring Ebony Smith of Dallas for her work to bring yoga to underserved communities through Yoga N Da Hood.



**HR 1639** (by Goldman), Commending Victoria Leigh Galindo for her service as an intern in the district office of State Representative Craig Goldman during the 86th Legislative Session.

**HR 1640** (by Price), Recognizing May 2019 as Cystic Fibrosis Awareness Month.

**HR 1641** (by Moody), Congratulating Bruce Orndorf on his 50th anniversary with the El Paso Police Department.

**HR 1657** (by White), Congratulating Dylan Fairley of Lumberton High School on being named the 2019 Super Gold Boys' Soccer Coach of the Year by the Beaumont Enterprise.

**HR 1643** (by Leach), Commending PJ Putnam of Dallas for providing aid to the victim of a major highway accident.

**HR 1644** (by Morrison), Honoring Texas Dance Hall Preservation for its work saving historic dance halls.

**HR 1645** (by D. Bonnen), Congratulating Monsignor Leo Wleczyk on his retirement as pastor of St. Michael the Archangel Catholic Church in Lake Jackson.

**HR 1647** (by White), Congratulating Rachel Scoggin of Lumberton High School on being named the 2019 Super Gold Girls' Assistant Soccer Coach of the Year by the Beaumont Enterprise.

**HR 1649** (by Rodriguez), Congratulating Ashley Rivera of Blazier Elementary School on being named the 2019 Area 1 Elementary Teacher of the Year in Austin ISD.

**HR 1650** (by Rodriguez), Congratulating Katy Howell of Travis Early College High School on being named the 2019 High School Teacher of the Year in Austin ISD.

**HR 1651** (by Rodriguez), Recognizing Paul Tovar for his contributions to the Austin community.

**HR 1666** (by Herrero), Congratulating Tia A. Whitman on graduating as the valedictorian of the Banquete High School Class of 2019.

**HR 1653** was previously adopted.

**HR 1654** (by Kacal), Congratulating the football team from La Vega High School in Waco on winning the 2018 UIL 4A Division 1 state championship.

**HR 1655** (by Kacal), Commending Dade Pritchett for his service as a legislative aide in the office of State Representative Kyle Kacal.

**HR 1658** (by Guillen), Recognizing the first week of November in 2019 and 2020 as Municipal Courts Week.

**HR 1659** (by White), Congratulating Jason Hopson of Lumberton High School on being named the 2019 Super Gold Girls' Soccer Coach of the Year by the Beaumont Enterprise.

**HR 1660** was previously adopted.

**HR 1661** (by Murr), Congratulating Janalyn Jones on her retirement as Sutton County treasurer.

**HR 1662** (by Murr), Congratulating Andrew W. Barnebey on his retirement as the county commissioner for Edwards County Precinct No. 4.

**HR 1663** (by Murr), Congratulating Mark Bean on his retirement as the tax assessor-collector for Edwards County.

**HR 1664** (by Murr), Congratulating Terry Wheeler on his retirement as Bandera County treasurer.

**HR 1667** (by Herrero), Congratulating Rodney Baltierra on graduating as the salutatorian of the Banquete High School Class of 2019.

**HR 1668** (by Herrero), Congratulating Alexis Ruiz on graduating as the salutatorian of the Class of 2019 at Bishop High School.

**HR 1669** (by Herrero), Congratulating Leila Contreras Villalobos on graduating as the valedictorian of the Class of 2019 at Bishop High School.

**HR 1670** (by Herrero), Congratulating Oscar Peña on graduating as the salutatorian of the Class of 2019 at Roy Miller High School in Corpus Christi.

**HR 1671** (by Herrero), Congratulating Amber Van Duyn on graduating as the valedictorian of the Class of 2019 at Roy Miller High School in Corpus Christi.

**HR 1672** (by Lucio), Recognizing April 29 through May 5, 2019, as Healthy Texas Week.

**HR 1673** (by Lucio), Commemorating the 40th anniversary of Sunrise Mall in Brownsville.

**HR 1674** (by Lucio), Honoring Antonio "Tony" Martinez for his service as mayor of Brownsville.

**HR 1676** (by Goldman), Commending the Fort Worth Zoo for being named the fourth best zoo in North America by USA Today.

**HR 1677** (by Goldman), Congratulating the Western Hills High School Winterguard on winning the 2019 Regional AA NTCA Championships.

**HR 1678** (by Martinez Fischer), Commending Andres Garza for his service as a legislative aide in the office of State Representative Trey Martinez Fischer.

**HR 1679** (by Martinez Fischer), Commending Rebecca Gutierrez for her service as a legislative aide in the office of State Representative Trey Martinez Fischer.

**HR 1681** (by Springer), Commending the Fairy Yardmothers for their landscaping work on the Aspermont Independent School District's campuses.

**HR 1682** (by Shine), Commending Blake Dickerson for his service as a legislative aide in the office of State Representative Hugh D. Shine.

**HR 1683** (by Shine), Commending Connor Leigh on his service as legislative director in the office of State Representative Hugh D. Shine.

**HR 1684** (by Coleman), Honoring the University of Houston Hobby Fellows for their contributions to the 86th Texas Legislative Session.

**HR 1685** (by Canales), Congratulating Coach Ray Dennis Morales of Alfonso Ramirez Elementary School in Edinburg on receiving the 2018 National All Star Teacher of the Year Award from Project Fit America.

**HR 1686** (by Canales), Congratulating Coach Betty Kennan of Alfonso Ramirez Elementary School in Edinburg on receiving the 2018 National All Star Teacher of the Year Award from Project Fit America.

**HR 1687** (by Canales), Congratulating Chris King on his accomplishments as director of athletics at The University of Texas Rio Grande Valley.

**HR 1688** (by Kacal), Congratulating the Mart High School football team on winning the 2018 UIL 2A Division 2 state championship.

**HR 1689** (by Reynolds), Congratulating the team from Dulles High School on placing second at the 2019 National Science Bowl.

**HR 1691** (by Murr), Congratulating Candy Wheeler on her retirement as the county clerk for Bandera County.

**HR 1692** (by Gutierrez), Congratulating Maryellen Rayner on her graduation from the University of Oklahoma.

**HR 1693** (by Patterson), Honoring Yohann Lopes, founder of Our Helping Hearts, for working to provide food and care items to his fellow Texans in need.

**HR 1694** (by Murr), Congratulating Ann Kothmann on her retirement as county clerk for Menard County.

**HR 1695** (by Murr), Congratulating Charles McGuire on his retirement as commissioner of Precinct 2 for Kimble County.

**HR 1711** (by Rodriguez), Congratulating Cynthia Ayala of Ridgetop Elementary School on her selection as the 2019 Area 2 Elementary Teacher of the Year in the Austin Independent School District.

**HR 1697** (by Murr), Congratulating Eino Zapata on his retirement as justice of the peace for Bandera County Precinct 3.

**HR 1698** (by Hunter), Congratulating Lynn and Michael Wright on their 50th wedding anniversary.

**HR 1699** (by Murr), Congratulating William "Chad" Gipson on his retirement as commissioner of Precinct 4 for Kimble County.

**HR 1700** (by Paul), Congratulating Giovanni Catanzaro on his graduation from Tarleton State University.

**HR 1701** (by Murr), Congratulating Andy Wilkerson on his retirement as Bandera County commissioner for Precinct 4.

**HR 1704** (by Goldman), Congratulating students from Benbrook Middle-High School on their performance at the UIL District 9-4A Academic Meet.

**HR 1705** (by Murr), Congratulating Thomas W. Pollard on his retirement as county judge for Kerr County.

**HR 1706** (by Springer), Congratulating Clifton Smith of Childress on his induction into the Texas Rodeo Cowboy Hall of Fame.

**HR 1709** (by Reynolds), Congratulating the boys' track team from Thurgood Marshall High School in Fort Bend ISD on winning the 5A championship at the 2019 UIL Track & Field State Meet.

**HR 1712** (by Rodriguez), Congratulating Kimberly Collins of the Ann Richards School for Young Women Leaders on her selection as the 2019 Middle School Teacher of the Year in Austin ISD.

**HR 1713** (by Rodriguez), Honoring Eden East Restaurant & Farm on its contributions to the Austin business community.

**HR 1714** (by Rodriguez), Honoring Suerte on its contributions to the Austin business community.

**HR 1715** (by Rodriguez), Honoring Hops & Grain Brewing on its contributions to the Austin and San Marcos business communities.

**HR 1716** (by Wu), Congratulating Victoria Brooke Loomis for earning the title of salutatorian of the Class of 2019 at Texas Connections Academy at Houston.

**HR 1717** (by Wu), Congratulating Matthew Donald Whorton for earning the title of valedictorian of the Class of 2019 at Texas Connections Academy at Houston.

**HR 1718** (by Wu), Congratulating Adriana Carolina Badena for earning the title of salutatorian of the Class of 2019 at Sharpstown International School in Houston.

**HR 1719** (by Wu), Congratulating Juan Carlos Venancio for earning the title of valedictorian of the Class of 2019 at Sharpstown International School in Houston.

**HR 1720** (by Wu), Congratulating Christian S. Orellano for earning the title of salutatorian of the Class of 2019 at Middle College High School at HCC Gulfton in Houston.

**HR 1722** (by Wu), Congratulating Jonathan Herrera for earning the title of salutatorian of the Class of 2019 at Jane Long Academy in Houston.

**HR 1723** (by Wu), Congratulating Rosine Mpozenzi for earning the title of valedictorian of the Class of 2019 t Jane Long Academy in Houston.

**HR 1724** (by Wu), Congratulating Mario Enrique Pineda Garcia for earning the title of salutatorian of the Class of 2019 at Liberty High School in Houston.

**HR 1725** (by Wu), Congratulating Karla Alejandra Montero Rivero for earning the title of valedictorian of the Class of 2019 at Liberty High School in Houston.

**HR 1726** (by Wu), Congratulating Mohammad Fahad Javed for earning the title of salutatorian of the Class of 2019 at Wisdom High School in Houston.

**HR 1727** (by Wu), Congratulating Mauricio Guerrero for earning the title of salutatorian of the Class of 2019 at Wisdom High School in Houston.

**HR 1728** (by Wu), Congratulating Ethan Wei-Ning Song for earning the title of valedictorian of the Class of 2019 at Wisdom High School in Houston.

**HR 1730** (by Martinez Fischer), Honoring former state senator Joe Bernal of San Antonio.

**HR 1731** (by Martinez Fischer), Congratulating Dr. Mike Flores on becoming chancellor of the Alamo Colleges District.

**HR 1732** (by Wilson), Congratulating the Milano High School boys' track and field team on winning the 2019 UIL 2A state championship.

**HR 1733** (by Guerra), Honoring Tejano country musician Casey Cantu for his accomplishments.

**HR 1734** (by Leman), Commending Sergeant Randy Thumann for his service and achievements as a drug interdiction officer with the Fayette County Sheriff's Office.

**HR 1735** (by Dominguez), Congratulating Alan Reyes on being named Class of 2019 salutatorian at Brownsville Early College High School.

**HR 1736** (by Dominguez), Congratulating Victor Arturo Rangel on graduating as the valedictorian of the Class of 2019 at Harmony School of Innovation in Brownsville.

**HR 1737** (by Dominguez), Congratulating Julian Rios on graduating with honors as a member of the Brownsville Learning Academy High School Class of 2019.

**HR 1739** (by Anderson), Congratulating Donald J. Baker on his retirement from the Woodway City Council.

**HR 1740** (by Anderson), Recognizing theater arts students from Crawford High School for their participation in the UIL One-Act Play 2A area meet.

**HR 1741** (by Anderson), Commending the students of Vanguard College Preparatory School in Waco for their involvement in Emma's Day 2019.

**HR 1753** (by Murr), Congratulating Thaddeus Kirby of Mason High School on his victory in the 2A 200-meter dash at the 2019 UIL Track & Field State Meet.

**HR 1743** (by Anderson), Congratulating Clyde Hart on his retirement as the director of track and field at Baylor University.

**HR 1744** (by Anderson), Congratulating Dr. Roger E. Kirk of Baylor University on his recent recognition from the American Psychological Association.

**HR 1745** (by Anderson), Congratulating Khalil Shelton of Waco on receiving an enlisted surface warfare specialist certificate from the U.S. Navy.

**HR 1746** (by Anderson), Congratulating Robert and Robbie McMahan on their 50th wedding anniversary.

**HR 1747** (by Anderson), Commending the Education Service Center Region 12 Technology Foundation for its 2019 distribution of grant money to area school districts.

**HR 1748** (by Guillen), Commending Zapata County fire chief Juan Jose Meza for his service.

**HR 1749** (by Dominguez), Congratulating Nancy Mendoza on graduating with honors from Lincoln Park High School in Brownsville in 2019.

**HR 1750** (by Dominguez), Congratulating Lesli Pérez for being named Class of 2019 valedictorian at Valley Christian High School in Brownsville.

**HR 1751** (by Dominguez), Congratulating Mauricio Rodriguez on graduating as valedictorian of the Class of 2019 at Saint Joseph Academy in Brownsville.

**HR 1754** (by Murr), Congratulating Evan Shannon of Sonora High School on his victory in the 3A 1,600-meter run at the 2019 UIL Track & Field State Meet.

**HR 1755** (by Murr), Congratulating Quentin Zapata of Devine High School on his victory in the 4A 110-meter hurdles at the 2019 UIL Track & Field State Meet.

**HR 1756** (by Murr), Congratulating Sullivan Wilke of Bandera High School on her victory in the 4A high jump at the 2019 UIL Track & Field State Meet.

**HR 1757** (by Murr), Congratulating Zoe Bursleson of Rocksprings High School on her victory in the 1A discus and shot put at the 2019 UIL Track & Field State Meet.

**HR 1758** (by Martinez Fischer), Honoring Lin-Manuel Miranda for his professional accomplishments and civic engagement.

**HR 1759** (by Dominguez), Congratulating Maria Lucero on graduating as the salutatorian of the Class of 2019 at Harmony School of Innovation-Brownsville.

**HR 1760** (by Dominguez), Congratulating Jocelyn Quintero on graduating as valedictorian of the Rivera Early College High School Class of 2019.

**HR 1761** (by Dominguez), Congratulating Maria Fernanda Orizaga on graduating as valedictorian of the Jubilee Brownsville Class of 2019.

**HR 1762** (by Dominguez), Congratulating Grecia Garate on graduating as valedictorian of the Brownsville Early College High School Class of 2019.

**HR 1763** (by Rodriguez), Honoring Juniper on its contributions to the Austin business community.

**HR 1764** (by Rodriguez), Honoring Pitchfork Pretty as a noteworthy member of the Austin business community.

**HR 1765** (by Rodriguez), Honoring Revolution Spirits on its contributions to the Austin business community.

**HR 1766** (by Dominguez), Congratulating Valeria Rocha on graduating as salutatorian of the Class of 2019 at Rivera Early College High School in Brownsville.

**HR 1767** (by Goldman), Congratulating Debbie Mahurin on her retirement from Westpark Elementary School in Benbrook.

**HR 1768** (by Dominguez), Congratulating Caleb Beane Waters on graduating as valedictorian of the Rio Hondo High School Class of 2019.

**HR 1769** (by Dominguez), Congratulating Nadia Covarrubias on graduating with honors from Lincoln Park High School in Brownsville in 2019.

**HR 1771** (by Bohac), Congratulating the Katy Independent School District on being named the 2019 Advanced Placement Large District of the Year by The College Board.

**HR 1777** (by Hunter), Congratulating Sharon McKinney of Port Aransas ISD on being named the 2019 Superintendent of the Year for Education Service Center Region 2.

**HR 1778** (by Ramos), Honoring the Far North Dallas Richardson Democrats for their contributions. (K. Bell, Burrows, Capriglione, Craddick, Harless, P. King, Leman, Metcalf, Morrison, Parker, Phelan, Price, Springer, Stucky, White, Wray, and Zerwas recorded voting no.)

**HR 1779** (by Ramos), Commemorating Ramadan 2019.

**HR 1780** (by Bohac), Commending the Reverend Ray Joseph Altman for his service as senior pastor of Leander United Methodist Church.

**HR 1781** (by Bohac), Commending the Reverend Jonathan Ramsay Snape for his service to Leander United Methodist Church.

**HR 1784** (by Wray), Congratulating Morgan Madeleine Wray on graduating as a member of the Waxahachie High School Class of 2019.

**HR 1785** (by Wray), Commemorating the 170th anniversary of First United Methodist Church Waxahachie.

**HR 1786** (by Wray), Congratulating Dr. Bonny Cain on her appointment as superintendent of the Waxahachie Independent School District.

**HR 1788** (by Price), Honoring Sichan Siv for his service to the United States.

**HR 1789** (by Price), Congratulating Georgia Estrada of Potter County on her selection as Constable of the Year by the National Constables and Marshals Association.

**HR 1790** (by Dominguez), Congratulating Jessie Hainley on graduating as salutatorian of the Class of 2019 at Saint Joseph Academy in Brownsville.

**HR 1791** (by Dominguez), Congratulating Dominique Karyme Garcia on graduating as salutatorian of the Jubilee Brownsville Class of 2019.

**HR 1792** (by Dominguez), Congratulating Isaak Sanchez on graduating as salutatorian of the Valley Christian High School Class of 2019 in Brownsville.

**HR 1793** (by Dominguez), Congratulating Josue Javier Borrego on graduating as salutatorian of the Class of 2019 at Rio Hondo High School in Brownsville.

**HR 1794** (by Dominguez), Congratulating Javier Mendieta on graduating as salutatorian of the Brownsville Learning Academy High School Class of 2019.

**HR 1795** (by Dominguez), Congratulating Jeini Ramos on graduating as valedictorian of the Brownsville Learning Academy High School Class of 2019.

**HR 1798** (by Springer), Honoring Wes Hightower for his achievements in the music business.

**HR 1799** (by D. Bonnen), Congratulating Cambria Amey of Sweeny High School on her selection as a delegate to the 2019 Congress of Future Medical Leaders.

**HR 1800** (by C. Turner), Commemorating the 2019 Memorial Day event in Grand Prairie.

**HR 1801** (by C. Turner), Honoring LifeLine Shelter for Families on the occasion of its 2019 Freedom Luncheon.

**HR 1802** (by C. Turner), Commemorating the 2019 Arlington Fourth of July Parade.

**HR 1803** (by C. Turner), Commemorating the 2019 Mansfield ISD Back-to-School Bash.

**HR 1804** (by C. Turner), Commemorating the 2019 Grand Prairie Juneteenth Celebration.

**HR 1805** (by Meza), Commending Maysa Mustafa for her service as a legislative intern in the office of State Representative Thresa "Terry" Meza.

**HR 1806** (by Meza), Commending Gabrielle Covarrubias for her service as a legislative intern in the office of State Representative Thresa "Terry" Meza.

**HR 1807** (by Meza), Commending Brooke Dal Santo for her service as a legislative intern in the office of State Representative Thresa "Terry" Meza.

**HR 1808** (by Meza), Commending Alyssa Santillan for her service as a legislative intern in the office of State Representative Thresa "Terry" Meza.



**HR 1810** (by C. Turner), Commending Miriam Lacky for her service as a legislative aide in the office of State Representative Chris Turner.

**HR 1811** (by C. Turner), Commending Haley Entrop for her service as a legislative aide in the office of State Representative Chris Turner.

**HR 1812** (by Zwiener), Honoring Dawn Capra for her service as mayor of Johnson City.

**HR 1813** (by C. Turner), Commending Jordan Davis for her service as a legislative aide in the office of State Representative Chris Turner.

**HR 1816** (by Ramos), Commending the Democratic Party precinct chairs of House District 102 for their outstanding service.

**HR 1818** (by Rodriguez), Honoring Still Austin Whiskey Co. on its contributions to the Austin business community.

**HR 1819** (by Coleman), Honoring the University of Houston Graduate College of Social Work interns for their contributions to the 86th Texas Legislative Session.

**HR 1821** (by Leach), Congratulating Daniel Cox on being named the 2019 Secondary Teacher of the Year by the Plano Independent School District.

**HR 1822** (by Leach), Congratulating Kulsum Mzee on her selection as the 2019 Plano ISD Elementary Teacher of the Year.

**HR 1823** (by Leach), Congratulating Cynthia Buggs of Barron Elementary School on receiving a 2019 Elementary Excellence in Teaching award from Plano ISD.

**HR 1824** (by Leach), Congratulating James Fossier on receiving a 2019 Plano ISD Elementary Excellence in Teaching Award.

**HR 1825** (by Leach), Congratulating Sarah Mighell of Centennial Elementary School on being named the 2019 Elementary Teacher of the Year in the Plano Independent School District.

**HR 1826** (by Leach), Congratulating LaGwenna Redwine on her receipt of a 2019 Elementary Excellence in Teaching Award from the Plano Independent School District.

**HR 1827** (by Leach), Congratulating Kevin May on receiving a 2019 Plano ISD Secondary Excellence in Teaching Award.

**HR 1828** (by Leach), Congratulating Dena McCutcheon of Murphy Middle School on receiving a 2019 Secondary Excellence in Teaching award from Plano ISD.

**HR 1829** (by Leach), Congratulating Andreina Russell of Schimelpfenig Middle School on her receipt of a 2019 Secondary Excellence in Teaching award from the Plano Independent School District.

**HR 1830** (by Leach), Congratulating Laura Spear on her receipt of a 2019 Secondary Excellence in Teaching award from the Plano Independent School District.

**HR 1831** (by Dominguez), Congratulating Enrique "Kike" Valencia on graduating as salutatorian of the Los Fresnos High School Class of 2019.

**HR 1832** (by Dominguez), Congratulating Isis D. Delgado on graduating as valedictorian of the Class of 2019 at Los Fresnos High School.

**HR 1833** was withdrawn.

**HR 1834** (by Herrero), Congratulating Victoria Katarina Fuentes on graduating as the valedictorian of the St. John Paul II High School Class of 2019.

**HR 1835** (by Herrero), Congratulating Rachel Elizabeth Leesang on graduating as the salutatorian of the St. John Paul II High School Class of 2019.

**HR 1849** (by Bohac), Congratulating the Cypress-Fairbanks Independent School District on its receipt of a 2019 Best Communities for Music Education Award from the National Association of Music Merchants Foundation.

**HR 1836** (by Longoria), Congratulating Eduardo Garza Jr. of Mission on winning the Conjunto 18-21 Anthony Ortiz Jr. Prize in the 2019 Texas Folklife Big Squeeze Accordion Contest.

**HR 1837** (by J. González), Congratulating the Winnetka Elementary School robotics teams on a successful 2018 season.

**HR 1840** (by Guillen), Congratulating Starr County Memorial Hospital on its designation as a Level IV trauma facility by the Texas Department of State Health Services.

**HR 1841** (by Price), Congratulating Lori Wilson on her retirement from Borger Middle School.

**HR 1843** (by Guillen), Congratulating Frank Torres on his reappointment to the Texas Emergency Services Retirement System Board of Trustees.

**HR 1844** (by Price), Congratulating Sydney Ritter of Groom High School on winning four medals at the 2019 UIL Track & Field State Meet.

**HR 1845** (by Bohac), Congratulating the Cypress-Fairbanks Independent School District on its receipt of a 2019 Krystal Key Award from Quantum Learning Education.

**HR 1846** (by Bohac), Congratulating the Katy Independent School District on being designated one of the "Best Communities for Music Education" by the National Association of Music Merchants Foundation in 2019.

**HR 1850** (by C. Turner), Commending Marco Amaya for his service as communications director for the Texas House Democratic Caucus during the 86th Legislative Session. (K. Bell, Burrows, Capriglione, Craddick, Harless, P. King, Leman, Metcalf, Morrison, Parker, Phelan, Springer, Stucky, White, Wray, and Zerwas recorded voting no.)

**HR 1851** (by C. Turner), Commending Samantha Lynn Wilkinson for her service as policy director for the Texas House Democratic Caucus during the 86th Legislative Session. (K. Bell, Burrows, Capriglione, Craddick, Harless, P. King, Leman, Metcalf, Morrison, Parker, Phelan, Springer, Stucky, White, Wray, and Zerwas recorded voting no.)

**HR 1852** (by C. Turner), Congratulating Fernando A. Benavides of Sam Houston High School on his receipt of the 2019 Arlington Independent School District Secondary Principal of the Year Award.

**HR 1853** (by C. Turner), Commending Sydney Mahl for her service as a legislative aide in the office of State Representative Chris Turner.

**HR 1854** (by C. Turner), Commending Gary Strong for his service as legislative director in the office of State Representative Chris Turner.

**HR 1855** (by Price), Commemorating the 20th anniversary of the Bell Amarillo Assembly Center.

**HR 1856** was previously adopted.

**HR 1857** (by C. Turner), Commending Chetan Reddy for his service as a legislative aide in the office of State Representative Chris Turner.

**HR 1858** (by Lambert), Congratulating the Abilene Christian University women's basketball team on winning the Southland Conference Tournament and qualifying for the NCAA Division I tournament.

**HR 1859** (by C. Turner), Commemorating the USPAACC Southwest Education Foundation 2019 Arlington Dragon Boat Festival Race for Education.

**HR 1860** (by Lambert), Congratulating the Abilene Christian University men's basketball team on winning the Southland Conference Tournament and competing in the NCAA Division I tournament.

**HR 1861** (by Lambert), Congratulating Glenn Dromgoole of Abilene on his induction into the Texas Literary Hall of Fame.

**HR 1862** (by Clardy), Commending Richard Lee "Dick" Stone Jr. for his service as mayor of Jacksonville.

**HR 1864** (by Price), Congratulating Shannon Massey on her appointment as senior vice president and general manager of Lycoming Engines.

**HR 1865** (by Ashby), Congratulating Robert A. Floyd on his retirement from Hance Scarborough, LLP.

**HR 1866** (by Raymond), Congratulating Mateo Simpson on his selection as the 2019 Laredo Sector Border Patrol Youth of the Year.

**HR 1867** (by White), Congratulating Carrington Marendes of Woodville High School on his gold-medal and silver-medal performances at the 2019 UIL Track & Field State Meet.

**HR 1868** (by White), Congratulating Jordyn Beaty of Woodville High School on her achievements at the 2019 UIL Track & Field State Meet.

**HR 1869** (by White), Congratulating Bryce Barbay of Jasper High School on winning a silver medal in the 4A boys' pole vault at the 2019 UIL Track & Field State Meet.

**HR 1880** was previously adopted.

**HR 1870** (by White), Commending Kimberly Cline of Lumberton for her service as community and constituent relations director in the office of State Representative James White.

**HR 1871** (by White), Commending Cydnye Couthran of Chester for her service as community and constituent relations director in the office of State Representative James White.

**HR 1872** (by Israel), Commemorating the 26th conference of the Rainbow Alliance of the Deaf, taking place July 16-21, 2019, in Austin. (K. Bell, Burrows, Capriglione, Craddick, Harless, P. King, Leman, Metcalf, Morrison, Springer, Stucky, White, Wray, and Zerwas recorded voting no.)

**HR 1873** (by White), Commending Arielle Cranfill for her service as a legislative intern in the office of State Representative James White.

**HR 1874** (by White), Commending Matt Smith for his service as a policy analyst in the office of State Representative James White.

**HR 1875** (by White), Commending John Daniel Hagan for his service as legislative director in the office of State Representative James White.

**HR 1876** (by Israel), Congratulating St. David's North Austin Medical Center on its designation as a Level IV trauma facility by the Texas Department of State Health Services.

**HR 1877** (by White), Commending Saul Mendoza for his service as chief of staff in the office of State Representative James White.

**HR 1878** (by White), Congratulating Honestee Holman of Silsbee High School on her victory in the 4A girls' triple jump at the 2019 UIL Track & Field State Meet.

**HR 1881** was previously adopted.

**HR 1882** (by Bohac), Expressing appreciation to Susan Kay Glenn Clinton for her service to the State of Texas and to State Representative Dwayne Bohac.

**HR 1883** (by Herrero), Congratulating Robbie Lugo on graduating as the salutatorian of the Class of 2019 at Mary Carroll High School in Corpus Christi.

**HR 1884** (by Herrero), Congratulating Gabriel Reta on graduating as the valedictorian of the Class of 2019 at Mary Carroll High School in Corpus Christi.

**HR 1885** (by Herrero), Congratulating Kathryn Wemer on her receipt of a 2017-2018 Daniel E. Kilgore Local History Award from the Nueces County Historical Society.

**HR 1886** (by Herrero), Congratulating Jeff Felts on his receipt of a 2017-2018 Daniel E. Kilgore Local History Award from the Nueces County Historical Society.

**HR 1887** (by Herrero), Congratulating Allison Ehrlich on her receipt of a 2017-2018 Daniel E. Kilgore Local History Award from the Nueces County Historical Society.

**HR 1888** (by Herrero), Congratulating Isaac Elliot on winning the 2019 Corpus Christi Independent School District spelling bee.

**HR 1889** (by Herrero), Commemorating the 35th annual Cottonfest in Robstown.

**HR 1890** (by Herrero), Commemorating the 36th annual Cottonfest in Robstown.

**HR 1891** (by Herrero), Commemorating the 44th annual Beach to Bay Relay Marathon in Corpus Christi.

**HR 1892** (by Herrero), Commending the Nueces County Public Libraries on their observance of El Día de los Niños/El Día de los Libros in April 2019.

**HR 1893** (by Herrero), Congratulating Michael A. Canales of Corpus Christi on his outstanding showing in the 2019 State Bar of Texas Law Day poster contest.

**HR 1894** (by Bucy), Honoring Stephen Thomas for his service on the Cedar Park City Council.

**HR 1895** (by Price), Congratulating the science bowl team from Ascension Academy in Amarillo for its performance in the 2019 National Science Bowl.

**HR 1896** (by K. King), Commending the members of the Canadian High School UIL academics team for their participation in the 2019 state meet.

**HR 1897** (by K. King), Congratulating Seth Dixon of Hereford High School on winning the 2019 UIL 5A wrestling state championship in the 160-pound division.

**HR 1898** (by K. King), Congratulating Nicole Martinez of Booker High School on qualifying for the 2019 UIL Golf State Tournament.

**HR 1899** (by K. King), Congratulating Abbie Boggs of Morton High School on her participation in the 2019 UIL Golf State Tournament.

**HR 1900** (by K. King), Congratulating the Happy High School girls' golf team on its participation in the 2019 UIL Golf State Tournament.

**HR 1901** (by K. King), Congratulating Ever Briseno of Spearman High School on competing in boys' wheelchair events at the 2019 UIL Track & Field State Meet.

**HR 1902** (by K. King), Congratulating the students from White Deer High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1903** (by K. King), Congratulating the students from Tulia High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1904** (by K. King), Congratulating the students from Sundown High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1905** (by K. King), Congratulating the students from Springlake-Earth High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1906** (by K. King), Congratulating the students from Ropes High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1907** (by K. King), Congratulating the students from Littlefield High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1908** (by K. King), Congratulating Sabbatha Taylor from Hereford High School on participating in the 2019 UIL Track & Field State Meet.

**HR 1909** (by K. King), Congratulating the students from Happy High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1910** (by K. King), Congratulating the students from Hale Center High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1911** (by K. King), Congratulating the Gruver High School students who participated in the 2019 UIL Track & Field State Meet.

**HR 1912** (by K. King), Congratulating the students from Groom High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1913** (by K. King), Congratulating the students from Follett High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1914** (by K. King), Congratulating Jace Sanchez from Dimmitt High School on participating in the 2019 UIL Track & Field State Meet.

**HR 1915** (by K. King), Congratulating the students from Claude High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1916** (by K. King), Congratulating the students from Canadian High School who participated in the 2019 UIL Track & Field State Meet.

**HR 1917** (by K. King), Commending Whitharral High School UIL students for their participation in 2019 state academic competitions.

**HR 1918** (by K. King), Commending the members of the Whiteface High School UIL academics team for their participation in the 2019 state meet.

**HR 1919** (by K. King), Commending the Sundown High School UIL students for their participation in the 2019 state academic competitions.

**HR 1920** (by K. King), Commending Davis Smith of Sudan High School for his participation in the 2019 UIL Congress State Meet.

**HR 1921** (by K. King), Commending Springlake-Earth High School UIL students for their achievements in 2019 state academic competitions.

**HR 1922** (by K. King), Commending the members of the Ropes High School UIL academics team for their participation in the 2019 state meet.

**HR 1923** (by K. King), Commending Plains High School students who participated in the 2019 UIL state academic competitions.

**HR 1924** (by K. King), Commending Cole Townsend of the Perryton High School UIL academics team for his participation in the 2019 state meet.

**HR 1935** (by J. González), Congratulating Navonia Thomas on her retirement from Grand Prairie ISD.

**HR 1925** (by K. King), Commending Ty Struve of the Olton High School UIL academics team for his participation in the 2019 state meet.

**HR 1926** (by K. King), Commending the members of the Nazareth High School UIL academics team for their participation in the 2019 state meet.

**HR 1927** (by K. King), Commending the members of the Hereford High School UIL academics team for their participation in the 2019 state meet.

**HR 1928** (by K. King), Commending the members of the Happy High School UIL academics team for their participation in the 2019 state meet.

**HR 1929** (by K. King), Commending the members of the Gruver High School UIL academics team for their participation in the 2019 state meet.

**HR 1930** (by K. King), Commending the members of the Farwell High School UIL academics team for their participation in the 2019 state meet.

**HR 1931** (by K. King), Commending Mattie Lovell of the Claude High School UIL academics team for her participation in the 2019 state meet.

**HR 1932** (by K. King), Commending the members of the Clarendon High School UIL academics team for their participation in the 2019 state meet.

**HR 1933** (by Dominguez), Congratulating Ricardo Cancinos Mazariegos of Brownsville on his graduation from the Texas School for the Deaf.

**HR 1936** (by Raymond), Commemorating the 200th anniversary of the Texas Rangers.

**SCR 64** (Leach - House Sponsor), Commending the work of the Texas State History Museum Foundation.

The resolutions were adopted.

The following memorial resolutions were laid before the house:

**HR 1618** (by Wray), In memory of Jackie Gene Miller Sr. of Italy, Texas.

**HR 1622** (by Raney), In memory of A. P. Boyd of College Station.

**HR 1623** (by Raney), In memory of Wallace Wade "Wally" Moon of Bryan.

**HR 1652** (by Herrero), In memory of Stella De La Paz of Corpus Christi.

**HR 1656** (by Kacal), In memory of Carlos Nestor Beltrame of Livermore, California.

**HR 1665** (by Herrero), In memory of Arturo Melve of Corpus Christi.

**HR 1696** (by J.D. Johnson), In memory of Lieutenant Colonel Melvin Lewis Myers Sr. of Houston.

**HR 1702** (by Hernandez), In memory of the Honorable Arthur Robert Hinojosa of Houston.

**HR 1703** (by White), In memory of Charles Eugene "Charlie" Gee of Jasper.

**HR 1710** (by Goodwin), In memory of Nancy McJunkin Scalise of Austin.

**HR 1738** (by Dominguez), In memory of Gustavo Chavira Garza of Bayview.

**HR 1742** (by Anderson), In memory of Jerry Lynch.

**HR 1752** (by Buckley), In memory of C. G. "Corky" Richardson of Lampasas.

**HR 1772** (by K. King), In memory of Michael Dalton O'Gorman of Shamrock.

**HR 1773** (by Rodriguez), In memory of Rodolfo "Rudy" Méndez, the founder and artistic director of Ballet East Dance Company in Austin.

**HR 1774** (by Guillen), In memory of James Clark Pugh of George West.

**HR 1775** (by Guillen), In memory of Juan "Coach" Dominguez of Cotulla.

**HR 1776** (by Guillen), In memory of Sylvia Diana Lopez of Rio Grande City.

**HR 1782** (by Shine), In memory of Joe Milton Pirtle of Belton.

**HR 1787** (by Price), In memory of Martha Pattillo Siv.

**HR 1797** (by Herrero), In memory of Clemente B. Lopez of Robstown.

**HR 1838** (by Guillen), In memory of Pedro Luis "Pete" Salinas of Duval County.

**HR 1839** (by Guillen), In memory of former Starr County district clerk Juan Erasmo Saenz.

**HR 1842** (by Guillen), In memory of former Raymondville city commissioner Mary Gutierrez.

**HR 1863** (by Lambert), In memory of James Stephen Kelley, former Sweetwater chief of police.

**HR 1879** (by Herrero), In memory of Roberto Garza Gonzalez Sr. of Robstown.

**HR 1934** (by Price), In memory of Jason Ernest Roselius.

The resolutions were unanimously adopted by a rising vote.

(Goldman in the chair)



**PROVIDING FOR A CONGRATULATORY  
AND MEMORIAL CALENDAR  
RULES SUSPENDED**

Representative Guillen moved to suspend Rule 6, Section 11, Rule 6, Section 12, and Rule 10, Section 2(a), of the House Rules and all necessary rules to set a congratulatory and memorial calendar for 10 a.m. Monday, May 27.

The motion prevailed.

**HB 996 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Collier called up with senate amendments for consideration at this time,

**HB 996**, A bill to be entitled An Act relating to the collection of consumer debt by debt buyers.

Representative Collier moved to concur in the senate amendments to **HB 996**.

The motion to concur in the senate amendments to **HB 996** prevailed by (Record 1786): 133 Yeas, 7 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hefner; Hernandez; Herrero; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Harris; Krause; Lang; Miller; Paul; Thompson, E.

Present, not voting — Mr. Speaker; Goldman(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Anderson; Hinojosa; Stickland; Thompson, S.

**STATEMENTS OF VOTE**

When Record No. 1786 was taken, I was in the house but away from my desk. I would have voted no.

Anderson

When Record No. 1786 was taken, I was shown voting yes. I intended to vote no.

Hefner

When Record No. 1786 was taken, I was shown voting yes. I intended to vote no.

Leman

When Record No. 1786 was taken, I was shown voting yes. I intended to vote no.

Patterson

When Record No. 1786 was taken, I was shown voting yes. I intended to vote no.

Schaefer

### **Senate Committee Substitute**

**CSHB 996**, A bill to be entitled An Act relating to the collection of consumer debt by debt buyers.

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

SECTION 1. This Act shall be known as the Fair Consumer Debt Collection Act.

SECTION 2. Subchapter D, Chapter 392, Finance Code, is amended by adding Section 392.307 to read as follows:

Sec. 392.307. COLLECTION OF CERTAIN CONSUMER DEBT BY DEBT BUYERS. (a) In this section:

(1) "Charged-off debt" means a consumer debt that a creditor has determined to be a loss or expense to the creditor instead of an asset.

(2) "Debt buyer" means a person who purchases or otherwise acquires a consumer debt from a creditor or other subsequent owner of the consumer debt, regardless of whether the person collects the consumer debt, hires a third party to collect the consumer debt, or hires an attorney to pursue collection litigation in connection with the consumer debt. The term does not include:

(A) a person who acquires in-default or charged-off debt that is incidental to the purchase of a portfolio that predominantly consists of consumer debt that has not been charged off; or

(B) a check services company that acquires the right to collect on a paper or electronic negotiable instrument, including an Automated Clearing House (ACH) authorization to debit an account that has not been processed.

(b) Unless otherwise expressly provided, this section prevails to the extent of any conflict between this section and any other law of this state.

(c) A debt buyer may not, directly or indirectly, commence an action against or initiate arbitration with a consumer to collect a consumer debt after the expiration of the applicable limitations period provided by Section 16.004, Civil Practice and Remedies Code, or Section 3.118, Business & Commerce Code.

(d) If an action to collect a consumer debt is barred under Subsection (c), the cause of action is not revived by a payment of the consumer debt, an oral or written reaffirmation of the consumer debt, or any other activity on the consumer debt.

(e) If a debt buyer is engaged in debt collection for a consumer debt for which an action to collect the debt is barred under Subsection (c), the debt buyer, or a debt collector acting on behalf of the debt buyer, shall provide the following notice in the initial written communication with the consumer relating to the debt collection:

(1) if the reporting period for including the consumer debt in a consumer report prepared by a consumer reporting agency has not expired under Section 605, Fair Credit Reporting Act (15 U.S.C. Section 1681c), and the debt buyer furnishes to a consumer reporting agency information regarding the consumer debt, "THE LAW LIMITS HOW LONG YOU CAN BE SUED ON A DEBT. BECAUSE OF THE AGE OF YOUR DEBT, WE WILL NOT SUE YOU FOR IT. IF YOU DO NOT PAY THE DEBT, [INSERT NAME OF DEBT BUYER] MAY CONTINUE TO REPORT IT TO CREDIT REPORTING AGENCIES AS UNPAID FOR AS LONG AS THE LAW PERMITS THIS REPORTING. THIS NOTICE IS REQUIRED BY LAW.";

(2) if the reporting period for including the consumer debt in a consumer report prepared by a consumer reporting agency has not expired under Section 605, Fair Credit Reporting Act (15 U.S.C. Section 1681c), but the debt buyer does not furnish to a consumer reporting agency information regarding the consumer debt, "THE LAW LIMITS HOW LONG YOU CAN BE SUED ON A DEBT. BECAUSE OF THE AGE OF YOUR DEBT, WE WILL NOT SUE YOU FOR IT. THIS NOTICE IS REQUIRED BY LAW."; or

(3) if the reporting period for including the consumer debt in a consumer report prepared by a consumer reporting agency has expired under Section 605, Fair Credit Reporting Act (15 U.S.C. Section 1681c), "THE LAW LIMITS HOW LONG YOU CAN BE SUED ON A DEBT. BECAUSE OF THE AGE OF YOUR DEBT, WE WILL NOT SUE YOU FOR IT, AND WE WILL NOT REPORT IT TO ANY CREDIT REPORTING AGENCY. THIS NOTICE IS REQUIRED BY LAW."

(f) A notice required under Subsection (e) must be in at least 12-point type that is boldfaced, capitalized, or underlined or otherwise conspicuously set out from the surrounding written material.

SECTION 3. Section 392.402, Finance Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) Except as provided by Subsection (d), a [A] person commits an offense if the person violates this chapter.

(d) This section does not apply to a violation of Section 392.307.

SECTION 4. The changes in law made by this Act apply only to an action of a debt buyer to collect a consumer debt if the action occurs on or after the effective date of this Act. An action of a debt buyer to collect a consumer debt

that occurs before the effective date of this Act is governed by the law in effect immediately before that date, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2019.

### **RECESS**

Representative Krause moved that the house recess until 1 p.m. today.

The motion prevailed.

The house accordingly, at 12 p.m., recessed until 1 p.m. today.

### **AFTERNOON SESSION**

The house met at 1:05 p.m. and was called to order by the speaker.

#### **HB 2984 - HOUSE DISCHARGES CONFEREES HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Allison called up with senate amendments for consideration at this time,

**HB 2984**, A bill to be entitled An Act relating to the essential knowledge and skills of the technology applications curriculum.

Representative Allison moved to discharge the conferees and concur in the senate amendments to **HB 2984**.

The motion to discharge the conferees and concur in the senate amendments to **HB 2984** prevailed by (Record 1787): 144 Yeas, 0 Nays, 1 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Zwiener.

**STATEMENT OF VOTE**

When Record No. 1787 was taken, I was in the house but away from my desk. I would have voted yes.

Zwiener

**Senate Committee Substitute**

**CSHB 2984**, A bill to be entitled An Act relating to the essential knowledge and skills of the technology applications curriculum.

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

SECTION 1. Section 28.002, Education Code, is amended by adding Subsection (c-3) to read as follows:

(c-3) In adopting the essential knowledge and skills for the technology applications curriculum for kindergarten through grade eight, the State Board of Education shall adopt essential knowledge and skills that include coding, computer programming, computational thinking, and cybersecurity. The State Board of Education shall review and revise, as needed, the essential knowledge and skills of the technology applications curriculum every five years to ensure the curriculum:

(1) is relevant to student education; and

(2) aligns with current or emerging professions.

SECTION 2. Not later than December 31, 2020, the State Board of Education shall review and revise, as needed, the essential knowledge and skills of the technology applications curriculum as required by Section 28.002(c-3), Education Code, as added by this Act.

SECTION 3. The State Board of Education is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the board may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 4. 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, 2019.

**Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 2984** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter A, Chapter 28, Education Code, is amended by adding Section 28.0181 to read as follows:

Sec. 28.0181. COMPUTER SCIENCE STRATEGIC ADVISORY COMMITTEE. (a) In this section, "advisory committee" means the computer science strategic advisory committee established under this section.

(b) The agency shall establish the computer science strategic advisory committee to develop and provide recommendations for increasing computer science instruction and participation in public schools.

(c) The advisory committee is composed of at least 11 members. The members must include:

(1) two members appointed by the governor;

(2) two members appointed by the lieutenant governor;

(3) two members appointed by the speaker of the house of representatives;

(4) one member appointed by the chair of the senate committee with primary jurisdiction over primary and secondary education;

(5) one member appointed by the chair of the senate committee with primary jurisdiction over higher education;

(6) one member appointed by the chair of the house of representatives committee with primary jurisdiction over primary and secondary education;

(7) one member appointed by the chair of the house of representatives committee with primary jurisdiction over higher education;

(8) one member appointed by the chair of the State Board of Education;  
and

(9) any other members added by the advisory committee in a manner determined by the committee in the committee's discretion.

(d) In appointing members to the advisory committee, the governor, lieutenant governor, and speaker of the house of representatives shall coordinate appointments to ensure that the six individuals appointed to the advisory committee collectively by those officers include:

(1) three educators who teach in a public school and are certified in computer science;

(2) one parent or person standing in parental relation to a student enrolled in a public school;

(3) one person employed in the technology industry; and

(4) one faculty member of an institution of higher education.

(e) The governor shall designate a member of the advisory committee as the presiding officer of the advisory committee to serve in that capacity at the pleasure of the governor.

(f) The advisory committee may hold public meetings.

(g) Members of the advisory committee are not entitled to compensation but are entitled to reimbursement for actual and necessary expenses incurred in fulfilling committee duties.

(h) Staff members of the agency shall provide administrative support for the advisory committee.

(i) Funding for the administrative and operational expenses of the advisory committee shall be provided by appropriation to the agency for that purpose.

(j) Not later than September 1, 2020, the advisory committee shall submit to the governor and the legislature a report that includes recommended changes to state law, including funding proposals and timelines for the implementation of the recommended changes. The report shall include recommendations that are intended to:

- (1) increase the number of certified computer science teachers;
- (2) increase the number of public high schools offering computer science courses;
- (3) increase the number of high school students enrolled in computer science courses;
- (4) encourage the enrollment of diverse student populations in computer science courses; and
- (5) expand computer science learning opportunities, including computer programming, computer coding, cybersecurity, and computational thinking, in public schools.

(k) The advisory committee is abolished and this section expires January 1, 2021.

SECTION \_\_\_\_\_. As soon as practicable after the effective date of this Act, the appropriate persons, as provided by Section 28.0181(c), Education Code, as added by this Act, shall appoint members to the computer science strategic advisory committee.

### **SB 2150 - REQUEST OF SENATE GRANTED CONFERENCE COMMITTEE APPOINTED**

On motion of Representative Thierry, the house granted the request of the senate for the appointment of a Conference Committee on **SB 2150**.

The chair announced the appointment of the following conference committee, on the part of the house, on **SB 2150**: Thierry, chair; Zerwas, Neave, Oliverson, and Walle.

### **HB 4673 - HOUSE DISCHARGES CONFEREES HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Bailes called up with senate amendments for consideration at this time,

**HB 4673**, A bill to be entitled An Act relating to the creation of the Chambers County Municipal Utility District No. 3; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Representative Bailes moved to discharge the conferees and concur in the senate amendments to **HB 4673**.

The motion to discharge the conferees and concur in the senate amendments to **HB 4673** prevailed by (Record 1788): 133 Yeas, 5 Nays, 1 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zedler; Zerwas; Wiener.

Nays — Cain; Middleton; Patterson; Springer; Wilson.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Button; Klick; Krause; Longoria; Paul; Sanford; Thompson, E.

### STATEMENTS OF VOTE

When Record No. 1788 was taken, I was shown voting yes. I intended to vote no.

Holland

When Record No. 1788 was taken, my vote failed to register. I would have voted no.

Krause

When Record No. 1788 was taken, I was shown voting yes. I intended to vote no.

Tinderholt

### Senate Committee Substitute

**CSHB 4673**, A bill to be entitled An Act relating to the creation of the Chambers County Municipal Utility District No. 3; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8042 to read as follows:

**CHAPTER 8042. CHAMBERS COUNTY MUNICIPAL UTILITY DISTRICT**

#### NO. 3

#### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8042.0101. DEFINITIONS. In this chapter:



(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Chambers County Municipal Utility District

No. 3.

Sec. 8042.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8042.0103. CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 8042.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8042.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 8042.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8042.0106. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8042.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 8042.0202, directors serve staggered four-year terms.

Sec. 8042.0202. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to

the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 8042.0103;

or

(2) the fourth anniversary of the effective date of the Act enacting this chapter.

(c) If permanent directors have not been elected under Section 8042.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection

(d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 8042.0103;

or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 8042.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8042.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8042.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8042.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 8042.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8042.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 8042.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 8042.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8042.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 8042.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

#### SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 8042.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 8042.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 8042.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2. The Chambers County Municipal Utility District No. 3 initially includes all the territory contained in the following area:

Description of a 187.1135 acre tract of land situated in the Chambers County School Land Survey, Abstract 321, Chambers County, Texas and being all of that certain 5.7270 acres described in Deed for undivided interest from Gregory Angel, Trustee, to Montgomery Jett Angel Trust dated October 30, 2018 and recorded under County Clerk's File #2018-137473 of the Official Public Records of Chambers County, Texas; all of the residue of that certain called 154.072 acres (Tract 3) conveyed by Chambers Grand Parkway Development, Ltd. to Park Block, Ltd. by Correction Warranty Deed dated November 16, 2009 and recorded in Volume 1161 at Page 209 of the Official Public Records of Chambers County, Texas; all of that certain called 41.7490 acres conveyed by Park Block, Ltd. to The Noor Foundation by Correction Deed dated April 30, 2018 and recorded under County Clerk's File #2018-131695 of the Official Public Records of Chambers County, Texas; and all of that certain 27.497 acres conveyed by Mrs. Annie Pauline Miller to Harry W. Freeman, Trustee, by Deed dated February 1, 1956 and recorded under Volume 173 at Page 303 of the Deed Records of Chambers County, Texas (now carried in the name of Family Interests, Ltd. on tax roll). This 187.1135 acres is more particularly described by the following metes and bounds, to-wit:

Beginning at a point in the South right-of-way line of Interstate Highway No. 10 (300 feet wide right-of-way) for the Northwest corner of that certain 40.323 acres described in Lis Pendens dated June 6, 2005, styled State of Texas vs. Family Interests, Ltd., recorded in Volume 781 at Page 367 of the Official Public Records of Chambers County, Texas and the Northeast corner of said 5.7270 acres. Said point being at the intersection of the South right-of-way line of said Interstate Highway No. 10 with the West right-of-way line of State Highway 99 (a/k/a East Grand Parkway South) and being the Northernmost Northeast corner and POINT OF BEGINNING of this tract. Said BEGINNING POINT has a State Plane Coordinate Value of Y=13,870,267.98 and X=3,278,546.95.

Thence: South 02°31'30" East along the Northernmost East line of this tract, the East line of said 5.7270 acres, the Northernmost West line of said 40.323 acres and the West right-of-way line of said State Highway 99 for a distance of 50.17 feet to a point for an interior corner of this tract, an exterior corner of said 40.323 acres, an exterior corner of said State Highway 99 and the Northernmost corner of said 154.072 acres. Said point being the BEGINNING POINT of a curve to the right, concave Southerly.

Thence: Along and around said curve to the right, in an Southeasterly direction, along the Southernmost East line of this tract, the East line of said 154.072 acres, a West line of said 40.323 acres and the West right-of-way line of said State Highway 99, said curve having a radius of 1110.92 feet, a central angle of 28°44'53" and a chord bearing and distance of South 61°49'04" East 551.57 feet, for an arc length of 557.40 feet to a point for the TERMINATION POINT of said curve.

Thence: South 27°18'35" East along the Southernmost East line of this tract, the East line of said 154.072 acres, the Southernmost West line of said 40.323 acres and the West right-of-way line of said State Highway 99, for a distance of 2133.74 feet to a point for the BEGINNING POINT of a curve to the right, concave Westerly.

Thence: Along and around said curve to the right, in a Southerly direction, along the Southernmost East line of this tract, the East line of said 154.072 acres, the East line of said 41.7490 acres, the Southernmost West line of said 40.323 acres and the West right-of-way line of said State Highway 99, said curve having a radius of 2664.77 feet, a central angle of 57°06'14", a chord bearing and distance of South 01°14'09" West 2547.28 feet, for an arc length of 2655.85 feet to a point in the South line of said Chambers County School Land Survey and the North line of the Jacob Townsend Survey, Abstract 25, Chambers County, Texas. Said point being in the North line of that certain called 92.3102 acres conveyed by Joseph Kilgore Heirs to Kilgore Business, LLC by Deed dated June 30, 2016 and recorded in Volume 1663 at Page 649 of the Official Public Records of Chambers County, Texas and being the Southeast corner of this tract, the Southeast corner of said 41.7490 acres and the Southwest corner of said 40.323 acres.

Thence: South 87°32'17" West along the Easternmost South line of this tract, the South line of said Chambers County School Land Survey, the South line of said 41.7490 acres, the South line of said 154.072 acres, the North line of said 92.3102 acres and the North line of said Townsend Survey for a distance of 945.19 feet to a point for the Southernmost Southwest corner of this tract, the Southwest corner of said 41.7490 acres, the Southernmost Southwest corner of said 154.072 acres and the Southeast corner of that certain called 32.10 acres conveyed by Gordon W. Speer to Speer Properties, Inc. by Deed dated February 28, 2002 and recorded in Volume 549 at Page 766 of the Official Public Records of Chambers County, Texas.

Thence: North 02°27'43" West along the Southernmost West line of this tract, the Southernmost West line of said 154.072 acres, the West line of said 41.7490 acres and the East line of said 32.10 acres for a distance of 1478.65 feet to a point for an interior corner of this tract, the Northwest corner of said 41.7490 acres and the Northeast corner of said 32.10 acres.

Thence: South 87°32'17" West along the Westernmost South line of this tract, the Westernmost South line of said 154.072 acres, the North line of said 32.10 acres and the North line of that certain called 1.9821 acres conveyed by Gordon W. Speer to Speer Properties, Inc. by Deed dated February 28, 2002 and recorded in Volume 549 at Page 769 of the Official Public Records of Chambers County, Texas, for a distance of 1478.70 feet to a point for the Westernmost Southwest corner of this tract, the Westernmost Southwest corner of said 154.072 acres and the Northwest corner of said 1.9821 acres.

Thence: North 02°27'43" West along the Westernmost West line of this tract, the Westernmost West line of said 154.072 acres, and the East line of that certain 4.391 acres conveyed by Leola Trichel, et al, to Speer Properties, Inc. by Deed

dated September 13, 1989 and recorded in Volume 89 at Page 126 of the Official Public Records of Chambers County, Texas, for a distance of 1040.40 feet to a point for the Southwest corner of said called 27.497 acres.

Thence: Continue North  $02^{\circ}27'43''$  West along the Westernmost West line of this tract, the Westernmost West line of said 154.072 acres, the West line of said 27.497 acres, the East line of said 4.391 acres and the East line of that certain called 1.49 acres conveyed by Mrs. Eleanore Collier, et al, to United Gas Pipe Line Company by Deed dated December 24, 1954 and recorded in Volume 163 at Page 459 of the Deed Records of Chambers County, Texas, for a distance of 1086.56 feet to a point for the Westernmost Northwest corner of this tract, the Northwest corner of said 27.497 acres and the Southwest corner of that certain called 20.98 acres conveyed by Betty Stubbs McCune to Frank B. McCune in Cause #3127 of the Probate Records of Chambers County, Texas.

Thence: North  $87^{\circ}37'17''$  East along the Westernmost North line of this tract, the North line of said 27.497 acres and the South line of said 20.98 acres for a distance of 1094.44 feet to a point for the Northeast corner of said 27.497 acres and an exterior corner of said 154.072 acres.

Thence: Continue North  $87^{\circ}37'17''$  East along the Westernmost North line of this tract, the Westernmost North line of said 154.072 acres and the South line of said 20.98 acres for a distance of 123.63 feet to a point for an interior corner of this tract, an interior corner of said 154.072 acres and the Southeast corner of said 20.98 acres.

Thence: North  $02^{\circ}31'30''$  West along an interior West line of this tract, the Northernmost West line of said 154.072 acres and the East line of said 20.98 acres for a distance of 764.88 feet to a point for an interior corner of this tract, the Northeast corner of said 20.9 acres and the Southeast corner of the heretofore mentioned 5.7270 acres.

Thence: South  $87^{\circ}31'35''$  West along an interior line of this tract, the South line of said 5.7270 acres and the North line of said 20.98 acres for a distance of 607.18 feet to a point for an exterior corner of this tract, the Southwest corner of said 5.7270 acres and the Southeast corner of that certain 4.964 acres conveyed by Michael L. Graham, et al, to Wowco Properties, LLC by Deed dated August 18 and 19, 2016 and recorded in Volume 167 at Page 404 of the Official Public Records of Chambers County, Texas.

Thence: North  $02^{\circ}17'47''$  West along the Northernmost West line of this tract, the West line of said 5.7270 acres and the East line of said 4.964 acres for a distance of 383.93 feet to a point in the South right-of-way line of said Interstate Highway No. 10 for the Northernmost Northwest corner of this tract, the Northwest corner of said 5.7270 acres and the Northeast corner of said 4.964 acres.

Thence: North  $82^{\circ}20'19''$  East along the Northernmost North line of this tract, the North line of said 5.7270 acres and the South right-of-way line of said Interstate Highway No. 10 for a distance of 608.09 feet to the PLACE OF BEGINNING and containing within these boundaries 187.1135 acres or 8,150,665 square feet of land.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8042, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8042.0306 to read as follows:

Sec. 8042.0306. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(b) This section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. 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, 2019.

### **HB 4674 - HOUSE DISCHARGES CONFEREES HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Bailes called up with senate amendments for consideration at this time,

**HB 4674**, A bill to be entitled An Act relating to the creation of the Chambers County Municipal Utility District No. 2; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Representative Bailes moved to discharge the conferees and concur in the senate amendments to **HB 4674**.

The motion to discharge the conferees and concur in the senate amendments to **HB 4674** prevailed by (Record 1789): 129 Yeas, 11 Nays, 1 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro;

Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Herrero; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Middleton; Miller; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Stickland; Stucky; Talarico; Thierry; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Biedermann; Bonnen; Cain; Goldman; Hefner; Hinojosa; Patterson; Springer; Swanson; Wilson; Zedler.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Hernandez; Meza; Ortega; Thompson, E.; Tinderholt.

### STATEMENTS OF VOTE

When Record No. 1789 was taken, I was shown voting yes. I intended to vote no.

Holland

When Record No. 1789 was taken, I was shown voting yes. I intended to vote no.

Middleton

When Record No. 1789 was taken, I was shown voting yes. I intended to vote no.

Murr

When Record No. 1789 was taken, I was in the house but away from my desk. I would have voted no.

Tinderholt

### Senate Committee Substitute

**CSHB 4674**, A bill to be entitled An Act relating to the creation of the Chambers County Municipal Utility District No. 2; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8039 to read as follows:



CHAPTER 8039. CHAMBERS COUNTY MUNICIPAL UTILITY DISTRICT  
NO. 2

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8039.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental  
Quality.

(3) "Director" means a board member.

(4) "District" means the Chambers County Municipal Utility District

No. 2.

Sec. 8039.0102. NATURE OF DISTRICT. The district is a municipal  
utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8039.0103. CONFIRMATION AND DIRECTOR ELECTION  
REQUIRED. The temporary directors shall hold an election to confirm the  
creation of the district and to elect five permanent directors as provided by  
Section 49.102, Water Code.

Sec. 8039.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
temporary directors may not hold an election under Section 8039.0103 until each  
municipality in whose corporate limits or extraterritorial jurisdiction the district is  
located has consented by ordinance or resolution to the creation of the district and  
to the inclusion of land in the district.

Sec. 8039.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section  
59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the  
construction, acquisition, improvement, operation, or maintenance of  
macadamized, graveled, or paved roads, or improvements, including storm  
drainage, in aid of those roads.

Sec. 8039.0106. INITIAL DISTRICT TERRITORY. (a) The district is  
initially composed of the territory described by Section 2 of the Act enacting this  
chapter.

(b) The boundaries and field notes contained in Section 2 of the Act  
enacting this chapter form a closure. A mistake made in the field notes or in  
copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the  
district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8039.0201. GOVERNING BODY; TERMS. (a) The district is  
governed by a board of five elected directors.

(b) Except as provided by Section 8039.0202, directors serve staggered  
four-year terms.

Sec. 8039.0202. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 8039.0103;

or

(2) the fourth anniversary of the effective date of the Act enacting this chapter.

(c) If permanent directors have not been elected under Section 8039.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 8039.0103;

or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 8039.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8039.0302. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8039.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8039.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 8039.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8039.0401. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 8039.0403.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 8039.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8039.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 8039.0403. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

#### SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 8039.0501. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 8039.0502. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 8039.0503. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2. The Chambers County Municipal Utility District No. 2 initially includes all the territory contained in the following area:

Being a 363.441 acre tract of land located in the B. Winfree Survey, Abstract No. 28, Chambers County, Texas; said 363.441 acre tract being all of a called 171.900 acre tract of land (Tract 1) and all of a called 191.541 acre tract of land (Tract 2) recorded in the name of Ameriport, LLC. in Document No. 2018-134001 of the Official Public Records of Chambers County (O.P.R.C.C.); said 363.441 acre tract being more particularly described as Tract 1 and Tract 2 by metes and bounds as follows (all bearings are referenced to the Texas Coordinate System, North American Datum 1983 (NAD 83), South Central Zone):

Tract 1:

Beginning at a called 5/8-inch iron rod at the northeast corner of said 171.900 acre tract and the northwest corner of a called 43.23 acre tract of land recorded in the name of Guy Pfitzner in Volume 1573, Page 416 of the O.P.R.C.C., and being on the southerly line of a called 254.14 acre tract of land recorded in the name of Grand Parkway/Kilgore Parkway, L.P. in Volume 1067, Page 264 of the O.P.R.C.C.;

1. Thence, with the easterly line of said 171.900 acre tract and the westerly line of said 43.23 acre tract, South 02 degrees 47 minutes 36 seconds East, a distance of 2,995.19 feet to the southeast corner of said 171.900 acre tract and the southwest corner of said 43.23 acre tract, and being on the northwesterly right-of-way line of FM 565 (width varies) as recorded in Volume 121, Page 151 and 214 and Volume 978, Page 325 of the C.C.D.R.;

2. Thence, with the southeasterly line of said 171.900 acre tract and said northwesterly right-of-way line of FM 565, South 50 degrees 13 minutes 52 seconds West, a distance of 856.17 feet;

3. Thence, continuing with said southeasterly line of the 171.900 acre tract and said northwesterly right-of-way line of FM 565, South 50 degrees 17 minutes 52 seconds West, a distance of 1,904.70 feet to the southwesterly corner of said 171.900 acre tract and being at the intersection with the northeasterly right-of-way line of Needlepoint Road (width varies);

4. Thence, with the westerly line of said 171.900 acre tract and said easterly right-of-way line of Needlepoint Road, North 28 degrees 59 minutes 14 seconds West, a distance of 214.63 feet to the most southerly corner of a called 27.650 acre tract of land recorded in the name of State of Texas in Volume 570, Page 546 and Volume 899, Page 415 of the O.P.R.C.C., and being on the easterly right-of-way line of State Highway 99 (Grand Parkway) (width varies);

Thence, with the westerly line of said 171.900 acre tract and said easterly right-of-way line of State Highway 99, the following five (5) courses:

5. North 08 degrees 03 minutes 08 seconds West, a distance of 169.59 feet;
6. North 16 degrees 55 minutes 00 seconds East, a distance of 766.59 feet;

7. 679.78 feet along the arc of a curve to the left, said curve having a central angle of 19 degrees 28 minutes 27 seconds, a radius of 2,000.00 feet and a chord that bears North 07 degrees 10 minutes 49 seconds East, a distance of 676.51 feet;

8. North 02 degrees 33 minutes 28 seconds West, a distance of 1,718.97 feet;

9. 1,206.61 feet along the arc of a curve to the right, said curve having a central angle of 10 degrees 02 minutes 11 seconds, a radius of 6,888.29 feet and a chord that bears North 02 degrees 27 minutes 38 seconds East, a distance of 1,205.07 feet to the northwest corner of aforesaid 171.900 acre tract and the southwest corner of aforesaid 254.14 acre tract;

10. Thence, with the northerly line of said 171.900 acre tract and the southerly line of said 254.14 acre tract, North 87 degrees 39 minutes 30 seconds East, a distance of 1,824.19 feet to the Point of Beginning and containing 171.900 acres of land in Tract 1.

Tract 2:

Beginning at a called 5/8-inch iron rod at the southwest corner of aforesaid 191.541 acre tract and the northwest corner of a called 1.228 acre tract of land recorded in the name of Johland Investments, LLC. in Volume 1704, Page 156 of the O.P.R.C.C., and being on the northeasterly right-of-way line of FM 2354 (120.00-foot wide) as recorded in Volume 191, Page 542 of the Chambers County Deed Records (C.C.D.R.);

1. Thence, with the southwesterly line of said 191.541 acre tract and said northeasterly right-of-way line of FM 2354, 485.65 feet along the arc of a curve to the left, said curve having a central angle of 04 degrees 51 minutes 23 seconds, a radius of 5,729.58 feet and a chord that bears North 37 degrees 33 minutes 03 seconds West, a distance of 485.51 feet;

2. Thence, continuing with said southwesterly line of the 191.541 acre tract and said northeasterly right-of-way line of FM 2354, North 40 degrees 38 minutes 16 seconds West, a distance of 857.53 feet to the southerly end of a cutback corner at the intersection with the southeasterly right-of-way line of aforesaid FM 565;

3. Thence, with said cutback, North 13 degrees 53 minutes 15 seconds West, a distance of 111.07 feet to the northerly end of said cutback;

4. Thence, with the northwesterly line of said 191.541 and said southeasterly right-of-way line of FM 565, North 50 degrees 17 minutes 52 seconds East, a distance of 1,842.85 feet;

5. Thence, continuing with said northwesterly line of the 191.541 acre tract and said southeasterly right-of-way line, North 50 degrees 13 minutes 52 seconds East, a distance of 1,471.18 feet to the most northerly corner of said 191.541 acre tract and the westerly corner of Tiffany Acres Section 2, a subdivision recorded in Volume A, Page 243 of the Chambers County Map Records (C.C.M.R.);

6. Thence, with the northeasterly line of said 191.541 acre tract, the southwesterly line of said Tiffany Acres Section 2, and the southwesterly line of a called 2.000 acre tract of land recorded in the name of David Michael McAdams and Jodie L. McAdams in Volume 662, Page 363 of the O.P.R.C.C., South

39 degrees 41 minutes 39 seconds East, a distance of 2,744.85 feet to the most easterly northeast corner of said 191.541 acre tract and the southerly corner of said 2.000 acre tract, and being on the westerly line of a called 2.000 acre tract of land recorded in the name of Norberto Pagan and Delia Pagan in Volume 236, Page 460 of the O.P.R.C.C.;

7. Thence, with the easterly line of said 191.541 acre tract, the westerly line of said 2.000 acre tract, the westerly line of a called 1.000 acre tract of land recorded in the name of Valentin Garcia and Hilda A. Garcia in Volume 236, Page 474 of the O.P.R.C.C., the westerly line of a called 1.000 acre tract of land recorded in the name of Wyman Tod Stephens in Volume 1215, Page 524 of the O.P.R.C.C., the westerly line of a called 2.00 acre tract of land recorded in the name of Graciela Hurtado Reyna in Volume 1502, Page 625 of the O.P.R.C.C., and the westerly line of a called 1.9912 acre tract of land recorded in the name of Dennis Ray Peting and Drena Lee Peting in Volume 150, Page 218 of the O.P.R.C.C., South 02 degrees 45 minutes 29 seconds East, a distance of 637.48 feet to the most easterly southeast corner of said 191.541 acre tract and the northeast corner of a called 7.965 acre tract recorded in the name of NEQ Investments, LLC. in Volume 952, Page 729 of the O.P.R.C.C.;

8. Thence, with the southerly line of said 191.541 acre tract and the northerly line of said 7.965 acre tract, South 86 degrees 48 minutes 29 seconds West, a distance of 1,085.42 feet to an interior corner of said 191.541 acre tract and the northwest corner of said 7.965 acre tract;

9. Thence, with an easterly line of said 191.541 acre tract and the westerly line of said 7.965 acre tract, South 03 degrees 11 minutes 31 seconds East, a distance of 320.00 feet to the most southerly southeast corner of said 191.541 acre tract, the southwest corner of said 7.965 acre tract, and the northeast corner of a called 8.66 acre tract of land recorded in the name of David L. Gamble in Volume 337, Page 419 of the O.P.R.C.C.;

10. Thence, with the southerly line of said 191.541 acre tract, the northerly line of said 8.66 acre tract, the northerly line of a called 1.7 acre tract recorded in the name of General Telephone Company (Verizon Communications-Texas) in Volume 307, Page 642 of the O.P.R.C.C., the northerly line of a called 2.1681 acre tract of land recorded in the name of David Schaffer and wife, Donna Schaffer in Volume 27, Page 509 of the O.P.R.C.C., and the northerly line of aforesaid 1.228 acre tract, South 86 degrees 48 minutes 29 seconds West, a distance of 2,389.16 feet to the Point of Beginning and containing 191.541 acres of land in Tract 2.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8039, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8039.0306 to read as follows:

Sec. 8039.0306. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(b) This section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. 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, 2019.

#### **HB 2143 - HOUSE REFUSES TO CONCUR IN SENATE AMENDMENTS CONFERENCE COMMITTEE APPOINTED**

Representative J. Turner called up with senate amendments for consideration at this time,

**HB 2143**, A bill to be entitled An Act relating to the eligibility of a first responder for workers' compensation benefits for post-traumatic stress disorder.

Representative J. Turner moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 2143**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 2143**: J. Turner, chair; Cole, Darby, Patterson, and Wray.

#### **HB 1139 - HOUSE REFUSES TO CONCUR IN SENATE AMENDMENTS CONFERENCE COMMITTEE APPOINTED**

Representative S. Thompson called up with senate amendments for consideration at this time,

**HB 1139**, A bill to be entitled An Act relating to the applicability of the death penalty to a capital offense committed by a person with an intellectual disability.

Representative S. Thompson moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 1139**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 1139**: S. Thompson, chair; Krause, Leach, Moody, and White.

**HB 3842 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative T. King called up with senate amendments for consideration at this time,

**HB 3842**, A bill to be entitled An Act relating to the requirement that a motor vehicle dealer obtain a general distinguishing number for a consignment location.

Representative T. King moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 3842**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 3842**: T. King, chair; Canales, Geren, Goldman, and Harless.

**HB 722 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Larson called up with senate amendments for consideration at this time,

**HB 722**, A bill to be entitled An Act relating to the development of brackish groundwater.

Representative Larson moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 722**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 722**: Larson, chair; Dominguez, Farrar, Metcalf, and Price.



**HB 510 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Wilson called up with senate amendments for consideration at this time,

**HB 510**, A bill to be entitled An Act relating to the power of certain counties to enact park use rules.

Representative Wilson moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 510**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 510**: Wilson, chair; Bucy, Cyrier, J.D. Johnson, and Morrison.

**HR 1489 - INTRODUCTION OF GUESTS**

The chair recognized Representative Y. Davis who introduced Zekarias Abnet and members of his family.

**HB 2327 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative G. Bonnen called up with senate amendments for consideration at this time,

**HB 2327**, A bill to be entitled An Act relating to preauthorization of certain medical care and health care services by certain health benefit plan issuers and to the regulation of utilization review, independent review, and peer review for health benefit plan and workers' compensation coverage.

Representative G. Bonnen moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 2327**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 2327**: G. Bonnen, chair; Lucio, Oliverson, C. Turner, and Zerwas.

**HB 2909 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Klick called up with senate amendments for consideration at this time,

**HB 2909**, A bill to be entitled An Act relating to election practices and procedures; creating a criminal offense.

Representative Klick moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 2909**.

**HB 2909 - POINT OF ORDER**

Representative Israel raised a point of order against further consideration of **HB 2909** under Rule 11, Section 2, of the House Rules on the grounds that the senate amendments are not germane to the bill.

**REMARKS ORDERED PRINTED**

Representative Cain moved to print remarks by Representative Parker on **HCR 180** on May 23.

The motion prevailed.

**HB 2909 - (consideration continued)**

The point of order was withdrawn.

The motion that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 2909** prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 2909**: Klick, chair; Bucy, Burrows, Geren, and Israel.

**HB 1634 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Kuempel called up with senate amendments for consideration at this time,

**HB 1634**, A bill to be entitled An Act relating to the imposition and rate of the county hotel occupancy tax in certain counties; authorizing the imposition of a tax.

Representative Kuempel moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 1634**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 1634**: Kuempel, chair; Guillen, Kacal, K. King, and Rodriguez.

**HB 2287 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Moody called up with senate amendments for consideration at this time,

**HB 2287**, A bill to be entitled An Act relating to the operations of certain municipal housing authorities.

Representative Moody moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 2287**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 2287**: Moody, chair; Blanco, Button, M. González, and Ortega.

**HB 3284 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Sheffield called up with senate amendments for consideration at this time,

**HB 3284**, A bill to be entitled An Act relating to prescribing and dispensing controlled substances and monitoring the prescribing and dispensing of controlled substances under the Texas Controlled Substances Act; providing for administrative penalties.

Representative Sheffield moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 3284**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 3284**: Sheffield, chair; Howard, Moody, Stucky, and Zerwas.

**MESSAGE FROM THE SENATE**

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 1).

**HB 3800 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative S. Thompson called up with senate amendments for consideration at this time,

**HB 3800**, A bill to be entitled An Act relating to required reporting of human trafficking cases by certain law enforcement entities and by prosecutors.

Representative S. Thompson moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 3800**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 3800**: S. Thompson, chair; Collier, Lang, Nevárez, and Paul.

**HB 3906 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Huberty called up with senate amendments for consideration at this time,

**HB 3906**, A bill to be entitled An Act relating to the administration of assessment instruments used to assess the performance of public school students.

Representative Huberty moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 3906**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 3906**: Huberty, chair; K. Bell, Bernal, M. González, and VanDeaver.

**HB 3636 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Morrison called up with senate amendments for consideration at this time,

**HB 3636**, A bill to be entitled An Act relating to the transfer of certain state property from the Texas Department of Criminal Justice to DeWitt County.

Representative Morrison moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 3636**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 3636**: Morrison, chair; Cyrier, Gervin-Hawkins, Kacal, and Leman.

**HB 2764 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Frank called up with senate amendments for consideration at this time,

**HB 2764**, A bill to be entitled An Act relating to minimum standards and caregiver training for substitute care providers for children in the conservatorship of the Department of Family and Protective Services.

Representative Frank moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 2764**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 2764**: Frank, chair; Klick, Minjarez, Moody, and Noble.

**HB 3388 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Sheffield called up with senate amendments for consideration at this time,

**HB 3388**, A bill to be entitled An Act relating to the reimbursement of prescription drugs under Medicaid and the child health plan program.

Representative Sheffield moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 3388**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 3388**: Sheffield, chair; Lucio, Price, Raymond, and Zerwas.

**HB 2831 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Canales called up with senate amendments for consideration at this time,

**HB 2831**, A bill to be entitled An Act relating to the service of notice of a special commissioners' hearing in an eminent domain proceeding.

Representative Canales moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 2831**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 2831**: Canales, chair; Craddick, Leman, Minjarez, and Nevárez.

(Speaker pro tempore in the chair)

**HB 1355 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Button called up with senate amendments for consideration at this time,

**HB 1355**, A bill to be entitled An Act relating to the execution of a search warrant for taking a blood specimen from certain persons in certain intoxication offenses.

Representative Button moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 1355**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 1355**: Button, chair; Cain, Holland, Paul, and Bowers.

**HB 475 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Howard called up with senate amendments for consideration at this time,

**HB 475**, A bill to be entitled An Act relating to information for foster children who are pregnant or minor parents.

Representative Howard moved to concur in the senate amendments to **HB 475**.

The motion to concur in the senate amendments to **HB 475** prevailed by (Record 1790): 139 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Johnson, J.D.; Patterson; Turner, C.; Wu.

### Senate Committee Substitute

**CSHB 475**, A bill to be entitled An Act relating to information for foster children who are pregnant or minor parents.

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

SECTION 1. Subchapter B, Chapter 264, Family Code, is amended by adding Section 264.130 to read as follows:

Sec. 264.130. PREGNANCY AND PARENTING INFORMATION. The department at developmentally appropriate stages shall ensure that children in the managing conservatorship of the department who are pregnant or who are minor parents receive information on and support in providing safe environments for children, including information and support regarding:

- (1) safe sleeping arrangements;
- (2) suggestions for childproofing potentially dangerous settings in a home;
- (3) child development and methods to cope with challenging behaviors;
- (4) selection of appropriate substitute caregivers;
- (5) a child's early brain development, including the importance of meeting an infant's developmental needs by providing positive experiences and avoiding adverse experiences;
- (6) the importance of paternal involvement in a child's life and methods for coparenting;
- (7) the benefits of reading, singing, and talking to young children;
- (8) the importance of prenatal and postpartum care for both the mother and infant, including the impact of and signs for perinatal mood disorders;
- (9) infant nutrition and the importance of breastfeeding; and
- (10) healthy relationships, including the prevention of intimate partner violence.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 1051 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative VanDeaver called up with senate amendments for consideration at this time,

**HB 1051**, A bill to be entitled An Act relating to an adult education program provided under an adult high school diploma and industry certification charter school program, eligibility of certain students for Foundation School Program benefits, and reporting requirements regarding certain students.

Representative VanDeaver moved to concur in the senate amendments to **HB 1051**.

The motion to concur in the senate amendments to **HB 1051** prevailed by (Record 1791): 135 Yeas, 6 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zerwas; Zwiener.

Nays — Biedermann; Cain; Krause; Lang; Stickland; Tinderholt.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Swanson; Zedler.

### Senate Committee Substitute

**CSHB 1051**, A bill to be entitled An Act relating to an adult education program provided under an adult high school diploma and industry certification charter school program and reporting requirements regarding certain students.

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

SECTION 1. Section 12.137(a), Education Code, is amended to read as follows:

(a) This section applies only to:

(1) an open-enrollment charter school designated as a dropout recovery school as described by Section 12.1141(c) if the enrollment of the school consists only of students 17 years of age and older; and

(2) an adult education program provided under a high school diploma and industry certification charter school ~~[pilot]~~ program under Section 29.259.

SECTION 2. Sections 29.081(d) and (d-1), Education Code, are amended to read as follows:

(d) For purposes of this section, "student at risk of dropping out of school" includes each student who:

(1) is under 26 years of age and who:

(A) ~~(+)~~ was not advanced from one grade level to the next for one or more school years;



(B) ~~[(2)]~~ if the student is in grade 7, 8, 9, 10, 11, or 12, did not maintain an average equivalent to 70 on a scale of 100 in two or more subjects in the foundation curriculum during a semester in the preceding or current school year or is not maintaining such an average in two or more subjects in the foundation curriculum in the current semester;

(C) ~~[(3)]~~ did not perform satisfactorily on an assessment instrument administered to the student under Subchapter B, Chapter 39, and who has not in the previous or current school year subsequently performed on that instrument or another appropriate instrument at a level equal to at least 110 percent of the level of satisfactory performance on that instrument;

(D) ~~[(4)]~~ if the student is in prekindergarten, kindergarten, or grade 1, 2, or 3, did not perform satisfactorily on a readiness test or assessment instrument administered during the current school year;

(E) ~~[(5)]~~ is pregnant or is a parent;

(F) ~~[(6)]~~ has been placed in an alternative education program in accordance with Section 37.006 during the preceding or current school year;

(G) ~~[(7)]~~ has been expelled in accordance with Section 37.007 during the preceding or current school year;

(H) ~~[(8)]~~ is currently on parole, probation, deferred prosecution, or other conditional release;

(I) ~~[(9)]~~ was previously reported through the Public Education Information Management System (PEIMS) to have dropped out of school;

(J) ~~[(10)]~~ is a student of limited English proficiency, as defined by Section 29.052;

(K) ~~[(11)]~~ is in the custody or care of the Department of Family and Protective Services or has, during the current school year, been referred to the department by a school official, officer of the juvenile court, or law enforcement official;

(L) ~~[(12)]~~ is homeless, as defined by 42 U.S.C. Section 11302, and its subsequent amendments; or

(M) ~~[(13)]~~ resided in the preceding school year or resides in the current school year in a residential placement facility in the district, including a detention facility, substance abuse treatment facility, emergency shelter, psychiatric hospital, halfway house, cottage home operation, specialized child-care home, or general residential operation; or

(2) regardless of the student's age, participates in an adult education program provided under a high school diploma and industry certification charter school program under Section 29.259.

(d-1) Notwithstanding Subsection (d)(1)(A) ~~[(4)(1)]~~, a student is not considered a student at risk of dropping out of school if the student did not advance from prekindergarten or kindergarten to the next grade level only as the result of the request of the student's parent.

SECTION 3. The heading for Section 29.259, Education Code, is amended to read as follows:

Sec. 29.259. ADULT HIGH SCHOOL DIPLOMA AND INDUSTRY CERTIFICATION CHARTER SCHOOL ~~[PILOT]~~ PROGRAM.

SECTION 4. Section 29.259, Education Code, is amended by amending Subsections (b), (g), (j), and (m) and adding Subsections (g-1), (i-1), and (i-2) to read as follows:

(b) The commissioner shall establish an adult high school diploma and industry certification charter school ~~[pilot]~~ program as provided by this section as a strategy for meeting industry needs for a sufficiently trained workforce within the state.

(g) A person who is at least 18 ~~[19]~~ years of age and not more than 50 years of age is eligible to enroll in the adult education program under this section if the person ~~[has not earned a high school equivalency certificate and]~~:

(1) has failed to complete the curriculum requirements for high school graduation; or

(2) has failed to perform satisfactorily on an assessment instrument required for high school graduation.

(g-1) In admitting students to the adult education program under this section, the nonprofit entity shall give priority to a person who has not earned a high school equivalency certificate.

(i-1) The adult education program offered under this section must:

(1) use an instructional model in which at least 75 percent of instruction is delivered by a teacher in an in-person, interactive classroom setting; and

(2) provide support services to students, including:

(A) child care at no cost to students;

(B) life coaching services, at a ratio not to exceed one life coach for every 100 students, that use strategic and holistic interventions designed to facilitate graduation planning and assist students in overcoming life obstacles to achieve academic and career goals;

(C) mental health counseling; and

(D) for students with identified disabilities or impairments, instructional support services.

(i-2) If money is appropriated for a state fiscal year for expansion of the program under this section, not later than June 30 of the state fiscal year in which the appropriation is made, the nonprofit entity granted a charter under this section must submit any request for approval of an expansion amendment. The expansion amendment is considered approved if the commissioner does not provide written notice to the nonprofit entity of the disapproval of the expansion amendment on or before August 1.

(j) Funding for an adult education program under this section is provided based on the following:

(1) for participants who are 26 years of age and older, an amount per participant from available general revenue funds appropriated for the ~~[pilot]~~ program equal to the statewide average amount of state funding per student in weighted average daily attendance that would be allocated under the Foundation School Program to an open-enrollment charter school under Section 12.106 were the student under 26 years of age; and

(2) for participants who are at least 18 ~~[49]~~ years of age and under 26 years of age, an amount per participant through the Foundation School Program equal to the amount of state funding per student in weighted average daily attendance that would be allocated under the Foundation School Program for the student's attendance at an open-enrollment charter school in accordance with Section 12.106.

(m) The commissioner shall adopt rules necessary to administer the ~~[pilot]~~ program under this section. In adopting rules, the commissioner may modify charter school requirements only to the extent necessary for the administration of a charter school under this section that provides for adult education.

SECTION 5. Section 29.259(d), Education Code, as amended by Chapter 98 (**SB 276**), Acts of the 85th Legislature, Regular Session, 2017, is reenacted and amended to read as follows:

(d) Notwithstanding any other law and in addition to the number of charters allowed under Subchapter D, Chapter 12, the commissioner may, on the basis of an application submitted, grant a charter under the ~~[pilot]~~ program to a single nonprofit entity described by Subsection (e) to provide an adult education program for individuals described by Subsection (g) to successfully complete:

- (1) a high school program that can lead to a diploma; and
- (2) career and technology education courses that can lead to industry certification.

SECTION 6. Section 39.053, Education Code, is amended by adding Subsection (g-4) to read as follows:

(g-4) For purposes of the computation of dropout and completion rates such as high school graduation rates under Subsection (c)(1)(B)(ix), the commissioner shall exclude a student who was reported as having dropped out of school under Section 42.006(a-9), and the student may not be considered to have dropped out from the school district or campus in which the student was last enrolled.

SECTION 7. Section 42.003(a), Education Code, is amended to read as follows:

(a) A student is entitled to the benefits of the Foundation School Program if, on September 1 of the school year, the student:

(1) is 5 years of age or older and under 21 years of age and has not graduated from high school, or is at least 21 years of age and under 26 years of age and has been admitted by a school district to complete the requirements for a high school diploma; or

(2) is at least 18 ~~[49]~~ years of age and under 26 years of age and is enrolled in an adult high school diploma and industry certification charter school ~~[pilot]~~ program under Section 29.259.

SECTION 8. Section 42.006, Education Code, is amended by adding Subsections (a-8) and (a-9) to read as follows:

(a-8) The commissioner by rule shall require each school district and open-enrollment charter school to annually report through the Public Education Information Management System information regarding the number of students who are enrolled in a high school equivalency program, a dropout recovery

school, or an adult education program provided under a high school diploma and industry certification charter school program provided by the district or school and who:

(1) are at least 18 years of age and under 26 years of age;  
(2) have not previously been reported to the agency as dropouts; and  
(3) enroll in the program at the district or school after not attending school for a period of at least nine months.

(a-9) A student reported under Subsection (a-8) as having enrolled in a high school equivalency program, a dropout recovery school, or an adult education program provided under a high school diploma and industry certification charter school program must be reported through the Public Education Information Management System as having previously dropped out of school.

SECTION 9. This Act applies beginning with the 2019-2020 school year.

SECTION 10. To ensure accurate funding for students enrolled in an adult high school diploma and industry certification charter school program under Section 29.259, Education Code, as amended by this Act, and the accurate collection, analysis, and reporting of information regarding those students, as soon as practicable after the effective date of this Act, the commissioner of education shall update the Public Education Information Management System as necessary to accommodate the reporting through the system of information regarding students who are at least 26 years of age and not more than 50 years of age enrolled in such programs.

SECTION 11. 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, 2019.

### **HB 2155 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Guerra called up with senate amendments for consideration at this time,

**HB 2155**, A bill to be entitled An Act relating to a grant program to reduce wait times for agricultural inspections of vehicles at ports of entry along the Texas-Mexico border.

Representative Guerra moved to concur in the senate amendments to **HB 2155**.

The motion to concur in the senate amendments to **HB 2155** prevailed by (Record 1792): 107 Yeas, 35 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, K.; Bernal; Blanco; Bonnen; Bowers; Buckley; Bucy; Burns; Button; Calanni; Canales; Clardy; Coleman; Collier; Cortez; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert;

Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paddie; Perez; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Shaheen; Sheffield; Sherman; Shine; Smithee; Springer; Stephenson; Stucky; Talarico; Thierry; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; Wray; Wu; Zwiener.

Nays — Bell, C.; Biedermann; Bohac; Burrows; Cain; Capriglione; Craddick; Dean; Harless; Harris; Hefner; Holland; Krause; Lang; Metcalf; Middleton; Miller; Murr; Noble; Oliverson; Parker; Patterson; Paul; Phelan; Price; Sanford; Schaefer; Smith; Stickland; Thompson, E.; Toth; White; Wilson; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Swanson.

### STATEMENTS OF VOTE

When Record No. 1792 was taken, I was shown voting no. I intended to vote yes.

Harless

When Record No. 1792 was taken, I was shown voting no. I intended to vote yes.

Phelan

When Record No. 1792 was taken, I was shown voting yes. I intended to vote no.

Tinderholt

### Senate Committee Substitute

**CSHB 2155**, A bill to be entitled An Act relating to a grant program to reduce wait times for agricultural inspections of vehicles at ports of entry along the Texas-Mexico border.

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

SECTION 1. Chapter 12, Agriculture Code, is amended by adding Section 12.050 to read as follows:

Sec. 12.050. TRADE AGRICULTURAL INSPECTION GRANT PROGRAM. (a) Using money appropriated for this purpose or money received under Subsection (g), the department may make a grant to a nonprofit organization for the purpose of promoting the agricultural processing industry in this state by reducing wait times for agricultural inspections of vehicles at ports of entry along the border with the United Mexican States.

(b) The department shall request proposals for the award of a grant under this section. The department shall evaluate the proposals and award a grant based on the proposed program's quantifiable effectiveness and the potentially positive impact on the agricultural processing industry in this state.

(c) A grant awarded under this section must be made to an organization that has demonstrated experience working with border inspection authorities to reduce border crossing wait times.

(d) A grant recipient may use grant money received under this section only to pay for activities directly related to the purpose of the grant program as described by Subsection (a). A grant recipient may use grant money to reimburse a federal governmental agency that, at the request of the grant recipient, provides additional border agricultural inspectors or pays overtime to border agricultural inspectors at ports of entry along the border with the United Mexican States.

(e) The department shall establish procedures to administer the grant program, including a procedure for the submission of a proposal and a procedure to be used by the department to evaluate a proposal.

(f) The department shall enter into a contract that includes performance requirements with each grant recipient. The department shall monitor and enforce the terms of the contract. The contract must authorize the department to recoup grant money from a grant recipient for failure of the grant recipient to comply with the terms of the contract.

(g) The department may solicit and accept gifts, grants, and donations from any source for the purpose of awarding grants under this section.

(h) To be eligible to receive a grant under this section, a nonprofit organization must provide matching funds. The department may not award a grant to a nonprofit organization until the department certifies that the nonprofit organization has the matching funds. The amount of the grant may not exceed the amount of matching funds. The department may not require a nonprofit organization to provide matching funds in an amount that exceeds the amount of the grant.

(i) The total amount of grants awarded under this section may not exceed \$725,000 for the duration of the program.

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

(k) Not later than January 15, 2021, the department shall evaluate the performance of the program under this section and submit a report to the legislature. The report must include an evaluation of agricultural inspections affected by the program, including the extent to which the program is reducing wait times for agricultural inspections of vehicles at ports of entry along the border with the United Mexican States.

(l) Unless continued in existence by the legislature, this section expires September 1, 2021.

SECTION 2. The Department of Agriculture is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the department may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 2363 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Harris called up with senate amendments for consideration at this time,

**HB 2363**, A bill to be entitled An Act relating to permitting certain foster homes to store firearms and ammunition in the same locked location.

The chair recognized Representative Harris who addressed the house, speaking as follows:

The senate added one amendment, an additional requirement including a trigger lock on every firearm inside a locked storage container. Members, in 2008, the U.S. Supreme Court ruled that a lawfully owned firearm in the home should be available for the purpose of immediate self defense if the individual so chooses. Current state regulations for the storage of firearms owned by foster parents do not line up with this court's ruling. However, the senate has made it abundantly clear that they will not be willing to negotiate this session. So because this amended bill is a small—very small—step in the right direction, I look forward to continuing this fight next session, and I move to concur with senate amendments.

Representative Harris moved to concur in the senate amendments to **HB 2363**.

The motion to concur in the senate amendments to **HB 2363** prevailed by (Record 1793): 85 Yeas, 56 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Bailes; Bernal; Blanco; Bohac; Bowers; Burns; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Frank; Frullo; González, J.; González, M.; Guerra; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Huberty; Hunter; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; Klick; Lambert; Landgraf; Larson; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Morrison; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Paddie; Perez; Price; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Stephenson; Stickland; Stucky; Talarico; Thompson, S.; Toth; Turner, C.; VanDeaver; Vo; Walle; Wray; Wu; Zerwas.

Nays — Anderson; Ashby; Beckley; Bell, C.; Bell, K.; Biedermann; Bonnen; Buckley; Bucy; Burrows; Button; Cain; Calanni; Dean; Flynn; Geren; Gervin-Hawkins; Goldman; Goodwin; Guillen; Howard; Israel; King, P.; King, T.; Krause; Kuempel; Lang; Leach; Leman; Metcalf; Middleton; Minjarez; Morales; Muñoz; Oliverson; Pacheco; Parker; Patterson; Paul; Phelan; Ramos; Raney; Sanford; Schaefer; Shaheen; Smith; Smithee; Springer; Swanson; Thompson, E.; Tinderholt; Turner, J.; White; Wilson; Zedler; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Shine; Thierry.

**STATEMENTS OF VOTE**

When Record No. 1793 was taken, I was shown voting yes. I intended to vote no.

Bohac

When Record No. 1793 was taken, I was shown voting no. I intended to vote yes.

Dean

When Record No. 1793 was taken, I was shown voting no. I intended to vote yes.

Leman

When Record No. 1793 was taken, I was shown voting yes. I intended to vote no.

Miller

**REASON FOR VOTE**

The bill as it left the house was a great bill. Burdensome firearm restrictions dissuade law abiding firearm owners from serving as foster parents. Texas should encourage more loving families to serve as foster parents. **HB 2363** did that. However, the bill changed in the senate and was returned to the house with regulation that will discourage more loving families from serving as foster parents by requiring firearms to be stored with trigger locks. I therefore voted against the motion to concur with senate amendments.

Cain

**Senate Committee Substitute**

**CSHB 2363**, A bill to be entitled An Act relating to permitting certain foster homes to store firearms and ammunition in the same locked location.

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

SECTION 1. Section 42.042(e-1), Human Resources Code, is amended to read as follows:

(e-1) The commission [~~department~~] may not prohibit possession of lawfully permitted firearms and ammunition in an agency foster home. Minimum standards may be adopted under this section relating to safety and proper storage of firearms and ammunition. The minimum standards must allow [~~including standards requiring~~] firearms and ammunition to be stored separately or stored together in the same locked location if the firearms are stored with a trigger locking device attached to the firearms [~~locations~~].

SECTION 2. This Act takes effect September 1, 2019.



**HB 3301 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Lambert called up with senate amendments for consideration at this time,

**HB 3301**, A bill to be entitled An Act relating to merger agreements among certain hospitals; imposing fees.

Representative Lambert moved to concur in the senate amendments to **HB 3301**.

The motion to concur in the senate amendments to **HB 3301** prevailed by (Record 1794): 134 Yeas, 6 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sherman; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Cain; Krause; Lang; Stickland; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Sheffield; Shine; Thierry.

**Senate Committee Substitute**

**CSHB 3301**, A bill to be entitled An Act relating to merger agreements among certain hospitals; authorizing fees.

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

SECTION 1. Subtitle F, Title 4, Health and Safety Code, is amended by adding Chapter 314A to read as follows:

CHAPTER 314A. MERGER AGREEMENTS AMONG CERTAIN  
HOSPITALS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 314A.001. DEFINITIONS. In this chapter:

(1) "Attorney general" means the attorney general of Texas or any assistant attorney general acting under the direction of the attorney general of Texas.

(2) "Designated agency" means the state agency designated by the governor under Section 314A.004.

(3) "Hospital" means a nonpublic general hospital that is licensed under Chapter 241 and is not maintained or operated by a political subdivision of this state.

(4) "Merger agreement" or "merger" means an agreement among two or more hospitals for the consolidation by merger or other acquisition or transfer of assets by which ownership or control over substantially all of the stock, assets, or activities of one or more previously licensed and operating hospitals is placed under the control of another licensed hospital or hospitals or another entity that controls the hospitals.

(5) "State agency" means a department, commission, board, office, or other agency in the executive branch of state government that is created by the constitution or a statute of this state.

Sec. 314A.002. APPLICABILITY. This chapter applies only to a merger agreement among hospitals each of which is located within a county that:

(1) contains two or more hospitals; and

(2) has a population of:

(A) less than 100,000 and is not adjacent to a county with a population of 250,000 or more; or

(B) more than 100,000 and less than 150,000 and is not adjacent to a county with a population of 100,000 or more.

Sec. 314A.003. LEGISLATIVE FINDINGS AND PURPOSES; GRANT OF ANTITRUST IMMUNITY. (a) The legislature finds that:

(1) a merger among hospitals may benefit the public by maintaining or improving the quality, efficiency, and accessibility of health care services offered to the public; and

(2) the benefits described by Subdivision (1) resulting from the merger may outweigh any anticompetitive effects of joining together competitors to address unique challenges in providing health care services in rural areas.

(b) The legislature believes it is in the state's best interest to supplant state and federal antitrust laws with a process for regulatory approval and active supervision by the designated agency as provided by this chapter. It is the intent of the legislature that this chapter immunize from all federal and state antitrust laws the execution of merger agreements approved under this chapter and post-merger activities supervised under this chapter.

(c) Nothing in this chapter affects antitrust immunity that may be provided through another provision of state law.

Sec. 314A.004. DESIGNATION OF SUPERVISING STATE AGENCY.

(a) The governor shall designate an appropriate state agency, other than the office of the attorney general, to:

(1) review and approve or deny applications submitted under this chapter for certificates of public advantage; and

(2) supervise as provided by Subchapter C the activities for which a certificate of public advantage is issued.

(b) After the governor designates a state agency under Subsection (a), the governor may designate another appropriate state agency under that subsection at any time.

(c) A change in the designation of a state agency made under this section does not affect the validity of any action taken under this chapter by a predecessor designated agency.

Sec. 314A.005. RULEMAKING. The designated agency shall adopt rules for the administration and implementation of this chapter.

SUBCHAPTER B. CERTIFICATE OF PUBLIC ADVANTAGE

Sec. 314A.051. REVIEW AND CERTIFICATION OF MERGER AGREEMENTS REQUIRED. (a) Two or more hospitals may negotiate and enter into a merger agreement, subject to approval by the designated agency as provided by this subchapter.

(b) No merger agreement shall receive immunity under this chapter unless the designated agency issues a certificate of public advantage governing the merger agreement.

Sec. 314A.052. APPLICATION. (a) One or more parties to a merger agreement may submit an application to the designated agency for a certificate of public advantage governing the merger agreement. The application must include a written copy of the merger agreement and describe the nature and scope of the merger.

(b) If an applicant believes the documents or other information required to be submitted with an application under Subsection (a) contains proprietary information that is required to remain confidential, the applicant shall:

(1) clearly identify the information; and

(2) submit duplicate applications, one application that has complete information for the designated agency's use and one redacted application that will be made available for public release.

(c) A copy of the application and copies of all additional related materials must be submitted to the attorney general and to the designated agency at the same time.

Sec. 314A.053. APPLICATION FEE. (a) The designated agency may assess a fee for filing an application under Section 314A.052 in an amount not to exceed \$75,000. The amount of the fee must be sufficient to cover the reasonable costs of the designated agency and attorney general in reviewing and approving or denying applications under this subchapter.

(b) Fees collected under this section may be appropriated to the designated agency for purposes of covering costs relating to the implementation and administration of this chapter, including the supervision of hospitals under this chapter.

Sec. 314A.054. REVIEW OF APPLICATION BY DESIGNATED AGENCY; GRANT OR DENIAL OF APPLICATION. (a) The designated agency shall review an application for a certificate of public advantage in accordance with the standard prescribed by Section 314A.056(a)(1).

(b) The designated agency shall grant or deny the application not later than the 120th day after the date of the filing of the application. The designated agency's decision must:

(1) be in writing;

(2) specify the basis for the decision; and

(3) provide a copy of the decision to the applicants on the date of the decision.

Sec. 314A.055. REVIEW OF APPLICATION BY ATTORNEY GENERAL. (a) The attorney general shall review an application for a certificate of public advantage and all supporting documents and information provided by the applicants. On completion of the review and subject to Subsection (b), the attorney general shall advise the designated agency whether:

(1) the proposed merger agreement would likely benefit the public by maintaining or improving the quality, efficiency, and accessibility of health care services offered to the public; and

(2) the likely benefits resulting from the proposed merger agreement outweigh any disadvantages attributable to a reduction in competition that may result from the proposed merger.

(b) The attorney general shall review an application for a certificate of public advantage as soon as practicable, taking into consideration the deadline prescribed by Section 314A.054.

(c) If the attorney general advises the designated agency to deny an application, the attorney general shall state the basis and reasons for the recommended denial.

Sec. 314A.056. ISSUANCE OF CERTIFICATE OF PUBLIC ADVANTAGE. (a) The designated agency, after reviewing the application and consulting with the attorney general in accordance with Section 314A.055, shall issue a certificate of public advantage for a merger agreement if:

(1) the designated agency determines under the totality of the circumstances that:

(A) the proposed merger would likely benefit the public by maintaining or improving the quality, efficiency, and accessibility of health care services offered to the public; and

(B) the likely benefits resulting from the proposed merger agreement described by Paragraph (A) outweigh any disadvantages attributable to a reduction in competition that may result from the proposed merger; and

(2) the application:

(A) provides specific evidence showing that the proposed merger would likely benefit the public as described by Subdivision (1)(A);

(B) explains in detail how the likely benefits resulting from the proposed merger agreement outweigh any disadvantages attributable to a reduction in competition as described by Subdivision (1)(B); and

(C) sufficiently addresses the factors listed in Subsection (b) and any other factor the designated agency may require based on the circumstances specific to the application.

(b) In making the determination under Subsection (a)(1), the designated agency shall consider the effect of the merger agreement on the following nonexclusive list of factors:

(1) the quality and price of hospital and health care services provided to citizens of this state;

(2) the preservation of sufficient hospitals within a geographic area to ensure public access to acute care;

(3) the cost efficiency of services, resources, and equipment provided or used by the hospitals that are a party to the merger agreement;

(4) the ability of health care payors to negotiate payment and service arrangements with hospitals proposed to be merged under the agreement; and

(5) the extent of any reduction in competition among physicians, allied health professionals, other health care providers, or other persons providing goods or services to, or in competition with, hospitals.

(c) The designated agency may include terms or conditions of compliance in connection with a certificate of public advantage issued under this subchapter if necessary to ensure that the proposed merger likely benefits the public as specified in Subsection (a)(1).

Sec. 314A.057. RECORDS. The designated agency shall maintain records of all merger agreements the designated agency has approved under this chapter, including any terms or conditions of issuing a certificate of public advantage that are imposed by the designated agency.

Sec. 314A.058. TERMINATION OF CERTIFICATE OF PUBLIC ADVANTAGE BY HOSPITAL. A hospital resulting from a merger agreement approved under this chapter may voluntarily terminate its certificate of public advantage by giving the designated agency notice at least 30 days before the date of the termination.

Sec. 314A.059. ANNUAL REVIEW OF CERTIFICATE. (a) The designated agency shall annually review an approved certificate of public advantage.

(b) The attorney general may annually review an approved certificate of public advantage.

(c) The designated agency may not complete its annual review of an approved certificate of public advantage under this section until:

(1) the attorney general informs the designated agency whether the attorney general intends to conduct any review of the certificate of public advantage as authorized under this section; and

(2) if the attorney general informs the designated agency of the attorney general's intent to conduct a review of an entity's approved certificate of public advantage, the attorney general has had the opportunity to conduct the review.

#### SUBCHAPTER C. SUPERVISION OF MERGED HOSPITALS UNDER APPROVED MERGER AGREEMENT

Sec. 314A.101. SUPERVISION OF MERGED HOSPITALS. The designated agency shall supervise in the manner provided by this subchapter each hospital operating under a certificate of public advantage issued under this chapter to ensure that the immunized conduct of a merged entity furthers the purposes of this chapter.

Sec. 314A.102. RATE REVIEW. (a) A change in rates for hospital services by a hospital operating under a certificate of public advantage issued under this chapter may not take effect without prior approval of the designated agency as provided by this section.

(b) At least 90 days before the implementation of any proposed change in rates for inpatient or outpatient hospital services and, if applicable, at least 60 days before the execution of a reimbursement agreement with a third party payor, a hospital operating under a certificate of public advantage shall submit to the designated agency:

(1) any proposed change in rates for inpatient and outpatient hospital services;

(2) if applicable, any change in reimbursement rates under a reimbursement agreement with a third party payor;

(3) for an agreement with a third party payor, other than an agreement described by Subdivision (4) or in which rates are set under the Medicare or Medicaid program, information showing:

(A) that the hospital and the third party payor have agreed to the proposed rates;

(B) whether the proposed rates are less than the corresponding amounts in the producer price index published by the Bureau of Labor Statistics of the United States Department of Labor relating to the hospital services for which the rates are proposed or a comparable price index chosen by the designated agency if the producer price index described by this paragraph is abolished; and

(C) if the proposed rates are above the corresponding amounts in the producer price index as described by Paragraph (B), a justification for proposing rates above the corresponding amounts in the producer price index;

(4) to the extent allowed by federal law, for an agreement with a managed care organization that provides or arranges for the provision of health care services under the Medicare or Medicaid program, information showing:

(A) whether the proposed rates are different from rates under an agreement that was in effect before the date the applicable merger agreement took effect;

(B) whether the proposed rates are different from the rates most recently approved by the designated agency for the applicable hospital, if the designated agency has previously approved rates for the applicable hospital following the issuance of the certificate of public advantage under this chapter that governs the hospital; and

(C) if the proposed rates exceed rates described by Paragraph (A) or (B), a justification for proposing rates in excess of those rates; and

(5) any information concerning costs, patient volume, acuity, payor mix, and other information requested by the designated agency.

(c) After reviewing the proposed change in rates submitted under Subsection (b), the designated agency shall approve or deny the proposed rate change. The designated agency shall approve the proposed rate change if the designated agency determines that:

(1) the proposed rate change likely benefits the public by maintaining or improving the quality, efficiency, and accessibility of health care services offered to the public; and

(2) the proposed rate does not inappropriately exceed competitive rates for comparable services in the hospital's market area.

(d) If the designated agency determines that the proposed rate change does not satisfy Subsection (c)(1) or (2), the designated agency shall deny or modify the proposed rate change.

(e) The designated agency shall notify the hospital in writing of the agency's decision to approve, deny, or modify the proposed rate change not later than the 30th day before the implementation date of the proposed change.

Sec. 314A.103. ANNUAL REPORT. Each hospital operating under a certificate of public advantage shall submit an annual report to the designated agency. The report must include:

(1) information about the extent of the benefits attributable to the issuance of the certificate of public advantage;

(2) if applicable, information about the hospital's actions taken:

(A) in furtherance of any commitments made by the parties to the merger; or

(B) to comply with terms imposed by the designated agency as a condition for approval of the merger agreement;

(3) a description of the activities conducted by the hospital under the merger agreement;

(4) information relating to the price, cost, and quality of and access to health care for the population served by the hospital; and

(5) any other information required by the designated agency to ensure compliance with this chapter, including information relating to compliance with any terms or conditions for issuance of the certificate of public advantage.

Sec. 314A.104. CORRECTIVE ACTION PLAN. (a) The designated agency shall require a hospital operating under a certificate of public advantage to adopt a plan to correct a deficiency in the hospital's activities if the designated agency determines that an activity of the hospital:

(1) does not benefit the public as described by Section 314A.056(a)(1)(A); or

(2) no longer meets the standard prescribed by Section 314A.056(a)(1).

(b) The corrective action plan must include each provision required by the designated agency and must be submitted at the agency's direction.

Sec. 314A.105. SUPERVISION FEE. (a) The designated agency may assess an annual supervision fee in an amount that is at least \$75,000 but not more than \$200,000 against each hospital operating under a certificate of public advantage under this chapter. The amount of the fee imposed on hospitals under this subsection must be based on the assessment by the designated agency of the amount needed to cover the reasonable costs incurred by the designated agency in supervising hospitals under this subchapter and in implementing and administering this chapter.

(b) Fees collected under this section may be appropriated to the designated agency for purposes of covering costs relating to the implementation and administration of this chapter, including the supervision of hospitals under this chapter.



SUBCHAPTER D. ENFORCEMENT AUTHORITY BY DESIGNATED  
AGENCY

Sec. 314A.151. INVESTIGATION; REVOCATION OF CERTIFICATE.

With respect to each hospital resulting from a merger agreement for which the designated agency issued a certificate of public advantage under this chapter, and to ensure that the hospital's activities continue to benefit the public under the standard prescribed by Section 314A.056(a)(1) and the purposes of this chapter, the designated agency may:

(1) investigate the hospital's activities; and

(2) require the hospital to perform a certain action or refrain from a certain action or revoke the hospital's certificate of public advantage, if the designated agency determines that:

(A) the hospital is not complying with this chapter or a term or condition of compliance with the certificate of public advantage governing the hospital's immunized activities;

(B) the designated agency's approval and issuance of the certificate of public advantage was obtained as a result of material misrepresentation;

(C) the hospital has failed to pay any fee required under this chapter; or

(D) the benefits resulting from the approved merger no longer outweigh the disadvantages attributable to the reduction in competition resulting from the approved merger.

Sec. 314A.152. JUDICIAL REVIEW OF DESIGNATED AGENCY ACTION. (a) A person aggrieved by a decision of the designated agency in granting, denying, or refusing to act on an application for a certificate of public advantage submitted under Subchapter B or revoking a certificate of public advantage issued under this chapter may appeal the final order by filing a petition for judicial review in a district court of Travis County.

(b) The filing of a petition for judicial review of a decision by the designated agency to revoke a certificate of public advantage stays enforcement of the agency's decision.

(c) Not later than the 45th day after the date a person files a petition for judicial review under this section, the designated agency shall submit to the district court the original copy or a certified copy of the entirety of the agency's record regarding the decision under review. By stipulation of all parties, the record may be shortened. The district court may require or permit later corrections or additions to the record. The district court may extend the period prescribed by this subsection for submitting the agency's record to the court.

(d) The district court shall conduct the review sitting without a jury.

(e) The district court may reverse a decision by the designated agency regarding revocation of a certificate of public advantage if the court finds that the decision is:

(1) in violation of a constitutional or statutory provision;  
(2) in excess of the agency's statutory authority;  
(3) made through unlawful procedure;  
(4) arbitrary or capricious or characterized by abuse of discretion or  
clearly unwarranted exercise of discretion; or  
(5) unsupported by substantial and material evidence in light of the  
record as a whole.

(f) Under Subsection (e)(5), in determining the substantiality of the  
evidence, the district court:

(1) shall consider other evidence that detracts from the substantiality;  
and

(2) may not substitute its judgment for the judgment of the designated  
agency on the weight of the evidence as to a question of fact.

(g) The district court shall issue a written decision setting forth the court's  
findings of fact and conclusions of law. The designated agency shall add the  
court's decision to the agency's record.

#### SUBCHAPTER E. ATTORNEY GENERAL INVESTIGATION AND ENFORCEMENT AUTHORITY

Sec. 314A.201. CIVIL INVESTIGATIVE DEMAND. (a) The attorney  
general, at any time after an application is filed under Section 314A.052 and  
before the designated agency makes a determination on the application, or in  
connection with the agency's annual review of a certificate of public advantage  
under Section 314A.059, may require by civil investigative demand the  
attendance and testimony of witnesses and the production of documents in Travis  
County or the county in which the applicants are located for the purpose of  
investigating whether the merger agreement satisfies or, after issuance of the  
certificate of public advantage, continues to satisfy the standard prescribed by  
Section 314A.056(a)(1).

(b) All nonpublic documents produced for and testimony given to the  
attorney general under Subsection (a) are subject to the prohibitions on disclosure  
and use under Section 15.10(i), Business & Commerce Code.

(c) The attorney general may seek an order from the district court  
compelling compliance with a civil investigative demand issued under this  
section.

Sec. 314A.202. ACTION TO REVOKE CERTIFICATE OF PUBLIC  
ADVANTAGE FOLLOWING CHANGED CIRCUMSTANCES. (a) If,  
following an annual review of a certificate of public advantage, the attorney  
general determines that as a result of changed circumstances the benefits resulting  
from a certified merger agreement as described by Section 314A.056(a)(1)(A) no  
longer outweigh any disadvantages attributable to a reduction in competition

resulting from the merger agreement, the attorney general may bring an action in a district court in Travis County seeking to revoke the certificate of public advantage in accordance with the procedures prescribed by this section.

(b) Except as provided by Subsection (c), in an action brought under this section, the attorney general has the burden of establishing by clear and convincing evidence that as a result of changed circumstances the benefits resulting from the certified merger agreement and the unavoidable costs of revoking the certificate of public advantage are outweighed by disadvantages attributable to a reduction in competition resulting from the merger agreement.

(c) In any action brought under this section, if the attorney general first establishes by clear and convincing evidence that the designated agency's certification was obtained as a result of material misrepresentation to the designated agency or the attorney general or as the result of coercion, threats, or intimidation directed toward any party to the merger agreement, then the parties to the merger agreement bear the burden of establishing by clear and convincing evidence that despite changed circumstances the benefits resulting from the certified merger agreement and the unavoidable costs of revoking the certificate of public advantage are not outweighed by disadvantages attributable to a reduction in competition resulting from the merger agreement.

SECTION 2. As soon as practicable after the effective date of this Act, the governor shall designate a state agency under Section 314A.004, Health and Safety Code, as added by this Act.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 3704 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative S. Thompson called up with senate amendments for consideration at this time,

**HB 3704**, A bill to be entitled An Act relating to certain public health data maintained by the Department of State Health Services and shared with certain local health entities.

Representative S. Thompson moved to concur in the senate amendments to **HB 3704**.

The motion to concur in the senate amendments to **HB 3704** prevailed by (Record 1795): 136 Yeas, 3 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert;

Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Stickland; Tinderholt.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Burrows; Dutton; Farrar; Shine; Thierry.

### Senate Committee Substitute

**CSHB 3704.** A bill to be entitled An Act relating to certain public health data maintained by the Department of State Health Services and shared with certain local health entities.

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

SECTION 1. Subchapter D, Chapter 1001, Health and Safety Code, is amended by adding Section 1001.089 to read as follows:

Sec. 1001.089. PUBLIC HEALTH DATA. (a) In this section:

(1) "Essential public health services" has the meaning assigned by Section 121.002.

(2) "Local public health entity" means a local health unit, local health department, or public health district.

(b) Notwithstanding Sections 81.103, 82.009, 88.002(b), 92.006, and 192.002(b), the department may enter into an agreement with a local public health entity that provides essential public health services to provide the entity access to:

(1) identified public health data relating to the entity's jurisdiction and any public health data relating to a jurisdiction contiguous to the entity; and

(2) deidentified public health data maintained by the department relating to the jurisdiction of any other local public health entity.

(c) The public health data obtained through the agreement may be used only in the provision of essential public health services.

(d) Access to public health data includes necessary identified public health data required for an infectious disease investigation conducted under Chapter 81.

(e) For any public health data request that is not subject to Subsection (b), (c), or (d) and except as provided by Subsection (f), the department shall establish a review process for the consideration of public health data requests relating to essential public health services or public health research. The process must evaluate:

(1) the public health benefit and purpose of the request;

(2) the privacy of the individuals whose data is requested;

(3) the management of the data by the requestor, including management of public health data released to the requestor in previous requests; and

(4) other relevant law.

(f) A local public health entity seeking public health data for human subject research purposes must submit a request to the department's institutional review board for review and consideration.

(g) A local public health entity receiving public health data from the department under this section shall:

(1) maintain the integrity and security of the data; and

(2) comply with state and federal privacy laws.

SECTION 2. The executive commissioner of the Health and Human Services Commission shall adopt rules to implement Section 1001.089(e), Health and Safety Code, as added by this Act.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 680 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Deshotel called up with senate amendments for consideration at this time,

**HB 680**, A bill to be entitled An Act relating to the powers and duties of the Texas Workforce Commission and local workforce development boards regarding the provision of child care.

Representative Deshotel moved to concur in the senate amendments to **HB 680**.

The motion to concur in the senate amendments to **HB 680** prevailed by (Record 1796): 91 Yeas, 49 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bowers; Bucy; Button; Calanni; Canales; Coleman; Collier; Cortez; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Muñoz; Murphy; Neave; Ortega; Pacheco; Paddie; Perez; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Smithee; Stephenson; Talarico; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; Wu; Zwiener.

Nays — Anderson; Ashby; Biedermann; Bonnen; Buckley; Burns; Burrows; Cain; Capriglione; Clardy; Craddick; Cyrier; Goldman; Harless; Harris; Hefner; Holland; King, P.; Krause; Lang; Leman; Metcalf; Middleton; Miller; Morrison; Murr; Noble; Oliverson; Parker; Patterson; Paul; Phelan; Price; Sanford; Schaefer; Shaheen; Smith; Springer; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Toth; White; Wilson; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Nevárez; Shine; Thierry.

### STATEMENTS OF VOTE

When Record No. 1796 was taken, I was shown voting yes. I intended to vote no.

Leach

When Record No. 1796 was taken, I was shown voting yes. I intended to vote no.

Smithee

### Senate Amendment No. 1 (Senate Floor Amendment No. 1)

Amend **HB 680** (senate committee report) as follows:

(1) In the recital to SECTION 2 of the bill (page 1, line 35), strike "Subsection (c)" and substitute "Subsections (c) and (d)".

(2) In SECTION 2 of the bill, in amended Section 302.0042(b)(4), Labor Code (page 1, line 44), strike "price charged by child care providers for" and substitute "monthly price charged by child care providers for full-day".

(3) In SECTION 2 of the bill, in amended Section 302.0042(b), Labor Code, between Subdivisions (4) and (5) (page 1, between lines 46 and 47), insert the following appropriately numbered subdivision:

( ) the average monthly price charged by quality child care providers for full-day child care in each local workforce development area;

(4) In SECTION 2 of the bill, strike added Section 302.0042(b)(9), Labor Code (page 2, lines 3 through 10), and add the following appropriately numbered subdivisions:

( ) the number of child care providers participating in the Texas Rising Star Program in each local workforce development area as a percentage of the total number of both subsidized child care providers and all child care providers in the local workforce development area;

( ) the number of 2-star, 3-star, and 4-star rated child care providers in the local workforce development area as a percentage of the total number of both subsidized child care providers and all child care providers in the local workforce development area;

(5) In SECTION 2 of the bill, in amended Section 302.0042, Labor Code, immediately following added Subsection (c) (page 2, between lines 28 and 29), insert the following:

(d) In this section, "quality child care provider" means a child care provider that:

(1) participates in the commission's Texas Rising Star Program; and

(2) is accredited by the National Early Childhood Program Accreditation Commission or the National Association for the Education of Young Children, or holds any other accreditation the commission determines meets the quality standards of the Texas Rising Star Program.

(6) In SECTION 2 of the bill, renumber the subdivisions of amended Section 302.0042(b), Labor Code, as appropriate.

(7) In SECTION 3 of the bill, in amended Section 302.0043(f), Labor Code (page 2, line 68), strike "and".

(8) In SECTION 3 of the bill, in amended Section 302.0043(f), Labor Code (page 3, line 1), strike "302.0042(b)(8)-(11)." and substitute the following:  
302.0042(b)(8)-(11);

(4) include a summary of the input obtained under Section 302.00435;  
and

(5) include any recommendations for legislation or regulation, including regulatory recommendations for governmental bodies other than the commission, regarding the input obtained under Section 302.00435.

(9) In SECTION 4 of the bill, in added Section 302.00435(b)(1), Labor Code (page 3, line 14), strike "and".

(10) In SECTION 4 of the bill, in added Section 302.00435(b), Labor Code (page 3, line 16), strike "program." and substitute the following:  
program;

(3) existing health and safety rules and regulations that could be more efficient or less costly without reducing health and safety outcomes; and

(4) the burdens relating to complying with existing regulations that could be mitigated, reduced, or eliminated while maintaining the intent, objective, or purpose of the underlying regulation.

### **HB 3750 - WITH SENATE AMENDMENTS RETURNED TO SENATE**

Representative Kuempel called up with senate amendments for consideration at this time,

**HB 3750**, A bill to be entitled An Act relating to the applicability of certain municipal ordinances in the municipality's extraterritorial jurisdiction.

### **HB 3750 - POINT OF ORDER**

Representative Zwiener raised a point of order against further consideration of **HB 3750** under Rule 11, Section 2, of the House Rules. The point of order was sustained and the speaker submitted the following ruling:

### **RULING BY THE SPEAKER**

on House Bill 3750

Announced in the House on May 24, 2019

(Speaker pro tempore in the chair)

Representative Zwiener raises a point of order against further consideration of the Senate amendments to **HB 3750** under Rule 11, Section 2, of the House Rules on the grounds that the amendments are not germane.

As the bill left the House, it related solely to prohibiting a city from adopting water quality regulations in the city's extraterritorial jurisdiction that impose requirements in excess of those required under Federal law. The Senate adopted Floor Amendment No. 2 by Campbell that would restrict a city's authority to

impose a fine or fee that applies in an area in the extraterritorial jurisdiction that has either been disannexed from the city or was subject to a failed annexation attempt by the city.

Senate Floor Amendment No. 2 addresses fines and fees for matters far beyond the scope of the original, narrow House engrossment. Therefore, the Senate amendments are not on the same subject as the House engrossment.

Accordingly, the point of order is well-taken and sustained.

**HB 3750** was returned to the senate.

### **HB 4730 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Krause called up with senate amendments for consideration at this time,

**HB 4730**, A bill to be entitled An Act relating to the creation of the City of El Paso Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

Representative Krause moved to concur in the senate amendments to **HB 4730**.

The motion to concur in the senate amendments to **HB 4730** prevailed by (Record 1797): 108 Yeas, 30 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Ashby; Bailes; Beckley; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Buckley; Bucy; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sherman; Smith; Smithee; Springer; Stephenson; Stucky; Talarico; Thierry; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; Wu; Zerwas; Zwiener.

Nays — Anderson; Bell, C.; Bohac; Bonnen; Burns; Cain; Craddick; Dean; Frank; Goldman; Hefner; Holland; King, P.; Krause; Lang; Leman; Metcalf; Middleton; Miller; Murr; Parker; Patterson; Paul; Shaheen; Stickland; Swanson; Thompson, E.; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Calanni; Farrar; Sheffield; Shine; White; Wray.



**STATEMENTS OF VOTE**

When Record No. 1797 was taken, I was in the house but away from my desk. I would have voted yes.

Calanni

When Record No. 1797 was taken, I was shown voting no. I intended to vote yes.

Craddick

When Record No. 1797 was taken, I was shown voting yes. I intended to vote no.

Springer

When Record No. 1797 was taken, my vote failed to register. I would have voted yes.

White

**Senate Committee Substitute**

**CSHB 4730**, A bill to be entitled An Act relating to the creation of the City of El Paso Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3972 to read as follows:

**CHAPTER 3972. CITY OF EL PASO MUNICIPAL MANAGEMENT  
DISTRICT NO. 1**

**SUBCHAPTER A. GENERAL PROVISIONS**

**Sec. 3972.0101. DEFINITIONS.** In this chapter:

**(1) "Board" means the district's board of directors.**

**(2) "City" means the City of El Paso.**

**(3) "Director" means a board member.**

**(4) "District" means the City of El Paso Municipal Management District No. 1.**

**Sec. 3972.0102. CREATION AND NATURE OF DISTRICT.** The City of El Paso Municipal Management District No. 1 is a special district created under Section 59, Article XVI, Texas Constitution.

**Sec. 3972.0103. PURPOSE; LEGISLATIVE FINDINGS.** (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

**(b) By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.**

(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(d) The district is created to supplement and not to supplant city services provided in the district.

Sec. 3972.0104. FINDINGS OF BENEFIT AND PUBLIC USE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(b) The district is created to serve a public use and benefit.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

- (1) developing and diversifying the economy of the state;
- (2) eliminating unemployment and underemployment;
- (3) developing or expanding transportation and commerce; and
- (4) providing quality residential housing.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a residential community and business center; and

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3972.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

- (1) organization, existence, or validity;
- (2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;
- (3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 3972.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

(a) All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code;

or  
(4) an industrial district created under Chapter 42, Local Government Code.

(b) If the city creates a tax increment reinvestment zone described by Subsection (a), the city and the board of directors of the zone, by contract with the district, may grant money deposited in the tax increment fund to the district to be used by the district for:

(1) the purposes permitted for money granted to a corporation under Section 380.002(b), Local Government Code; and

(2) any other district purpose, including the right to pledge the money as security for any bonds or other obligations issued by the district.

(c) A tax increment reinvestment zone created by the city in the district is not subject to the limitations provided by Section 311.006, Tax Code.

Sec. 3972.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICT LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3972.0108. ENFORCEABILITY OF MUNICIPAL CONSENT AGREEMENT. (a) Any agreement between the district and a municipality related to the municipality's consent to the creation of the district is valid and enforceable.

(b) On the issuance of bonds by the district, the district is considered to have waived sovereign immunity to suit by a municipality for the purpose of adjudicating a claim for breach of an agreement described by this section.

Sec. 3972.0109. CONSENT OF MUNICIPALITY AND ENTITLEMENT AGREEMENT REQUIRED. The board may not impose an assessment, issue bonds, or hold an election to authorize the issuance of bonds until:

(1) the governing body of the city by ordinance or resolution consents to the creation of the district and to the inclusion of land in the district; and

(2) the city and the owner or owners of a majority of the assessed value of real property in the district negotiate and execute a mutually approved and accepted entitlement agreement regarding the development of land in the district.

Sec. 3972.0110. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3972.0201. GOVERNING BODY; TERMS. The district is governed by a board of five directors who serve staggered terms of four years with two or three directors' terms expiring June 1 of each even-numbered year.

Sec. 3972.0202. QUALIFICATIONS OF DIRECTORS. (a) To be qualified to serve as a director, a person must be:

- (1) a resident of the city who is also a registered voter of the city;
- (2) an owner of property in the district;
- (3) an owner of stock or a partnership or membership interest, whether beneficial or otherwise, of a corporate partnership, limited liability company, or other entity owner of a direct or indirect interest in property in the district;
- (4) an owner of a beneficial interest in a trust, or a trustee in a trust, that directly or indirectly owns property in the district; or
- (5) an agent, employee, or tenant of a person described by Subdivision (2), (3), or (4).

(b) Section 49.052, Water Code, does not apply to the district.

Sec. 3972.0203. APPOINTMENT OF DIRECTORS. The governing body of the city shall appoint directors from persons recommended by the board.

Sec. 3972.0204. VACANCY. (a) If a vacancy occurs on the board, the remaining directors shall appoint a director for the remainder of the unexpired term.

(b) A director may resign from the board at any time.

Sec. 3972.0205. OFFICERS. The board shall elect from among the directors a chair, a vice chair, and a secretary. The offices of chair and secretary may not be held by the same person.

Sec. 3972.0206. COMPENSATION; EXPENSES. (a) The district may compensate each director in an amount not to exceed \$150 for each board meeting. The total amount of compensation for each director in one year may not exceed \$7,200.

(b) A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

Sec. 3972.0207. LIABILITY INSURANCE. The district may obtain and pay for comprehensive general liability insurance coverage from a commercial insurance company or other source that protects and insures a director against personal liability and from all claims relating to:

- (1) actions taken by the director in the director's capacity as a member of the board;
- (2) actions and activities taken by the district; or
- (3) the actions of others acting on behalf of the district.

Sec. 3972.0208. NO EXECUTIVE COMMITTEE. The board may not create an executive committee to exercise the powers of the board.

Sec. 3972.0209. BOARD MEETINGS. The board shall hold meetings at a place accessible to the public.

Sec. 3972.0210. INITIAL DIRECTORS. (a) On or after January 1, 2020, the owner or owners of a majority of the assessed value of real property in the district may submit a petition to the governing body of the city requesting that the governing body appoint five persons as initial directors from a list of persons agreed on by the governing body of the city and the owner or owners of a majority of the assessed value of real property in the district.

(b) A petition must name more than five qualified persons.

(c) The governing body shall appoint as initial directors five persons listed in the petition who are qualified to serve as directors.

(d) The initial directors shall determine by lot which three positions expire June 1, 2022, and which two positions expire June 1, 2024.

(e) An initial director is not entitled to compensation under Section 3972.0206.

(f) This section expires September 1, 2025.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3972.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3972.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

(b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).

(c) An improvement project described by Subsection (a) may be located:

(1) in the district; or

(2) in an area outside the district if the project is for the purpose of extending a public infrastructure improvement beyond the district's boundaries to a logical terminus.

Sec. 3972.0303. IMPROVEMENT PROJECT AND SERVICE IN DEFINABLE AREA; BENEFIT BASIS. The district may undertake an improvement project or service that confers a special benefit on a definable area in the district and levy and collect a special assessment on benefited property in the district in accordance with:

(1) Chapter 372, Local Government Code; or

(2) Chapter 375, Local Government Code.

Sec. 3972.0304. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers that Chapter 380, Local Government Code, provides to a municipality.

Sec. 3972.0305. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3972.0306. ADDING OR REMOVING TERRITORY. (a) The board may add or remove territory as provided by Subchapter J, Chapter 49, Water Code.

(b) The district may add territory as described by Subsection (a) only if the governing body of the city by ordinance or resolution consents to the addition.

Sec. 3972.0307. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

#### SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

Sec. 3972.0401. DIVISION OF DISTRICT; PREREQUISITES. The district, including territory added to the district under Section 3972.0306, may be divided into two or more new districts only if the district has no outstanding bonded debt. Territory previously added to the district under Section 3972.0306 may be included in a new district.

Sec. 3972.0402. LAW APPLICABLE TO NEW DISTRICT. This chapter applies to any new district created by division of the district, and a new district has all the powers and duties of the district.

Sec. 3972.0403. DIVISION PROCEDURES. (a) The board, on its own motion or on receipt of a petition signed by an owner of real property in the district, may adopt an order proposing to divide the district.

(b) If the board decides to divide the district, the board shall:

(1) set the terms of the division, including names for the new districts and a plan for the payment or performance of any outstanding district obligations;

(2) prepare a metes and bounds description for each proposed district;  
and

(3) appoint four initial directors for each new district.

(c) The governing body of the city shall appoint one director for each new district.

Sec. 3972.0404. CONTRACT AUTHORITY OF NEW DISTRICTS. The new districts may contract with each other for any matter the boards of the new districts consider appropriate, including the joint construction or financing of a utility improvement.

#### SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3972.0501. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3972.0502. TAX AND ASSESSMENT ABATEMENTS. The district may designate reinvestment zones and may grant abatements of a tax or assessment imposed by the district on property in the zones.

### SUBCHAPTER F. TAXES AND BONDS

Sec. 3972.0601. BONDS AND OTHER OBLIGATIONS. (a) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from ad valorem taxes or assessments in the manner provided by Chapter 375, Local Government Code, or, if an improvement financed by an obligation issued under this section will be conveyed to or operated and maintained by a municipality or other retail utility provider pursuant to an agreement with the district entered into before the issuance of the obligation, in the manner provided by Subchapter A, Chapter 372, Local Government Code.

(b) In exercising the district's borrowing power, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the district, or other type of obligation.

(c) In addition to the sources of money described by Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local Government Code, district bonds may be secured and made payable wholly or partly by a pledge of any part of the money the district receives from improvement revenue or from any other source.

Sec. 3972.0602. OPERATION AND MAINTENANCE TAX. If authorized by a majority of the district voters voting at an election held in accordance with Section 49.107, Water Code, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by that section for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or
- (3) provide a service.

Sec. 3972.0603. TAXES FOR BONDS AND OTHER OBLIGATIONS. At the time bonds or other obligations payable wholly or partly from ad valorem taxes are issued:

(1) the board shall impose a continuing direct annual ad valorem tax for each year that all or part of the bonds are outstanding; and

(2) the district annually shall impose an ad valorem tax on all taxable property in the district in an amount sufficient to:

(A) pay the interest on the bonds or other obligations as the interest becomes due; and

(B) create a sinking fund for the payment of the principal of the bonds or other obligations when due or the redemption price at any earlier required redemption date.

### SUBCHAPTER G. SPECIAL BOND PROVISIONS

Sec. 3972.0701. APPLICABILITY. This subchapter applies only to bonds payable wholly or partly from revenue derived from assessments on real property in the district.

Sec. 3972.0702. CONFLICT OF LAWS. In the event of a conflict between this subchapter and any other law, this subchapter prevails.

Sec. 3972.0703. WRITTEN AGREEMENT REGARDING SPECIAL APPRAISALS. Before the district may issue bonds, the district and any person to whom the board intends that proceeds of the bonds be distributed, including the

developer, another owner of land in the district, and any entity acting as a lender to the developer or other landowner for the purpose of a project relating to the district, must enter into a written agreement that:

(1) waives for the term of the agreement the right to a special appraisal with respect to taxation by the district under Subchapters B, C, D, E, F, and H, Chapter 23, Tax Code; and

(2) remains in effect for 30 years and is binding on the parties, on entities related to or affiliated with the parties, and on their successors and assignees.

Sec. 3972.0704. REQUIREMENTS FOR ADVERTISING BOND ISSUE. A district may not advertise for an issuance of bonds until the completion of at least 25 percent of the projected value of the improvements, including houses and other buildings, that are liable for district assessments and necessary to support the district bonds.

Sec. 3972.0705. REQUIREMENTS FOR BOND ISSUE. The district may not issue bonds until:

(1) the district submits to the Texas Commission on Environmental Quality:

(A) an engineer's report describing the project for which the bonds will provide funding, including data, profiles, maps, plans, and specifications related to the project; and

(B) a cash flow analysis to determine the projected rate of assessment, which includes the following assumptions:

(i) each ending balance for debt service in the analysis is not less than 25 percent of the following year's debt service requirement;

(ii) interest income is only shown on the ending balance for debt service for the first two years; and

(iii) the projected rate of assessment is level or decreasing for the life of the bonds issued by the district;

(2) the completion of at least 75 percent of the projected value of the improvements, including houses and other buildings, that are liable for district assessments and necessary to support the district bonds; and

(3) the district has obtained an independent market study from a firm recognized in the area of real estate market analysis supporting the development projects for the real property that is liable for district assessments and necessary to support the district bonds.

Sec. 3972.0706. REQUIREMENTS FOR COLLECTION OF REVENUE TO PAY BONDS. The district may not collect an assessment to be used for the payment of bonds until:

(1) the completion of at least 95 percent of the underground water, wastewater, and drainage facilities financed from bond proceeds that are necessary to serve the projected build-out, as certified by the district's engineer;

(2) the district or other appropriate party has secured the groundwater, surface water, and water discharge permits that are necessary to secure capacity to support the projected build-out;



(3) the completion of at least 95 percent of lift station, water plant, and sewage treatment plant capacity sufficient to serve the connections constructed in the project for a period of not less than 18 months, as certified by the district's engineer; and

(4) the completion of at least 95 percent of the streets and roads that are necessary to provide access to the areas served by utilities and financed by the proceeds of bonds issued by the district, as certified by the district's engineer and constructed in accordance with municipal or county standards.

#### SUBCHAPTER I. DISSOLUTION

Sec. 3972.0901. DISSOLUTION BY CITY. (a) The city may dissolve the district in the manner provided by Section 375.263, Local Government Code, only if the city also complies with any dissolution procedures in the entitlement agreement described by Section 3972.0109.

(b) In the case of a conflict between Section 375.263, Local Government Code, and the entitlement agreement, the entitlement agreement controls.

SECTION 2. The City of El Paso Municipal Management District No. 1 initially includes all territory contained in the following area:

3,643.3423 acres of land located in El Paso County, Texas, being that certain 3,699.05 acres described as "Area 2" (650.600 acres), "Area 3" (2,045.343 acres) and "Area 4" (1,003.107 acres), as described below, LESS AND EXCEPT that certain 5.0000 acre tract, and that certain 50.7077 acre tract, as described below.

METES AND BOUNDS - AREA 2

650.600 acres (28,340,145 square feet)

A Portion of Sections 11, 14 & 19, Block 81,

Township 1, Texas & Pacific Railroad Company Surveys City of El Paso, El Paso County, Texas

BEING a portion of Sections 11, 14 & 19, Block 81, Township 1, Texas & Pacific Railroad Company Surveys City of El Paso, El Paso County, Texas, being a portion of a tract of land described in Deed to City of El Paso, recorded in Volume 1176, Page 504 of the Deed Records of El Paso County, Texas, being a portion of a tract of land described in Deed to The City of El Paso, recorded in Volume 1186, Page 183, Deed Records of El Paso County, Texas, being a portion of a tract of land described in Deed to The City of El Paso, recorded in Volume 1272, Page 231 of the Deed Records of El Paso County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod with plastic cap set for the intersection of east right-of-way line of Martin Luther King, Jr. Boulevard (a 160-foot wide public right-of-way) and the north right-of-way line of Loma Real Avenue (a public right-of-way), for the southwest corner of said premises, from which a 1/2-inch iron rod with plastic "TX 5337" cap found for the common corner of Sections 89, 19, 22 & 23, Block 81, bears North 87°57'17" West, 92.85 feet;

THENCE North 02°08'51" East, with the east right-of-way line of Martin Luther King, Jr. Boulevard, a distance of 860.05 feet to a 1/2-inch iron rod with plastic cap set for corner;

THENCE North 01°35'21" East, the east right-of-way line of Martin Luther King, Jr. Boulevard, a distance of 4432.74 feet to a point for corner;

THENCE North 01°35'21" East, the east right-of-way line of Martin Luther King, Jr. Boulevard, a distance of 5424.52 feet to a point for corner;

THENCE North 01°35'21" East, the east right-of-way line of Martin Luther King, Jr. Boulevard, a distance of 725.66 feet to a point for corner;

THENCE South 86°53'30" East, leaving the east right-of-way line of Martin Luther King, Jr. Boulevard, a distance of 2528.30 feet to a 1/2-inch iron rod with plastic cap set for corner in the west line of a tract of land described in Deed to El Paso Electric Company, recorded in Volume 1338, Page 471 of the Real Property Records of El Paso County, Texas;

THENCE South 02°04'19" West, with the west line of the El Paso Electric Company tract, a distance of 6102.12 feet to a 1/2-inch iron rod with plastic cap set for corner;

THENCE South 01°58'57" West, with the west line of the El Paso Electric Company tract, a distance of 5293.60 feet to a 1/2-inch iron rod with plastic cap set for corner in the north right-of-way line of Loma Real Avenue;

THENCE North 87°57'17" West, with the north right-of-way line of Loma Real Avenue, a distance of 2448.11 feet to the POINT OF BEGINNING and containing 650.600 acres (28,340,145 square feet) of land, more or less.

"This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared."

#### METES AND BOUNDS - AREA 3

2,045.343 acres (89,095,150 square feet)

A Portion of Sections 11, 12, 13, 14, 19, 20 & 21, Block 81, Township 1, Texas & Pacific Railroad Company Surveys City of El Paso, El Paso County, Texas

BEING a portion of Sections 11, 12, 13, 14, 19, 20 & 21, Block 81, Township 1, Texas & Pacific Railroad Company Surveys City of El Paso, El Paso County, Texas, being a portion of a tract of land described in Deed to City of El Paso, recorded in Volume 1176, Page 504 of the Deed Records of El Paso County, Texas, being a portion of a tract of land described in Deed to The City of El Paso, recorded in Volume 1186, Page 183, Deed Records of El Paso County, Texas, being a portion of a tract of land described in Deed to The City of El Paso, recorded in Volume 1272, Page 231 of the Deed Records of El Paso County, Texas, being a portion of a tract of land described in Deed to El Paso Water Utilities Board, recorded in Volume 1263, Page 146 of the Deed Records of El Paso County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod with plastic cap set on the west right-of-way line of McCombs Street, dedicated to the State of Texas by Deed recorded in Volume 1410, Page 576 of the Deed Records of El Paso County, Texas (a 150-foot wide public right of-way) from which a Concrete TxDot Monument with bronze cap found for the common corner of Sections 20 & 21, Block 81 and Sections 19 & 30, Block 80, bears South 87°58'34" East, 75.00 feet;

THENCE South 02°01'26" West, with the west right-of-way line of McCombs Street, a distance of 526.41 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner in the north right-of-way line of U.S. Highway 54 (a 400-foot wide public right-of-way);

THENCE South 51°37'59" West, with the north right-of-way line of U.S. Highway 54, a distance of 1124.39 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

THENCE North 38°22'40" West, leaving the north right-of-way line of U.S. Highway 54, a distance of 1647.88 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

THENCE North 87°58'27" West, with the south line of said premises, a distance of

3283.45 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

THENCE North 87°57'17" West, with the south line of said premises, a distance of 2539.39 feet to a 1/2-inch iron rod with plastic cap set for corner in the east line of a tract of land described in Deed to El Paso Electric Company, recorded in Volume 1338, Page 471 of the Real Property Records of El Paso County, Texas;

THENCE North 01°58'57" East, with the east line of said El Paso Electric Company tract, a distance of 5293.68 feet to a 1/2-inch iron rod with plastic cap set for corner;

THENCE North 02°04'19" East, with the east line of said El Paso Electric Company tract, a distance of 6098.32 feet to a 1/2-inch iron rod with plastic cap set for corner;

THENCE South 86°53'15" East, leaving the east line of said El Paso Electric Company tract, a distance of 7744.48 feet to a 1/2-inch iron rod with plastic cap set for corner in the west right-of-way line of McCombs Street;

THENCE South 02°05'16" West, with the west right-of-way line of McCombs Street, a distance of 660.46 feet to a 1/2-inch iron rod with plastic cap set for corner;

THENCE South 02°03'39" West, with the west right-of-way line of McCombs Street, a distance of 5288.97 feet to a 1/2-inch iron rod with plastic cap set for corner;

THENCE South 01°56'52" West, a distance of 5296.37 feet to the POINT OF BEGINNING and containing 2,045.343 acres (89,095,150 square feet) of land, more or less.

"This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared."

METES AND BOUNDS - AREA 4

1003.107 acres (43,695,333 square feet)

A Portion of Sections 7, 17, 18, 19, 20 & 30, Block 80, Township 1, Texas & Pacific Railroad Company Surveys City of El Paso, El Paso County, Texas

BEING a tract of land situated in Sections 7, 17, 18, 19, 20 & 30, Block 80, Township 1 of the Texas & Pacific Railroad Company Survey, City of El Paso, El Paso County, Texas, being a portion of a tract of land described in Deed to The City of El Paso, recorded in Volume 1186, Page 183 of the Deed Records of El Paso County, Texas, being a portion of a tract of land described in Deed to El Paso Natural Gas Company, recorded in Volume 307, Page 91 of the Deed Records of El Paso County, Texas, being a portion of a tract of land described in Deed to City of El Paso, recorded in Volume 1176, Page 504 of the Deed Records of El Paso County, Texas, being a portion of a tract of land described in Deed to The City of El Paso, recorded in Volume 1186, Page 178 of the Deed Records of El Paso County, being a portion of a tract of land described in Deed to El Paso Water Utilities Board, recorded in Volume 1616, Page 219 & Volume 1263, Page 1476 of the Deed Records of El Paso County, Texas, being a portion of a tract of land described and conveyed in Deed's to City of El Paso, recorded in Volume 4614, Pages 353, 361, 369 & 377 of the Deed Records of El Paso County, Texas and being more particularly described by metes and bounds as follows;

BEGINNING at a 1/2-inch iron rod with plastic cap set for the intersection of east right-of-way line of McCombs Street, dedicated to the State of Texas by Deed recorded in Volume 1410, Page 576 of the Deed Records of El Paso County, Texas (a 150-foot wide public right-of-way) and the north right-of-way line of U.S. Highway 54 (a 400-foot wide public right-of-way) for the southwest corner of the subject property;

THENCE North  $02^{\circ}01'26''$  East, with the east right-of-way line of McCombs Street, a distance of 510.01 feet to a 1/2-inch iron rod with plastic cap set for corner, from which a Concrete TxDot Monument with bronze cap found for the common corner of Sections 30 & 19, Block 80 and Sections 20 & 21, Block 81, bears North  $86^{\circ}57'30''$  West, 75.01 feet;

THENCE North  $01^{\circ}56'52''$  East, with the east right-of-way line of McCombs Street, a distance of 5296.22 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

THENCE North  $02^{\circ}03'39''$  East, with the east right-of-way line of McCombs Street, a distance of 5288.02 feet to a 1/2-inch iron rod with plastic cap set for corner;

THENCE North  $02^{\circ}05'16''$  East, with the east right-of-way line of McCombs Street, a distance of 539.84 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for the intersection of the south right-of-way line of Stan Roberts Sr. Drive (a 120-foot wide public right-of-way) and the east right-of-way line of McCombs Street;

THENCE South  $86^{\circ}53'15''$  East, with the south right-of-way line of Stan Roberts Sr. Drive, a distance of 789.26 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

THENCE leaving the south right-of-way line of Stan Roberts Sr. Drive, the following courses and distances to wit:

South  $33^{\circ}39'07''$  East, a distance of 1441.10 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South  $02^{\circ}22'35''$  West, a distance of 1516.17 feet to a 1/2-inch iron rod with

plastic "TX 5337" cap found for corner;

South 87°35'40" East, a distance of 2115.02 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South 65°17'57" East, a distance of 1547.56 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South 45°19'14" East, a distance of 25.54 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South 45°17'44" East, a distance of 1720.06 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South 45°19'14" East, a distance of 71.58 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

–South 45°12'25" East, a distance of 1315.09 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner in the north right-of-way line of

U.S. Highway 54;

THENCE with the north right-of-way line of U.S. Highway 54, the following courses and distances to wit:

South 51°37'39" West, a distance of 233.27 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South 51°37'59" West, a distance of 1314.86 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

North 83°22'01" West, a distance of 48.08 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South 51°37'59" West, a distance of 120.00 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South 06°37'59" West, a distance of 48.08 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

South 51°37'59" West, a distance of 7897.13 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

North 63°11'30" West, a distance of 108.92 feet to a 1/2-inch iron rod with plastic "TX 5337" cap found for corner;

North 88°03'02" West, a distance of 25.46 feet to the POINT OF BEGINNING

and containing 1003.107 acres (43,695,333 square feet) of land, more or less.

"This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared."

LESS AND EXCEPT the following three (3) tracts of land:

Tract 1:

A 5.0000 acre parcel situate within the corporate limits of the City of El Paso, El Paso County, Texas as a portion of the west half of Section 14, Block 81, Township 1, Texas and Pacific Railway Company Surveys and being more particularly described by metes and bounds as follows:

COMMENCING for reference at a two inch iron pipe in concrete found for the corner common to Sections 11, 12, 13 and 14, Block 81, Township 1, Texas and Pacific Railway Company Surveys; WHENCE, a 1/2 inch rebar with survey cap No. "TX 5337" found for the corner common to Sections 13, 14, 19 and 20, Block 81, Township 1, Texas and Pacific Railway Company Surveys bears South 02°04'30" West, a distance of 5,358.25 feet; THENCE, leaving the corner common to said Sections 11, 12, 13 and 14, South 45°08'53" West, a distance of 4,011.69 feet to a 1/2 inch rebar with survey cap No. "TX 5337" set on the west boundary line of a 200 feet wide El Paso Electric Company right-of-way for the POINT OF BEGINNING of the parcel herein described;

THENCE, following the west boundary line of said 200 feet wide El Paso Electric Company right-of-way, South 02°04'30" West, a distance of 450.00 feet to a 1/2 inch rebar with survey cap No. "TX 5337" set for the southeast corner of the parcel herein described;

THENCE, leaving the west boundary line of said 200 feet wide El Paso Electric Company right-of-way, North 87°55'30" West, a distance of 484.00 feet to a 1/2 inch rebar with survey cap No. "TX 5337" set for the southwest corner of the parcel herein described;

THENCE, North 02°04'30" East, a distance of 450.00 feet to a 1/2 inch rebar with survey cap No. "TX 5337" set for the northwest corner of the parcel herein described;

THENCE, South 87°55'30" East, a distance of 484.00 feet to the POINT OF BEGINNING;

Said parcel containing 5.0000 acres (217,800.0 square feet), more or less, and being subject to all easements of record.

Tract 2:

A 50.7077 acre parcel situate within the corporate limits of the City of El Paso, El Paso County, Texas, as a portion of Section 19, Block 81, Township 1, Texas & Pacific Railway Company Surveys and being more particularly described by metes and bounds as follows:

COMMENCING for reference at a 5/8 inch diameter rebar with an aluminum cap set for the corner common to Sections 19, 20, 21 and 22, Block 81, Township 1, Texas & Pacific Railway Company Surveys; WHENCE, a 1/2 inch rebar found for the corner common to Sections 18, 19, 22 and 23, Block 81, Township 1, Texas & Pacific Railway Company Surveys, bears North 87°57'12" West, a distance of 5,280.47 feet; and WHENCE, a 1/2 inch rebar found for the corner common to Sections 13, 14, 19 and 20, Block 81, Township 1, Texas & Pacific Railway Company Surveys, bears North 01°59'00" East, a distance of 5,294.24 feet; THENCE, following the section line common to said Sections 19 and 20, North 01°59'00" East, a distance of 288.04 feet; THENCE, leaving the section line common to said Sections 19 and 20, North 88°01'00" West, a distance of 38.00 feet to a 1/2 inch rebar with survey cap No. "TX 5337" set for the POINT OF BEGINNING and the southeast corner of the parcel herein described;

THENCE, North 87°57'12" West, a distance of 1,640.00 feet to a 1/2 inch rebar with survey cap No. "TX 5337" set for the southwest corner of the parcel herein described;

THENCE, North 01°59'00" East, a distance of 1,345.94 feet to a 1/2 inch rebar with survey cap No. "TX 5337" set for the northwest corner of the parcel herein described;

THENCE, South 88°01'00" East, a distance of 1,640.00 feet to a 1/2 inch rebar with survey cap No. "TX 5337" set for the northeast corner of the parcel herein described;

THENCE, South 01°59'00" West, a distance of 1,347.75 feet the to the true POINT OF BEGINNING;

Said parcel contains 50.7077 acres (2,208,826.1 square feet), more or less, and being subject to all easements of record.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. This Act takes effect January 1, 2020.

### **HB 4706 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Holland called up with senate amendments for consideration at this time,

**HB 4706**, A bill to be entitled An Act relating to the creation of the North Celina Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Representative Holland moved to concur in the senate amendments to **HB 4706**.

The motion to concur in the senate amendments to **HB 4706** prevailed by (Record 1798): 113 Yeas, 28 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bowers; Bucy; Burns; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen;

Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Parker; Perez; Phelan; Price; Ramos; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Swanson; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; Wray; Wu; Zerwas; Zwiener.

Nays — Bonnen; Buckley; Burrows; Cain; Cyrier; Frank; Goldman; Harris; Hefner; King, P.; Krause; Lang; Leman; Metcalf; Middleton; Murr; Noble; Patterson; Paul; Raney; Schaefer; Stickland; Stucky; Thompson, E.; Tinderholt; Toth; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Johnson, J.D.; White.

### STATEMENT OF VOTE

When Record No. 1798 was taken, I was shown voting yes. I intended to vote no.

Swanson

### Senate Amendment No. 1 (Senate Floor Amendment No. 1)

Amend **HB 4706** (senate committee printing) in SECTION 1 of the bill as follows:

(1) Strike added Section 3986.0203(a), Special District Local Laws Code (page 3, lines 12-19), and substitute the following:

(a) The initial board consists of the following directors:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>John Peavy</u>
<u>2</u>	<u>Charles Taylor</u>
<u>3</u>	<u>Steve Cook</u>
<u>4</u>	<u>Paul Schlosberg</u>
<u>5</u>	<u>Russell Miller</u>

(2) In added Subchapter C, Chapter 3986, Special District Local Laws Code, strike added Section 3986.0311 (page 5, lines 4 and 5) and substitute the following:

Sec. 3986.0311. RESIDENTIAL PROPERTY NOT EXEMPT FROM CERTAIN REQUIREMENTS. Sections 375.161 and 375.164, Local Government Code, do not apply to the district.

Sec. 3986.0312. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(3) In added Section 3986.0402, Special District Local Laws Code (page 5, line 17), strike "Section 3986.0503(c)" and substitute "Section 3986.0504(b)".



(4) In added Subchapter E, Chapter 3986, Special District Local Laws Code, strike added Sections 3986.0502 and 3986.0503 (page 5, line 46, through page 6, line 8) and substitute the following:

Sec. 3986.0502. TAX LIMITATION. An ad valorem tax imposed by the district may be used only for a purpose authorized under:

- (1) Chapter 49 or 54, Water Code;
- (2) Section 52, Article III, Texas Constitution; or
- (3) Section 59, Article XVI, Texas Constitution.

Sec. 3986.0503. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 3986.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code.

(b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

Sec. 3986.0504. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from:

(1) impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose;

(2) ad valorem taxes for a purpose authorized under Section 3986.0502;  
and

(3) assessments only to finance a major public infrastructure improvement project that serves a majority of the district.

(c) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from assessments in the manner provided by Subchapter A, Chapter 372, Local Government Code, if the improvement financed by an obligation issued under this section will be conveyed to or operated and maintained by a municipality or other retail utility provider pursuant to an agreement with the district entered into before the issuance of the obligation.

(5) In added Subchapter E, Chapter 3986, Special District Local Laws Code (page 6, line 9), strike "3986.0504" and substitute "3986.0505".

(6) In added Subchapter E, Chapter 3986, Special District Local Laws Code (page 6, line 16), strike "3986.0505" and substitute "3986.0506".

(7) In added Subchapter E, Chapter 3986, Special District Local Laws Code (page 6, line 30), strike "3986.0506" and substitute "3986.0507".

(8) In added Section 3986.0901, Special District Local Laws Code (page 6, line 64), strike "(d)" and substitute "(c)".

### **HB 3803 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Guillen called up with senate amendments for consideration at this time,

**HB 3803**, A bill to be entitled An Act relating to the maximum amount of an administrative penalty assessed on certain long-term care facilities.

Representative Guillen moved to concur in the senate amendments to **HB 3803**.

The motion to concur in the senate amendments to **HB 3803** prevailed by (Record 1799): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.D.; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Gervin-Hawkins; White.

### STATEMENTS OF VOTE

When Record No. 1799 was taken, my vote failed to register. I would have voted yes.

Gervin-Hawkins

When Record No. 1799 was taken, my vote failed to register. I would have voted yes.

White

### Senate Committee Substitute

**CSHB 3803**, A bill to be entitled An Act relating to the maximum amount of an administrative penalty assessed on certain long-term care facilities.

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

SECTION 1. Section 252.065(b), Health and Safety Code, is amended to read as follows:

(b) The penalty for a facility with fewer than 60 beds shall be not less than \$100 or more than \$1,000 for each violation. The penalty for a facility with 60 beds or more shall be not less than \$100 or more than \$5,000 for each

violation. Each day a violation occurs or continues is a separate violation for purposes of imposing a penalty. The total amount of a penalty assessed under this subsection for each day a violation occurs or continues may not exceed:

(1) \$5,000 for a facility with fewer than 60 beds; and

(2) \$25,000 for a facility with 60 beds or more.

SECTION 2. The Health and Human Services Commission is required to implement a provision of this Act only if the legislature appropriates money to the commission specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commission may, but is not required to, implement a provision of this Act using other appropriations that are available for that purpose.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 4429 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Blanco called up with senate amendments for consideration at this time,

**HB 4429**, A bill to be entitled An Act relating to the inclusion of mental health first aid training in the mental health program for veterans.

Representative Blanco moved to concur in the senate amendments to **HB 4429**.

The motion to concur in the senate amendments to **HB 4429** prevailed by (Record 1800): 138 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Calanni; Canales; Farrar; Johnson, J.D.; White.

**STATEMENTS OF VOTE**

When Record No. 1800 was taken, I was in the house but away from my desk. I would have voted yes.

Calanni

When Record No. 1800 was taken, my vote failed to register. I would have voted yes.

White

**Senate Committee Substitute**

**CSHB 4429**, A bill to be entitled An Act relating to mental health first aid training for veterans and immediate family members of veterans.

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

SECTION 1. Section 434.352(b), Government Code, is amended to read as follows:

(b) For the mental health program for veterans, the commission shall:

(1) provide training to peer service coordinators and peers in accordance with Section 434.353;

(2) provide technical assistance to peer service coordinators and peers;

(3) identify, train, and communicate with community-based licensed mental health professionals, community-based organizations, and faith-based organizations; ~~and~~

(4) coordinate services for justice involved veterans; and

(5) coordinate local delivery to veterans and immediate family members of veterans of mental health first aid for veterans training.

SECTION 2. Section 1001.205, Health and Safety Code, is amended to read as follows:

Sec. 1001.205. REPORTS. (a) Not later than September 30 of each year, a local mental health authority shall provide to the department the number of:

(1) employees and contractors of the authority who were trained as mental health first aid trainers under Section 1001.202 during the preceding fiscal year;

(2) university employees, school district employees, and school resource officers who completed a mental health first aid training program offered by the authority under Section 1001.203 during the preceding fiscal year; ~~and~~

(3) individuals who are not university employees, school district employees, or school resource officers who completed a mental health first aid training program offered by the authority during the preceding fiscal year; and

(4) veterans and immediate family members of veterans who completed the veterans module of a mental health first aid training program offered by the authority during the preceding fiscal year.

(b) Not later than December 1 of each year, the department shall compile the information submitted by local mental health authorities as required by Subsection (a) and submit a report to the legislature containing the number of:

(1) authority employees and contractors trained as mental health first aid trainers during the preceding fiscal year;

(2) university employees, school district employees, and school resource officers who completed a mental health first aid training program provided by an authority during the preceding fiscal year; ~~and~~

(3) individuals who are not university employees, school district employees, or school resource officers who completed a mental health first aid training program provided by an authority during the preceding fiscal year; and

(4) veterans and immediate family members of veterans who completed the veterans module of a mental health first aid training program provided by an authority during the preceding fiscal year.

SECTION 3. Section 1001.222(a), Health and Safety Code, is amended to read as follows:

(a) The department shall develop a mental health intervention program for veterans. The program must include:

(1) peer-to-peer counseling;

(2) access to licensed mental health professionals for peer service coordinators and peers;

(3) training approved by the department for peer service coordinators, licensed mental health professionals, and peers;

(4) technical assistance for peer service coordinators, licensed mental health professionals, and peers;

(5) identification, retention, and screening of community-based licensed mental health professionals;

(6) suicide prevention training for peer service coordinators and peers; ~~and~~

(7) veteran jail diversion services, including veterans treatment courts; and

(8) coordination of mental health first aid for veterans training to veterans and immediate family members of veterans.

SECTION 4. This Act takes effect September 1, 2019.

### **HB 3809 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Goldman called up with senate amendments for consideration at this time,

**HB 3809**, A bill to be entitled An Act relating to the accrual of and limitations periods for personal injury claims that arise from certain offenses involving child sexual abuse.

Representative Goldman moved to concur in the senate amendments to **HB 3809**.

The motion to concur in the senate amendments to **HB 3809** prevailed by (Record 1801): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez;

Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Johnson, J.D.; Stickland.

### **Senate Committee Substitute**

**CSHB 3809**, A bill to be entitled An Act relating to the limitations period for personal injury claims that arise from certain offenses involving child sexual abuse.

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

SECTION 1. Section 16.0045(a), Civil Practice and Remedies Code, is amended to read as follows:

(a) A person must bring suit for personal injury not later than 30 ~~[45]~~ years after the day the cause of action accrues if the injury arises as a result of conduct that violates:

- (1) Section 22.011(a)(2), Penal Code (sexual assault of a child);
- (2) Section 22.021(a)(1)(B), Penal Code (aggravated sexual assault of a child);
- (3) Section 21.02, Penal Code (continuous sexual abuse of young child or children);
- (4) Section 20A.02(a)(7)(A), (B), (C), (D), or (H) or Section 20A.02(a)(8), Penal Code, involving an activity described by Section 20A.02(a)(7)(A), (B), (C), (D), or (H) or sexual conduct with a child trafficked in the manner described by Section 20A.02(a)(7), Penal Code (certain sexual trafficking of a child);
- (5) Section 43.05(a)(2), Penal Code (compelling prostitution by a child); or
- (6) Section 21.11, Penal Code (indecenty with a child).

SECTION 2. The change in law made by this Act applies to a cause of action that accrues on or after the effective date of this Act or a cause of action that accrued before the effective date of this Act, if the limitations period applicable to the cause of action immediately before the effective date of this Act has not expired before the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2019.

**HB 4703 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Walle called up with senate amendments for consideration at this time,

**HB 4703**, A bill to be entitled An Act relating to the creation of the Harris County Improvement District No. 28; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Representative Walle moved to concur in the senate amendments to **HB 4703**.

The motion to concur in the senate amendments to **HB 4703** prevailed by (Record 1802): 97 Yeas, 45 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Bailes; Beckley; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Bucy; Burns; Button; Calanni; Canales; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paddie; Parker; Perez; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; Wu; Zerwas; Zwiener.

Nays — Anderson; Ashby; Bell, C.; Bohac; Bonnen; Buckley; Burrows; Cain; Capriglione; Clardy; Cyrier; Dean; Frank; Goldman; Harless; Harris; Hefner; Holland; King, P.; Krause; Lang; Leach; Leman; Metcalf; Middleton; Miller; Murr; Noble; Oliverson; Patterson; Paul; Phelan; Sanford; Shaheen; Springer; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Toth; White; Wilson; Wray; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Johnson, J.D.

**Senate Committee Substitute**

**CSHB 4703**, A bill to be entitled An Act relating to the creation of the Harris County Improvement District No. 28; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3987 to read as follows:

CHAPTER 3987. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 28SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3987.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of Houston.
- (3) "County" means Harris County.
- (4) "Director" means a board member.
- (5) "District" means the Harris County Improvement District No. 28.

Sec. 3987.0102. NATURE OF DISTRICT. The Harris County Improvement District No. 28 is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3987.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

(b) By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(d) This chapter and the creation of the district may not be interpreted to relieve the city from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant city services provided in the district.

Sec. 3987.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(b) The district is created to serve a public use and benefit.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

- (1) developing and diversifying the economy of the state;
- (2) eliminating unemployment and underemployment; and
- (3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;



(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, drainage, road, and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3987.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 3987.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code; or

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code.

Sec. 3987.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3987.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3987.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five voting directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of each odd-numbered year.

(b) The board by resolution may change the number of voting directors on the board if the board determines that the change is in the best interest of the district. The board may not consist of fewer than 5 or more than 15 voting directors.

Sec. 3987.0202. APPOINTMENT OF VOTING DIRECTORS. The mayor and members of the governing body of the city shall appoint voting directors from persons recommended by the board. A person is appointed if a majority of the members of the governing body, including the mayor, vote to appoint that person.

Sec. 3987.0203. NONVOTING DIRECTORS. The board may appoint nonvoting directors to serve at the pleasure of the voting directors.

Sec. 3987.0204. QUORUM. For purposes of determining the requirements for a quorum of the board, the following are not counted:

(1) a board position vacant for any reason, including death, resignation, or disqualification;

(2) a director who is abstaining from participation in a vote because of a conflict of interest; or

(3) a nonvoting director.

Sec. 3987.0205. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 3987.0206. INITIAL VOTING DIRECTORS. (a) The initial board consists of the following voting directors:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>Robert Tautenhahn</u>
<u>2</u>	<u>Juan Carlos Herrera</u>
<u>3</u>	<u>Jack Chaluh</u>
<u>4</u>	<u>Maewel Ghebremichael</u>
<u>5</u>	<u>Jarret Ewing</u>

(b) Of the initial directors, the terms of directors appointed for positions one through three expire June 1, 2021, and the terms of directors appointed for positions four and five expire June 1, 2023.

(c) Section 3987.0202 does not apply to this section.

(d) This section expires September 1, 2023.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3987.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3987.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

(b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).

(c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3987.0303. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 3987.0304. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the city, to provide law enforcement services in the district for a fee.

Sec. 3987.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3987.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:

(1) Chapter 380, Local Government Code; and

(2) Subchapter A, Chapter 1509, Government Code.

Sec. 3987.0307. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3987.0308. ADDING OR EXCLUDING LAND. The district may add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Sec. 3987.0309. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3987.0310. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

#### SUBCHAPTER D. ASSESSMENTS

Sec. 3987.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of at least 60 percent of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3987.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

#### SUBCHAPTER E. TAXES AND BONDS

Sec. 3987.0501. TAX ELECTION REQUIRED. The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.

Sec. 3987.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 3987.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or
- (3) provide a service.

(b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

Sec. 3987.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

(c) The limitation on the outstanding principal amount of bonds, notes, or other obligations provided by Section 49.4645, Water Code, does not apply to the district.

Sec. 3987.0504. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

- (1) revenue other than ad valorem taxes, including contract revenues; or
- (2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Sec. 3987.0505. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section 3987.0501, the district may issue bonds payable from ad valorem taxes only to purchase, construct, acquire, own, operate, repair, improve, or extend facilities and improvements for and in support of:

- (1) parking as described by Section 3987.0307;
- (2) parks and recreational facilities, including:
  - (A) parks, landscaping, and greenbelts;
  - (B) sidewalks and trails;
  - (C) pedestrian crosswalks, bridges, and tunnels;
  - (D) public right-of-way beautification projects;
  - (E) plazas, pedestrian malls, and places of public assembly;
  - (F) lighting, banners, and signs;
  - (G) works of art; and
  - (H) recreational equipment and facilities; and

- (3) water, sewer, drainage, and road facilities and improvements.

(b) Section 375.243, Local Government Code, does not apply to the district.

(c) At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. 3987.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not issue bonds until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

(b) This section applies only to the district's first issuance of bonds payable from ad valorem taxes.

Sec. 3987.0507. CITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, the city is not required to pay a bond, note, or other obligation of the district.

Sec. 3987.0508. CONFIRMATION ELECTION REQUIRED. The district must hold an election to confirm the creation of the district before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

#### SUBCHAPTER I. DISSOLUTION

Sec. 3987.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

(b) The board by majority vote may dissolve the district at any time.

(c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:

(1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.

(d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

SECTION 2. The Harris County Improvement District No. 28 initially includes all territory contained in the following area:

Being a tract or parcel, containing 6.011 acres (261,835 square feet) of land, situated in the John Austin Two League Grant, Abstract Number 1, City of Houston, Harris County, Texas, and being all of Unrestricted Reserve "A" and part of and out of Unrestricted Reserve "B", Block 1, CWA GILLETTE STREET, a plat of subdivision recorded under Film Code Number 657260, Map Records of Harris County, Texas (M.R.H.C.); also being all that certain called 6.011 acres described in deed to Westcreek HTX Real Estate Partners-D, L.P. (herein referred to as the "Westcreek Tract"), as recorded under County Clerk's File (C.C.F.) Number 20150175209, Official Public Records of Real Property of Harris County, Texas (O.P.R.R.P.H.C.); the herein described 6.011 acre tract being more particularly described by metes and bounds as follows (bearings herein are grid bearings based on the Texas State Plane Coordinate System, South Central Zone, NAD 83, as evidenced on said subdivision plat of CWA GILLETTE STREET; distances are surface distances based on the U.S. Survey Foot and may be converted to grid by multiplying by a combined scale factor of 0.999890843):

BEGINNING at a 5/8-inch iron rod with plastic cap, stamped "TERRA SURVEYING", set marking the intersection of the south right-of-way (R.O.W.) line of Allen Parkway (public), based on a 195-foot width, with the east R.O.W. line of Gillette Street (public), based on a 60-foot width; both street rights-of-way being part of and out of the remainder of that certain called 48.78 acres described in deed to City of Houston, as recorded in Volume 372, Page 235, Deed Records of Harris County, Texas; also, the alignment of said street rights-of-way are depicted on City File Room Drawings 6064 and 9387 for Allen Parkway, and 8064 and 36778 for Gillette Street; said iron rod also marking the northwest corner of said Westcreek Tract, said Unrestricted Reserve "A", and the herein described tract;

THENCE, North 87°38'58" East, with the south R.O.W. line of said Allen Parkway, a distance of 387.79 feet to a 3/4-inch iron rod found marking the northwest corner of Reserve "A", Block 1, ALLEN PARKWAY VILLAGE, a plat of subdivision recorded under Film Code Number 428006, M.R.H.C.; said iron rod also marking the northeast corner of said Westcreek Tract, said Unrestricted Reserve "A", and the herein described tract, from which a 5/8-inch iron rod found for reference bears South 84°04' West, 2.40 feet;

THENCE, South 02°19'25" East, departing said south R.O.W. line with the west line of said Reserve "A", and the east line of said Westcreek Tract and said Unrestricted Reserve "A", at 373.40 feet pass a 3/4-inch iron rod found marking the most easterly common corner of the aforesaid Unrestricted Reserves "A" and "B"; continuing, with said west line, and the east line of said Westcreek Tract and said Unrestricted Reserve "B", a total distance of 675.57 feet to a 5/8-inch iron rod with plastic cap, stamped "TERRA SURVEYING", set marking the southeast corner of said Westcreek Tract and the herein described tract;

THENCE, South 87°38'09" West, across said Unrestricted Reserve "B" with the south line of said Westcreek Tract, a distance of 387.31 feet to a 5/8-inch iron rod with plastic cap, stamped "TERRA SURVEYING", set in the east R.O.W. line of the aforesaid Gillette Street and marking the southwest corner of said Westcreek Tract and the herein described tract;

THENCE, North 02°21'51" West, with the east R.O.W. line of said Gillette Street, at 418.66 feet pass the most westerly common corner of the aforesaid Unrestricted Reserves "A" and "B", from which a 3/4-inch iron rod found for reference bears South 87°38'58" West, 0.13 feet; continuing, a total distance of 675.66 feet to the POINT OF BEGINNING and containing 6.011 acres (261,835 square feet) of land.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. 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, 2019.

#### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 4703** (senate committee printing) in SECTION 1 of the bill, in added Section 3987.0505(a)(3), Special District Local Laws Code (page 5, line 63), between "improvements" and the underlined period, by inserting "in aid of a facility or improvement described by Subdivision (1) or (2)".

#### **HB 1397 - HOUSE DISCHARGES CONFEREES HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Phelan called up with senate amendments for consideration at this time,

**HB 1397**, A bill to be entitled An Act relating to the establishment of rates for certain non-ERCOT utilities.

Representative Phelan moved to discharge the conferees and concur in the senate amendments to **HB 1397**.

The motion to discharge the conferees and concur in the senate amendments to **HB 1397** prevailed by (Record 1803): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman;



Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Johnson, J.D.

#### Senate Committee Substitute

**CSHB 1397**, A bill to be entitled An Act relating to the establishment of rates for certain non-ERCOT utilities.

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

SECTION 1. Section 36.112(g), Utilities Code, is amended to read as follows:

(g) This section expires September 1, 2031 [~~2023~~].

SECTION 2. Section 36.211(f), Utilities Code, is amended to read as follows:

(f) This section expires September 1, 2031 [~~2023~~].

SECTION 3. Section 36.212(g), Utilities Code, is amended to read as follows:

(g) This section expires September 1, 2031 [~~2023~~].

SECTION 4. Subchapter E, Chapter 36, Utilities Code, is amended by adding Section 36.213 to read as follows:

Sec. 36.213. RECOVERY OF GENERATION INVESTMENT BY NON-ERCOT UTILITIES. (a) This section applies only to an electric utility that operates solely outside of ERCOT.

(b) An electric utility may file, and the commission may approve, an application for a rider to recover the electric utility's investment in a power generation facility.

(c) An application under Subsection (b) may be filed by the electric utility and approved by the commission before the electric utility places the power generation facility in service.

(d) Any rider approved under Subsection (b) shall take effect on the date the power generation facility begins providing service to the electric utility's customers.

(e) Amounts recovered through a rider approved under Subsection (b) are subject to reconciliation in the first comprehensive base rate proceeding for the electric utility that occurs after approval of the rider. During the reconciliation, the commission shall determine if the amounts recovered through the rider are reasonable and necessary.

(f) If a rider approved under Subsection (b) includes recovery for a power generation facility that provides greater than \$200 million of Texas jurisdictional generation capacity, the electric utility that filed the rider shall initiate a comprehensive base rate proceeding at the commission not later than 18 months after the date the rider takes effect.

(g) The commission shall adopt rules as necessary to implement this section.

(h) This section expires September 1, 2031.

SECTION 5. Not later than September 1, 2020, the Public Utility Commission of Texas shall adopt rules required by Section 36.213(g), Utilities Code, as added by this Act.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

## **HB 4533 - HOUSE CONCURS IN SENATE AMENDMENTS**

### **TEXT OF SENATE AMENDMENTS**

Representative Klick called up with senate amendments for consideration at this time,

**HB 4533**, A bill to be entitled An Act relating to the system redesign for delivery of Medicaid acute care services and long-term services and supports to persons with an intellectual or developmental disability or with similar functional needs.

Representative Klick moved to concur in the senate amendments to **HB 4533**.

The motion to concur in the senate amendments to **HB 4533** prevailed by (Record 1804): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez;

Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.

Absent — Farrar; Johnson, J.D.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 4533** (senate committee report) in SECTION 12 of the bill, in added Section 534.1045, Government Code, as follows:

(1) In added Subsection (a)(5)(C) (page 7, line 68), strike "and".

(2) In added Subsection (a)(6) (page 8, line 7), between "preferences" and the underlined period, insert the following:

; and

(7) dental services benefits in accordance with Subsection (a-1)

(3) Immediately following Subsection (a) (page 8, between lines 7 and 8), insert the following:

(a-1) In developing the pilot program, the commission shall:

(1) evaluate dental services benefits provided through Medicaid waiver programs and dental services benefits provided as a value-added service under the Medicaid managed care delivery model;

(2) determine which dental services benefits are the most cost-effective in reducing emergency room and inpatient hospital admissions due to poor oral health; and

(3) based on the determination made under Subdivision (2), provide the most cost-effective dental services benefits to pilot program participants.

### **Senate Amendment No. 2 (Senate Floor Amendment No. 2)**

Amend **HB 4533** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 531.001, Government Code, is amended by adding Subdivision (4-c) to read as follows:

(4-c) "Medicaid managed care organization" means a managed care organization as defined by Section 533.001 that contracts with the commission under Chapter 533 to provide health care services to Medicaid recipients.

SECTION \_\_\_\_\_. Subchapter B, Chapter 531, Government Code, is amended by adding Sections 531.021182, 531.02131, 531.02142, 531.024162, and 531.0511 to read as follows:

Sec. 531.021182. USE OF NATIONAL PROVIDER IDENTIFIER NUMBER. (a) In this section, "national provider identifier number" means the national provider identifier number required under Section 1128J(e), Social Security Act (42 U.S.C. Section 1320a-7k(e)).

(b) The commission shall transition from using a state-issued provider identifier number to using only a national provider identifier number in accordance with this section.

(c) The commission shall implement a Medicaid provider management and enrollment system and, following that implementation, use only a national provider identifier number to enroll a provider in Medicaid.

(d) The commission shall implement a modernized claims processing system and, following that implementation, use only a national provider identifier number to process claims for and authorize Medicaid services.

Sec. 531.02131. GRIEVANCES RELATED TO MEDICAID. (a) The commission shall adopt a definition of "grievance" related to Medicaid and ensure the definition is consistent among divisions within the commission to ensure all grievances are managed consistently.

(b) The commission shall standardize Medicaid grievance data reporting and tracking among divisions within the commission.

(c) The commission shall implement a no-wrong-door system for Medicaid grievances reported to the commission.

(d) The commission shall establish a procedure for expedited resolution of a grievance related to Medicaid that allows the commission to:

(1) identify a grievance related to a Medicaid access to care issue that is urgent and requires an expedited resolution; and

(2) resolve the grievance within a specified period.

(e) The commission shall verify grievance data reported by a Medicaid managed care organization.

(f) The commission shall:

(1) aggregate Medicaid recipient and provider grievance data to provide a comprehensive data set of grievances; and

(2) make the aggregated data available to the legislature and the public in a manner that does not allow for the identification of a particular recipient or provider.

Sec. 531.02142. PUBLIC ACCESS TO CERTAIN MEDICAID DATA. (a) To the extent permitted by federal law, the commission in consultation and collaboration with the appropriate advisory committees related to Medicaid shall make available to the public on the commission's Internet website in an easy-to-read format data relating to the quality of health care received by Medicaid recipients and the health outcomes of those recipients. Data made available to the public under this section must be made available in a manner that does not identify or allow for the identification of individual recipients.

(b) In performing its duties under this section, the commission may collaborate with an institution of higher education or another state agency with experience in analyzing and producing public use data.

Sec. 531.024162. NOTICE REQUIREMENTS REGARDING DENIAL OF COVERAGE OR PRIOR AUTHORIZATION. (a) The commission shall ensure that notice sent by the commission or a Medicaid managed care organization to a Medicaid recipient or provider regarding the denial of coverage or prior authorization for a service includes:

(1) information required by federal law;  
(2) a clear and easy-to-understand explanation of the reason for the denial for the recipient; and

(3) a clinical explanation of the reason for the denial for the provider.

(b) To ensure cost-effectiveness, the commission may implement the notice requirements described by Subsection (a) at the same time as other required or scheduled notice changes.

Sec. 531.0511. MEDICALLY DEPENDENT CHILDREN WAIVER PROGRAM: CONSUMER DIRECTION OF SERVICES. Notwithstanding Sections 531.051(c)(1) and (d), a consumer direction model implemented under Section 531.051, including the consumer-directed service option, for the delivery of services under the medically dependent children (MDCP) waiver program must allow for the delivery of all services and supports available under that program through consumer direction.

SECTION \_\_\_\_\_. Section 533.00253(a)(1), Government Code, is amended to read as follows:

(1) "Advisory committee" means the STAR Kids Managed Care Advisory Committee described by ~~[established under]~~ Section 533.00254.

SECTION \_\_\_\_\_. Section 533.00253, Government Code, is amended by amending Subsection (c) and adding Subsections (f), (g), and (h) to read as follows:

(c) The commission may require that care management services made available as provided by Subsection (b)(7):

(1) incorporate best practices, as determined by the commission;

(2) integrate with a nurse advice line to ensure appropriate redirection rates;

(3) use an identification and stratification methodology that identifies recipients who have the greatest need for services;

(4) provide a care needs assessment for a recipient ~~[that is comprehensive, holistic, consumer directed, evidence based, and takes into consideration social and medical issues, for purposes of prioritizing the recipient's needs that threaten independent living];~~

(5) are delivered through multidisciplinary care teams located in different geographic areas of this state that use in-person contact with recipients and their caregivers;

(6) identify immediate interventions for transition of care;

(7) include monitoring and reporting outcomes that, at a minimum, include:

(A) recipient quality of life;

(B) recipient satisfaction; and

(C) other financial and clinical metrics determined appropriate by the commission; and

(8) use innovations in the provision of services.

(f) Using existing resources, the executive commissioner in consultation and collaboration with the advisory committee shall determine the feasibility of providing Medicaid benefits to children enrolled in the STAR Kids managed care program under:

(1) an accountable care organization model in accordance with guidelines established by the Centers for Medicare and Medicaid Services; or

(2) an alternative model developed by or in collaboration with the Centers for Medicare and Medicaid Services Innovation Center.

(g) Not later than December 1, 2022, the commission shall prepare and submit a written report to the legislature of the executive commissioner's determination under Subsection (f).

(h) Subsections (f) and (g) and this subsection expire September 1, 2023.

SECTION \_\_\_\_\_. Subchapter A, Chapter 533, Government Code, is amended by adding Sections 533.00254 and 533.0031 to read as follows:

Sec. 533.00254. STAR KIDS MANAGED CARE ADVISORY COMMITTEE. (a) The STAR Kids Managed Care Advisory Committee established by the executive commissioner under Section 531.012 shall:

(1) advise the commission on the operation of the STAR Kids managed care program under Section 533.00253; and

(2) make recommendations for improvements to that program.

(b) On December 31, 2023:

(1) the advisory committee is abolished; and

(2) this section expires.

Sec. 533.0031. MEDICAID MANAGED CARE PLAN ACCREDITATION. (a) A managed care plan offered by a Medicaid managed care organization must be accredited by a nationally recognized accreditation organization. The commission may choose whether to require all managed care plans offered by Medicaid managed care organizations to be accredited by the same organization or to allow for accreditation by different organizations.

(b) The commission may use the data, scoring, and other information provided to or received from an accreditation organization in the commission's contract oversight processes.

SECTION \_\_\_\_\_. The Health and Human Services Commission shall issue a request for information to seek information and comments regarding contracting with a managed care organization to arrange for or provide a managed care plan under the STAR Kids managed care program established under Section 533.00253, Government Code, as amended by this Act, throughout the state instead of on a regional basis.

SECTION \_\_\_\_\_. (a) Using available resources, the Health and Human Services Commission shall report available data on the 30-day limitation on reimbursement for inpatient hospital care provided to Medicaid recipients enrolled in the STAR+PLUS Medicaid managed care program under 1 T.A.C. Section 354.1072(a)(1) and other applicable law. To the extent data is available on the subject, the commission shall also report on:

(1) the number of Medicaid recipients affected by the limitation and their clinical outcomes; and

(2) the impact of the limitation on reducing unnecessary Medicaid inpatient hospital days and any cost savings achieved by the limitation under Medicaid.

(b) Not later than December 1, 2020, the Health and Human Services Commission shall submit the report containing the data described by Subsection (a) of this section to the governor, the legislature, and the Legislative Budget Board. The report required under this subsection may be combined with any other report required by this Act or other law.

SECTION \_\_\_\_\_. The Health and Human Services Commission shall implement:

(1) the Medicaid provider management and enrollment system required by Section 531.021182(c), Government Code, as added by this Act, not later than September 1, 2020; and

(2) the modernized claims processing system required by Section 531.021182(d), Government Code, as added by this Act, not later than September 1, 2023.

SECTION \_\_\_\_\_. The Health and Human Services Commission shall require that a managed care plan offered by a managed care organization with which the commission enters into or renews a contract under Chapter 533, Government Code, on or after the effective date of this Act comply with Section 533.0031, Government Code, as added by this Act, not later than September 1, 2022.

SECTION \_\_\_\_\_. The Health and Human Services Commission is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commission may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

### **LEAVE OF ABSENCE GRANTED**

The following member was granted leave of absence for the remainder of today because of important business in the district:

J.D. Johnson on motion of C. Bell.

### **HB 3420 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Lambert called up with senate amendments for consideration at this time,

**HB 3420**, A bill to be entitled An Act relating to liability coverage for certain vehicles provided by certain automobile repair facilities.

Representative Lambert moved to concur in the senate amendments to **HB 3420**.

The motion to concur in the senate amendments to **HB 3420** prevailed by (Record 1805): 130 Yeas, 11 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Cain; Hefner; Krause; Lang; Middleton; Noble; Patterson; Swanson; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Bell, C.; Farrar.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 3420** (senate committee report) as follows:

(1) In SECTION 1 of the bill, in added Section 1952.060(a)(3), Insurance Code (page 1, line 39), strike "or another reason" and substitute "maintenance, or damage or to obtain an estimate".

(2) In SECTION 1 of the bill, in added Section 1952.060(c)(2), Insurance Code (page 1, line 57), strike "25,000" and substitute "14,000".

### **HB 2587 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Guillen called up with senate amendments for consideration at this time,

**HB 2587**, A bill to be entitled An Act relating to the business of travel insurance.

Representative Guillen moved to concur in the senate amendments to **HB 2587**.

The motion to concur in the senate amendments to **HB 2587** prevailed by (Record 1806): 111 Yeas, 29 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, K.; Bernal; Blanco; Bohac; Bowers; Buckley; Bucy; Burns; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dominguez; Dutton; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins;



González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Paul; Perez; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wu; Zerwas; Zwiener.

Nays — Bell, C.; Biedermann; Bonnen; Burrows; Cain; Dean; Frank; Goldman; Hefner; Krause; Lang; Leach; Metcalf; Middleton; Noble; Parker; Patterson; Phelan; Sanford; Schaefer; Shaheen; Springer; Stickland; Stucky; Swanson; Tinderholt; Toth; Wray; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Deshotel; Farrar; Turner, C.

### STATEMENT OF VOTE

When Record No. 1806 was taken, I was in the house but away from my desk. I would have voted yes.

Deshotel

### Senate Amendment No. 1 (Senate Floor Amendment No. 1)

Amend **HB 2587** (senate committee report) as follows:

(1) In SECTION 1 of the bill, in added Section 3504.0001(1), Insurance Code (page 1, line 25), strike "a website" and substitute "an Internet website".

(2) In SECTION 1 of the bill, in added Section 3504.0001(4)(K), Insurance Code (page 2, line 25), strike "daycare institution" and substitute "day-care facility".

(3) In SECTION 1 of the bill, in added Section 3504.0001(10), Insurance Code (page 2, line 68), between "insurance and" and "not related", insert "are".

(4) In SECTION 1 of the bill, strike added Section 3504.0003, Insurance Code (page 3, lines 32-33).

(5) In SECTION 1 of the bill, strike added Section 3504.0004(a), Insurance Code (page 3, lines 34-37), and substitute the following:

(a) Except as provided by Subsection (b) and notwithstanding any other provision of this code, travel insurance is classified and filed for purposes of rates and forms under an inland marine line of insurance.

(6) In SECTION 1 of the bill, in added Section 3504.0005(a), Insurance Code (page 3, lines 59-68), strike Subdivision (3) and substitute the following:

(3) a blanket travel insurance policyholder who buys a blanket travel insurance policy for members of an eligible group if:

(A) the policyholder is a resident of this state; or

(B) the policyholder's principal place of business is located in this state.

(7) In SECTION 1 of the bill, in added Section 3504.0005(b), Insurance Code (page 4, lines 4-6), strike Subdivision (2) and substitute the following:

(2) report as premium:

(A) only the amount allocable to travel insurance and not amounts received for travel assistance services or cancellation fee waivers; and

(B) only the amount allocable to residents of this state.

(8) In SECTION 1 of the bill, strike added Section 3504.0006(1), Insurance Code (page 4, lines 15-20), and substitute the following:

(1) at the time or before the consumer buys the travel protection plan it is clearly disclosed to the consumer that the plan includes travel insurance, travel assistance services, and cancellation fee waivers, as applicable, and provides information and an opportunity for the consumer to obtain additional information regarding the features and the pricing of each feature;

(9) In SECTION 1 of the bill, in added Section 3504.0007(g), Insurance Code (page 4, line 67), strike "insurer's website" and substitute "insurer's Internet website".

(10) In SECTION 1 of the bill, in added Section 3504.0007(g)(1), Insurance Code (page 5, line 2), strike "the website" and substitute "the Internet website".

(11) In SECTION 1 of the bill, in added Section 3504.0007(h), Insurance Code (page 5, line 7), strike "using negative option" and substitute "using a negative option".

(12) In SECTION 1 of the bill, in added Section 3504.0008, Insurance Code (page 5, line 23), strike "The commissioner shall adopt" and substitute "(a) The commissioner may adopt".

(13) In SECTION 1 of the bill, in added Section 3504.0008, Insurance Code (page 5, between lines 26 and 27), insert the following:

(b) The comptroller, in consultation with the commissioner, may adopt rules to implement this chapter.

(14) In SECTION 2 of the bill, in added Section 4055.151(1-c), Insurance Code (page 5, lines 37-40), strike "a person who, directly or indirectly, underwrites, collects a charge, collateral, or premium from, or adjusts or settles a claim of a resident of this state" and substitute "a person who directly or indirectly underwrites, collects a charge, collateral, or premium from, or adjusts or settles a claim of, a resident of this state".

(15) In SECTION 3 of the bill, strike amended Section 4055.154(b), Insurance Code (page 6, lines 59-61), and substitute the following:

(b) Travel insurance coverage may be provided under an individual [~~policy~~] or [~~a~~] group insurance policy or a blanket travel insurance [~~master~~] policy, as defined by Section 3504.0001.

(16) Renumber the sections of and the cross-references within added Chapter 3504, Insurance Code, accordingly.

**HB 1140 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative T. King called up with senate amendments for consideration at this time,

**HB 1140**, A bill to be entitled An Act relating to fees for vehicles stored at vehicle storage facilities; authorizing fee increases and decreases; eliminating a fee; eliminating a minimum fee.

Representative T. King moved to concur in the senate amendments to **HB 1140**.

The motion to concur in the senate amendments to **HB 1140** prevailed by (Record 1807): 125 Yeas, 17 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smithee; Stephenson; Stickland; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Bonnen; Capriglione; Dean; Harless; Hefner; Krause; Middleton; Noble; Oliverson; Patterson; Ramos; Smith; Springer; Swanson; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar.

**STATEMENT OF VOTE**

When Record No. 1807 was taken, I was shown voting yes. I intended to vote no.

Schaefer

**Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 1140** (senate committee printing) by striking added Sections 2303.1552(b) and (c), Occupations Code (page 2, lines 1-13), and substituting the following:

(b) Each odd-numbered year, the commission, not later than November 1:

(1) by rule may adjust the impoundment fee under Section 2303.155(b)(2) and the storage fees under Section 2303.155(b)(3) by an amount equal to the amount of the applicable fee in effect on December 31 of the preceding year multiplied by the percentage increase or decrease in the consumer price index during the preceding state fiscal biennium; and

(2) if the fees are adjusted under Subdivision (1), shall publish the adjusted fees on the department's Internet website.

(c) A fee adjusted under Subsection (b) is effective beginning the January 1 following the adoption of a rule under that subsection.

### **HB 2463 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative T. King called up with senate amendments for consideration at this time,

**HB 2463**, A bill to be entitled An Act relating to the deposit and allocation of certain funds to the horse industry escrow account and to the maximum balance of that account.

Representative T. King moved to concur in the senate amendments to **HB 2463**.

The motion to concur in the senate amendments to **HB 2463** prevailed by (Record 1808): 99 Yeas, 42 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Buckley; Bucy; Button; Calanni; Clardy; Coleman; Collier; Cortez; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harris; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Larson; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murr; Neave; Nevárez; Ortega; Pacheco; Paddie; Parker; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Stephenson; Stucky; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zwiener.

Nays — Anderson; Bohac; Bonnen; Burns; Burrows; Cain; Capriglione; Craddick; Dean; Flynn; Frank; Goldman; Harless; Hefner; Holland; King, P.; Krause; Landgraf; Lang; Leach; Leman; Middleton; Miller; Murphy; Noble; Oliverson; Patterson; Paul; Sanford; Schaefer; Shaheen; Smith; Smithee; Springer; Stickland; Swanson; Thompson, E.; Tinderholt; Toth; Wilson; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Canales; Farrar.

**STATEMENTS OF VOTE**

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Button

When Record No. 1808 was taken, I was shown voting yes. I intended to vote no.

Parker

**Senate Committee Substitute**

**CSHB 2463**, A bill to be entitled An Act relating to the deposit and allocation of certain funds to the horse industry escrow account and to the maximum balance of that account.

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

SECTION 1. Section 208.202(b), Occupations Code, is amended to read as follows:

(b) From the total amount deducted under Subsection (a), a greyhound racetrack association that receives an interstate cross-species simulcast signal shall distribute the following amounts from each pari-mutuel pool wagered on the signal at the racetrack:

(1) a fee of 1.5 percent to be paid to the racetrack in this state sending the signal;

(2) a purse in the amount of 0.75 percent to be paid to the official state horse breed registry for Thoroughbred horses for use as purses at racetracks in this state;

(3) a purse in the amount of 0.75 percent to be paid to the official state horse breed registry for quarter horses for use as purses at racetracks in this state; and

(4) a purse of 4.5 percent to be escrowed with the commission [~~for purses~~] in the manner provided by Section 208.204.

SECTION 2. Section 208.203, Occupations Code, is amended to read as follows:

Sec. 208.203. REIMBURSEMENT FOR SIMULCAST SIGNAL COST. If a racetrack association purchases an interstate simulcast signal and the signal cost exceeds five percent of the pari-mutuel pool, the commission, from the escrowed [~~purse~~] account under Section 208.202(b)(4), shall reimburse the racetrack association an amount equal to one-half of the signal cost that exceeds five percent of the pari-mutuel pool.

SECTION 3. The heading to Section 208.204, Occupations Code, is amended to read as follows:

Sec. 208.204. ALLOCATION OF MONEY IN ESCROW ACCOUNTS [~~ESCROWED PURSES~~].

SECTION 4. Section 208.204(b), Occupations Code, is amended to read as follows:

(b) Any horse racetrack association in this state may apply to the commission for receipt of money in the horse industry escrow ~~[all or part of the escrowed purse]~~ account for use as purses. Any state horse breed registry listed in Section 2030.002(a) may apply for receipt of money in the account for any event that furthers the horse industry. The commission:

(1) shall determine the horse racetrack associations and state horse breed registries to be allocated money from the ~~[escrowed purse]~~ account and the percentages to be allocated, taking into consideration purse levels, racing opportunities, and the financial status of the requesting racetrack association or requesting breed registry; and

(2) may not annually allocate more than 70 percent of the amount deposited into the account to horse racetrack associations for use as purses.

SECTION 5. Subchapter E, Chapter 2028, Occupations Code, is amended by adding Section 2028.2041 to read as follows:

Sec. 2028.2041. ALLOCATION OF CERTAIN FUNDS. (a) In each state fiscal biennium, the comptroller shall deposit the amounts allocated under Section 151.801(c-3), Tax Code, into the escrow account established under Section 2028.204(b), until the comptroller determines the amount deposited into the account in that fiscal biennium equals the greater of:

(1) the amount appropriated to the commission for the purposes of Section 2028.204 for that fiscal biennium; or

(2) \$50 million.

(b) Once the comptroller determines the greater of the amount described by Subsection (a)(1) or (2) has been deposited during a state fiscal biennium into the escrow account established under Section 2028.204(b), for the remainder of that fiscal biennium the comptroller shall deposit the amounts allocated under Section 151.801(c-3), Tax Code, into the general revenue fund.

(c) The balance of the escrow account established under Section 2028.204(b) shall not exceed \$50 million.

SECTION 6. Sections 2028.205(a) and (b), Occupations Code, are amended to read as follows:

(a) In addition to money allocated under Section 2028.204, a horse racetrack association operating a racetrack that is located not more than 75 miles from a greyhound racetrack that offers wagering on a cross-species simulcast signal and that sends the cross-species simulcast signal to the greyhound racetrack may apply to the commission for an allocation of up to 20 percent of the money in the escrowed ~~[purse]~~ account that is attributable to the wagering on a cross-species simulcast signal at the greyhound racetrack.

(b) If the applying horse racetrack association can prove to the commission's satisfaction that the racetrack association's handle has decreased directly due to wagering on an interstate cross-species simulcast signal at a greyhound racetrack located not more than 75 miles from the applying racetrack association, the commission shall allocate amounts from the escrowed ~~[purse]~~ account as the commission considers appropriate to compensate the racetrack

association for the decrease. The amounts allocated may not exceed 20 percent of the money in the escrowed ~~[purse]~~ account that is attributable to the wagering on the interstate cross-species simulcast signal at the greyhound racetrack.

SECTION 7. Section 151.801, Tax Code, is amended by amending Subsections (a) and (d) and adding Subsection (c-3) to read as follows:

(a) Except for the amounts allocated under Subsections (b), (c), ~~[and]~~ (c-2), and (c-3), all proceeds from the collection of the taxes imposed by this chapter shall be deposited to the credit of the general revenue fund.

(c-3) Subject to the limitation imposed under Section 2028.2041, Occupations Code, an amount equal to the proceeds from the collection of the taxes imposed by this chapter on the sale, storage, or use of horse feed, horse supplements, and horse tack shall be deposited to the credit of the escrow account administered by the Texas Racing Commission and established under Section 2028.204, Occupations Code.

(d) The comptroller shall determine the amount to be deposited to the highway fund under Subsection (b) according to available statistical data indicating the estimated average or actual consumption or sales of lubricants used to propel motor vehicles over the public roadways. The comptroller shall determine the amounts to be deposited to the funds or accounts under Subsection (c) according to available statistical data indicating the estimated or actual total receipts in this state from taxable sales of sporting goods. The comptroller shall determine the amount to be deposited to the fund under Subsection (c-2) according to available statistical data indicating the estimated or actual total receipts in this state from taxes imposed on sales at retail of fireworks. The comptroller shall determine the amount to be deposited to the account under Subsection (c-3) according to available statistical data indicating the estimated or actual total receipts in this state from taxable sales of horse feed, horse supplements, and horse tack. If satisfactory data are not available, the comptroller may require taxpayers who make taxable sales or uses of those lubricants, of sporting goods, ~~[or]~~ of fireworks, or of horse feed, horse supplements, or horse tack to report to the comptroller as necessary to make the allocation required by Subsection (b), (c), ~~[or]~~ (c-2), or (c-3).

SECTION 8. Section 151.801(e), Tax Code, is amended by adding Subdivisions (4) and (5) to read as follows:

(4) "Horse feed" means a product clearly packaged and labeled as feed for a horse.

(5) "Horse supplement" means a product clearly packaged and labeled as a supplement for a horse, including a vitamin, mineral, or other nutrient intended to supplement horse feed.

SECTION 9. As soon as practicable after the effective date of this Act, the Texas Racing Commission shall revise existing rules or adopt new rules as necessary to comply with Subtitle A-1, Title 13, Occupations Code (Texas Racing Act), as amended by this Act.

SECTION 10. The comptroller of public accounts is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the comptroller may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 11. The Texas Racing Commission is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commission may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 12. This Act takes effect September 1, 2019.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 2463** (senate committee printing) as follows:

(1) In SECTION 7 of the bill, in added Section 151.801(c-3), Tax Code (page 2, line 60), strike "and horse tack" and substitute "horse tack, horse bedding and grooming supplies, and other taxable expenditures directly related to horse ownership, riding, or boarding".

(2) In SECTION 7 of the bill, in amended Section 151.801(d), Tax Code (page 3, line 11), strike "and horse tack" and substitute "horse tack, horse bedding and grooming supplies, and other taxable expenditures directly related to horse ownership, riding, or boarding".

(3) In SECTION 7 of the bill, in amended Section 151.801(d), Tax Code (page 3, line 14), strike "or horse tack" and substitute "horse tack, horse bedding and grooming supplies, or other taxable expenditures directly related to horse ownership, riding, or boarding".

### **HB 2174 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Zerwas called up with senate amendments for consideration at this time,

**HB 2174**, A bill to be entitled An Act relating to controlled substance prescriptions and reimbursement for treatment for certain substance use disorders; authorizing a fee.

Representative Zerwas moved to concur in the senate amendments to **HB 2174**.

The motion to concur in the senate amendments to **HB 2174** prevailed by (Record 1809): 131 Yeas, 9 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty;



Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Lang; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zerwas; Zwiener.

Nays — Cain; Krause; Leach; Middleton; Oliverson; Patterson; Swanson; Tinderholt; Zedler.

Present, not voting — Mr. Speaker; Moody(C); Toth.

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Stickland.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 2174** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) In this section, "qualifying practitioner" has the meaning assigned by 21 U.S.C. Section 823(g)(2)(G)(iii).

(b) Not later than November 1, 2019, the Health and Human Services Commission shall amend the commission's Medicaid Substance Use Disorder Services Medical Policy and any other provider or claims payment policy or manual necessary to authorize Medicaid medical benefits reimbursement for the prescribing of buprenorphine for the treatment of an opioid use disorder by an advanced practice registered nurse recognized by the Texas Board of Nursing as a clinical nurse specialist, nurse anesthetist, or nurse midwife, provided that the advanced practice registered nurse:

(1) is a qualifying practitioner;

(2) has obtained a waiver from registration requirements as provided by 21 U.S.C. Section 823(g); and

(3) is acting under adequate physician supervision and a physician's delegation under Section 157.0512 or 157.054, Occupations Code.

### **HB 2944 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Gervin-Hawkins called up with senate amendments for consideration at this time,

**HB 2944**, A bill to be entitled An Act relating to authorizing the sale or transfer of the G. J. Sutton Building Complex in San Antonio.

Representative Gervin-Hawkins moved to concur in the senate amendments to **HB 2944**.

The motion to concur in the senate amendments to **HB 2944** prevailed by (Record 1810): 124 Yeas, 17 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zerwas; Zwiener.

Nays — Bohac; Bonnen; Cain; Goldman; Krause; Lang; Leach; Middleton; Miller; Oliverson; Patterson; Sanford; Smith; Springer; Stickland; Thompson, E.; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Hunter.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 2944** (senate committee printing), in SECTION 1 of the bill, by adding the following appropriately lettered subsection to that section and redesignating subsections of that section and cross-references to those subsections accordingly:

( ) The sale of the real property authorized by this section must comply with 26 C.F.R. Sections 1.141-12(a), (b), (c), and (e). This subsection prevails to the extent of any conflict between this subsection and any provision of this Act or any other law.

### **HB 4372 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Murphy called up with senate amendments for consideration at this time,

**HB 4372**, A bill to be entitled An Act relating to youth camp abuse complaints and compliance orders.

Representative Murphy moved to concur in the senate amendments to **HB 4372**.

The motion to concur in the senate amendments to **HB 4372** prevailed by (Record 1811): 138 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Bailes; Farrar; Flynn; Toth.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 4372** (senate committee report) as follows:

(1) In SECTION 1 of the bill, strike added Section 141.0051, Health and Safety Code (page 1, lines 23 through 29), and substitute the following:

Sec. 141.0051. LICENSE; CONSIDERATION OF CERTAIN CONVICTIONS. In making a determination on issuance, renewal, or revocation of a youth camp operator's license, the department shall consider whether the youth camp employs an individual who was convicted of an act of sexual abuse, as defined by Section 21.02, Penal Code.

(2) In SECTION 1 of the bill, strike added Section 141.0085(b), Health and Safety Code (page 1, lines 35 through 45), and substitute the following:

(b) If a law enforcement agency notifies a youth camp operator of the investigation or conviction of an individual who is employed by the camp for an act of sexual abuse, as defined by Section 21.02, Penal Code, that occurred at the camp, the operator shall:

(1) immediately notify the department of the investigation or conviction; and

(2) retain all records related to the investigation or conviction until the department notifies the camp that the record retention is no longer required.

(3) In SECTION 2 of the bill, strike added Section 141.0111, Health and Safety Code (page 1, lines 48 through 61), and substitute the following:

Sec. 141.0111. REQUIRED INFORMATION ABOUT ABUSE REPORTING. A youth camp operator shall develop and maintain a written policy regarding the method for reporting to the department suspected abuse occurring at the camp. The operator on request of any person shall provide a copy of the policy to the person.

(4) In SECTION 2 of the bill, strike added Section 141.0112(b), Health and Safety Code (page 2, lines 6 through 10), and substitute the following:

(b) A youth camp operator shall include on the camp's publicly accessible Internet website a clearly marked link to the youth camp program web page on the department's Internet website.

(5) Strike SECTION 3 of the bill (page 2, lines 11 through 14) and renumber subsequent SECTIONS of the bill accordingly.

### **Senate Amendment No. 2 (Senate Floor Amendment No. 2)**

Amend Amendment No. 1 to **HB 4372** as follows:

(1) Strike line 10 and insert the following "Penal Code, that occurred at the camp."

### **HB 3082 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Murphy called up with senate amendments for consideration at this time,

**HB 3082**, A bill to be entitled An Act relating to investigating and prosecuting the criminal offense of operating an unmanned aircraft over or near certain facilities.

Representative Murphy moved to concur in the senate amendments to **HB 3082**.

The motion to concur in the senate amendments to **HB 3082** prevailed by (Record 1812): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith;

Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 3082** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 423.0045(a)(1), Government Code, as amended by Chapters 824 (**HB 1643**) and 1010 (**HB 1424**), Acts of the 85th Legislature, Regular Session, 2017, is reenacted to read as follows:

(1) "Correctional facility" means:

(A) a confinement facility operated by or under contract with any division of the Texas Department of Criminal Justice;

(B) a municipal or county jail;

(C) a confinement facility operated by or under contract with the Federal Bureau of Prisons; or

(D) a secure correctional facility or secure detention facility, as defined by Section 51.02, Family Code.

SECTION \_\_\_\_\_. Section 423.0045(a)(1-a), Government Code, is reenacted to conform to the changes made to Section 423.0045(a)(1), Government Code, by Chapter 824 (**HB 1643**), Acts of the 85th Legislature, Regular Session, 2017, and is further amended to read as follows:

(1-a) "Critical infrastructure facility" means:

(A) one of the following, if completely enclosed by a fence or other physical barrier that is obviously designed to exclude intruders, or if clearly marked with a sign or signs that are posted on the property, are reasonably likely to come to the attention of intruders, and indicate that entry is forbidden:

(i) a petroleum or alumina refinery;

(ii) an electrical power generating facility, substation, switching station, or electrical control center;

(iii) a chemical, polymer, or rubber manufacturing facility;

(iv) a water intake structure, water treatment facility, wastewater treatment plant, or pump station;

(v) a natural gas compressor station;

(vi) a liquid natural gas terminal or storage facility;

(vii) a telecommunications central switching office or any structure used as part of a system to provide wired or wireless telecommunications services;

(viii) a port, railroad switching yard, trucking terminal, or other freight transportation facility;

(ix) a gas processing plant, including a plant used in the processing, treatment, or fractionation of natural gas;

(x) a transmission facility used by a federally licensed radio or television station;

(xi) a steelmaking facility that uses an electric arc furnace to make steel;

(xii) a dam that is classified as a high hazard by the Texas Commission on Environmental Quality; ~~or~~

(xiii) a concentrated animal feeding operation, as defined by Section 26.048, Water Code; or

(xiv) a military installation owned or operated by or for the federal government, the state, or another governmental entity; or

(B) if enclosed by a fence or other physical barrier obviously designed to exclude intruders:

(i) any portion of an aboveground oil, gas, or chemical pipeline;

(ii) an oil or gas drilling site;

(iii) a group of tanks used to store crude oil, such as a tank battery;

(iv) an oil, gas, or chemical production facility;

(v) an oil or gas wellhead; or

(vi) any oil and gas facility that has an active flare.

SECTION \_\_\_\_\_. Section 423.0045(c), Government Code, as amended by Chapters 824 (**HB 1643**) and 1010 (**HB 1424**), Acts of the 85th Legislature, Regular Session, 2017, is reenacted to read as follows:

(c) This section does not apply to:

(1) conduct described by Subsection (b) that involves a correctional facility, detention facility, or critical infrastructure facility and is committed by:

(A) the federal government, the state, or a governmental entity;

(B) a person under contract with or otherwise acting under the direction or on behalf of the federal government, the state, or a governmental entity;

(C) a law enforcement agency;

(D) a person under contract with or otherwise acting under the direction or on behalf of a law enforcement agency; or

(E) an operator of an unmanned aircraft that is being used for a commercial purpose, if the operation is conducted in compliance with:

(i) each applicable Federal Aviation Administration rule, restriction, or exemption; and

(ii) all required Federal Aviation Administration authorizations; or

(2) conduct described by Subsection (b) that involves a critical infrastructure facility and is committed by:

(A) an owner or operator of the critical infrastructure facility;

(B) a person under contract with or otherwise acting under the direction or on behalf of an owner or operator of the critical infrastructure facility;

(C) a person who has the prior written consent of the owner or operator of the critical infrastructure facility; or

(D) the owner or occupant of the property on which the critical infrastructure facility is located or a person who has the prior written consent of the owner or occupant of that property.

SECTION \_\_\_\_\_. To the extent of any conflict, this Act prevails over another Act of the 86th Legislature, Regular Session, 2019, relating to nonsubstantive additions to and corrections in enacted codes.

### **HB 1941 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Phelan called up with senate amendments for consideration at this time,

**HB 1941**, A bill to be entitled An Act relating to unconscionable prices charged by certain health care facilities for medical care.

### **HB 1941 - STATEMENT OF LEGISLATIVE INTENT**

Representative Phelan submitted the following statement for inclusion in the journal:

My intent is to grant the Texas Attorney General with the authority to pursue allegations of unconscionable charges in certain emergency circumstances. **HB 1941** is not intended to set prices or declare that any particular price is reasonable.

Representative Phelan moved to concur in the senate amendments to **HB 1941**.

The motion to concur in the senate amendments to **HB 1941** prevailed by (Record 1813): 141 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar.

### Senate Committee Substitute

**CSHB 1941**, A bill to be entitled An Act relating to unconscionable prices charged by certain health care facilities for medical care.

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

SECTION 1. Subchapter E, Chapter 17, Business & Commerce Code, is amended by adding Section 17.464 to read as follows:

Sec. 17.464. UNCONSCIONABLE PRICE FOR CARE AT EMERGENCY FACILITY. (a) In this section:

(1) "Emergency care" means health care services provided in an emergency facility to evaluate and stabilize medical conditions of a recent onset and severity, including severe pain, that would lead a prudent layperson possessing an average knowledge of medicine and health to believe that the individual's condition, sickness, or injury is of such a nature that failure to get immediate medical care could:

(A) place the individual's health in serious jeopardy;

(B) result in serious impairment to bodily functions;

(C) result in serious dysfunction of a bodily organ or part;

(D) result in serious disfigurement; or

(E) for a pregnant woman, result in serious jeopardy to the health of the fetus.

(2) "Emergency facility" means:

(A) a freestanding emergency medical care facility licensed under Chapter 254, Health and Safety Code; or

(B) a hospital that does not meet the conditions of participation for certification under Title XVIII of the Social Security Act (42 U.S.C. Section 1395 et seq.).

(b) For purposes of Section 17.46(a), the term "false, misleading, or deceptive acts or practices" includes an emergency facility that:

(1) provides emergency care at an unconscionable price; or

(2) demands or charges an unconscionable price for or in connection with emergency care or other care at the facility.

(c) The consumer protection division may not bring an action under Section 17.47 for an act or practice described by Subsection (b) if the price alleged to be unconscionable is less than 200 percent of the average charge for the same or substantially similar care provided to other individuals by emergency rooms of hospitals located in the same county or nearest county in which the emergency facility is located, as applicable, according to data collected by the Department of State Health Services under Chapter 108, Health and Safety Code, and made available to the division, except as provided by Subsection (d). The consumer protection division may not use data that includes prices for care provided in an urgent care setting or physician practice to establish the division's authority to investigate and pursue an action under this subchapter.



(d) If the attorney general determines that the consumer protection division is unable to obtain the charge data described by Subsection (c), the attorney general may adopt rules designating another source of hospital charge data for use by the division in establishing the average charge for emergency care or other care provided by hospital emergency rooms for purposes of Subsection (c).

(e) In an action brought under Section 17.47 to enforce this section, the consumer protection division may request, and the trier of fact may award the recovery of:

(1) reasonable attorney's fees and court costs; and

(2) the reasonable expenses incurred by the division in obtaining any remedy available under Section 17.47, including the cost of investigation, witness fees, and deposition expenses.

(f) This section does not create a private cause of action for a false, misleading, or deceptive act or practice described by Subsection (b).

SECTION 2. This Act takes effect September 1, 2019.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 1941** (senate committee printing), in SECTION 1 of the bill, by striking added Section 17.464(a)(2), Business & Commerce Code (page 1, lines 44 through 49), and substituting the following:

(2) "Emergency facility":

(A) means:

(i) a freestanding emergency medical care facility licensed under Chapter 254, Health and Safety Code; or

(ii) a hospital that does not meet the conditions of participation for certification under Title XVIII of the Social Security Act (42 U.S.C. Section 1395 et seq.); and

(B) does not include a hospital that:

(i) has been operating as a hospital for less than one year;

(ii) has submitted an application to a federally recognized accreditation program for certification under Title XVIII of the Social Security Act (42 U.S.C. Section 1395 et seq.); and

(iii) has not failed an accreditation for certification.

### **HB 2718 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative C. Turner called up with senate amendments for consideration at this time,

**HB 2718**, A bill to be entitled An Act relating to authorizing an increase in the student union fee at The University of Texas at Arlington.

### **PARLIAMENTARY INQUIRY**

REPRESENTATIVE TINDERHOLT: I have several folks around me asking the question, so I want to clear it up because if some folks over there are wondering, I'm sure there's others. When we're voting on these concur/not concur, are we voting on the bill or are we voting on the amendments that the senate brought over?

SPEAKER PRO TEMPORE MOODY: You are simultaneously voting on the text of the bill and the senate amendments that have been added to the bill.

**HB 2718 - (consideration continued)**

Representative C. Turner moved to concur in the senate amendments to **HB 2718**.

The motion to concur in the senate amendments to **HB 2718** prevailed by (Record 1814): 88 Yeas, 51 Nays, 3 Present, not voting.

Yeas — Allison; Anchia; Bailes; Beckley; Bell, K.; Bernal; Blanco; Bowers; Bucy; Calanni; Canales; Capriglione; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, P.; King, T.; Kuempel; Lambert; Larson; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Perez; Ramos; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; Vo; Walle; Wu; Zerwas; Zwiener.

Nays — Allen; Anderson; Ashby; Bell, C.; Biedermann; Bohac; Bonnen; Buckley; Burns; Burrows; Cain; Clardy; Cyrier; Dean; Goldman; Harless; Harris; Hefner; Holland; King, K.; Krause; Landgraf; Lang; Leman; Metcalf; Meyer; Middleton; Miller; Murr; Noble; Oliverson; Paddie; Parker; Patterson; Paul; Phelan; Price; Raney; Sanford; Shaheen; Smith; Springer; Stickland; Swanson; Thompson, E.; Tinderholt; Toth; VanDeaver; White; Wilson; Wray.

Present, not voting — Mr. Speaker; Button; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Klick; Zedler.

**STATEMENTS OF VOTE**

When Record No. 1814 was taken, I was shown voting yes. I intended to vote no.

K. Bell

When Record No. 1814 was taken, I was shown voting present, not voting. I intended to vote yes.

Button

When Record No. 1814 was taken, I was shown voting yes. I intended to vote no.

Kuempel

When Record No. 1814 was taken, my vote failed to register. I would have voted yes.

Zedler

**Senate Committee Substitute**

**CSHB 2718**, A bill to be entitled An Act relating to authorizing an increase in the student union fee at The University of Texas at Arlington.

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

SECTION 1. Section 54.529(a), Education Code, is amended to read as follows:

(a) The board of regents of The University of Texas System may levy a student union fee not to exceed \$150 ~~[\$30]~~ per student for each regular semester and not to exceed \$75 ~~[\$19.50]~~ per student for each term of the summer session, for the sole purpose of financing, constructing, operating, maintaining, and improving the Student Union Building for The University of Texas at Arlington. The [; provided, however, that the] fee may not be increased above an amount previously levied ~~[\$15 per student for each regular semester and \$7.50 per student for each term of the summer session]~~ unless the increase is approved by a majority vote of those students participating in a general election held at the university for that purpose. The ballot proposition for such an election must clearly state the amount of the proposed fee increase and describe the reason for the proposed fee increase. The fees herein authorized to be levied are in addition to any use or service fee now or hereafter authorized to be levied.

SECTION 2. Section 54.529(a), Education Code, as amended by this Act, applies beginning with fees imposed for the 2019 fall semester.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

**HB 3371 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Shine called up with senate amendments for consideration at this time,

**HB 3371**, A bill to be entitled An Act relating to the regulation of certain battery-charged fences by municipalities and counties.

Representative Shine moved to concur in the senate amendments to **HB 3371**.

The motion to concur in the senate amendments to **HB 3371** prevailed by (Record 1815): 132 Yeas, 7 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Krause; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez

Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Parker; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Bonnen; Cain; Lang; Middleton; Oliverson; Patterson; Ramos.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Klick; Paddie; Schaefer.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 3371** (senate committee report) in SECTION 1 of the bill, in added Section 250.009(c)(2), Local Government Code (page 1, line 59), between "standards" and "described", by inserting the following:

⋮  
(2) set by the International Electrotechnical Commission as published on June 29, 2018, or alarm system

(3)

### **HB 2486 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Goldman called up with senate amendments for consideration at this time,

**HB 2486**, A bill to be entitled An Act relating to certain required disclosures and prohibited practices of certain employee benefit plans and health insurance policies that provide benefits for dental care services.

Representative Goldman moved to concur in the senate amendments to **HB 2486**.

The motion to concur in the senate amendments to **HB 2486** prevailed by (Record 1816): 139 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Perez; Phelan;

Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Paul.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Schaefer; Thierry.

### STATEMENTS OF VOTE

When Record No. 1816 was taken, I was shown voting yes. I intended to vote no.

Hinojosa

When Record No. 1816 was taken, I was shown voting no. I intended to vote yes.

Paul

### Senate Committee Substitute

**CSHB 2486**, A bill to be entitled An Act relating to certain required disclosures and prohibited practices of certain employee benefit plans and health insurance policies that provide benefits for dental care services.

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

SECTION 1. Section 1451.205, Insurance Code, is amended to read as follows:

Sec. 1451.205. DISCLOSURE OF BENEFIT TERMS. (a) An employee benefit plan or health insurance policy shall:

(1) if applicable, disclose that the benefit for dental care services offered is limited to the least costly treatment; and

(2) specify in dollars and cents the amount of the payment or reimbursement to be provided for dental care services or define and explain the standard on which payment of benefits or reimbursement for the cost of dental care services is based, such as:

- (A) "usual and customary" fees;
- (B) "reasonable and customary" fees;
- (C) "usual, customary, and reasonable" fees; or
- (D) words of similar meaning.

(b) A person or entity who provides or issues an employee benefit plan or health insurance policy or the employer or employee organization, if applicable, shall establish an Internet website to provide resources and information to dentists, insureds, participants, employees, and members.

(c) An employee benefit plan or health insurance policy provider or issuer shall make accessible on the Internet website established under Subsection (b) information about the plan or policy sufficient for patients and dentists to

determine the type of dental care services covered by the plan or policy, the percentage of the allowed charges for a covered service that will be paid or reimbursed under the plan or policy, and, for a contracting provider dentist, an estimate of the amount of the payment or reimbursement available for the provider's services under the plan or policy. Access to the Internet website must be at no charge to patients under the plan or policy and dentists providing dental care services to the patients.

(d) An employee benefit plan or health insurance policy provider or issuer is not required to comply with Subsection (b) or (c) for a plan or policy that:

(1) provides for payment of the benefit for dental care services under the plan or policy:

(A) as an indemnity benefit based on a fixed schedule, regardless of the cost of the dental care service;

(B) on a cash-payment-only basis;

(C) directly to the beneficiary of the plan or policy or to the beneficiary's assigns; and

(D) regardless of other coverage; and

(2) does not provide for a copayment, a deductible, a network, or contracting provider dentists.

SECTION 2. Section 1451.206(a), Insurance Code, is amended to read as follows:

(a) The employee benefit plan or health insurance policy shall:

(1) provide:

(A) ~~[(1)]~~ that payment or reimbursement for a noncontracting provider dentist shall be the same as payment or reimbursement for a contracting provider dentist; ~~and~~

(B) ~~[(2)]~~ that the party to or beneficiary of the plan or policy may assign the right to payment or reimbursement to the dentist who provides the dental care services; and

(C) one or more methods of payment or reimbursement that provide the dentist 100 percent of the contracted amount of the payment or reimbursement and that do not require the dentist to incur a fee to access the payment or reimbursement; and

(2) disclose on the Internet website required under Section 1451.205 and on request of a dentist or a party to or beneficiary of the plan or policy the fees, if any, associated with the methods of payment or reimbursement available under the plan or policy.

SECTION 3. Sections 1451.207(a) and (c), Insurance Code, are amended to read as follows:

(a) An employee benefit plan or health insurance policy may not:

(1) interfere with or prevent an individual who is a party to or beneficiary of the plan or policy from selecting a dentist of the individual's choice to provide a dental care service the plan or policy offers if the dentist selected is licensed in this state to provide the service;

(2) deny a dentist the right to participate as a contracting provider under the plan or policy if the dentist is licensed to provide the dental care services the plan or policy offers;

(3) authorize a person to regulate, interfere with, or intervene in the provision of dental care services a dentist provides a patient, including diagnosis, if the dentist practices within the scope of the dentist's license; ~~or~~

(4) require a dentist to make or obtain a dental x-ray or other diagnostic aid in providing dental care services; or

(5) deduct the amount of an overpayment of a claim from a payment or reimbursement for a dental care service provided by a dentist who did not receive the overpayment.

(c) This section does not prohibit the predetermination of benefits for dental care expenses before the attending dentist provides treatment. In this subsection, "predetermination" means an estimate by the patient's employee benefit plan or health insurance policy provider or issuer of:

(1) the patient's eligibility under the plan or policy for benefits or covered services;

(2) the amount of the patient's deductible, copayment, or coinsurance related to benefits or covered services; and

(3) the maximum benefit limits for benefits or covered services.

SECTION 4. Subchapter E, Chapter 1451, Insurance Code, is amended by adding Section 1451.208 to read as follows:

Sec. 1451.208. PRIOR AUTHORIZATION OF DENTAL CARE SERVICES. (a) For purposes of this section, "prior authorization" means a written and verifiable determination that one or more specific dental care services are covered under the patient's employee benefit plan or health insurance policy and are payable and reimbursable in a specific stated amount, subject to applicable coinsurance and deductible amounts. The term:

(1) includes preauthorization or similar authorization; and

(2) does not include a predetermination as defined by Section 1451.207(c).

(b) For services for which a prior authorization is required, on request of a patient or treating dentist, an employee benefit plan or health insurance policy provider or issuer shall provide to the dentist a written prior authorization of benefits for a dental care service for the patient. The prior authorization must include a specific benefit payment or reimbursement amount. Except as provided by Subsection (c), the plan or policy provider or issuer may not pay or reimburse the dentist in an amount that is less than the amount stated in the prior authorization.

(c) An employee benefit plan or health insurance policy provider or issuer that preauthorizes a dental care service under Subsection (b) may deny a claim for the dental care service or reduce payment or reimbursement to the dentist for the service only if:

(1) the denial or reduction is in accordance with the patient's employee benefit plan or health insurance policy benefit limitations, including an annual maximum or frequency of treatment limitation, and the patient met the benefit limitation after the date the prior authorization was issued;

(2) the documentation for the claim fails to reasonably support the claim as preauthorized;

(3) the preauthorized dental care service was not medically necessary based on the prevailing standard of care on the date of the service, or is subject to denial under the conditions for coverage under the patient's plan or policy in effect at the time the service was preauthorized, because of a change in the patient's condition or because the patient received additional dental care services after the date the prior authorization was issued;

(4) a payor other than the employee benefit plan or health insurance policy provider or issuer is responsible for payment of the claim;

(5) the dentist received full payment for the preauthorized dental care service on which the claim is based;

(6) the claim is fraudulent;

(7) the prior authorization was based wholly or partly on a material error in information provided to the employee benefit plan or health insurance policy provider or issuer by any person not related to the provider or issuer; or

(8) the patient was otherwise ineligible for the dental care service under the patient's plan or policy, and the plan or policy provider or issuer did not know and could not reasonably have known that the patient was ineligible for the dental care service on the date the plan or policy provider or issuer preauthorized the dental care service.

SECTION 5. The changes in law made by this Act apply only to an employee benefit plan or health insurance policy that provides benefits for dental care services that is delivered, issued for delivery, renewed, or contracted for on or after the effective date of this Act. An employee benefit plan or health insurance policy that provides benefits for dental care services that is delivered, issued for delivery, renewed, or contracted for before the effective date of this Act 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 6. This Act takes effect September 1, 2019.

### **HB 4150 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Paddie called up with senate amendments for consideration at this time,

**HB 4150**, A bill to be entitled An Act relating to safety and inspection requirements for certain utilities that provide electricity.

Representative Paddie moved to concur in the senate amendments to **HB 4150**.

The motion to concur in the senate amendments to **HB 4150** prevailed by (Record 1817): 139 Yeas, 0 Nays, 2 Present, not voting.



Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Shaheen; Sheffield; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Wiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Johnson, J.E.; Schaefer; Sherman.

### STATEMENT OF VOTE

When Record No. 1817 was taken, I was in the house but away from my desk. I would have voted yes.

Sherman

### Senate Committee Substitute

**CSHB 4150**, A bill to be entitled An Act relating to safety and inspection requirements for certain utilities that provide electricity.

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

SECTION 1. This Act may be cited as the William Thomas Heath Power Line Safety Act.

SECTION 2. Subchapter A, Chapter 35, Utilities Code, is amended by adding Section 35.010 to read as follows:

Sec. 35.010. COSTS RELATED TO REPORTING ON SAFETY PROCESSES AND INSPECTIONS FOR CERTAIN UTILITIES. (a) This section applies only to a municipally owned utility or electric cooperative that has wholesale transmission rates established by the commission.

(b) Costs incurred by a municipally owned utility or electric cooperative to comply with Section 38.102 shall be recorded as a regulatory asset for timely recovery in wholesale transmission rates established by the commission.

(c) The commission may adopt rules relating to the recording of regulatory assets under this section.

SECTION 3. Subchapter B, Chapter 36, Utilities Code, is amended by adding Section 36.066 to read as follows:

Sec. 36.066. COSTS RELATED TO REPORTING ON SAFETY PROCESSES AND INSPECTIONS FOR CERTAIN UTILITIES. (a) Costs incurred by an electric utility to comply with Section 38.102 shall be recorded as a regulatory asset for timely recovery in rates established by the commission.

(b) The commission may adopt rules relating to the recording of regulatory assets under this section.

SECTION 4. Section 38.004, Utilities Code, is amended to read as follows:

Sec. 38.004. MINIMUM CLEARANCE STANDARD. (a) Notwithstanding any other law, a transmission or distribution line owned by an electric utility or an electric cooperative must be constructed, operated, and maintained, as to clearances, in the manner described by the National Electrical Safety Code Standard ANSI (c)(2), as adopted by the American National Safety Institute and in effect at the time of construction.

(b) An electric utility, municipally owned utility, or electric cooperative shall meet the minimum clearance requirements specified in Rule 232 of the National Electrical Safety Code Standard ANSI (c)(2) in the construction of any transmission or distribution line over the following lakes:

- (1) Abilene;
- (2) Alan Henry;
- (3) Alvarado Park;
- (4) Amistad;
- (5) Amon G. Carter;
- (6) Aquilla;
- (7) Arlington;
- (8) Arrowhead;
- (9) Athens;
- (10) Austin;
- (11) Averhoff;
- (12) B. A. Steinhagen;
- (13) Bachman;
- (14) Balmorhea;
- (15) Bardwell;
- (16) Bastrop;
- (17) Baylor Creek;
- (18) Belton;
- (19) Benbrook;
- (20) Big Creek;
- (21) Bob Sandlin;
- (22) Bonham;
- (23) Bonham State Park;
- (24) Brady Creek;
- (25) Brandy Branch;
- (26) Braunig;
- (27) Brazos;
- (28) Bridgeport;
- (29) Brownwood;

- (30) Bryan;
- (31) Bryson;
- (32) Buchanan;
- (33) Buffalo Creek;
- (34) Buffalo Springs;
- (35) Caddo;
- (36) Calaveras;
- (37) Canyon;
- (38) Casa Blanca;
- (39) Cedar Creek;
- (40) Champion Creek;
- (41) Choke Canyon;
- (42) Cisco;
- (43) Cleburne State Park;
- (44) Clyde;
- (45) Coffee Mill;
- (46) Coleman;
- (47) Coletto Creek;
- (48) Colorado City;
- (49) Conroe;
- (50) Cooper;
- (51) Corpus Christi;
- (52) Crook;
- (53) Cypress Springs;
- (54) Daniel;
- (55) Davy Crockett;
- (56) Diversion;
- (57) Dunlap;
- (58) Eagle Mountain;
- (59) E. V. Spence;
- (60) Fairfield;
- (61) Falcon;
- (62) Fayette County;
- (63) Findley;
- (64) Fork;
- (65) Fort Parker State Park;
- (66) Fort Phantom Hill;
- (67) Fryer;
- (68) Georgetown;
- (69) Gibbons Creek;
- (70) Gilmer;
- (71) Gladewater;
- (72) Gonzales;
- (73) Graham;
- (74) Granbury;
- (75) Granger;

- (76) Grapevine;
- (77) Greenbelt;
- (78) Halbert;
- (79) Hawkins;
- (80) Holbrook;
- (81) Hords Creek;
- (82) Houston;
- (83) Houston County;
- (84) Hubbard Creek;
- (85) Inks;
- (86) Jacksboro;
- (87) Jacksonville;
- (88) J. B. Thomas;
- (89) Joe Pool;
- (90) Kemp;
- (91) Kickapoo;
- (92) Kirby;
- (93) Kurth;
- (94) Lady Bird;
- (95) Lake O' The Pines;
- (96) Lavon;
- (97) Leon;
- (98) Lewisville;
- (99) Limestone;
- (100) Livingston;
- (101) Lone Star;
- (102) Lost Creek;
- (103) Lyndon B. Johnson;
- (104) Mackenzie;
- (105) Marble Falls;
- (106) Marine Creek;
- (107) Martin Creek;
- (108) McClellan;
- (109) Medina;
- (110) Meredith;
- (111) Meridian State Park;
- (112) Mexia;
- (113) Mill Creek;
- (114) Millers Creek;
- (115) Mineral Wells;
- (116) Monticello;
- (117) Moss;
- (118) Mountain Creek;
- (119) Muenster;
- (120) Murvaul;
- (121) Nacogdoches;

(122) Naconiche;  
(123) Nasworthy;  
(124) Navarro Mills;  
(125) New Ballinger;  
(126) Nocona;  
(127) Oak Creek;  
(128) O. C. Fisher;  
(129) O. H. Ivie;  
(130) Palestine;  
(131) Palo Duro;  
(132) Palo Pinto;  
(133) Pat Cleburne;  
(134) Pat Mayse;  
(135) Pinkston;  
(136) Placid;  
(137) Possum Kingdom;  
(138) Proctor;  
(139) Purtis Creek;  
(140) Quitman;  
(141) Raven;  
(142) Ray Hubbard;  
(143) Ray Roberts;  
(144) Red Bluff;  
(145) Richland-Chambers;  
(146) Sam Rayburn;  
(147) Sheldon;  
(148) Somerville;  
(149) Squaw Creek;  
(150) Stamford;  
(151) Stillhouse Hollow;  
(152) Striker;  
(153) Sulphur Springs;  
(154) Sweetwater;  
(155) Tawakoni;  
(156) Texana;  
(157) Texoma;  
(158) Timpson;  
(159) Toledo Bend;  
(160) Tradinghouse Creek;  
(161) Travis;  
(162) Twin Buttes;  
(163) Tyler;  
(164) Waco;  
(165) Walter E. Long;  
(166) Waxahachie;  
(167) Weatherford;

(168) Welsh;  
(169) Wheeler Branch;  
(170) White River;  
(171) White Rock;  
(172) Whitney;  
(173) Wichita;  
(174) Winnsboro;  
(175) Winters-Elm Creek;  
(176) Wood;  
(177) Worth; and  
(178) Wright Patman.

SECTION 5. Subchapter E, Chapter 38, Utilities Code, is amended by adding Section 38.102 to read as follows:

Sec. 38.102. REPORTS ON SAFETY PROCESSES AND INSPECTIONS.

(a) Each electric utility, municipally owned utility, and electric cooperative that owns or operates overhead transmission or distribution assets shall submit to the commission a report that includes:

(1) a summary description of hazard recognition training documents provided by the utility or electric cooperative to its employees related to overhead transmission and distribution facilities; and

(2) a summary description of training programs provided to employees by the utility or electric cooperative related to the National Electrical Safety Code for the construction of electric transmission and distribution lines.

(b) An electric utility, municipally owned utility, or electric cooperative shall submit an updated report not later than the 30th day after the date the utility or electric cooperative finalizes a material change to a document or program included in a report submitted under Subsection (a).

(c) Not later than May 1 every five years, each electric utility, municipally owned utility, and electric cooperative that owns or operates overhead transmission facilities greater than 60 kilovolts shall submit to the commission a report for the preceding five-year period ending on December 31 of the preceding calendar year that includes:

(1) the percentage of overhead transmission facilities greater than 60 kilovolts inspected for compliance with the National Electrical Safety Code relating to vertical clearance in the reporting period; and

(2) the percentage of the overhead transmission facilities greater than 60 kilovolts anticipated to be inspected for compliance with the National Electrical Safety Code relating to vertical clearance during the five-year period beginning on January 1 of the year in which the report is submitted.

(d) Subject to Subsection (f), not later than May 1 of each year, each electric utility, municipally owned utility, or electric cooperative that owns or operates overhead transmission facilities greater than 60 kilovolts shall submit to the commission a report on the overhead transmission facilities for the preceding calendar year that includes information regarding:

(1) the number of identified occurrences of noncompliance with Section 38.004 regarding the vertical clearance requirements of the National Electrical Safety Code for overhead transmission facilities;

(2) whether the utility or electric cooperative has actual knowledge that any portion of the utility's or electric cooperative's transmission system is not in compliance with Section 38.004 regarding the vertical clearance requirements of the National Electrical Safety Code; and

(3) whether the utility or electric cooperative has actual knowledge of any violations of easement agreements with the United States Army Corps of Engineers relating to Section 38.004 regarding the vertical clearance requirements of the National Electrical Safety Code for overhead transmission facilities.

(e) Subject to Subsection (f), not later than May 1 of each year, each electric utility, municipally owned utility, or electric cooperative that owns or operates overhead transmission facilities greater than 60 kilovolts or distribution facilities greater than 1 kilovolt shall submit to the commission a report for the preceding calendar year that includes:

(1) the number of fatalities or injuries of individuals other than employees, contractors, or other persons qualified to work in proximity to overhead high voltage lines involving transmission or distribution assets related to noncompliance with the requirements of Section 38.004; and

(2) a description of corrective actions taken or planned to prevent the reoccurrence of fatalities or injuries described by Subdivision (1).

(f) Violations resulting from, and incidents, fatalities, or injuries attributable to a violation resulting from, a natural disaster, weather event, or man-made act or force outside of a utility's or electric cooperative's control are not required to be included in the portions of the reports required under Subsections (d) and (e).

(g) Not later than September 1, each year the commission shall make the reports publicly available on the commission's Internet website.

(h) A report, and any required information contained in a report, made on an incident or violation under this section is not admissible in a civil or criminal proceeding against the electric utility, municipally owned utility, or electric cooperative, or the utility's or electric cooperative's employees, directors, or officers. The commission may otherwise take enforcement actions under the commission's authority.

SECTION 6. Any electric utility, municipally owned utility, or electric cooperative that owns a transmission or distribution line over a lake listed in Section 38.004(b), Utilities Code, as added by this Act, that is not in compliance on the effective date of this Act with the clearance standards of Rule 232 of the National Electrical Safety Code Standard ANSI (c)(2) in effect at the time the line was constructed shall bring the line into compliance not later than December 31, 2021. Any line over a lake listed in Section 38.004(b), Utilities Code, as added by this Act, that must be rebuilt to comply with this section must be constructed in accordance with the clearance standards of Rule 232 of the National Electrical Safety Code Standard ANSI (c)(2) in effect on the effective date of this Act.

SECTION 7. An electric utility, a municipally owned utility, or an electric cooperative required to submit a report under Section 38.102, Utilities Code, as added by this Act, is not required to submit the report until May 1, 2020.

SECTION 8. This Act takes effect September 1, 2019.

### **HB 4182 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Sherman called up with senate amendments for consideration at this time,

**HB 4182**, A bill to be entitled An Act relating to an intercollegiate athletics fee at the University of North Texas at Dallas.

Representative Sherman moved to concur in the senate amendments to **HB 4182**.

The motion to concur in the senate amendments to **HB 4182** prevailed by (Record 1818): 94 Yeas, 48 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bernal; Blanco; Bowers; Bucy; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paddie; Perez; Ramos; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Sheffield; Sherman; Shine; Stephenson; Stucky; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; Wu; Zerwas; Zwiener.

Nays — Ashby; Bell, C.; Bell, K.; Biedermann; Bohac; Bonnen; Buckley; Burns; Burrows; Cain; Cyrier; Dean; Flynn; Goldman; Harless; Harris; Hefner; Holland; Krause; Landgraf; Lang; Leman; Metcalf; Middleton; Miller; Murr; Noble; Oliverson; Parker; Patterson; Paul; Phelan; Price; Raney; Sanford; Shaheen; Smith; Smithee; Springer; Stickland; Swanson; Thompson, E.; Tinderholt; Toth; White; Wilson; Wray; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar.

### **STATEMENT OF VOTE**

When Record No. 1818 was taken, I was shown voting no. I intended to vote yes.

Springer



**Senate Committee Substitute**

**CSHB 4182**, A bill to be entitled An Act relating to an intercollegiate athletics fee at the University of North Texas at Dallas.

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

SECTION 1. Subchapter E, Chapter 54, Education Code, is amended by adding Section 54.5192 to read as follows:

Sec. 54.5192. INTERCOLLEGIATE ATHLETICS FEE; UNIVERSITY OF NORTH TEXAS AT DALLAS. (a) The board of regents of the University of North Texas System may charge each student enrolled at the University of North Texas at Dallas an intercollegiate athletics fee in an initial amount not to exceed \$10 per semester credit hour for each regular semester or summer session. The amount of the fee may be increased only as provided by Subsection (e).

(b) A student enrolled in more than 12 semester credit hours shall pay the fee in an amount equal to the amount charged a student enrolled in 12 semester credit hours during the same semester or session.

(c) Revenue from the fee charged under this section may be used only to develop and maintain an intercollegiate athletics program at the university.

(d) The fee may not be charged unless approved by a majority vote of the students enrolled at the university who participate in a general student election held for that purpose.

(e) The amount of the fee per semester credit hour may be increased from one academic year to the next only if approved by a majority vote of the students participating in a general student election held for that purpose or, if the amount of the increase does not exceed five percent, by a majority vote of the legislative body of the student government of the university.

(f) The ballot proposition for an election to approve a proposed initial fee under Subsection (d) or a proposed fee increase under Subsection (e) must:

(1) clearly state the amount of the proposed fee or fee increase, as applicable; and

(2) describe the reason for the proposed fee or fee increase, as applicable.

(g) A fee charged under this section is in addition to any other fee authorized by law and may not be considered in determining the maximum amount of student services fees that may be charged each student enrolled at the university under Section 54.503.

SECTION 2. A fee may not be charged under Section 54.5192, Education Code, as added by this Act, before the 2019 fall semester.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

**HB 4390 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Capriglione called up with senate amendments for consideration at this time,

**HB 4390**, A bill to be entitled An Act relating to the privacy of personal identifying information and the creation of the Texas Privacy Protection Advisory Council.

Representative Capriglione moved to concur in the senate amendments to **HB 4390**.

The motion to concur in the senate amendments to **HB 4390** prevailed by (Record 1819): 138 Yeas, 3 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Cain; Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Klick.

### **Senate Committee Substitute**

**CSHB 4390**, A bill to be entitled An Act relating to the privacy of personal identifying information and the creation of the Texas Privacy Protection Advisory Council.

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

SECTION 1. Section 521.053, Business & Commerce Code, is amended by amending Subsection (b) and adding Subsection (i) to read as follows:

(b) A person who conducts business in this state and owns or licenses computerized data that includes sensitive personal information shall disclose any breach of system security, after discovering or receiving notification of the breach, to any individual whose sensitive personal information was, or is reasonably believed to have been, acquired by an unauthorized person. The disclosure shall be made without unreasonable delay and in each case not later than the 60th day after the date on which the person determines that the breach

occurred ~~[as quickly as possible]~~, except as provided by Subsection (d) or as necessary to determine the scope of the breach and restore the reasonable integrity of the data system.

(i) A person who is required to disclose or provide notification of a breach of system security under this section shall notify the attorney general of that breach not later than the 60th day after the date on which the person determines that the breach occurred if the breach involves at least 250 residents of this state. The notification under this subsection must include:

(1) a detailed description of the nature and circumstances of the breach or the use of sensitive personal information acquired as a result of the breach;

(2) the number of residents of this state affected by the breach at the time of notification;

(3) the measures taken by the person regarding the breach;

(4) any measures the person intends to take regarding the breach after the notification under this subsection; and

(5) information regarding whether law enforcement is engaged in investigating the breach.

SECTION 2. (a) In this section, "council" means the Texas Privacy Protection Advisory Council created under this section.

(b) The Texas Privacy Protection Advisory Council is created to study data privacy laws in this state, other states, and relevant foreign jurisdictions.

(c) The council is composed of members who are residents of this state and appointed as follows:

(1) five members appointed by the speaker of the house of representatives, two of whom must be representatives of an industry listed under Subsection (d) of this section and three of whom must be members of the house of representatives;

(2) five members appointed by the lieutenant governor, two of whom must be representatives of an industry listed under Subsection (d) of this section and three of whom must be senators; and

(3) five members appointed by the governor, three of whom must be representatives of an industry listed under Subsection (d) of this section and two of whom must be either:

(A) a representative of a nonprofit organization that studies or evaluates data privacy laws from the perspective of individuals whose information is collected or processed by businesses; or

(B) a professor who teaches at a law school in this state or other institution of higher education, as defined by Section 61.003, Education Code, and whose books or scholarly articles on the topic of data privacy have been published.

(d) For purposes of making appointments of members who represent industries under Subsection (c) of this section, the speaker of the house of representatives, lieutenant governor, and governor shall appoint members from among the following industries and must coordinate their appointments to avoid overlap in representation of the industries:

(1) medical profession;

- (2) technology;
- (3) Internet;
- (4) retail and electronic transactions;
- (5) consumer banking;
- (6) telecommunications;
- (7) consumer data analytics;
- (8) advertising;
- (9) Internet service providers;
- (10) social media platforms;
- (11) cloud data storage;
- (12) virtual private networks; or
- (13) retail electric.

(e) The speaker of the house of representatives and the lieutenant governor shall each designate a co-chair from among their respective appointments to the council who are members of the legislature.

(f) The council shall convene on a regular basis at the joint call of the co-chairs.

(g) The council shall:

(1) study and evaluate the laws in this state, other states, and relevant foreign jurisdictions that govern the privacy and protection of information that alone or in conjunction with other information identifies or is linked or reasonably linkable to a specific individual, technological device, or household; and

(2) make recommendations to the members of the legislature on specific statutory changes regarding the privacy and protection of that information, including changes to Chapter 521, Business & Commerce Code, as amended by this Act, or to the Penal Code, that appear necessary from the results of the council's study under this section.

(h) Not later than September 1, 2020, the council shall report the council's findings and recommendations to the members of the legislature.

(i) The Department of Information Resources shall provide administrative support to the council.

(j) Not later than the 60th day after the effective date of this Act, the speaker of the house of representatives, the lieutenant governor, and the governor shall appoint the members of the council.

(k) The council is abolished and this section expires December 31, 2020.

SECTION 3. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2019.

(b) Section 521.053, Business & Commerce Code, as amended by this Act, takes effect January 1, 2020.

## **HB 2978 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Howard called up with senate amendments for consideration at this time,

**HB 2978**, A bill to be entitled An Act relating to an agreement between the Texas State Library and Archives Commission and the City of Austin regarding an easement across commission property.

Representative Howard moved to concur in the senate amendments to **HB 2978**.

The motion to concur in the senate amendments to **HB 2978** prevailed by (Record 1820): 118 Yeas, 23 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bernal; Biedermann; Blanco; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Ortega; Pacheco; Paddie; Parker; Perez; Phelan; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Talarico; Thierry; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zerwas; Zwiener.

Nays — Bohac; Bonnen; Cain; Frank; Goldman; Harris; Krause; Landgraf; Lang; Middleton; Noble; Oliverson; Patterson; Paul; Price; Sanford; Smith; Springer; Stickland; Swanson; Thompson, E.; Tinderholt; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Bell, K.; Farrar.

### STATEMENTS OF VOTE

When Record No. 1820 was taken, I was in the house but away from my desk. I would have voted no.

K. Bell

When Record No. 1820 was taken, I was shown voting yes. I intended to vote no.

Miller

### Senate Committee Substitute

**CSHB 2978**, A bill to be entitled An Act relating to granting an easement to the City of Austin.

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

SECTION 1. (a) Subject to Subsection (b) of this section, as soon as practicable after the effective date of this Act, the General Land Office on behalf of the State of Texas shall grant to the City of Austin, by an appropriate instrument of conveyance, a permanent easement in the property owned by the State of Texas and described by Subsection (d) of this section.

(b) Consideration for the easement to be granted under Subsection (a) of this section is the requirement that the City of Austin use the easement primarily to promote a public purpose of the state by using the easement primarily as a sidewalk, trail, and recreation easement and thereby promoting public health and general welfare and providing recreation, beautification, and civic improvement. The easement automatically terminates if the City of Austin:

(1) uses the easement in a manner that fails to promote a public purpose of the state described by this subsection of this section; or

(2) sells or transfers all or any part of the easement.

(c) The City of Austin shall reimburse the General Land Office for the expenses incurred by the General Land Office in connection with granting the easement under this section of this Act.

(d) The easement referred to in this section is in the property described as follows:

DESCRIPTION OF A 0.667 OF ONE ACRE TRACT OF LAND LOCATED IN THE GEORGE W. SPEAR SURVEY, ABSTRACT NO. 697, TRAVIS COUNTY, TEXAS, BEING A PORTION OF THAT TRACT OF LAND CONVEYED TO S. ROSS, GOVERNOR OF THE STATE OF TEXAS AND HIS SUCCESSORS IN OFFICE FOR THE USE AND BENEFIT OF THE STATE OF TEXAS AS RECORDED IN VOLUME 76, PAGE 225, OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS; SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING, at a 60d nail found in the north line of that 1.51 acre tract of land conveyed to the City of Austin in a Gift Deed Of Land recorded in Volume 5154, Page 2230, of said Deed Records, same being a corner in the easterly line of THE GROVE AT SHOAL CREEK, according to the map or plat thereof recorded in Document No. 201800146, of the Official Public Records of said County, and the northwest corner of the herein described tract, from which a 1/2 inch iron rod found for the northwest corner of said 1.51 acre tract, bears North 62°26'39" West, a distance of 41.93 feet;

THENCE, North 01°22'52" East (bearing basis), with said easterly line of THE GROVE AT SHOAL CREEK, a distance of 151.80 feet to the northwest corner of the herein described tract, from which a, X mark in rock found for a corner in said easterly line bears, North 01°22'52" East, a distance of 362.51 feet;

THENCE, departing said easterly line and over and across said State of Texas tract the following four (4) courses and distances:

1. South 85°36'10" East, a distance of 130.18 feet;
2. South 01°22'52" West, a distance of 149.86 feet to the beginning of a curve to the left;

3. With said curve to the left, having a radius of 50.00 feet, an arc length of 55.70 feet, a delta angle of 63°49'31", and a chord which bears South 30°31'53" East, a distance of 52.86 feet to the end of said curve;

4. South 62°26'39" East, a distance of 191.49 feet to the northeast corner of the herein described tract, being in the curving west right-of-way line of Shoal Creek Boulevard (80' right-of-way - no dedication found), from which a 1/2 inch iron rod found for the common west corner of Lot 1 and Lot 2, SHOAL CREEK VILLAGE, according to the map or plat thereof recorded in Volume 97, Page 35, of said Plat Records, bears South 83°30'05" East, a distance of 84.97 feet;

THENCE, with said west right-of-way line and with said non-tangent curve to the left, having a radius of 318.41 feet, an arc length of 25.15 feet, a delta angle of 04°31'32", and a chord which bears South 21°25'26" West, a distance of 25.14 feet to the southeast corner of the herein described tract, same being the northeast corner of Lot 5, SHOAL COURTS, according to the map or plat thereof recorded in Volume 6, Page 280, of said Plat Records;

THENCE, North 62°26'39" West, with the north line of said Lot 5, passing a 1/2 inch iron rod found in a concrete retaining wall for the northwest corner of said Lot 5 and the northeast corner of said 1.51 acre tract at a distance of 155.49 (record 155.75) feet and continuing for a total distance of 357.88 feet the POINT OF BEGINNING containing 0.667 of one acre of land within these metes and bounds.

Subject tract described herein is an easement. No monumentation set for corners. Bearing Basis: Easterly line of said THE GROVE AT SHOAL CREEK, North 01°22'52" East

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, 2019.

### **HB 4205 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Craddick called up with senate amendments for consideration at this time,

**HB 4205**, A bill to be entitled An Act relating to accountability intervention provisions applicable to school district campuses, including the conditions under which a closed campus may be repurposed to serve students at that campus location and the creation of accelerated campus excellence turnaround plans.

Representative Craddick moved to concur in the senate amendments to **HB 4205**.

The motion to concur in the senate amendments to **HB 4205** prevailed by (Record 1821): 117 Yeas, 24 Nays, 2 Present, not voting.

Yeas — Allison; Anderson; Ashby; Bailes; Bell, C.; Bell, K.; Biedermann; Bohac; Bonnen; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Fierro; Flynn; Frank; Frullo; Geren;

Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Herrero; Holland; Huberty; Hunter; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Lopez; Lozano; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Nevárez; Noble; Oliverson; Pacheco; Paddie; Parker; Patterson; Paul; Phelan; Price; Raney; Raymond; Rodriguez; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Zedler; Zerwas; Zwiener.

Nays — Allen; Anchia; Beckley; Bernal; Blanco; Bowers; Dutton; Hernandez; Hinojosa; Howard; Israel; Longoria; Lucio; Neave; Ortega; Perez; Ramos; Reynolds; Romero; Rose; Rosenthal; Turner, C.; Vo; Wu.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Thierry.

### STATEMENTS OF VOTE

When Record No. 1821 was taken, I was shown voting yes. I intended to vote no.

J. González

When Record No. 1821 was taken, I was shown voting no. I intended to vote yes.

Neave

When Record No. 1821 was taken, I was shown voting no. I intended to vote yes.

Romero

### Senate Amendment No. 1 (Senate Floor Amendment No. 1)

Amend **HB 4205** (senate committee report) as follows:

(1) In SECTION 1 of the bill, in added Section 39A.105(b)(3), Education Code, strike page 2, lines 1 through 7, and substitute the following:

(3) that at least 60 percent of the classroom teachers assigned to the campus be teachers who demonstrated instructional effectiveness during the previous school year, with instructional effectiveness determined by:

(A) for a teacher who taught in the district during the previous school year:

(i) the teacher's impact on student growth as determined using a locally developed value-added model that measures student performance on at least one assessment selected by the district;

(2) In SECTION 1 of the bill, in added Section 39A.105(b)(3)(B), Education Code (page 2, line 15), strike "quartile" and substitute "half".



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

SECTION \_\_\_\_\_. Subchapter C, Chapter 39A, Education Code, is amended by adding Section 39A.116 to read as follows:

Sec. 39A.116. COMMISSIONER AUTHORITY. A decision by the commissioner under this subchapter is final and may not be appealed.

### **Senate Amendment No. 2 (Senate Floor Amendment No. 2)**

Amend **HB 4205** (senate committee printing) as follows:

(1) In SECTION 1 of the bill, in added Section 39A.105(b)(5)(D), Education Code (page 2, line 30), strike "and" after the underlined semicolon.

(2) In SECTION 1 of the bill, following added Section 39A.105(b)(5)(E), Education Code (page 2, between lines 33 and 34), insert the following:

(F) providing student services before or after the instructional day that improve student performance, which may include tutoring, extracurricular activities, counseling services, and offering breakfast, lunch, and dinner to all students at the campus; and

### **HB 2856 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Morrison called up with senate amendments for consideration at this time,

**HB 2856**, A bill to be entitled An Act relating to restrictions under disaster remediation contracts; creating a criminal offense.

Representative Morrison moved to concur in the senate amendments to **HB 2856**.

The motion to concur in the senate amendments to **HB 2856** prevailed by (Record 1822): 135 Yeas, 5 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Lang; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Krause; Shaheen; Tinderholt; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar; Larson; Schaefer.

### STATEMENT OF VOTE

When Record No. 1822 was taken, I was in the house but away from my desk. I would have voted no.

Schaefer

### Senate Committee Substitute

**CSHB 2856**, A bill to be entitled An Act relating to restrictions under disaster remediation contracts; creating a criminal offense.

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

SECTION 1. Sections 58.001(1) and (2), Business & Commerce Code, are amended to read as follows:

(1) "Disaster remediation" means the removal, cleaning, sanitizing, demolition, reconstruction, or other treatment of existing improvements to real property performed because of damage or destruction to that property caused by a natural disaster.

(2) "Disaster remediation contractor" means a person who engages in disaster remediation for compensation, other than a person who has a permit, license, registration, or other authorization from the Texas Commission on Environmental Quality for the collection, transportation, treatment, storage, processing, or disposal of solid waste, but does not include an entity approved by the Internal Revenue Service as tax exempt under Section 501(c)(3), Internal Revenue Code of 1986.

SECTION 2. Section 58.004, Business & Commerce Code, is amended to read as follows:

Sec. 58.004. PENALTIES ~~[DECEPTIVE TRADE PRACTICE]~~. (a) A violation of this chapter by a disaster remediation contractor is a false, misleading, or deceptive act or practice as defined by Section 17.46(b), and any remedy under Subchapter E, Chapter 17, is available for a violation of this chapter.

(b) A disaster remediation contractor who violates Section 58.003(b)(1) or (2) commits an offense. An offense under this section is:

(1) a Class B misdemeanor if the offense was committed without the intent to defraud the person contracting for disaster remediation services; or

(2) a felony of the third degree if the offense was committed with the intent to defraud the person contracting for disaster remediation services.

(c) It is a defense to prosecution under this section if the disaster remediation contractor refunds any payment made in violation of Section 58.003(b)(1) or (2) not later than the 15th day following the receipt of a written demand alleging a violation of Section 58.003(b)(1) or (2) sent by certified mail to the disaster remediation contractor's last known business address or the address of the disaster remediation contractor's registered agent.

SECTION 3. The changes in law made by this Act apply only to a disaster remediation contract entered into on or after the effective date of this Act. A disaster remediation contract entered into before the effective date of this Act is governed by the law in effect when the contract was entered into, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2019.

### **HB 4032 - MOTION TO CONCUR IN SENATE AMENDMENTS**

Representative Guillen called up with senate amendments for consideration at this time,

**HB 4032**, A bill to be entitled An Act relating to the permitting and taxation of certain boats and boat motors; imposing a fee.

Representative Guillen moved to concur in the senate amendments to **HB 4032**.

The motion to concur in the senate amendments to **HB 4032** was lost by (Record 1823): 68 Yeas, 74 Nays, 2 Present, not voting. (The vote was reconsidered later today, and the motion to concur in the senate amendments to **HB 4032** prevailed by Record No. 1925.)

Yeas — Allen; Allison; Anderson; Bohac; Bonnen; Buckley; Burrows; Button; Calanni; Coleman; Collier; Cyrier; Davis, Y.; Deshotel; Fierro; Frank; Geren; Goldman; González, J.; González, M.; Guerra; Guillen; Gutierrez; Harless; Harris; Herrero; Holland; Huberty; Hunter; Kacal; King, T.; Kuempel; Lambert; Lang; Leach; Leman; Lopez; Lozano; Martinez; Martinez Fischer; Meyer; Meza; Middleton; Miller; Morales; Morrison; Murphy; Neave; Noble; Paul; Phelan; Ramos; Raney; Raymond; Rodriguez; Sanford; Shaheen; Sheffield; Shine; Smith; Springer; Stephenson; Thompson, E.; Thompson, S.; Turner, J.; VanDeaver; Walle; Wray.

Nays — Anchia; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Bucy; Burns; Cain; Canales; Capriglione; Clardy; Cortez; Craddick; Dean; Dominguez; Dutton; Flynn; Frullo; Gervin-Hawkins; Goodwin; Hefner; Hernandez; Hinojosa; Howard; Israel; Johnson, J.E.; King, K.; King, P.; Klick; Krause; Landgraf; Larson; Longoria; Lucio; Metcalf; Minjarez; Muñoz; Murr; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Perez; Price; Reynolds; Romero; Rose; Rosenthal; Schaefer; Sherman; Smithee; Stickland; Stucky; Swanson; Talarico; Thierry; Tinderholt; Toth; Turner, C.; Vo; White; Wilson; Wu; Zedler; Zerwas; Wiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar.

### **STATEMENTS OF VOTE**

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Anderson

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Bohac

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Geren

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

J. González

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Martinez

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Martinez Fischer

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Morales

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Neave

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Ramos

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Rodriguez

When Record No. 1823 was taken, I was shown voting yes. I intended to vote no.

Shine

### **HB 4032 - NOTICE GIVEN**

At 4:23 p.m., pursuant to the provisions of Rule 7, Section 37(c), of the House Rules, Representative P. King gave notice that he would, in one hour, move to reconsider the vote by which the motion to concur in the senate amendments to **HB 4032** was lost by Record No. 1823.

**HB 3703 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Klick called up with senate amendments for consideration at this time,

**HB 3703**, A bill to be entitled An Act relating to the dispensing, administration, and use of low-THC cannabis; authorizing low-THC cannabis research; authorizing a fee.

Representative Klick moved to concur in the senate amendments to **HB 3703**.

The motion to concur in the senate amendments to **HB 3703** prevailed by (Record 1824): 136 Yeas, 5 Nays, 1 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Fierro; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Moody(C); Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Craddick; Flynn; Noble; Paul; Smithee.

Present, not voting — Mr. Speaker.

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Dean; Farrar; Vo.

**Senate Committee Substitute**

**CSHB 3703**, A bill to be entitled An Act relating to the prescription of low-THC cannabis for medical use by certain qualified physicians to patients with certain medical conditions.

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

SECTION 1. Section 169.001, Occupations Code, is amended by adding Subdivisions (1-a) and (6) and amending Subdivision (3) to read as follows:

(1-a) "Incurable neurodegenerative disease" means a disease designated as an incurable neurodegenerative disease by rule of the executive commissioner of the Health and Human Services Commission, adopted in consultation with the National Institutes of Health.

(3) "Low-THC cannabis" means the plant Cannabis sativa L., and any part of that plant or any compound, manufacture, salt, derivative, mixture, preparation, resin, or oil of that plant that contains[-

~~[(A)] not more than 0.5 percent by weight of tetrahydrocannabinols[-and~~

~~[(B) not less than 10 percent by weight of cannabidiol].~~

(6) "Terminal cancer" means cancer that meets the criteria for a terminal illness, as defined by Section 1003.051, Health and Safety Code.

SECTION 2. Chapter 169, Occupations Code, is amended by adding Section 169.0011 and amending Sections 169.002, 169.003, and 169.004 to read as follows:

Sec. 169.0011. PRESCRIPTION FOR MEDICAL USE. A reference in this chapter, Chapter 487, Health and Safety Code, or other law to a prescription for medical use or a prescription for low-THC cannabis means an entry in the compassionate-use registry established under Section 487.054, Health and Safety Code.

Sec. 169.002. PHYSICIAN QUALIFIED TO PRESCRIBE LOW-THC CANNABIS TO PATIENTS WITH CERTAIN MEDICAL CONDITIONS. (a) Only a physician qualified with respect to a patient's particular medical condition as provided by this section may prescribe low-THC cannabis in accordance with this chapter to treat the applicable medical condition.

(b) A physician is qualified to prescribe low-THC cannabis with respect to a patient's particular medical condition [to a patient with intractable epilepsy] if the physician:

(1) is licensed under this subtitle;

(2) is board certified in a medical specialty relevant to the treatment of the patient's particular medical condition by a specialty board approved by the American Board of Medical Specialties or the Bureau of Osteopathic Specialists; and

(3) dedicates a significant portion of clinical practice to the evaluation and treatment of the patient's particular medical condition [epilepsy; and

~~[(3) is certified:~~

~~[(A) by the American Board of Psychiatry and Neurology in:~~

~~[(i) epilepsy; or~~

~~[(ii) neurology or neurology with special qualification in child neurology and is otherwise qualified for the examination for certification in epilepsy; or~~

~~[(B) in neurophysiology by:~~

~~[(i) the American Board of Psychiatry and Neurology; or~~

~~[(ii) the American Board of Clinical Neurophysiology].~~

Sec. 169.003. PRESCRIPTION OF LOW-THC CANNABIS. A physician described by Section 169.002 may prescribe low-THC cannabis to a patient ~~[alleviate a patient's seizures]~~ if:

(1) the patient is a permanent resident of the state;  
(2) the physician complies with the registration requirements of Section 169.004; and

(3) the physician certifies to the department that:

(A) the patient is diagnosed with:

(i) ~~[intractable]~~ epilepsy;

(ii) a seizure disorder;

(iii) multiple sclerosis;

(iv) spasticity;

(v) amyotrophic lateral sclerosis;

(vi) autism;

(vii) terminal cancer; or

(viii) an incurable neurodegenerative disease; and

(B) the physician determines the risk of the medical use of low-THC cannabis by the patient is reasonable in light of the potential benefit for the patient~~;~~ and

~~[(C) a second physician qualified to prescribe low-THC cannabis under Section 169.002 has concurred with the determination under Paragraph (B), and the second physician's concurrence is recorded in the patient's medical record].~~

Sec. 169.004. LOW-THC CANNABIS PRESCRIBER REGISTRATION. (a) Before a physician qualified to prescribe low-THC cannabis under Section 169.002 may prescribe or renew a prescription for low-THC cannabis for a patient under this chapter, the physician must register as the prescriber for that patient in the compassionate-use registry maintained by the department under Section 487.054, Health and Safety Code. The physician's registration must indicate:

(1) the physician's name;  
(2) the patient's name and date of birth;  
(3) the dosage prescribed to the patient;  
(4) the means of administration ordered for the patient; and  
(5) the total amount of low-THC cannabis required to fill the patient's prescription.

(b) The department may not publish the name of a physician registered under this section unless permission is expressly granted by the physician.

SECTION 3. Section 169.001(2), Occupations Code, is repealed.

SECTION 4. Not later than December 1, 2019, the executive commissioner of the Health and Human Services Commission, in consultation with the National Institutes of Health, shall adopt rules designating diseases as incurable neurodegenerative diseases for which patients may be prescribed low-THC cannabis for medical use under Chapter 169, Occupations Code, as amended by this Act.

SECTION 5. 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, 2019.

**HB 4258 - HOUSE CONCURS IN SENATE AMENDMENTS**  
**TEXT OF SENATE AMENDMENTS**

Representative Murphy called up with senate amendments for consideration at this time,

**HB 4258**, A bill to be entitled An Act relating to approval by the attorney general of certain bonds financing an educational facility for certain charter schools.

Representative Murphy moved to concur in the senate amendments to **HB 4258**.

The motion to concur in the senate amendments to **HB 4258** prevailed by (Record 1825): 124 Yeas, 15 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anderson; Ashby; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Herrero; Holland; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Lopez; Lozano; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rosenthal; Sanford; Schaefer; Shaheen; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Zedler; Zerwas.

Nays — Anchia; Blanco; Collier; González, J.; Hernandez; Hinojosa; Howard; Longoria; Lucio; Ortega; Ramos; Rose; Turner, C.; Wu; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Bailes; Farrar; Oliverson; Sheffield.

**STATEMENTS OF VOTE**

When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

Beckley



When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

Bernal

When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

Calanni

When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

Goodwin

When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

Israel

When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

Morales

When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

Pacheco

When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

Rosenthal

When Record No. 1825 was taken, I was shown voting yes. I intended to vote no.

J. Turner

When Record No. 1825 was taken, I was shown voting no. I intended to vote yes.

Wu

### **Senate Committee Substitute**

**CSHB 4258**, A bill to be entitled An Act relating to review and approval by the attorney general of certain bonds financing an educational facility for certain charter schools.

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

SECTION 1. Section 53.40, Education Code, is amended by adding Subsection (c) to read as follows:

(c) The attorney general has sole authority to review the record of public notice and hearings relating to any bond financing an educational facility for an authorized charter school, and the attorney general may issue an approval as required by Section 147(f), Internal Revenue Code of 1986.

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, 2019.

**HB 2536 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Oliverson called up with senate amendments for consideration at this time,

**HB 2536**, A bill to be entitled An Act relating to transparency related to drug costs.

Representative Oliverson moved to concur in the senate amendments to **HB 2536**.

The motion to concur in the senate amendments to **HB 2536** prevailed by (Record 1826): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar.

**STATEMENT OF VOTE**

When Record No. 1826 was taken, I was shown voting yes. I intended to vote no.

Hinojosa

**Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 2536** (senate committee report) as follows:

(1) In SECTION 1 of the bill, in added Section 441.0002(c), Health and Safety Code (page 1, line 63), strike "five calendar years or 10" and substitute "three calendar years or 15".

(2) In SECTION 1 of the bill, in added Section 441.0002(c), Health and Safety Code (page 2, line 1), strike "12 months" and substitute "calendar year".

(3) In SECTION 1 of the bill, in added Section 441.0002(c)(5), Health and Safety Code (page 2, line 15), strike "five" and substitute "three".

(4) In SECTION 1 of the bill, in added Section 441.0002(c)(6), Health and Safety Code (page 2, line 18), strike "five" and substitute "three".

(5) In SECTION 1 of the bill, in added Section 441.0002(c)(6), Health and Safety Code (page 2, line 18), immediately following "calendar years;", insert "and".

(6) In SECTION 1 of the bill, in added Section 441.0002(c), Health and Safety Code, strike Subdivisions (7), (8), and (9) (page 2, lines 19-26) and substitute the following:

(7) a statement regarding the factor or factors that caused the increase in the wholesale acquisition cost and an explanation of the role of each factor's impact on the cost.

(7) In SECTION 2 of the bill, in added Section 1369.502, Insurance Code (page 3, between lines 23 and 24), between Subsections (a) and (b), insert the following:

(a-1) Notwithstanding Subsection (a), the report due not later than February 1, 2020, under that subsection must state the required information for the immediately preceding three calendar years in addition to stating the required information for the preceding calendar year. This subsection expires September 1, 2021.

(8) In SECTION 2 of the bill, in added Section 1369.502, Insurance Code, strike Subsection (c) (page 3, lines 30-32) and substitute the following:

(c) Not later than May 1 of each year, the commissioner shall publish the aggregated data from all reports for that year required by this section in an appropriate location on the department's Internet website. The combined aggregated data from the reports must be published in a manner that does not disclose or tend to disclose proprietary or confidential information of any pharmacy benefit manager.

(9) In SECTION 2 of the bill, in added Section 1369.503, Insurance Code, strike Subsection (c) (page 3, lines 51-53) and substitute the following:

(c) Not later than May 1 of each year, the commissioner shall publish the aggregated data from all reports for that year required by this section in an appropriate location on the department's Internet website. The combined aggregated data from the reports must be published in a manner that does not disclose or tend to disclose proprietary or confidential information of any health benefit plan issuer.

## **HB 2210 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative K. Bell called up with senate amendments for consideration at this time,

**HB 2210**, A bill to be entitled An Act relating to the consideration for public school accountability purposes of certain students receiving residential services in state hospitals.

Representative K. Bell moved to concur in the senate amendments to **HB 2210**.

The motion to concur in the senate amendments to **HB 2210** prevailed by (Record 1827): 140 Yeas, 2 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Hinojosa; Toth.

Present, not voting — Mr. Speaker; Longoria; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 2210** (senate committee printing) as follows:

(1) In SECTION 1 of the bill, strike added Section 39.0552 (page 1, lines 28 through 34), and substitute the following:

Sec. 39.0552. MEMORANDUM OF UNDERSTANDING BETWEEN SCHOOL DISTRICT AND STATE HOSPITAL FOR ACCOUNTABILITY PURPOSES. A memorandum of understanding between a school district and a state hospital under which the district provides educational services to a student who resides in the state hospital must provide that the school district include the performance of the student on an assessment instrument or other achievement indicator adopted under Section 39.053 or a reporting indicator adopted under Section 39.301 in determining the performance of that school district.

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

SECTION \_\_\_\_\_. This Act applies to a memorandum of understanding entered into between a school district and a state hospital before, on, or after the effective date of this Act. A memorandum of understanding entered into before the effective date of this Act must be amended as soon as practicable after the effective date of this Act.

### **HB 2041 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Oliverson called up with senate amendments for consideration at this time,

**HB 2041**, A bill to be entitled An Act relating to the regulation of freestanding emergency medical care facilities.

Representative Oliverson moved to concur in the senate amendments to **HB 2041**.

The motion to concur in the senate amendments to **HB 2041** prevailed by (Record 1828): 141 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithe; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 2041** (senate committee report) as follows:

(1) In SECTION 6 of the bill, immediately following added Section 254.156(i), Health and Safety Code (page 3, between lines 51 and 52), insert the following:

(j) A facility's failure to obtain the signed disclosure statement required by this section from the patient or the patient's legally authorized representative may not be a determining factor in the adjudication of liability for health care services provided to the patient at the facility.

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

SECTION \_\_\_\_\_. The Health and Human Services Commission and the Department of State Health Services are required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commission and department may, but are not required to, implement a provision of this Act using other appropriations available for that purpose.

### **HB 1869 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Klick called up with senate amendments for consideration at this time,

**HB 1869**, A bill to be entitled An Act relating to the composition of the Governor's EMS and Trauma Advisory Council.

Representative Klick moved to concur in the senate amendments to **HB 1869**.

The motion to concur in the senate amendments to **HB 1869** prevailed by (Record 1829): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Farrar.

**Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 1869** (senate committee printing) as follows:

(1) In SECTION 1 of the bill, in amended Section 773.012(b), Health and Safety Code (page 1, line 25), strike "17" and substitute "19".

(2) In SECTION 1 of the bill, in amended Section 773.012(b), Health and Safety Code (page 1, line 25), add the following appropriately numbered subdivisions to that section and renumber subsequent subdivisions accordingly:

( ) a representative of a stand-alone emergency medical services agency in a municipality or taxing district, appointed from a list of names recommended by a statewide association representing emergency medical services agencies;

( ) a certified paramedic, appointed from a list of names recommended by a statewide association representing emergency medical services agencies or emergency medical services personnel;

(3) In SECTION 2 of the bill, in amended Section 773.012(f), Health and Safety Code (page 2, line 14), strike "five or six" and substitute "six or seven [~~five~~]".

**HB 1025 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Bohac called up with senate amendments for consideration at this time,

**HB 1025**, A bill to be entitled An Act relating to candidacy for and membership on the board of certain property owners' associations.

Representative Bohac moved to concur in the senate amendments to **HB 1025**.

The motion to concur in the senate amendments to **HB 1025** prevailed by (Record 1830): 134 Yeas, 7 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Dean; Lang; Reynolds; Stickland; Tinderholt; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Nevárez; Vo.

### STATEMENT OF VOTE

When Record No. 1830 was taken, I was shown voting yes. I intended to vote no.

Schaefer

### Senate Committee Substitute

**CSHB 1025**, A bill to be entitled An Act relating to membership on and the eligibility of certain persons to serve on the board of certain property owners' associations.

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

SECTION 1. Section 209.00591, Property Code, is amended by adding Subsections (a-2) and (a-3) to read as follows:

(a-2) Notwithstanding any other provision of this chapter, a property owners' association that governs a subdivision comprised of multiple sections may designate in an association instrument governing the administration or operation of the association a specified number of positions on the board, each of which must be elected from a designated section of the subdivision. The instrument may require each board member representing a section to reside in that section.

(a-3) A person may not serve on the board of a property owners' association if the person cohabits at the same primary residence with another board member of the association. This subsection does not apply:

(1) to an association with fewer than 10 residences; or

(2) during a subdivision's development period to affect the eligibility to serve on the board of:

(A) a person who cohabits with a developer of the subdivision regulated by the association; or

(B) the developer.

SECTION 2. Section 209.00591(a-3), Property Code, as added by this Act:

(1) does not affect the entitlement of a member serving on the board of a property owners' association immediately before the effective date of this Act to continue to carry out the board's functions for the remainder of the member's term; and

(2) applies only to a member elected on or after the effective date of this Act.

SECTION 3. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2019.

(b) Section 209.00591(a-3), Property Code, as added by this Act, takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution.



If this Act does not receive the vote necessary for immediate effect, Section 209.00591(a-3), Property Code, as added by this Act, takes effect September 1, 2019.

### **HB 1078 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Oliverson called up with senate amendments for consideration at this time,

**HB 1078**, A bill to be entitled An Act relating to waiving certain driver's license and handgun license fees for certain applicants who hold a certification in cardiopulmonary resuscitation.

Representative Oliverson moved to concur in the senate amendments to **HB 1078**.

The motion to concur in the senate amendments to **HB 1078** prevailed by (Record 1831): 135 Yeas, 6 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Collier; González, J.; Meza; Ramos; Rose; Stickland.

Present, not voting — Mr. Speaker; Moody(C); Toth.

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Vo.

### **STATEMENT OF VOTE**

When Record No. 1831 was taken, I was shown voting present, not voting. I intended to vote yes.

Toth

**Senate Committee Substitute**

**CSHB 1078**, A bill to be entitled An Act relating to waiving certain driver's license and handgun license fees for certain applicants who hold a certification in cardiopulmonary resuscitation.

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

SECTION 1. Subchapter H, Chapter 411, Government Code, is amended by adding Section 411.1954 to read as follows:

Sec. 411.1954. WAIVER OF CERTAIN FEES FOR CERTAIN APPLICANTS WHO HOLD CARDIOPULMONARY RESUSCITATION CERTIFICATION. (a) Notwithstanding any other provision of this subchapter, the department shall waive any fee required for the issuance of an original or renewed license under this subchapter if at the time of the application the applicant for the license submits to the department satisfactory evidence that the applicant:

(1) holds a current certification in cardiopulmonary resuscitation issued by the American Heart Association, the American Red Cross, or another nationally recognized association; and

(2) is not required to hold the certification described by Subdivision (1) as a condition of obtaining or maintaining employment or an occupational license.

(b) For purposes of Subsection (a)(2), "occupational license" means a license, certificate, registration, permit, or other form of authorization that a person must obtain to practice or engage in a particular business, occupation, or profession.

SECTION 2. Subchapter I, Chapter 521, Transportation Code, is amended by adding Section 521.1812 to read as follows:

Sec. 521.1812. WAIVER OF CERTAIN FEES FOR CERTAIN APPLICANTS WHO HOLD CARDIOPULMONARY RESUSCITATION CERTIFICATION. (a) A person is exempt from the payment of any fee for the issuance of an original or renewal driver's license, as provided under this chapter, if at the time of the application for an original or renewal driver's license the person submits to the department satisfactory evidence that the person:

(1) holds a current certification in cardiopulmonary resuscitation issued by the American Heart Association, the American Red Cross, or another nationally recognized association; and

(2) is not required to hold the certification described by Subdivision (1) as a condition of obtaining or maintaining employment or an occupational license.

(b) For purposes of Subsection (a)(2), "occupational license" means a license, certificate, registration, permit, or other form of authorization that a person must obtain to practice or engage in a particular business, occupation, or profession.

(c) The department shall establish a record of the amount of the fees waived under this section that would otherwise be deposited to the credit of the Texas mobility fund.

(d) On or before the fifth workday of each month, the department, using available funds, shall remit to the comptroller for deposit to the credit of the Texas mobility fund general revenue in an amount equal to the amount of the fees described by Subsection (c) in the preceding month.

SECTION 3. (a) Section 411.1954, Government Code, as added by this Act, applies only to an application for an original or renewed license to carry a 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.

(b) Section 521.1812, Transportation Code, as added by this Act, applies only to an application for an original or renewal driver's license 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.

SECTION 4. The Department of Public Safety of the State of Texas is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Department of Public Safety of the State of Texas may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 5. This Act takes effect September 1, 2019.

### **HB 1063 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Price called up with senate amendments for consideration at this time,

**HB 1063**, A bill to be entitled An Act relating to telemedicine medical, telehealth, and home telemonitoring services under Medicaid.

Representative Price moved to concur in the senate amendments to **HB 1063**.

The motion to concur in the senate amendments to **HB 1063** prevailed by (Record 1832): 142 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez;

Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

### Senate Committee Substitute

**CSHB 1063**, A bill to be entitled An Act relating to telemedicine medical, telehealth, and home telemonitoring services under Medicaid.

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

SECTION 1. Section 531.0216(f), Government Code, is amended to read as follows:

(f) Not later than December 1 of each even-numbered year, the commission shall report to the speaker of the house of representatives and the lieutenant governor on the effects of telemedicine medical services, telehealth services, and home telemonitoring services on Medicaid in the state, including the number of physicians, health professionals, and licensed health care facilities using telemedicine medical services, telehealth services, or home telemonitoring services, the geographic and demographic disposition of the physicians and health professionals, the number of patients receiving telemedicine medical services, telehealth services, and home telemonitoring services, the types of services being provided, ~~and~~ the cost of utilization, and the cost savings of telemedicine medical services, telehealth services, and home telemonitoring services to Medicaid.

SECTION 2. Section 531.02164, Government Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) Notwithstanding Subsection (c)(1), the program required under this section must also provide that home telemonitoring services are available to pediatric persons who:

- (1) are diagnosed with end-stage solid organ disease;
- (2) have received an organ transplant; or
- (3) require mechanical ventilation.

SECTION 3. Section 531.02176, Government Code, is repealed.

SECTION 4. The executive commissioner of the Health and Human Services Commission shall adopt the rules necessary to implement Section 531.02164(c-1), Government Code, as added by this Act, not later than December 1, 2019.

SECTION 5. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 6. The Health and Human Services Commission is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commission may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 7. This Act takes effect September 1, 2019.

**HB 1495 - HOUSE REFUSES TO CONCUR  
IN SENATE AMENDMENTS  
CONFERENCE COMMITTEE APPOINTED**

Representative Toth called up with senate amendments for consideration at this time,

**HB 1495**, A bill to be entitled An Act relating to authorization for the creation of a county ethics commission in certain counties and to authorizing counties to adopt a code of ethics for their commissioners courts.

Representative Toth moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 1495**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 1495**: Toth, chair; Bohac, Gutierrez, Middleton, and Noble.

**HB 170 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Bernal called up with senate amendments for consideration at this time,

**HB 170**, A bill to be entitled An Act relating to coverage for mammography under certain health benefit plans.

Representative Bernal moved to concur in the senate amendments to **HB 170**.

The motion to concur in the senate amendments to **HB 170** prevailed by (Record 1833): 128 Yeas, 13 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martínez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy;

Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Buckley; Cain; Dean; Harris; Lang; Oliverson; Patterson; Schaefer; Shaheen; Springer; Toth; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Davis, Y.; Middleton.

### STATEMENT OF VOTE

When Record No. 1833 was taken, I was in the house but away from my desk. I would have voted no.

Middleton

### Senate Committee Substitute

**CSHB 170**, A bill to be entitled An Act relating to coverage for mammography under certain health benefit plans.

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

SECTION 1. Section 1356.001, Insurance Code, is amended by adding Subdivision (1-a) to read as follows:

(1-a) "Diagnostic mammogram" means an imaging examination designed to evaluate:

(A) a subjective or objective abnormality detected by a physician in a breast;

(B) an abnormality seen by a physician on a screening mammogram;

(C) an abnormality previously identified by a physician as probably benign in a breast for which follow-up imaging is recommended by a physician; or

(D) an individual with a personal history of breast cancer.

SECTION 2. Section 1356.002, Insurance Code, is amended by amending Subsection (g) and adding Subsection (i) to read as follows:

(g) Notwithstanding any provision in Chapter 1551, 1575, 1579, or 1601 or any other law, this chapter applies to:

(1) a basic coverage plan under Chapter 1551;

(2) a basic plan under Chapter 1575;

(3) a primary care coverage plan under Chapter 1579; and

(4) basic coverage under Chapter 1601.

(i) To the extent allowed by federal law, this chapter applies to:

(1) the state Medicaid program operated under Chapter 32, Human Resources Code; and

(2) a Medicaid managed care program operated under Chapter 533, Government Code.

SECTION 3. Section 1356.005, Insurance Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) A health benefit plan that provides coverage for a screening mammogram must provide coverage for a diagnostic mammogram that is no less favorable than the coverage for a screening mammogram.

SECTION 4. Section 1356.0021, Insurance Code, is repealed.

SECTION 5. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 6. This Act applies only to a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2020. A health benefit plan that is delivered, issued for delivery, or renewed before January 1, 2020, 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 7. This Act takes effect September 1, 2019.

## **HB 3285 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Sheffield called up with senate amendments for consideration at this time,

**HB 3285**, A bill to be entitled An Act relating to programs and initiatives to prevent and respond to opioid addiction, misuse, abuse, and overdose and identify and treat co-occurring substance use disorders and mental illness.

Representative Sheffield moved to concur in the senate amendments to **HB 3285**.

The motion to concur in the senate amendments to **HB 3285** prevailed by (Record 1834): 124 Yeas, 18 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose;

Rosenthal; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Biedermann; Cain; Cyrier; Harris; Hefner; Krause; Lang; Metcalf; Middleton; Patterson; Sanford; Schaefer; Shaheen; Swanson; Tinderholt; Toth; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Vo.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 3285** (senate committee report) as follows:

(1) In SECTION 5 of the bill, in added Section 461A.058, Health and Safety Code (page 2, line 38) strike "implement" and substitute "operate".

(2) In SECTION 5 of the bill, in added Section 461A.059, Health and Safety Code (page 2, line 51) strike "establish" and substitute "operate".

(3) In SECTION 11 of the bill (page 4, line 18), between "SECTION 11." and "Not", insert "(a)".

(4) In SECTION 11 of the bill (page 4, between lines 24 and 25), insert the following:

(b) Notwithstanding Subsection (a) of this section, if an opioid misuse public awareness campaign described by Section 461.058, Health and Safety Code, as added by this Act, is already in operation as of the effective date of this Act, the Health and Human Services Commission and the Department of State Health Services may continue to operate that public awareness campaign to satisfy the requirements of that section.

(c) Notwithstanding Subsection (a) of this section, if an opioid antagonist program described by Section 461A.059, Health and Safety Code, as added by this Act, is already in operation as of the effective date of this Act, the Health and Human Services Commission may continue to operate that program to satisfy the requirements of that section.

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

SECTION \_\_\_\_\_. A state agency is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the state agency may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

### **Senate Amendment No. 2 (Senate Floor Amendment No. 2)**

Amend **HB 3285** (senate committee printing) by inserting the following appropriately numbered sections and renumbering the remaining sections accordingly:

SECTION \_\_\_\_\_. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.9362 to read as follows:



Sec. 51.9362. OVERDOSE AWARENESS TRAINING FOR RESIDENTIAL ADVISORS AND STUDENT ORGANIZATION OFFICERS. (a) In this section:

(1) "Public or private institution of higher education" includes an "institution of higher education" and a "private or independent institution of higher education" as those terms are defined by Section 61.003.

(2) "Residential advisor" means a student who is employed by a public or private institution of higher education to serve in an advisory capacity for students living in a residential facility.

(3) "Residential facility" means a residence used exclusively for housing or boarding students or faculty of a public or private institution of higher education.

(4) "Student organization" includes any organization that is composed mostly of students enrolled at a public or private institution of higher education and that:

(A) is registered with the institution;

(B) receives student organization resource fee revenues or other funding from the institution; or

(C) is otherwise recognized as a student organization by the institution.

(b) A public or private institution of higher education that imposes any mandatory training requirements on residential advisors or officers of student organizations must ensure that overdose awareness and appropriate response training is included with that training.

SECTION \_\_\_\_\_. Section 51.9362, Education Code, as added by this Act applies beginning with training required for the 2019-2020 academic year.

**HB 3231 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Clardy called up with senate amendments for consideration at this time,

**HB 3231**, A bill to be entitled An Act relating to the regulation of firearms, air guns, knives, ammunition, or firearm or air gun supplies or accessories by a county or municipality.

Representative Clardy moved to concur in the senate amendments to **HB 3231**.

The motion to concur in the senate amendments to **HB 3231** prevailed by (Record 1835): 104 Yeas, 37 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anderson; Ashby; Bell, C.; Bell, K.; Biedermann; Bohac; Bonnen; Buckley; Burns; Burrows; Cain; Canales; Capriglione; Clardy; Coleman; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Flynn; Frank; Frullo; Geren; Goldman; Guerra; Guillen; Harless; Harris; Hefner; Herrero; Holland; Huberty; Hunter; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Lopez; Lozano; Martinez; Martinez Fischer; Metcalf;

Meyer; Meza; Middleton; Miller; Morrison; Muñoz; Murphy; Murr; Noble; Oliverson; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Rodriguez; Sanford; Schaefer; Shaheen; Sheffield; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thierry; Thompson, E.; Tinderholt; Toth; VanDeaver; Vo; Walle; White; Wilson; Wray; Zedler; Zerwas.

Nays — Anchia; Bailes; Beckley; Blanco; Bowers; Bucy; Calanni; Collier; Fierro; Gervin-Hawkins; González, J.; González, M.; Goodwin; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Longoria; Lucio; Minjarez; Morales; Neave; Nevárez; Ortega; Ramos; Reynolds; Romero; Rose; Rosenthal; Sherman; Talarico; Thompson, S.; Turner, C.; Turner, J.; Wu; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Bernal; Button.

### STATEMENTS OF VOTE

When Record No. 1835 was taken, I was shown voting no. I intended to vote yes.

Bailes

When Record No. 1835 was taken, I was shown voting yes. I intended to vote no.

J.E. Johnson

When Record No. 1835 was taken, I was shown voting yes. I intended to vote no.

Lopez

### Senate Committee Substitute

**CSHB 3231**, A bill to be entitled An Act relating to the regulation of firearms, air guns, knives, ammunition, or firearm or air gun supplies or accessories by a county or municipality.

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

SECTION 1. Section 229.001, Local Government Code, is amended by amending Subsections (a), (b), (d), (e), and (f) and adding Subsections (a-1), (b-1), and (d-1) to read as follows:

(a) Notwithstanding any other law, including Section 43.002 of this code and Chapter 251, Agriculture Code, a municipality may not adopt regulations relating to:

(1) the transfer, possession, wearing, carrying, ~~[private]~~ ownership, storage ~~[keeping]~~, transportation, licensing, or registration of firearms, air guns, knives, ammunition, or firearm or air gun supplies or accessories; ~~[or]~~

(2) commerce in firearms, air guns, knives, ammunition, or firearm or air gun supplies or accessories; or

(3) the discharge of a firearm or air gun at a sport shooting range.

(a-1) An ordinance, resolution, rule, or policy adopted or enforced by a municipality, or an official action, including in any legislative, police power, or proprietary capacity, taken by an employee or agent of a municipality in violation of this section is void.

(b) Subsection (a) does not affect the authority a municipality has under another law to:

(1) require residents or public employees to be armed for personal or national defense, law enforcement, or another lawful purpose;

(2) regulate the discharge of firearms or air guns within the limits of the municipality, other than at a sport shooting range;

(3) except as provided by Subsection (b-1), adopt or enforce a generally applicable zoning ordinance, land use regulation, fire code, or business ordinance ~~[regulate the use of property, the location of a business, or uses at a business under the municipality's fire code, zoning ordinance, or land use regulations as long as the code, ordinance, or regulations are not used to circumvent the intent of Subsection (a) or Subdivision (5) of this subsection];~~

(4) regulate the use of firearms, air guns, or knives in the case of an insurrection, riot, or natural disaster if the municipality finds the regulations necessary to protect public health and safety;

(5) regulate the storage or transportation of explosives to protect public health and safety, except that 25 pounds or less of black powder for each private residence and 50 pounds or less of black powder for each retail dealer are not subject to regulation;

(6) regulate the carrying of a firearm or air gun by a person other than a person licensed to carry a handgun under Subchapter H, Chapter 411, Government Code, at a:

(A) public park;

(B) public meeting of a municipality, county, or other governmental body;

(C) political rally, parade, or official political meeting; or

(D) nonfirearms-related school, college, or professional athletic event;

(7) regulate the carrying of a firearm by a person licensed to carry a handgun under Subchapter H, Chapter 411, Government Code, in accordance with Section 411.209, Government Code;

(8) regulate the hours of operation of a sport shooting range, except that the hours of operation may not be more limited than the least limited hours of operation of any other business in the municipality other than a business permitted or licensed to sell or serve alcoholic beverages for on-premises consumption; ~~[or]~~

(9) ~~(8)~~ regulate the carrying of an air gun by a minor on:

(A) public property; or

(B) private property without consent of the property owner; or

(10) except as provided by Subsection (d-1), regulate or prohibit an employee's carrying or possession of a firearm, firearm accessory, or ammunition in the course of the employee's official duties.

(b-1) The exception provided by Subsection (b)(3) does not apply if the ordinance or regulation is designed or enforced to effectively restrict or prohibit the manufacture, sale, purchase, transfer, or display of firearms, firearm accessories, or ammunition that is otherwise lawful in this state.

(d) The exception provided by Subsection (b)(4) does not authorize the seizure or confiscation of any firearm, air gun, knife, ~~or~~ ammunition, or firearm or air gun supplies or accessories from an individual who is lawfully carrying or possessing the firearm, air gun, knife, ~~or~~ ammunition, or firearm or air gun supplies or accessories.

(d-1) The exception provided by Subsection (b)(10) does not authorize a municipality to regulate an employee's carrying or possession of a firearm in violation of Subchapter G, Chapter 52, Labor Code.

(e) In this section:

(1) "Air gun" means any gun that discharges a pellet, BB, or paintball by means of compressed air, gas propellant, or a spring.

(2) "Ammunition" means fixed cartridge ammunition, shotgun shells, individual components of fixed cartridge ammunition and shotgun shells, projectiles for muzzle-loading firearms, or any propellant used in firearms or ammunition.

(3) "Firearm or air gun accessory" means a device specifically designed or adapted to:

(A) enable the wearing or carrying by a person, or the storage or mounting in or on a conveyance, of a firearm or air gun; or

(B) be inserted into or affixed to a firearm or air gun to enable, alter, or improve the functioning or capabilities of the firearm.

(4) "Knife" has the meaning assigned by Section 46.01, Penal Code.

(5) ~~(3)~~ "Sport shooting range" has the meaning assigned by Section 250.001.

(f) The attorney general may bring an action in the name of the state to obtain a temporary or permanent injunction against a municipality adopting a regulation in violation of this section. The attorney general may recover reasonable expenses incurred in obtaining an injunction under this subsection, including court costs, reasonable attorney's fees, investigative costs, witness fees, and deposition costs.

SECTION 2. Section 236.001(1), Local Government Code, is amended to read as follows:

(1) "Air gun," "ammunition," and "firearm or air gun accessory" have the meanings ~~gun~~ has the meaning assigned by Section 229.001.

SECTION 3. Section 236.002, Local Government Code, is amended to read as follows:

Sec. 236.002. FIREARMS; AIR GUNS; SPORT SHOOTING RANGE.

(a) Notwithstanding any other law, including Chapter 251, Agriculture Code, a county may not adopt or enforce regulations relating to:

(1) the transfer, possession, wearing, carrying, ~~private~~ ownership, storage ~~keeping~~, transportation, licensing, or registration of firearms, air guns, knives, ammunition, or firearm or air gun supplies or accessories; ~~or~~

(2) commerce in firearms, air guns, knives, ammunition, or firearm or air gun supplies or accessories; or

(3) the discharge of a firearm or air gun at a sport shooting range.

(b) An ordinance, rule, resolution, or policy adopted or enforced by a county, or an official action, including in any legislative, police power, or proprietary capacity, taken by an employee or agent of a county in violation of this section is void.

(c) Subsection (a) does not affect the authority of a county to:

(1) require a resident or public employee to be armed for personal or national defense, law enforcement, or other purpose under other law;

(2) regulate the discharge of firearms or air guns in accordance with Section 235.022;

(3) regulate the carrying of a firearm by a person licensed to carry a handgun under Subchapter H, Chapter 411, Government Code, in accordance with Section 411.209, Government Code;

(4) except as provided by Subsection (d), adopt or enforce a generally applicable land use regulation, fire code, or business regulation; or

(5) except as provided by Subsection (e), regulate or prohibit an employee's carrying or possession of a firearm, firearm accessory, or ammunition in the course of the employee's official duties.

(d) A county order or regulation designed or enforced to effectively restrict or prohibit the manufacture, sale, purchase, transfer, or display of firearms, firearm accessories, or ammunition that is otherwise lawful in this state is void.

(e) Subsection (c)(5) does not authorize a county to regulate an employee's carrying or possession of a firearm in violation of Subchapter G, Chapter 52, Labor Code.

(f) The attorney general may bring an action in the name of the state to obtain a temporary or permanent injunction against a county adopting a regulation, other than a regulation under Section 236.003, in violation of this section. The attorney general may recover reasonable expenses incurred in obtaining an injunction under this subsection, including court costs, reasonable attorney's fees, investigative costs, witness fees, and deposition costs.

SECTION 4. This Act takes effect September 1, 2019.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 3231** (committee printing) on page 3 between lines 10 and 11 by adding subsection (g) as follows:

(g) This section does not limit the enforceability of any state or federal law.

### **HB 2195 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Meyer called up with senate amendments for consideration at this time,

**HB 2195**, A bill to be entitled An Act relating to an active shooter emergency policy for school districts and required active shooter training for school district peace officers and school resource officers.

Representative Meyer moved to concur in the senate amendments to **HB 2195**.

The motion to concur in the senate amendments to **HB 2195** prevailed by (Record 1836): 141 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Vo; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Tinderholt.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Button.

### STATEMENT OF VOTE

When Record No. 1836 was taken, I was shown voting no. I intended to vote yes.

Tinderholt

### Senate Amendment No. 1 (Senate Floor Amendment No. 1)

Amend **HB 2195** (senate committee printing) as follows:

(1) In the recital to SECTION 1 of the bill (page 1, line 26), strike "(f)" and substitute "(g)".

(2) In SECTION 1 of the bill, amending Section 37.108, Education Code (page 1, line 27), strike "(f)" and substitute "(g)".

### HB 3012 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS

Representative Talarico called up with senate amendments for consideration at this time,

**HB 3012**, A bill to be entitled An Act relating to the disposition of certain students to alternative education settings and the provision of educational services to students in those settings or subject to in-school or out-of-school suspension.

Representative Talarico moved to concur in the senate amendments to **HB 3012**.

The motion to concur in the senate amendments to **HB 3012** prevailed by (Record 1837): 134 Yeas, 7 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zerwas; Zwiener.

Nays — Cain; Flynn; Harris; Krause; Lang; Schaefer; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.

Absent — Button; Vo.

### STATEMENT OF VOTE

When Record No. 1837 was taken, I was shown voting yes. I intended to vote no.

Swanson

### Senate Amendment No. 1 (Senate Floor Amendment No. 1)

Amend **HB 3012** (senate committee report) in SECTION 2 of the bill, in amended Section 37.011(b), Education Code (page 1, line 42), by striking "under Section 22.07" and substituting "as described by Section 22.07(c-1), (d), or (e)".

### LEAVE OF ABSENCE GRANTED

The following member was granted leave of absence for the remainder of today because of important business:

Vo on motion of Bernal.

**HB 1174 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Reynolds called up with senate amendments for consideration at this time,

**HB 1174**, A bill to be entitled An Act relating to the authority of a county assistance district to provide a grant or loan.

Representative Reynolds moved to concur in the senate amendments to **HB 1174**.

The motion to concur in the senate amendments to **HB 1174** prevailed by (Record 1838): 93 Yeas, 48 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Bailes; Beckley; Bell, K.; Bernal; Blanco; Bohac; Bowers; Bucy; Burns; Calanni; Canales; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paul; Perez; Phelan; Ramos; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Smith; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; Wu; Zerwas; Zwiener.

Nays — Anderson; Ashby; Bell, C.; Biedermann; Bonnen; Buckley; Burrows; Cain; Capriglione; Clardy; Craddick; Cyrier; Dean; Geren; Goldman; Harless; Harris; Hefner; Holland; King, P.; Krause; Landgraf; Lang; Larson; Leman; Metcalf; Middleton; Murr; Noble; Oliverson; Paddie; Parker; Patterson; Price; Raney; Sanford; Schaefer; Shaheen; Smithee; Springer; Stickland; Swanson; Tinderholt; Toth; White; Wilson; Wray; Zedler.

Present, not voting — Mr. Speaker; Button; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

**STATEMENTS OF VOTE**

When Record No. 1838 was taken, I was shown voting present, not voting. I intended to vote no.

Button

When Record No. 1838 was taken, I was shown voting yes. I intended to vote no.

Frullo

When Record No. 1838 was taken, I was shown voting yes. I intended to vote no.

K. King



When Record No. 1838 was taken, I was shown voting yes. I intended to vote no.

Kuempel

When Record No. 1838 was taken, I was shown voting yes. I intended to vote no.

Phelan

When Record No. 1838 was taken, I was shown voting yes. I intended to vote no.

Stucky

### **Senate Committee Substitute**

**CSHB 1174**, A bill to be entitled An Act relating to the authority of certain county assistance districts to provide a grant or loan.

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

SECTION 1. Section 387.006(a), Local Government Code, is amended to read as follows:

(a) A district may:

(1) perform any act necessary to the full exercise of the district's functions;

(2) accept a grant or loan from:

(A) the United States;

(B) an agency or political subdivision of this state; or

(C) a public or private person;

(3) acquire, sell, lease, convey, or otherwise dispose of property or an interest in property under terms determined by the district;

(4) employ necessary personnel;

(5) adopt rules to govern the operation of the district and its employees and property; ~~and~~

(6) enter into agreements with municipalities necessary or convenient to achieve the district's purposes, including agreements regarding the duration, rate, and allocation between the district and the municipality of sales and use taxes; and

(7) if the district is created by a county with a population of more than 580,000 that borders a county with a population of more than four million, provide a grant or loan to a political subdivision to assist in funding the performance of one or more functions a district is authorized to perform under this chapter.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 36 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Ortega called up with senate amendments for consideration at this time,

**HB 36**, A bill to be entitled An Act relating to expedited proceedings in cases involving dangerously damaged or deteriorated or substandard buildings or improvements in a municipality.

Representative Ortega moved to concur in the senate amendments to **HB 36**.

The motion to concur in the senate amendments to **HB 36** prevailed by (Record 1839): 102 Yeas, 38 Nays, 4 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Clardy; Coleman; Collier; Cortez; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, T.; Klick; Kuempel; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paul; Perez; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walles; Wray; Wu; Zerwas; Zwiener.

Nays — Ashby; Bohac; Bonnen; Cain; Capriglione; Craddick; Dean; Flynn; Frank; Goldman; Harris; Hefner; King, K.; King, P.; Krause; Landgraf; Lang; Metcalf; Middleton; Miller; Morrison; Oliverson; Paddie; Parker; Patterson; Phelan; Price; Sanford; Schaefer; Shaheen; Smith; Smithee; Springer; Stickland; Swanson; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Lambert; Moody(C); White.

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### STATEMENT OF VOTE

When Record No. 1839 was taken, I was shown voting present, not voting. I intended to vote yes.

White

### Senate Committee Substitute

**CSHB 36**, A bill to be entitled An Act relating to expedited proceedings in cases involving dangerously damaged or deteriorated or substandard buildings or improvements in certain municipalities.

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

SECTION 1. Section 51.014(a), Civil Practice and Remedies Code, is amended to read as follows:

(a) A person may appeal from an interlocutory order of a district court, county court at law, statutory probate court, or county court that:

(1) appoints a receiver or trustee;

(2) overrules a motion to vacate an order that appoints a receiver or trustee;

(3) certifies or refuses to certify a class in a suit brought under Rule 42 of the Texas Rules of Civil Procedure;

(4) grants or refuses a temporary injunction or grants or overrules a motion to dissolve a temporary injunction as provided by Chapter 65;

(5) denies a motion for summary judgment that is based on an assertion of immunity by an individual who is an officer or employee of the state or a political subdivision of the state;

(6) denies a motion for summary judgment that is based in whole or in part upon a claim against or defense by a member of the electronic or print media, acting in such capacity, or a person whose communication appears in or is published by the electronic or print media, arising under the free speech or free press clause of the First Amendment to the United States Constitution, or Article I, Section 8, of the Texas Constitution, or Chapter 73;

(7) grants or denies the special appearance of a defendant under Rule 120a, Texas Rules of Civil Procedure, except in a suit brought under the Family Code;

(8) grants or denies a plea to the jurisdiction by a governmental unit as that term is defined in Section 101.001;

(9) denies all or part of the relief sought by a motion under Section 74.351(b), except that an appeal may not be taken from an order granting an extension under Section 74.351;

(10) grants relief sought by a motion under Section 74.351(l);

(11) denies a motion to dismiss filed under Section 90.007;

(12) denies a motion to dismiss filed under Section 27.003; [✖]

(13) denies a motion for summary judgment filed by an electric utility regarding liability in a suit subject to Section 75.0022; or

(14) denies a motion filed by a municipality with a population of 500,000 or more in an action filed under Section 54.012(6) or 214.0012, Local Government Code.

SECTION 2. Subchapter B, Chapter 54, Local Government Code, is amended by adding Section 54.0155 to read as follows:

Sec. 54.0155. EXPEDITED PROCEEDINGS FOR CERTAIN CIVIL ACTIONS. (a) A court shall expedite any proceeding, including an appeal in accordance with Subsection (b), related to a suit brought under this subchapter for the enforcement of an ordinance adopted by a municipality with a population of 500,000 or more relating to dangerously damaged or deteriorated structures or improvements as described by Section 54.012(6).

(b) An appeal of a suit described by Subsection (a) is governed by the procedures for accelerated appeals in civil cases under the Texas Rules of Appellate Procedure. The appellate court shall render its final order or judgment with the least possible delay.

SECTION 3. Section 214.001, Local Government Code, is amended by adding Subsection (s) to read as follows:

(s) A court shall expedite any proceeding, including an appeal in accordance with Section 214.0012, related to a substandard building determination under this section by a municipality with a population of 500,000 or more.

SECTION 4. Section 214.0012, Local Government Code, is amended by adding Subsection (i) to read as follows:

(i) An appeal under this section for an action in which a municipality with a population of 500,000 or more is a party is governed by the procedures for accelerated appeals in civil cases under the Texas Rules of Appellate Procedure. The district court shall render its final order or judgment with the least possible delay.

SECTION 5. 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, 2019.

### **HB 1120 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Miller called up with senate amendments for consideration at this time,

**HB 1120**, A bill to be entitled An Act relating to the powers of county assistance districts.

Representative Miller moved to concur in the senate amendments to **HB 1120**.

The motion to concur in the senate amendments to **HB 1120** prevailed by (Record 1840): 112 Yeas, 30 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bowers; Buckley; Bucy; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paddie; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wu; Zerwas; Zwiener.

Nays — Biedermann; Bonnen; Burns; Cain; Dean; Flynn; Frank; Goldman; Harris; Hefner; Holland; Krause; Landgraf; Lang; Metcalf; Middleton; Murr; Noble; Oliverson; Parker; Patterson; Sanford; Shaheen; Stickland; Swanson; Tinderholt; Toth; Wilson; Wray; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### STATEMENTS OF VOTE

When Record No. 1840 was taken, I was shown voting yes. I intended to vote no.

Schaefer

When Record No. 1840 was taken, I was shown voting yes. I intended to vote no.

Stucky

### Senate Committee Substitute

**CSHB 1120**, A bill to be entitled An Act relating to the powers of certain county assistance districts.

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

SECTION 1. Section 387.003, Local Government Code, is amended by adding Subsection (a-2) to read as follows:

(a-2) A district created by a county with a population of more than 580,000 that borders a county with a population of more than four million may perform inside or outside the district a function that benefits the district and that the county is authorized to perform, including a function described by Subsection (a-1).

SECTION 2. This Act takes effect September 1, 2019.

### HB 3195 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS

Representative Wu called up with senate amendments for consideration at this time,

**HB 3195**, A bill to be entitled An Act relating to juveniles committed to the Texas Juvenile Justice Department.

Representative Wu moved to concur in the senate amendments to **HB 3195**.

The motion to concur in the senate amendments to **HB 3195** prevailed by (Record 1841): 102 Yeas, 40 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bowers; Buckley; Bucy; Calanni; Canales; Clardy; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Larson; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Ortega; Pacheco; Paddie; Paul; Perez; Price; Ramos; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal;

Sheffield; Sherman; Shine; Smith; Stephenson; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Biedermann; Bonnen; Burns; Burrows; Button; Cain; Capriglione; Craddick; Cyrier; Dean; Frank; Goldman; Harless; Harris; Hefner; King, P.; Krause; Landgraf; Lang; Leman; Metcalf; Middleton; Noble; Oliverson; Parker; Patterson; Phelan; Raney; Sanford; Schaefer; Shaheen; Smithee; Springer; Stickland; Stucky; Swanson; Tinderholt; Toth; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 3195** by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter A, Chapter 37, Education Code, is amended by adding Section 37.023 to read as follows:

Sec. 37.023. TRANSITION FROM ALTERNATIVE EDUCATION PROGRAM TO REGULAR CLASSROOM. (a) In this section:

(1) "Alternative education program" includes:

(A) a disciplinary alternative education program operated by a school district or open-enrollment charter school;

(B) a juvenile justice alternative education program; and

(C) a residential program or facility operated by or under contract with the Texas Juvenile Justice Department, a juvenile board, or any other governmental entity.

(2) "Licensed clinical social worker" has the meaning assigned by Section 505.002, Occupations Code.

(b) As soon as practicable after an alternative education program determines the date of a student's release from the program, the alternative education program administrator shall:

(1) provide written notice of that date to:

(A) the student's parent or a person standing in parental relation to the student; and

(B) the administrator of the campus to which the student intends to transition; and

(2) provide the campus administrator:

(A) an assessment of the student's academic growth while attending the alternative education program; and

(B) the results of any assessment instruments administered to the student.

(c) Not later than five instructional days after the date of a student's release from an alternative education program, the campus administrator shall coordinate the student's transition to a regular classroom. The coordination must include assistance and recommendations from:

(1) school counselors;  
(2) school district peace officers;  
(3) school resource officers;  
(4) licensed clinical social workers;  
(5) campus behavior coordinators;  
(6) classroom teachers who are or may be responsible for implementing the student's personalized transition plan developed under Subsection (d); and  
(7) any other appropriate school district personnel.

(d) The assistance required by Subsection (c) must include a personalized transition plan for the student developed by the campus administrator. A personalized transition plan:

(1) must include recommendations for the best educational placement of the student; and

(2) may include:

(A) recommendations for counseling, behavioral management, or academic assistance for the student with a concentration on the student's academic or career goals;

(B) recommendations for assistance for obtaining access to mental health services provided by the district or school, a local mental health authority, or another private or public entity;

(C) the provision of information to the student's parent or a person standing in parental relation to the student about the process to request a full individual and initial evaluation of the student for purposes of special education services under Section 29.004; and

(D) a regular review of the student's progress toward the student's academic or career goals.

(e) If practicable, the campus administrator, or the administrator's designee, shall meet with the student's parent or a person standing in parental relation to the student to coordinate plans for the student's transition.

(f) This section applies only to a student subject to compulsory attendance requirements under Section 25.085.

SECTION \_\_\_\_\_. Section 37.023, Education Code, as added by this Act, applies beginning with the 2019-2020 school year.

## **HB 2159 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Meyer called up with senate amendments for consideration at this time,

**HB 2159**, A bill to be entitled An Act relating to the correction of an ad valorem tax appraisal roll.

Representative Meyer moved to concur in the senate amendments to **HB 2159**.

The motion to concur in the senate amendments to **HB 2159** prevailed by (Record 1842): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Coleman.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 2159** (senate committee report) as follows:

(1) Strike the recital to SECTION 1 of the bill, amending Section 25.25(d), Tax Code (page 1, lines 17 and 18), and substitute the following:

SECTION 1. Section 25.25, Tax Code, is amended by amending Subsection (d) and adding Subsection (d-1) to read as follows:

(2) In SECTION 1 of the bill, amending Section 25.25(d), Tax Code (page 1, lines 22 and 23), strike "including an error regarding the unequal appraisal or excessive market value of a property.".

(3) In SECTION 1 of the bill, amending Section 25.25(d), Tax Code (page 1, lines 26 and 27), strike "than one-third the correct appraised value. If the appraisal roll is changed under this subsection" and substitute the following:  
than:

(1) one-fourth the correct appraised value, in the case of property that qualifies as the owner's residence homestead under Section 11.13; or

(2) one-third the correct appraised value, in the case of property that does not qualify as the owner's residence homestead under Section 11.13.

(d-1) If the appraisal roll is changed under Subsection (d) [this subsection]

(4) In SECTION 1 of the bill, amending Section 25.25(d), Tax Code (page 1, line 34), strike "this subsection" and substitute "Subsection (d) [this subsection]".



**HB 616 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Neave called up with senate amendments for consideration at this time,

**HB 616**, A bill to be entitled An Act relating to reimbursement for a certain portion of a forensic medical examination of a sexual assault survivor and for the evidence collection kit required for the examination.

Representative Neave moved to concur in the senate amendments to **HB 616**.

The motion to concur in the senate amendments to **HB 616** prevailed by (Record 1843): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

**Senate Committee Substitute**

**CSHB 616**, A bill to be entitled An Act relating to reimbursement for a certain portion of a forensic medical examination of a sexual assault survivor and for the evidence collection kit required for the examination.

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

SECTION 1. Article 56.01, Code of Criminal Procedure, is amended by adding Subdivision (2-b) to read as follows:

(2-b) "Sexual assault examiner" and "sexual assault nurse examiner" have the meanings assigned by Section 420.003, Government Code.

SECTION 2. Article 56.021(a), Code of Criminal Procedure, is amended to read as follows:

(a) In addition to the rights enumerated in Article 56.02, if the offense is a sexual assault, the victim, guardian of a victim, or close relative of a deceased victim is entitled to the following rights within the criminal justice system:

(1) if requested, the right to a disclosure of information regarding any evidence that was collected during the investigation of the offense, unless disclosing the information would interfere with the investigation or prosecution of the offense, in which event the victim, guardian, or relative shall be informed of the estimated date on which that information is expected to be disclosed;

(2) if requested, the right to a disclosure of information regarding the status of any analysis being performed of any evidence that was collected during the investigation of the offense;

(3) if requested, the right to be notified:

(A) at the time a request is submitted to a crime laboratory to process and analyze any evidence that was collected during the investigation of the offense;

(B) at the time of the submission of a request to compare any biological evidence collected during the investigation of the offense with DNA profiles maintained in a state or federal DNA database; and

(C) of the results of the comparison described by Paragraph (B), unless disclosing the results would interfere with the investigation or prosecution of the offense, in which event the victim, guardian, or relative shall be informed of the estimated date on which those results are expected to be disclosed;

(4) if requested, the right to counseling regarding acquired immune deficiency syndrome (AIDS) and human immunodeficiency virus (HIV) infection;

(5) for the victim of the offense, testing for acquired immune deficiency syndrome (AIDS), human immunodeficiency virus (HIV) infection, antibodies to HIV, or infection with any other probable causative agent of AIDS; and

(6) to the extent provided by Articles 56.06 and 56.065, for the victim of the offense, the right to a forensic medical examination if, within 120 [96] hours of the offense, the offense is reported to a law enforcement agency or a forensic medical examination is otherwise conducted at a health care facility.

SECTION 3. Article 56.06, Code of Criminal Procedure, is amended by amending Subsections (a) and (b) and adding Subsections (a-1), (b-1), (b-2), (b-3), (b-4), (b-5), (g), and (h) to read as follows:

(a) This article applies to health care facilities described by Article 56.065.

(a-1) If a sexual assault is reported to a law enforcement agency within 120 [96] hours of the assault, the law enforcement agency, with the consent of the victim, a person authorized to act on behalf of the victim, or an employee of the Department of Family and Protective Services, shall request a forensic medical examination of the victim of the alleged assault for use in the investigation or prosecution of the offense. A law enforcement agency may decline to request a forensic medical examination under this subsection only if the person reporting the sexual assault has made one or more false reports of sexual assault to any law enforcement agency and if there is no other evidence to corroborate the current allegations of sexual assault.

(b) If a sexual assault is not reported within the period described by Subsection (a-1) [~~(a)~~], on receiving the consent described by that subsection the law enforcement agency may request a forensic medical examination of a victim of an alleged sexual assault as considered appropriate by the agency.

(b-1) If a sexual assault is reported to a law enforcement agency as provided by Subsection (a-1) or (b), the law enforcement agency shall document, in the form and manner required by the attorney general, whether the agency requested a forensic medical examination. The law enforcement agency shall:

(1) provide the documentation of the agency's decision regarding a request for a forensic medical examination to:

(A) the health care facility and the sexual assault examiner or sexual assault nurse examiner, as applicable, who provides services to the victim that are related to the sexual assault; and

(B) the victim or the person who consented to the forensic medical examination on behalf of the victim; and

(2) maintain the documentation of the agency's decision in accordance with the agency's record retention policies.

(b-2) On application to the attorney general, a health care facility that provides a forensic medical examination to a sexual assault survivor in accordance with this article, or the sexual assault examiner or sexual assault nurse examiner who conducts that examination, as applicable, is entitled to be reimbursed in an amount set by attorney general rule for:

(1) the reasonable costs of the forensic portion of that examination; and

(2) the evidence collection kit.

(b-3) The application under Subsection (b-2) must be in the form and manner prescribed by the attorney general and must include:

(1) the documentation that the law enforcement agency requested the forensic medical examination, as required under Subsection (b-1); and

(2) a complete and itemized bill of the reasonable costs of the forensic portion of the examination.

(b-4) A health care facility or a sexual assault examiner or sexual assault nurse examiner, as applicable, who applies for reimbursement under Subsection (b-2) shall accept reimbursement from the attorney general as payment for the costs unless:

(1) the health care facility or sexual assault examiner or sexual assault nurse examiner, as applicable:

(A) requests, in writing, additional reimbursement from the attorney general; and

(B) provides documentation in support of the additional reimbursement, as reasonably requested by the attorney general; and

(2) the attorney general determines that there is a reasonable justification for additional reimbursement.

(b-5) A health care facility is not entitled to reimbursement under this article unless the forensic medical examination was conducted at the facility by a physician, sexual assault examiner, or sexual assault nurse examiner.

(g) The attorney general shall adopt rules necessary to implement this article.

(h) On request, the attorney general may provide training to a health care facility regarding the process for applying for reimbursement under this article.

SECTION 4. Article 56.065, Code of Criminal Procedure, is amended by amending Subsection (c) and adding Subsections (c-1), (c-2), (c-3), (c-4), and (l) to read as follows:

(c) In accordance with Subchapter B, Chapter 420, Government Code, and except as provided by Subsection (e), a health care facility shall conduct a forensic medical examination of the victim of an alleged sexual assault if:

(1) the victim arrives at the facility within 120 [96] hours after the assault occurred;

(2) the victim consents to the examination; and

(3) at the time of the examination the victim has not reported the assault to a law enforcement agency.

(c-1) On application to the attorney general, a health care facility that provides a forensic medical examination to a sexual assault survivor in accordance with this article, or the sexual assault examiner or sexual assault nurse examiner who conducts that examination, as applicable, within 120 hours after the alleged sexual assault occurred is entitled to be reimbursed in an amount set by attorney general rule for:

(1) the reasonable costs of the forensic portion of that examination; and

(2) the evidence collection kit.

(c-2) The application under Subsection (c-1) must be in the form and manner prescribed by the attorney general and must include:

(1) certification that the examination was conducted in accordance with the requirements of Subsection (c); and

(2) a complete and itemized bill of the reasonable costs of the forensic portion of the examination.

(c-3) A health care facility or a sexual assault examiner or sexual assault nurse examiner, as applicable, who applies for reimbursement under Subsection (c-1) shall accept reimbursement from the attorney general as payment for the costs unless:

(1) the health care facility or sexual assault examiner or sexual assault nurse examiner, as applicable:

(A) requests, in writing, additional reimbursement from the attorney general; and

(B) provides documentation in support of the additional reimbursement, as reasonably requested by the attorney general; and

(2) the attorney general determines that there is a reasonable justification for additional reimbursement.

(c-4) A health care facility is not entitled to reimbursement under this article unless the forensic medical examination was conducted at the facility by a physician, sexual assault examiner, or sexual assault nurse examiner.

(l) On request, the attorney general may provide training to a health care facility regarding the process for applying for reimbursement under this article.

SECTION 5. Article 56.54(k), Code of Criminal Procedure, is amended to read as follows:

(k) The attorney general may use the compensation to victims of crime fund to:

(1) reimburse a health care facility or a sexual assault examiner or sexual assault nurse examiner for certain costs of a forensic medical examination that are incurred by the facility or the examiner ~~reimburse a law enforcement agency for the reasonable costs of a forensic medical examination that are incurred by the agency~~ under Article 56.06 or 56.065, as provided by those articles; and

(2) make a payment to or on behalf of an individual for the reasonable costs incurred for medical care provided under Article 56.06 or 56.065 in accordance with Section 323.004, Health and Safety Code.

SECTION 6. Section 323.005(a), Health and Safety Code, is amended to read as follows:

(a) The department shall develop a standard information form for sexual assault survivors that must include:

(1) a detailed explanation of the forensic medical examination required to be provided by law, including a statement that photographs may be taken of the genitalia;

(2) information regarding treatment of sexually transmitted infections and pregnancy, including:

(A) generally accepted medical procedures;

(B) appropriate medications; and

(C) any contraindications of the medications prescribed for treating sexually transmitted infections and preventing pregnancy;

(3) information regarding drug-facilitated sexual assault, including the necessity for an immediate urine test for sexual assault survivors who may have been involuntarily drugged;

(4) information regarding crime victims compensation, including:

(A) a statement that public agencies are responsible for paying for the forensic portion of an examination conducted under Article 56.06 or 56.065, Code of Criminal Procedure, and for the evidence collection kit used in connection with the examination and that the health care facility or provider, as applicable, is responsible for seeking reimbursement for those costs~~;~~

~~[(i) a law enforcement agency will pay for the forensic portion of an examination requested by the agency under Article 56.06, Code of Criminal Procedure, and for the evidence collection kit; or~~

~~[(ii) the Department of Public Safety will pay the appropriate fees for the forensic portion of an examination conducted under Article 56.065, Code of Criminal Procedure, and for the evidence collection kit]; and~~

(B) [reimbursement] information regarding the reimbursement of the survivor for the medical portion of the examination;

(5) an explanation that consent for the forensic medical examination may be withdrawn at any time during the examination;

(6) the name and telephone number of sexual assault crisis centers statewide; and

(7) information regarding postexposure prophylaxis for HIV infection.

SECTION 7. Section 323.0051(a), Health and Safety Code, is amended to read as follows:

(a) The department shall develop a standard information form for sexual assault survivors who arrive at a health care facility that is not a SAFE-ready facility. The information form must include:

(1) information regarding the benefits of a forensic medical examination conducted by a sexual assault forensic examiner;

(2) the Internet website address to the department's list of SAFE-ready facilities that includes the facilities' physical addresses as required by Section 323.008;

(3) the following statements:

(A) "As a survivor of sexual assault, you have the right to receive a forensic medical examination at this hospital emergency room if you are requesting the examination not later than 120 [~~96~~] hours after the assault.";

(B) "A report to law enforcement is not required, but if you make a report, law enforcement must first authorize the examination."; and

(C) "Call 1-800-656-HOPE to be connected to a rape crisis center for free and confidential assistance."; and

(4) information on the procedure for submitting a complaint against the health care facility.

SECTION 8. The following provisions are repealed:

(1) Article 56.06(c), Code of Criminal Procedure;

(2) Articles 56.065(a)(3) and (d), Code of Criminal Procedure; and

(3) Section 420.031(d), Government Code.

SECTION 9. The change in law made by this Act applies to a forensic medical examination that occurs on or after the effective date of this Act. A forensic medical examination that occurs before the effective date of this Act is governed by the law as it existed immediately before that date, and the former law is continued in effect for that purpose.

SECTION 10. This Act takes effect September 1, 2019.

## **HB 463 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Springer called up with senate amendments for consideration at this time,

**HB 463**, A bill to be entitled An Act relating to reciprocity agreements between air ambulance companies operating a subscription program.

Representative Springer moved to concur in the senate amendments to **HB 463**.

The motion to concur in the senate amendments to **HB 463** prevailed by (Record 1844): 121 Yeas, 20 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Talarico; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; Wray; Wu; Zerwas; Zwiener.

Nays — Biedermann; Cain; Dean; Flynn; Harris; Hefner; Krause; Lang; Middleton; Noble; Parker; Patterson; Schaefer; Shaheen; Stickland; Swanson; Tinderholt; White; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Thierry.

### Senate Committee Substitute

**CSHB 463**, A bill to be entitled An Act relating to reciprocity agreements between certain air ambulance companies operating a subscription program.

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

SECTION 1. Section 773.011, Health and Safety Code, is amended by amending Subsections (b) and (e) and adding Subsection (d-1) to read as follows:

(b) The executive commissioner shall adopt rules establishing minimum standards for the creation and operation of a subscription program. The rules must:

- (1) ensure the protection of public health and safety;
- (2) ensure compliance with federal laws and rules related to air ambulance subscription program services; and
- (3) establish minimum standards and objectives for the delivery of air ambulance emergency medical services provided in accordance with a reciprocity agreement entered into under Subsection (d-1).

(d-1) To ensure maximum geographic coverage for patients covered under a subscription program, an air ambulance company that operates a subscription program shall, in accordance with executive commissioner rules, enter into a reciprocity agreement with each other air ambulance company that operates a subscription program in the same service delivery area.

(e) The Insurance Code does not apply to a subscription program established or a reciprocity agreement entered into under this section.

SECTION 2. As soon as practicable after the effective date of this Act, the executive commissioner of the Health and Human Services Commission shall adopt rules necessary to implement Section 773.011, Health and Safety Code, as amended by this Act.

SECTION 3. This Act takes effect January 1, 2020.

**HB 721 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Larson called up with senate amendments for consideration at this time,

**HB 721**, A bill to be entitled An Act relating to the duty of the Texas Water Development Board to conduct studies of and prepare and submit reports on aquifer storage and recovery and aquifer recharge projects.

Representative Larson moved to concur in the senate amendments to **HB 721**.

The motion to concur in the senate amendments to **HB 721** prevailed by (Record 1845): 141 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

**Senate Committee Substitute**

**CSHB 721**, A bill to be entitled An Act relating to the duty of the Texas Water Development Board to conduct studies of and prepare and submit reports on aquifer storage and recovery and aquifer recharge projects.

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

SECTION 1. Section 11.155, Water Code, is amended to read as follows:



Sec. 11.155. AQUIFER STORAGE AND RECOVERY AND AQUIFER RECHARGE REPORTS. (a) In this section:

(1) "Aquifer recharge project" means a project involving the intentional recharge of an aquifer by means of an injection well authorized under Chapter 27 or other means of infiltration, including actions designed to:

(A) reduce declines in the water level of the aquifer;

(B) supplement the quantity of groundwater available;

(C) improve water quality in an aquifer;

(D) improve spring flows and other interactions between groundwater and surface water; or

(E) mitigate subsidence.

(2) "Aquifer storage and recovery project" has the meaning assigned by Section 27.151.

(b) The board shall make studies, investigations, and surveys of the aquifers in the state [~~as it considers necessary~~] to determine the occurrence, quantity, quality, and availability of aquifers in which aquifer storage and recovery projects or aquifer recharge projects are feasible [~~water may be stored and subsequently retrieved for beneficial use~~].

(c) The board, working with appropriate interested persons, including river authorities and major water providers and water utilities, regional water planning groups, groundwater conservation districts, and potential public sponsors of aquifer storage and recovery projects or aquifer recharge projects, shall:

(1) conduct studies of aquifer storage and recovery projects and aquifer recharge projects identified in the state water plan or by interested persons; and

(2) report the results of each study conducted under Subdivision (1) to regional water planning groups and interested persons.

(d) This subsection expires January 1, 2021. The board shall:

(1) conduct a statewide survey to identify the relative suitability of various major and minor aquifers for use in aquifer storage and recovery projects or aquifer recharge projects based on consideration of:

(A) hydrogeological characteristics, with a focus on:

(i) storage potential;

(ii) transmissivity;

(iii) infiltration characteristics;

(iv) storativity;

(v) recoverability; and

(vi) water quality;

(B) the frequency, volume, and distance from excess water available for potential storage; and

(C) the current and future water supply needs identified in the state water plan;

(2) prepare a report that includes an overview of the survey conducted under Subdivision (1); and

(3) not later than December 15, 2020, submit the report described by Subdivision (2) to the governor, lieutenant governor, and speaker of the house of representatives ~~[The board shall undertake the studies, investigations, and surveys in the following order of priority:~~

~~[(1) areas designated by the commission as "priority groundwater management areas" under Section 35.008; and~~

~~[(2) other areas of the state in a priority to be determined by the board's ranking of where the greatest need exists].~~

SECTION 2. The Texas Water Development Board is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the board may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

### **HB 1962 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Lambert called up with senate amendments for consideration at this time,

**HB 1962**, A bill to be entitled An Act relating to the continuation and functions of the Texas State Library and Archives Commission.

Representative Lambert moved to concur in the senate amendments to **HB 1962**.

The motion to concur in the senate amendments to **HB 1962** prevailed by (Record 1846): 138 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Patterson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Burns; Deshotel.

### **Senate Committee Substitute**

**CSHB 1962**, A bill to be entitled An Act relating to the continuation and functions of the Texas State Library and Archives Commission, including the custody and ownership of certain state records.

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

SECTION 1. Chapter 324, Government Code, is amended by adding Sections 324.0085 and 324.0086 to read as follows:

Sec. 324.0085. LEGISLATIVE RECORDS. (a) The library is the depository for any record created or received by the office of a member of the legislature or the lieutenant governor during that official's term of office.

(b) The legislative entity that transferred records to the library retains ownership and legal custody of those records, including records placed in a depository outside the library. The legislative entity may retrieve the records for the legislature's use. The director and library employees shall assist the legislative entity with retrieval of the records and shall return the records to the library following the legislature's use.

(c) The director shall protect privileged or confidential legislative records held by the library from public disclosure at the direction of the legislative entity that transferred the records to the library.

(d) The director shall receive requests under Chapter 552 for legislative records held by the library and respond as directed by the officer for public information of the legislative entity that transferred the records to the library. The director shall notify the appropriate officer for public information as soon as practicable after receiving a request described by this subsection.

Sec. 324.0086. PLACEMENT IN OTHER DEPOSITORY. (a) A member of the legislature may apply to the board to place records that were created or received by the member's office during the member's term in a depository other than the library.

(b) The board shall:

(1) create a list of preapproved depositories in which members of the legislature may place records of their legislative offices; and

(2) by rule adopt policies and procedures to approve additional depositories.

(c) The director is responsible for the preservation of records described by Subsection (a) placed in a depository other than the library. Ownership and legal custody of the records remain with the legislature as provided by Section 324.0085. The records may not be intermingled with other holdings of the institution that serves as a depository.

SECTION 2. Section 441.001(q), Government Code, is amended to read as follows:

(q) The Texas State Library and Archives Commission is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished September 1, 2031 ~~[2019]~~.

SECTION 3. Section 441.0011, Government Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

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

(1) the law governing ~~[legislation that created the]~~ commission operations;

(2) the programs, functions, rules, and budget of the commission;

(3) the scope of and limitations on the rulemaking authority of the commission;

(4) the results of the most recent formal audit of the commission;

(5) ~~(4)~~ the requirements of:

(A) laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest; and

(B) other laws applicable to members of a state policymaking body in performing their duties; and

(6) ~~(5)~~ any applicable ethics policies adopted by the commission or the Texas Ethics Commission.

(d) The director and librarian shall create a training manual that includes the information required by Subsection (b). The director and librarian shall distribute a copy of the training manual annually to each member of the commission. Each member of the commission shall sign and submit to the director and librarian a statement acknowledging that the member received and has reviewed the training manual.

SECTION 4. Section 441.006(b), Government Code, is amended to read as follows:

(b) The commission may:

(1) purchase, as state property, any suitable book, picture, or similar item, within the limits of the annual legislative appropriation;

(2) receive a donation or gift of money, property, or services on any terms and conditions it considers proper as long as the state does not incur financial liability;

(3) accept, receive, and administer federal funds made available by grant or loan to improve the public libraries of this state;

(4) contract or agree with the governing body or head of a county, city, or town of this state to meet the terms prescribed by the United States and consistent with state law for the expenditure of federal funds for improving public libraries; ~~and~~

(5) participate in the establishment and operation of an affiliated nonprofit organization whose purpose is to raise funds for or provide services or other benefits to the commission; and

(6) use general revenue, grants, donations, gifts, and, if authorized by federal law, federal funds to advertise and promote commission programs and increase participation in and awareness of those programs.

SECTION 5. Subchapter A, Chapter 441, Government Code, is amended by adding Section 441.0065 to read as follows:

Sec. 441.0065. ADVISORY COMMITTEES. (a) The commission may establish an advisory committee to make recommendations to the commission on programs, rules, and policies affecting the delivery of information services in the state.

(b) In establishing an advisory committee under this section, the commission shall adopt rules regarding:

(1) the purpose, role, responsibility, and goals of the committee;

(2) the size and quorum requirement of the committee;

(3) qualifications for committee membership;

(4) appointment procedures for members;

(5) terms of service for members;

(6) training requirements for members;

(7) a periodic review process to evaluate the continuing need for the committee; and

(8) a requirement that committee meetings be open to the public.

SECTION 6. Sections 441.0945(a) and (b), Government Code, are amended to read as follows:

(a) A county record may be destroyed if the record is listed on a valid ~~the~~ records schedule and implementation plan ~~[accepted for filing by the director and librarian]~~ and either its retention period has expired or it has been microfilmed or stored electronically in accordance with applicable law.

(b) ~~The retention period of a record as listed on [director and librarian or a person on the staff of the director and librarian may reject] the records schedule and implementation plan must be at least as long as [for a record if the retention period of the record as listed on the plan is less than] the retention period for the record established on a records retention schedule issued by the commission [by the county records manual. If the plan is rejected, the director and librarian or staff person shall file with the custodian the rejected schedule and a statement of the reasons for rejection not later than the 30th day after the date the director and librarian or staff person received the records schedule and implementation plan. If a schedule is rejected under this subsection, the custodian may submit an amended schedule].~~

SECTION 7. Sections 441.095(d) and (e), Government Code, are amended to read as follows:

(d) A custodian may dispose of a county record that is not listed on a records retention schedule issued by the commission if, not ~~[Not]~~ later than the 10th day before the date the ~~[a]~~ record is destroyed, the custodian files and records ~~[shall file and record]~~ a notice with the county clerk. The notice must indicate the record to be destroyed, how it is to be destroyed, and the date of its destruction. On the day the notice is filed, the county clerk shall post a copy of it in the same manner that a notice of a meeting is posted under Chapter 551.

(e) The custodian may destroy the record at any time after ~~[the director and librarian has approved the destruction and]~~ the notice required by Subsection (d) has been posted for 10 days by the county clerk.

SECTION 8. Section 441.153, Government Code, is amended by amending Subsection (f) and adding Subsection (g) to read as follows:

(f) Except as otherwise provided by Subsection (g), title [Title] to historical resources placed in a depository by the commission remains with the commission, and the historical resources may not be intermingled with other holdings of the institution that serves as a depository.

(g) A depository may apply to the commission to transfer to the depository title to local historical resources placed in the depository by the commission. The commission shall approve the application only if the transfer of title is in the state's best interest. The commission, in consultation with depositories, shall adopt rules providing an application procedure and standards for evaluating applications to transfer title to local historical resources to depositories. This subsection does not authorize the commission to transfer title to state historical resources.

SECTION 9. Section 441.167, Government Code, is amended to read as follows:

Sec. 441.167. ASSISTANCE ~~[STATUTORY FILING]~~ AND INFORMATION ~~[REVIEW]~~. The director and librarian may designate employees of the commission to provide assistance and information to local governments on records management issues under [act as deputies in the approval or disapproval or acceptance or rejection for filing of any records control schedule, destruction authorization request, electronic storage authorization request, or other statutory filing required by] Subtitle C, Title 6, Local Government Code, or rules adopted under it.

SECTION 10. Subchapter J, Chapter 441, Government Code, is amended by adding Section 441.169 to read as follows:

Sec. 441.169. DUTIES OF LOCAL GOVERNMENTS. Each local government shall:

(1) submit to the director and librarian the name of the local government's records management officer identified under Section 203.001, Local Government Code, or designated under Section 203.025, Local Government Code, and the name of the new officer in the event of a change;

(2) file a plan or an ordinance or order establishing a records management program and any amendments to the plan or ordinance or order with the director and librarian as required by Sections 203.005 and 203.026, Local Government Code;

(3) notify the commission at least 10 days before destroying a local government record that does not appear on a records retention schedule issued by the commission; and

(4) file with the director and librarian a written certification as provided by Section 203.041, Local Government Code, that the local government has prepared a records control schedule that:

(A) establishes a retention period for each local government record as required by Subchapter C, Chapter 203, Local Government Code; and

(B) complies with a local government records retention schedule distributed by the director and librarian under Section 441.158 and any other state and federal requirements.

SECTION 11. Section 441.180, Government Code, is amended by adding Subdivision (6-a) and amending Subdivisions (9) and (11) to read as follows:

(6-a) "Legislative record" means any record created or received by the office of a member of the legislature or the lieutenant governor during the official's term of office.

(9) "State agency" means:

(A) any department, commission, board, office, or other agency in the executive, legislative, or judicial branch of state government created by the constitution or a statute of this state and includes~~[-, including]~~ an eleemosynary institution but does not include the office of a member of the legislature or the lieutenant governor;

(B) any university system and its components and any institution of higher education as defined by Section 61.003, Education Code, except a public junior college, not governed by a university system board;

(C) the Texas Municipal Retirement System and the Texas County and District Retirement System; and

(D) any public nonprofit corporation created by the legislature whose responsibilities and authority are not limited to a geographical area less than that of the state.

(11) "State record" means any written, photographic, machine-readable, or other recorded information created or received by or on behalf of a state agency or an elected state official that documents activities in the conduct of state business or use of public resources. The term includes any recorded information created or received by a Texas government official in the conduct of official business, including officials from periods in which Texas was a province, colony, republic, or state. The term does not include:

(A) library or museum material made or acquired and maintained solely for reference or exhibition purposes;

(B) an extra copy of recorded information maintained only for reference; ~~[or]~~

(C) a stock of publications or blank forms; or

(D) a legislative record.

SECTION 12. Subchapter L, Chapter 441, Government Code, is amended by adding Sections 441.1815, 441.1935, and 441.1965 to read as follows:

Sec. 441.1815. STATE ARCHIVES STRATEGIC PLAN. The commission, with input from interested persons, shall develop and implement a comprehensive strategic plan regarding the state archives. The commission shall update the strategic plan at least once every five years. The strategic plan must include:

(1) an assessment of any current archives backlog;

(2) a prioritized list of projects and goals related to the state archives;

(3) an evaluation of the resources needed to achieve the commission's goals related to the state archives, including the impact that different amounts of those resources are expected to have on the commission's ability to achieve those goals;

(4) performance measures, targets, and timeframes for achieving the commission's goals related to the state archives;

(5) a mechanism for regular reporting to the commission on progress toward achieving the commission's goals related to the state archives; and

(6) opportunities and standards for entering into collaborative agreements with interested persons regarding the state archives.

Sec. 441.1935. REQUIREMENTS FOR REQUESTS FOR INFORMATION HELD BY STATE ARCHIVES PROGRAM. (a) The commission shall promulgate a form that persons must use to request access to information held by the state archives program. The form must allow the requestor to designate the request either as a request for public information made under Chapter 552 or as a research request not subject to the requirements of that chapter. The form must include:

(1) a plain-language explanation of the difference between a request for public information made under Chapter 552 and a research request not subject to the requirements of that chapter;

(2) the requirements for making and responding to each type of request;  
and

(3) an option for the requestor to change the type of request at any time.

(b) Notwithstanding any other law, a request for information held by the state archives program is considered to be a request for public information under Chapter 552 only if the requestor makes the request using the form described by Subsection (a) and on the form designates the request as a request for public information under Chapter 552.

Sec. 441.1965. SALE OF REPLICAS FROM STATE ARCHIVES. (a) The commission may sell replicas of archival state records and other historical resources in its custody subject to the approval of the commission.

(b) Money received from the sale of replicas under Subsection (a) shall be deposited to the credit of a dedicated account in the general revenue fund and may be appropriated only to the commission for the purposes of preservation, digitization, archives information services, and education.

SECTION 13. Section 202.001(a), Local Government Code, is amended to read as follows:

(a) A local government record may be destroyed if:

(1) the record is listed on a valid records control schedule ~~[accepted for filing by the director and librarian as provided by Section 203.041]~~ and either its retention period has expired or it has been microfilmed or stored electronically in accordance with the requirements of Chapters 204 and 205;

(2) the record appears on a list of obsolete records ~~[approved by the director and librarian]~~ as provided by Section 203.044; or



(3) ~~the [a destruction request is filed with and approved by the director and librarian as provided by Section 203.045 for a]~~ record is not listed on a records retention ~~[an approved control]~~ schedule issued by the commission and the local government provides notice to the commission at least 10 days before destroying the record as required by Section 441.169, Government Code.

SECTION 14. Section 203.002, Local Government Code, is amended to read as follows:

Sec. 203.002. DUTIES AND RESPONSIBILITIES OF ELECTED COUNTY OFFICERS AS RECORDS MANAGEMENT OFFICERS. The elected county officer shall:

(1) develop policies and procedures for the administration of an active and continuing records management program;

(2) administer the records management program so as to reduce the costs and improve the efficiency of recordkeeping;

(3) ~~[prepare and file with the director and librarian the records control schedules and amended schedules required by Section 203.041 and the list of obsolete records as provided by Section 203.044;~~

~~[(4) prepare requests for authorization to destroy records not on an approved control schedule as provided by Section 203.045, requests to destroy the originals of permanent records that have been microfilmed as provided by Section 204.008, and electronic storage authorization requests as provided by Section 205.007;~~

~~[(5)]~~ identify and take adequate steps to preserve records that are of permanent value;

~~[(4) [(6)]]~~ identify and take adequate steps to protect the essential records of the office;

~~[(5) [(7)]]~~ ensure that the maintenance, preservation, microfilming, destruction, or other disposition of records is carried out in accordance with the policies and procedures of the records management program and the requirements of this subtitle and rules adopted under it; and

~~[(6) [(8)]]~~ cooperate with the commission in its conduct of statewide records management surveys.

SECTION 15. Section 203.023, Local Government Code, is amended to read as follows:

Sec. 203.023. DUTIES OF RECORDS MANAGEMENT OFFICER. The records management officer in each local government shall:

(1) assist in establishing and developing policies and procedures for a records management program for the local government;

(2) administer the records management program and provide assistance to custodians for the purposes of reducing the costs and improving the efficiency of recordkeeping;

(3) in cooperation with the custodians of the records, ~~[(A)]~~

~~[(A)] prepare [and file with the director and librarian] the records control schedules and amended schedules required by Section 203.041 and the list of obsolete records as provided by Section 203.044[; and~~

~~[(B) prepare or direct the preparation of requests for authorization to destroy records not on an approved control schedule as provided by Section 203.045, of requests to destroy the originals of permanent records that have been microfilmed as provided by Section 204.008, and of electronic storage authorization requests as provided by Section 205.007];~~

(4) in cooperation with custodians, identify and take adequate steps to preserve local government records that are of permanent value;

(5) in cooperation with custodians, identify and take adequate steps to protect essential local government records;

(6) in cooperation with custodians, ensure that the maintenance, preservation, microfilming, destruction, or other disposition of records is carried out in accordance with the policies and procedures of the local government's records management program and the requirements of this subtitle and rules adopted under it;

(7) disseminate to the governing body and custodians information concerning state laws, administrative rules, and the policies of the government relating to local government records; and

(8) in cooperation with custodians, establish procedures to ensure that the handling of records in any context of the records management program by the records management officer or those under the officer's authority is carried out with due regard for:

(A) the duties and responsibilities of custodians that may be imposed by law; and

(B) the confidentiality of information in records to which access is restricted by law.

SECTION 16. The heading to Section 203.041, Local Government Code, is amended to read as follows:

Sec. 203.041. PREPARATION ~~[AND FILING]~~ OF RECORDS CONTROL SCHEDULES.

SECTION 17. Sections 203.041(a), (d), (f), and (g), Local Government Code, are amended to read as follows:

(a) On or before January 4, 1999, the records management officer shall ~~[prepare and file with the director and librarian]:~~

(1) prepare a records control schedule listing the following records and establishing a retention period for each as provided by Section 203.042:

(A) all records created or received by the local government or elective county office;

(B) any record no longer created or received by the local government or elective county office that is still in its possession and for which the retention period on a records retention schedule issued by the commission has not expired; and

(C) any record no longer created or received by the local government or elective county office that is still in its possession and for which the retention period on a records retention schedule issued by the commission has expired but which will not be destroyed as provided by Section 203.044; and ~~[or]~~

(2) ~~[the records management officer, in lieu of filing a records control schedule, may]~~ file with the director and librarian a written certification of compliance that the local government or the elective county office has adopted records control schedules that comply with the minimum requirements established on records retention schedules issued by the commission.

(d) The records management officer shall review the records control schedules of the local government or elective county office and prepare amendments to the schedules as needed to reflect new records created or received by the government or office or revisions to retention periods established in a records retention schedule issued by the commission. The records management officer shall file with the director and librarian a written certification of compliance that the local government or the elective county office has amended the records control schedules to comply with the minimum requirements established on records retention schedules issued by the commission ~~[Amendments to records control schedules shall be filed with the director and librarian in the same manner as the original schedules].~~

(f) Records control schedules may be prepared ~~[filed]~~ on an office-by-office basis or on a department-by-department basis within each office.

(g) A local government that intends to retain all records permanently or that destroys only those records for which no retention periods have been established in a records retention schedule established under Section 441.158, Government Code, is not required to prepare ~~[submit]~~ a records control schedule under this section.

SECTION 18. Section 204.007(a), Local Government Code, is amended to read as follows:

(a) The ~~[Except as provided by Section 204.008, the]~~ original of a record that has been microfilmed pursuant to this chapter and rules adopted under it may be destroyed before the expiration of its retention period on a records retention schedule issued by the commission.

SECTION 19. Sections 205.008(a) and (c), Local Government Code, are amended to read as follows:

(a) The source document, if any, for electronically stored local government record data covered by rules adopted under Section 205.003(a) ~~[205.007(a)]~~ may be destroyed or returned to the person who filed it for record ~~[if the electronic storage authorization request is approved].~~

(c) The source document, if any, for electronically stored local government record data not covered by rules adopted under Section 205.003(a) ~~[205.007(a)]~~ may be destroyed before the expiration of the retention period for the source document in a records retention schedule issued by the commission if the magnetic tape, optical disk, or similar medium and hardware and software necessary to provide access to local government record data on the media are retained for the retention period in the schedule. Conversely, the magnetic tape, optical disk, or similar medium may be erased, written over, or destroyed before the expiration of the retention period for a source document for local government record data not covered by rules adopted under Section 205.003(a) ~~[205.007(a)]~~, if the source document, if any, is retained until the expiration of its retention

period or, if the source document has already been destroyed, paper or microfilm copies are generated from the magnetic tape, optical disk, or similar medium before destruction or erasure and retained until the expiration of the retention period for the source document.

SECTION 20. (a) The following provisions of the Government Code are repealed:

- (1) Section 441.094(e);
  - (2) Section 441.0945(c); and
  - (3) Sections 441.095(a), (b), and (c).
- (b) The following provisions of the Local Government Code are repealed:
- (1) Sections 203.041(c) and (h);
  - (2) Section 203.042(c);
  - (3) Section 203.043;
  - (4) Sections 203.044(c) and (d); and
  - (5) Sections 203.045, 204.008, and 205.007.

SECTION 21. (a) Except as provided by Subsection (b) of this section, Section 441.0011, Government Code, as amended by this Act, applies to a member of the Texas State Library and Archives Commission who is appointed before, on, or after the effective date of this Act.

(b) A member of the Texas State Library and Archives Commission who, before the effective date of this Act, completed the training program required by Section 441.0011, Government Code, as that law existed before the effective date of this Act, is only required to complete additional training on the subjects added by this Act to the training program required by Section 441.0011, Government Code. A commission member described by this subsection may not vote, deliberate, or be counted as a member in attendance at a meeting of the commission held on or after December 1, 2019, until the member completes the additional training.

(c) Not later than March 1, 2020, the Texas State Library and Archives Commission shall promulgate a form as required by Section 441.1935, Government Code, as added by this Act.

(d) Not later than September 1, 2020, the Texas State Library and Archives Commission shall:

- (1) adopt rules providing an application process and standards for transfer of title to local historical resources under Section 441.153(g), Government Code, as added by this Act; and

- (2) develop a strategic plan for the state archives program as required by Section 441.1815, Government Code, as added by this Act.

(e) Not later than September 1, 2020:

- (1) the Texas State Library and Archives Commission shall transfer custody and ownership of all legislative records, as defined by Section 441.180(6-a), Government Code, as added by this Act, to the Legislative Reference Library; and

- (2) the Legislative Library Board shall create a list of preapproved depositories and adopt rules as required by Section 324.0086(b), Government Code, as added by this Act.

SECTION 22. This Act takes effect September 1, 2019.

**HCR 182 - ADOPTED**  
**(by Deshotel)**

The following privileged resolution was laid before the house:

**HCR 182**

WHEREAS, **HB 680** has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains a technical error that should be corrected; now, therefore, be it

RESOLVED by the 86th Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to make the following correction:

In SECTION 2 of the bill adding Section 302.0042(d)(1), Labor Code, as added by Floor Amendment No. 1 by Watson, strike "and" and substitute "or".

**HCR 182** was adopted by (Record 1847): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Beckley.

**HB 1548 - HOUSE CONCURS IN SENATE AMENDMENTS**  
**TEXT OF SENATE AMENDMENTS**

Representative Springer called up with senate amendments for consideration at this time,

**HB 1548**, A bill to be entitled An Act relating to the operation of golf carts, neighborhood electric vehicles, and off-highway vehicles; authorizing fees.

Representative Springer moved to concur in the senate amendments to **HB 1548**.

The motion to concur in the senate amendments to **HB 1548** prevailed by (Record 1848): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### STATEMENT OF VOTE

When Record No. 1848 was taken, I was shown voting yes. I intended to vote no.

Middleton

### Senate Committee Substitute

**CSHB 1548**, A bill to be entitled An Act relating to the operation of golf carts, neighborhood electric vehicles, and off-highway vehicles; authorizing fees.

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

SECTION 1. Section 57.002(7), Business & Commerce Code, is amended to read as follows:

(7) "Equipment":

(A) means machinery, equipment, or implements or attachments to the machinery, equipment, or implements used for, or in connection with, any of the following purposes:

(i) lawn, garden, golf course, landscaping, or grounds maintenance;

(ii) planting, cultivating, irrigating, harvesting, or producing agricultural or forestry products;

(iii) raising, feeding, or tending to livestock, ~~[or]~~ harvesting products from livestock, or any other activity in connection with those activities; or

(iv) industrial, construction, maintenance, mining, or utility activities or applications; and

(B) does not mean:

(i) trailers or self-propelled vehicles designed primarily for the transportation of persons or property on a street or highway; or

(ii) ~~[all terrain vehicles, utility task vehicles, or recreational]~~ off-highway vehicles.

SECTION 2. Section 75.001(3), Civil Practice and Remedies Code, is amended to read as follows:

(3) "Recreation" means an activity such as:

(A) hunting;

(B) fishing;

(C) swimming;

(D) boating;

(E) camping;

(F) picnicking;

(G) hiking;

(H) pleasure driving, including off-road motorcycling and off-road automobile driving and the use of ~~[all terrain vehicles and recreational]~~ off-highway vehicles;

(I) nature study, including bird-watching;

(J) cave exploration;

(K) waterskiing and other water sports;

(L) any other activity associated with enjoying nature or the outdoors;

(M) bicycling and mountain biking;

(N) disc golf;

(O) on-leash and off-leash walking of dogs; or

(P) radio control flying and related activities.

SECTION 3. Section 2158.001(2), Government Code, is amended to read as follows:

(2) "Golf cart" has the meaning assigned by Section 551.401 ~~[502.004]~~, Transportation Code.

SECTION 4. Section 392.001(3), Health and Safety Code, is amended to read as follows:

(3) "Golf cart" has the meaning assigned by Section 551.401 ~~[502.004]~~, Transportation Code.

SECTION 5. Section 61.011(d), Natural Resources Code, is amended to read as follows:

(d) The commissioner shall promulgate rules, consistent with the policies established in this section, on the following matters only:

(1) acquisition by local governments or other appropriate entities or public dedication of access ways sufficient to provide adequate public ingress and egress to and from the beach within the area described in Subdivision (6);

(2) protection of the public easement from erosion or reduction caused by development or other activities on adjacent land and beach cleanup and maintenance;

(3) local government prohibitions of vehicular traffic on public beaches, provision of off-beach parking, the use on a public beach of a golf cart, as defined by Section 551.401 [~~502.001~~], Transportation Code, for the transportation of a person with a physical disability, and other minimum measures needed to mitigate for any adverse effect on public access and dune areas;

(4) imposition of beach access, user, or parking fees and reasonable exercises of the police power by local governments with respect to public beaches;

(5) contents and certification of beach access and use plans and standards for local government review of construction on land adjacent to and landward of public beaches, including procedures for expedited review of beach access and use plans under Section 61.015;

(6) construction on land adjacent to and landward of public beaches and lying in the area either up to the first public road generally parallel to the beach or to any closer public road not parallel to the beach, or to within 1,000 feet of mean high tide, whichever is greater, that affects or may affect public access to and use of public beaches;

(7) the temporary suspension under Section 61.0185 of enforcement of the prohibition against encroachments on and interferences with the public beach easement and the ability of a property owner to make repairs to a house while a suspension is in effect;

(8) the determination of the line of vegetation or natural line of vegetation;

(9) the factors to be considered in determining whether a structure, improvement, obstruction, barrier, or hazard on the public beach:

(A) constitutes an imminent hazard to safety, health, or public welfare; or

(B) substantially interferes with the free and unrestricted right of the public to enter or leave the public beach or traverse any part of the public beach;

(10) the procedures for determining whether a structure is not insurable property for purposes of Section 2210.004, Insurance Code, because of the factors listed in Subsection (h) of that section;

(11) the closure of beaches for space flight activities; and

(12) the temporary suspension under Section 61.0171 of the determination of the "line of vegetation" or the "natural line of vegetation."

SECTION 6. Section 63.002(4), Natural Resources Code, is amended to read as follows:



(4) "Recreational vehicle" means a dune buggy, marsh buggy, minibike, trail bike, jeep, ~~[all terrain vehicle, recreational]~~ off-highway vehicle, as defined by Section 551A.001, Transportation Code, or any other mechanized vehicle that is being used for recreational purposes, but does not include a vehicle that is not being used for recreational purposes.

SECTION 7. Section 29.001, Parks and Wildlife Code, is amended to read as follows:

Sec. 29.001. DEFINITION. In this chapter, "off-highway vehicle" means:

(1) an off-highway vehicle, as defined by Section 551A.001 ~~[all terrain vehicle, as defined by Section 502.001]~~, Transportation Code;

(2) an off-highway motorcycle; or

(3) ~~a recreational off highway vehicle, as defined by Section 502.001, Transportation Code; and~~

~~[(4)]~~ any other motorized vehicle used for off-highway recreation on:

(A) public land over which the department has authority or on land purchased or leased by the department; or

(B) land acquired or developed under a grant made under Section 29.008 or any other grant program operated or administered by the department.

SECTION 8. Section 501.002(17), Transportation Code, is amended to read as follows:

(17) "Motor vehicle" means:

(A) any motor driven or propelled vehicle required to be registered under the laws of this state;

(B) a trailer or semitrailer, other than manufactured housing, that has a gross vehicle weight that exceeds 4,000 pounds;

(C) a travel trailer;

(D) an off-highway vehicle, as defined by Section 551A.001 ~~[all terrain vehicle or a recreational off highway vehicle, as those terms are defined by Section 502.001, designed by the manufacturer for off highway use that is not required to be registered under the laws of this state];~~ or

(E) a motorcycle, motor-driven cycle, or moped that is not required to be registered under the laws of this state.

SECTION 9. Section 502.140, Transportation Code, is amended to read as follows:

Sec. 502.140. CERTAIN OFF-HIGHWAY VEHICLES. (a) In this section, "off-highway vehicle" has the meaning assigned by Section 551A.001.

(b) Except as provided by Subsection (c) ~~[(b)]~~, the department ~~[a person]~~ may not register an ~~[all terrain vehicle or a recreational]~~ off-highway vehicle, with or without design alterations, for operation on a public highway.

(c) ~~[(b)]~~ The department ~~[state, a county, or a municipality]~~ may register an ~~[all terrain vehicle or a recreational]~~ off-highway vehicle that is owned by the state, county, or municipality for operation on a public beach or highway to maintain public safety and welfare.

(d) Section 504.401 does not apply to an ~~[all terrain vehicle or a recreational]~~ off-highway vehicle.

(e) An ~~[all-terrain vehicle or recreational]~~ off-highway vehicle that is registered under this section:

(1) is not subject to the requirements of Subchapter D, Chapter 551A;  
and

(2) is subject to the requirements of Subchapter E, Chapter 551A  
~~[owned by the state, a county, or a municipality and operated in compliance with Section 663.037 does not require registration under Subsection (b)].~~

SECTION 10. Section 504.002, Transportation Code, is amended to read as follows:

Sec. 504.002. GENERAL PROVISIONS. (a) Unless expressly provided by this chapter or by department rule:

(1) except for license plates specified as exempt, the fee for issuance of a license plate, including replacement plates, is in addition to each other fee that is paid for at the time of the registration of the motor vehicle and shall be deposited to the credit of the Texas Department of Motor Vehicles fund;

(2) if the registration period is greater than 12 months, the expiration date of a specialty license plate, symbol, tab, or other device shall be aligned with the registration period, and the specialty plate fee shall be adjusted pro rata, except that if the statutory annual fee for a specialty license plate is \$5 or less, it may not be prorated;

(3) the department is the exclusive owner of the design of each license plate;

(4) if a license plate is lost, stolen, or mutilated, an application for a replacement plate must be accompanied by the fee prescribed by Section 502.060; and

(5) the department shall prepare the designs and specifications of license plates.

(b) If necessary to cover the costs of issuing license plates for golf carts under Section 551.402 or off-highway vehicles under Section 551A.052, the department may charge an administrative fee, in an amount established by the department by rule, for the issuance of a golf cart or off-highway vehicle license plate.

SECTION 11. Section 547.001, Transportation Code, is amended by amending Subdivision (2-a) and adding Subdivisions (11) and (12) to read as follows:

(2-a) "Golf cart" has the meaning assigned by Section 551.401 ~~[502.004]~~.

(11) "Neighborhood electric vehicle" has the meaning assigned by Section 551.301.

(12) "Off-highway vehicle" has the meaning assigned by Section 551A.001.

SECTION 12. Section 547.002, Transportation Code, is amended to read as follows:

Sec. 547.002. APPLICABILITY. Unless a provision is specifically made applicable, this chapter and the rules of the department adopted under this chapter do not apply to:

(1) an implement of husbandry;  
(2) road machinery;  
(3) a road roller;  
(4) a farm tractor;  
(5) a bicycle, a bicyclist, or bicycle equipment;  
(6) an electric bicycle, an electric bicyclist, or electric bicycle equipment; ~~or~~  
(7) a golf cart;  
(8) a neighborhood electric vehicle; or  
(9) an off-highway vehicle ~~[that is operated only as authorized by Section 551.403].~~

SECTION 13. Section 547.703(d), Transportation Code, is amended to read as follows:

(d) A golf cart, neighborhood electric vehicle, or off-highway vehicle that is operated at a speed of not more than 25 miles per hour is required to display a slow-moving-vehicle emblem when it is operated on a [public] highway, ~~as defined by Section 502.001, under Section 551.403 or 551.404].~~

SECTION 14. Section 548.052, Transportation Code, is amended to read as follows:

Sec. 548.052. VEHICLES NOT SUBJECT TO INSPECTION. This chapter does not apply to:

(1) a trailer, semitrailer, pole trailer, or mobile home moving under or bearing a current factory-delivery license plate or current in-transit license plate;

(2) a vehicle moving under or bearing a paper dealer in-transit tag, machinery license, disaster license, parade license, prorated tab, one-trip permit, vehicle temporary transit permit, antique license, custom vehicle license, street rod license, temporary 24-hour permit, or permit license;

(3) a trailer, semitrailer, pole trailer, or mobile home having an actual gross weight or registered gross weight of 7,500 pounds or less;

(4) farm machinery, road-building equipment, a farm trailer, or a vehicle required to display a slow-moving-vehicle emblem under Section 547.703;

(5) a former military vehicle, as defined by Section 504.502;

(6) a vehicle qualified for a tax exemption under Section 152.092, Tax Code; or

(7) a vehicle for which a certificate of title has been issued but that is not required to be registered, including an off-highway vehicle registered under Section 502.140(c).

SECTION 15. The heading to Chapter 551, Transportation Code, is amended to read as follows:

CHAPTER 551. OPERATION OF BICYCLES AND ~~[ ]~~ MOPEDS, GOLF CARTS, AND OTHER LOW-POWERED ~~[PLAY]~~ VEHICLES

SECTION 16. Section 551.401, Transportation Code, is amended to read as follows:

Sec. 551.401. DEFINITION [DEFINITIONS]. In this subchapter, "golf cart" means a motor vehicle designed by the manufacturer primarily for use on a golf course[+]

~~[(1) "Golf cart" and "public highway" have the meanings assigned by Section 502.001].~~

SECTION 17. Section 551.402, Transportation Code, is amended to read as follows:

Sec. 551.402. REGISTRATION NOT AUTHORIZED; LICENSE PLATES. (a) The Texas Department of Motor Vehicles may not register a golf cart for operation on a [public] highway regardless of whether any alteration has been made to the golf cart.

(b) A person may operate a golf cart on a highway in a manner authorized by this subchapter only if the vehicle displays a license plate issued under this section.

(c) [(b)] The Texas Department of Motor Vehicles:

(1) shall by rule establish a procedure to [may] issue license plates for golf carts; and

(2) [a golf cart as authorized by Subsection (c)].

~~[(e) The Texas Department of Motor Vehicles shall by rule establish a procedure to issue the license plates to be used for operation in accordance with Sections 551.403 and 551.404.~~

[(d) The Texas Department of Motor Vehicles] may charge a fee not to exceed \$10 for the cost of the license plate, to be deposited to the credit of the Texas Department of Motor Vehicles fund.

(d) A golf cart license plate does not expire. A person who becomes the owner of a golf cart for which the previous owner obtained a license plate may not use the previous owner's license plate.

SECTION 18. Subchapter F, Chapter 551, Transportation Code, is amended by amending Section 551.403 and adding Section 551.4031 to read as follows:

Sec. 551.403. [LIMITED] OPERATION AUTHORIZED IN CERTAIN AREAS. [(a)] An operator may operate a golf cart:

(1) in a master planned community:

(A) that has in place a uniform set of restrictive covenants; and

(B) for which a county or municipality has approved a plat;

(2) on a public or private beach that is open to vehicular traffic; or

(3) on a [public] highway for which the posted speed limit is not more than 35 miles per hour, if the golf cart is operated:

(A) during the daytime; and

(B) not more than two miles from the location where the golf cart is usually parked and for transportation to or from a golf course.

Sec. 551.4031. PROHIBITION OF OPERATION ON HIGHWAY BY MUNICIPALITY, COUNTY, OR DEPARTMENT. (a) A county or municipality may prohibit the operation of a golf cart on a highway under Section 551.404 if the governing body of the county or municipality determines that the prohibition is necessary in the interest of safety.

(b) The Texas Department of Transportation [~~or a county or municipality~~] may prohibit the operation of a golf cart on a [~~public~~] highway under Section 551.404 if the department [~~or the governing body of the county or municipality~~] determines that the prohibition is necessary in the interest of safety.

SECTION 19. Subchapter F, Chapter 551, Transportation Code, is amended by amending Section 551.404 and adding Section 551.4041 to read as follows:

Sec. 551.404. OPERATION ON HIGHWAY AUTHORIZED BY MUNICIPALITY OR [~~IN MUNICIPALITIES AND~~] CERTAIN COUNTIES.

(a) In addition to the operation authorized by Section 551.403, the governing body of a municipality may allow an operator to operate a golf cart on all or part of a [~~public~~] highway that:

- (1) is in the corporate boundaries of the municipality; and
- (2) has a posted speed limit of not more than 35 miles per hour.

(b) [~~(a-1)~~] In addition to the operation authorized by Section 551.403, the commissioners court of a county described by Subsection (c) [~~(a-2)~~] may allow an operator to operate a golf cart on all or part of a [~~public~~] highway that:

- (1) is located in the unincorporated area of the county; and
- (2) has a speed limit of not more than 35 miles per hour.

(c) Subsection (b) [~~(a-2)~~] Subsection (a-1) applies only to a county that:

- (1) borders or contains a portion of the Red River;
- (2) borders or contains a portion of the Guadalupe River and contains a part of a barrier island that borders the Gulf of Mexico; or
- (3) is adjacent to a county described by Subdivision (2) and:
  - (A) has a population of less than 37,000; and
  - (B) contains a part of a barrier island or peninsula that borders the Gulf of Mexico.

Sec. 551.4041. EQUIPMENT. [~~(b)~~] A golf cart operated under Section 551.404 [~~this section~~] must have the following equipment:

- (1) headlamps;
- (2) taillamps;
- (3) reflectors;
- (4) parking brake; and
- (5) mirrors.

SECTION 20. Section 551.405, Transportation Code, is amended to read as follows:

Sec. 551.405. CROSSING INTERSECTIONS [~~CERTAIN ROADWAYS~~]. A golf cart may cross a highway at an intersection [~~intersections~~], including an intersection with a highway [~~road or street~~] that has a posted speed limit of more than 35 miles per hour.

SECTION 21. Section 551.451, Transportation Code, is amended by amending Subdivision (2) and adding Subdivision (4-a) to read as follows:

(2) "Golf cart" has the meaning assigned by Section 551.401 [~~502.001~~].

(4-a) "Off-highway vehicle" has the meaning assigned by Section 551A.001.

SECTION 22. Section 551.452(a), Transportation Code, is amended to read as follows:

(a) The Texas Department of Motor Vehicles may issue distinguishing license plates for a vehicle operated by a motor carrier for the purpose of picking up and delivering mail, parcels, and packages if the vehicle:

(1) is[~~;~~

~~[(A) an all-terrain vehicle;~~

~~[(B)] a golf cart,[~~;~~~~

~~[(C)] a neighborhood electric vehicle, or an off-highway vehicle[~~;~~~~

~~[(D) a recreational off-highway vehicle; or~~

~~[(E) a utility vehicle]; and~~

(2) is equipped with headlamps, taillamps, reflectors, a parking brake, and mirrors, in addition to any other equipment required by law.

SECTION 23. Section 551.457, Transportation Code, is amended to read as follows:

Sec. 551.457. CONFLICTS. In the case of a conflict between this subchapter and other law, including Chapters 502 and 551A ~~[663]~~, this subchapter controls.

SECTION 24. Subtitle C, Title 7, Transportation Code, is amended by adding Chapter 551A, and a heading is added to that chapter to read as follows:

#### CHAPTER 551A. OFF-HIGHWAY VEHICLES

SECTION 25. Subchapters A and B, Chapter 663, Transportation Code, are transferred to Chapter 551A, Transportation Code, as added by this Act, redesignated as Subchapters A and B, Chapter 551A, Transportation Code, and amended to read as follows:

#### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 551A.001 ~~[663.001]~~. DEFINITIONS. In this chapter:

(1) "All-terrain vehicle" means a motor vehicle that is:

(A) equipped with a seat or seats for the use of:

(i) the rider; and

(ii) a passenger, if the motor vehicle is designed by the

manufacturer to transport a passenger;

(B) designed to propel itself with three or more tires in contact with the ground;

(C) designed by the manufacturer for off-highway use;

(D) not designed by the manufacturer primarily for farming or lawn care; and

(E) not more than 50 inches wide.

(2) ~~[(1-a)]~~ "Beach" means a beach area, publicly or privately owned, that borders the seaward shore of the Gulf of Mexico.

(3) ~~[(1-b)]~~ "Off-highway vehicle" means[~~;~~

~~[(A)] an all-terrain vehicle, [or] recreational off-highway vehicle, [as those terms are defined by Section 502.001;] or~~

~~[(B)-a] utility vehicle.~~

(4) ~~[(2)]~~ "Public off-highway vehicle land ~~[property]~~" means land on which off-highway recreation is authorized under Chapter 29, Parks and Wildlife Code ~~[property owned or leased by the state or a political subdivision of the state].~~

(5) "Recreational off-highway vehicle" means a motor vehicle that is:

(A) equipped with a seat or seats for the use of:

(i) the rider; and

(ii) a passenger or passengers, if the vehicle is designed by the manufacturer to transport a passenger or passengers;

(B) designed to propel itself with four or more tires in contact with the ground;

(C) designed by the manufacturer for off-highway use by the operator only; and

(D) not designed by the manufacturer primarily for farming or lawn care.

(6) ~~(4)~~ "Utility vehicle" means a motor vehicle that is not a golf cart, as defined by Section 551.401 ~~[502.001]~~, or lawn mower and is:

(A) equipped with side-by-side seating for the use of the operator and a passenger;

(B) designed to propel itself with at least four tires in contact with the ground;

(C) designed by the manufacturer for off-highway use only; and

(D) designed by the manufacturer primarily for utility work and not for recreational purposes.

Sec. 551A.002 ~~[663.002]~~. NONAPPLICABILITY OF CERTAIN OTHER LAWS. (a) ~~[Except as provided by Sections 663.037 and 663.0371,]~~ Chapter 521 does not apply to the operation or ownership of an off-highway vehicle on public off-highway vehicle land ~~[registered for off-highway operation]~~.

(b) Chapter 1001, Education Code, does not apply to instruction in the operation of an off-highway vehicle provided under the operator education and certification program established by this chapter.

#### SUBCHAPTER B. OFF-HIGHWAY VEHICLE OPERATOR EDUCATION AND CERTIFICATION FOR OPERATION ON PUBLIC LAND OR BEACH

Sec. 551A.011 ~~[663.011]~~. DESIGNATED DIVISION OR STATE AGENCY. The governor shall designate a division of the governor's office or a state agency to establish and administer an off-highway vehicle operator education and certification program.

Sec. 551A.012 ~~[663.012]~~. PURPOSE OF PROGRAM. The purpose of the off-highway vehicle operator education and certification program is to make available courses in basic training and safety skills relating to the operation of off-highway vehicles and to issue safety certificates to operators who successfully complete the educational program requirements or pass a test established under the program.

Sec. 551A.013 ~~[663.013]~~. OFF-HIGHWAY VEHICLE SAFETY COORDINATOR. (a) The designated division or state agency shall employ an off-highway vehicle safety coordinator.

(b) The coordinator shall supervise the off-highway vehicle operator education and certification program and shall determine:

(1) locations at which courses will be offered;

(2) fees for the courses;

- (3) qualifications of instructors;
- (4) course curriculum; and
- (5) standards for operator safety certification.

(c) In establishing standards for instructors, curriculum, and operator certification, the coordinator shall consult and be guided by standards established by recognized off-highway vehicle safety organizations.

Sec. 551A.014 [~~663.014~~]. **CONTRACTS.** To administer the education program and certify off-highway vehicle operators, the designated division or state agency may contract with nonprofit safety organizations, nonprofit educational organizations, or agencies of local governments.

Sec. 551A.015 [~~663.015~~]. **TEACHING AND TESTING METHODS.** (a) If the off-highway vehicle safety coordinator determines that vehicle operation is not feasible in a program component or at a particular program location, the operator education and certification program for persons who are at least 14 years of age may use teaching or testing methods that do not involve the actual operation of an off-highway vehicle.

(b) An operator safety certificate may not be issued to a person younger than 14 years of age unless the person has successfully completed a training course that involves the actual operation of an off-highway vehicle.

Sec. 551A.016 [~~663.016~~]. **FEE FOR COURSE.** A person may charge, for a course under the off-highway vehicle operator education and certification program, a fee that is reasonably related to the costs of administering the course.

Sec. 551A.017 [~~663.017~~]. **DENIAL, SUSPENSION, OR CANCELLATION OF APPROVAL.** (a) The designated division or state agency may deny, suspend, or cancel its approval for a program sponsor to conduct or for an instructor to teach a course offered under this chapter if the applicant, sponsor, or instructor:

(1) does not satisfy the requirements established under this chapter to receive or retain approval;

(2) permits fraud or engages in fraudulent practices with reference to an application to the division or agency;

(3) induces or countenances fraud or fraudulent practices by a person applying for a driver's license or permit;

(4) permits or engages in a fraudulent practice in an action between the applicant or license holder and the public; or

(5) fails to comply with rules of the division or agency.

(b) Before the designated division or agency may deny, suspend, or cancel the approval of a program sponsor or an instructor, notice and opportunity for a hearing must be given as provided by:

(1) Chapter 2001, Government Code; and

(2) Chapter 53, Occupations Code.

Sec. 551A.018 [~~663.018~~]. **RULES.** The designated division or state agency may adopt rules to administer this chapter.



Sec. 551A.019 ~~[663.019]~~. EXEMPTIONS. The designated division or state agency by rule may temporarily exempt the residents of any county from Section 551A.015 ~~[663.015]~~ or from Section 551A.031(b)(1) ~~[663.031(a)(1)]~~ until the appropriate education and certification program is established at a location that is reasonably accessible to the residents of that county.

SECTION 26. The heading to Subchapter C, Chapter 663, Transportation Code, is transferred to Chapter 551A, Transportation Code, as added by this Act, redesignated as Subchapter C, Chapter 551A, Transportation Code, and amended to read as follows:

SUBCHAPTER C. OFF-HIGHWAY OPERATION OF OFF-HIGHWAY VEHICLES

SECTION 27. Sections 663.031, 663.032, and 663.0371, Transportation Code, are transferred to Subchapter C, Chapter 551A, Transportation Code, as transferred and redesignated by this Act, redesignated as Sections 551A.031, 551A.032, and 551A.033, Transportation Code, and amended to read as follows:

Sec. 551A.031 ~~[663.031]~~. OPERATION ON PUBLIC LAND OR BEACH; SAFETY CERTIFICATE REQUIRED. (a) A person may not operate an off-highway vehicle on land owned or leased by the state or a political subdivision of the state that is not open to vehicular traffic unless:

(1) the land is public off-highway vehicle land; and

(2) the operation is in compliance with:

(A) this chapter; and

(B) Chapter 29, Parks and Wildlife Code.

(b) A person may not operate an off-highway vehicle on public off-highway vehicle land ~~[property]~~ or a beach unless the person:

(1) holds a safety certificate issued under this chapter or under the authority of another state;

(2) is taking a safety training course under the direct supervision of a certified off-highway vehicle safety instructor; or

(3) is under the direct supervision of an adult who holds a safety certificate issued under this chapter or under the authority of another state.

(c) ~~(b)~~ A person to whom a safety certificate required by Subsection ~~(b)~~ ~~(a)~~ has been issued shall:

(1) carry the certificate when the person operates an off-highway vehicle on public off-highway vehicle land ~~[property]~~ or a beach; and

(2) display the certificate at the request of any law enforcement officer.

Sec. 551A.032 ~~[663.032]~~. OPERATION ON PUBLIC OFF-HIGHWAY VEHICLE LAND BY PERSON YOUNGER THAN 14. A person younger than 14 years of age who is operating an off-highway vehicle on public off-highway vehicle land must be accompanied by and be under the direct supervision of:

(1) the person's parent or guardian; or

(2) an adult who is authorized by the person's parent or guardian.

Sec. 551A.033 ~~[663.0371]~~. OPERATION ON BEACH. (a) A person may ~~[not]~~ operate an off-highway vehicle on a beach only ~~[except]~~ as provided by this section.

(b) A person operating an off-highway vehicle on a beach must hold and have in the person's possession a driver's license ~~[issued under Chapter 521 or a commercial driver's license issued under Chapter 522]~~.

(c) Except as provided by Chapters 61 and 63, Natural Resources Code, an operator of an off-highway vehicle may drive the vehicle on a beach that is open to motor vehicle traffic.

(d) Except as provided by Chapters 61 and 63, Natural Resources Code, a person who is authorized to operate an off-highway vehicle that is owned by the state, a county, or a municipality may drive the vehicle on any beach if the vehicle is registered under Section 502.140(c) ~~[502.140(b)]~~.

(e) The Texas Department of Transportation or a county or municipality may prohibit the operation of an off-highway vehicle on a beach if the department or the governing body of the county or municipality determines that the prohibition is necessary in the interest of safety.

SECTION 28. Sections 663.037(b) and (c), Transportation Code, are transferred to Subchapter C, Chapter 551A, Transportation Code, as transferred and redesignated by this Act, redesignated as Section 551A.034, Transportation Code, and amended to read as follows:

Sec. 551A.034. CROSSING HIGHWAY AT POINT OTHER THAN INTERSECTION. (a) ~~[(b)]~~ The operator of an off-highway vehicle may drive the vehicle across a ~~[public street, road, or]~~ highway that is not an interstate or limited-access highway at a point other than an intersection~~;~~ if the operator:

(1) brings the vehicle to a complete stop before crossing the shoulder or main traveled way of the roadway;

(2) yields the right-of-way to oncoming traffic that is an immediate hazard; and

(3) makes the crossing:

(A) at an angle of approximately 90 degrees to the roadway;

(B) at a place where no obstruction prevents a quick and safe crossing; and

(C) with the vehicle's headlights and taillights lighted.

(b) Notwithstanding Subsection (a), the ~~[(c) The]~~ operator of an off-highway vehicle may drive the vehicle across a divided highway other than an interstate or limited access highway only at an intersection of the highway with another ~~[public street, road, or]~~ highway.

SECTION 29. Chapter 551A, Transportation Code, as added by this Act, is amended by adding Subchapter D, and a heading is added to that subchapter to read as follows:

#### SUBCHAPTER D. OPERATION ON HIGHWAY

SECTION 30. Sections 663.037(a) and (f), Transportation Code, are transferred to Subchapter D, Chapter 551A, Transportation Code, as added by this Act, redesignated as Section 551A.051, Transportation Code, and amended to read as follows:

Sec. 551A.051. APPLICABILITY. (a) A person may ~~[not]~~ operate an off-highway vehicle on a ~~[public street, road, or]~~ highway only ~~[except]~~ as provided by this chapter ~~[section]~~.

(b) This subchapter ~~[(f) Except as provided by Subsection (g), this section]~~ does not apply to the operation of an off-highway vehicle that is owned and registered as authorized by Section 502.140(c) by the state, a county, or a municipality by a person who is an authorized operator of the vehicle.

SECTION 31. Subchapter D, Chapter 551A, Transportation Code, as added by this Act, is amended by adding Sections 551A.052, 551A.053, 551A.054, 551A.055, and 551A.056 to read as follows:

Sec. 551A.052. REGISTRATION; LICENSE PLATES. (a) Except as provided by Section 502.140(c), the Texas Department of Motor Vehicles may not register an off-highway vehicle for operation on a highway regardless of whether any alteration has been made to the vehicle.

(b) An operator may operate an unregistered off-highway vehicle on a highway in a manner authorized by this subchapter only if the vehicle displays a license plate issued under this section.

(c) The Texas Department of Motor Vehicles:

(1) shall by rule establish a procedure to issue license plates for unregistered off-highway vehicles; and

(2) may charge a fee not to exceed \$10 for the cost of the license plate, to be deposited to the credit of the Texas Department of Motor Vehicles fund.

(d) An off-highway vehicle license plate issued under Subsection (c) does not expire. A person who becomes the owner of an off-highway vehicle for which the previous owner obtained a license plate may not use the previous owner's license plate.

Sec. 551A.053. OPERATION ON HIGHWAY AUTHORIZED BY MUNICIPALITY OR CERTAIN COUNTIES. (a) In addition to the operation authorized by Section 551A.055, the governing body of a municipality may allow an operator to operate an unregistered off-highway vehicle on all or part of a highway that:

(1) is in the corporate boundaries of the municipality; and

(2) has a posted speed limit of not more than 35 miles per hour.

(b) In addition to the operation authorized by Section 551A.055, the commissioners court of a county described by Subsection (c) may allow an operator to operate an unregistered off-highway vehicle on all or part of a highway that:

(1) is located in the unincorporated area of the county; and

(2) has a posted speed limit of not more than 35 miles per hour.

(c) Subsection (b) applies only to a county that:

(1) borders or contains a portion of the Red River;

(2) borders or contains a portion of the Guadalupe River and contains a part of a barrier island that borders the Gulf of Mexico; or

(3) is adjacent to a county described by Subdivision (2) and:

(A) has a population of less than 37,000; and

(B) contains a part of a barrier island or peninsula that borders the Gulf of Mexico.

Sec. 551A.054. PROHIBITION OF OPERATION IN CERTAIN AREAS BY MUNICIPALITY, COUNTY, OR DEPARTMENT. (a) A county or municipality may prohibit the operation of an unregistered off-highway vehicle on a highway under Section 551A.055 if the governing body of the county or municipality determines that the prohibition is necessary in the interest of safety.

(b) The Texas Department of Transportation may prohibit the operation of an unregistered off-highway vehicle on a highway under Section 551A.055 if that department determines that the prohibition is necessary in the interest of safety.

Sec. 551A.055. OPERATION AUTHORIZED IN CERTAIN AREAS. An operator may operate an unregistered off-highway vehicle:

(1) in a master planned community:

(A) that has in place a uniform set of restrictive covenants; and

(B) for which a county or municipality has approved a plat; or

(2) on a highway for which the posted speed limit is not more than 35 miles per hour, if the off-highway vehicle is operated:

(A) during the daytime; and

(B) not more than two miles from the location where the off-highway vehicle is usually parked and for transportation to or from a golf course.

Sec. 551A.056. CROSSING INTERSECTIONS. An unregistered off-highway vehicle may cross a highway at an intersection, including an intersection with a highway that has a posted speed limit of more than 35 miles per hour.

SECTION 32. Sections 663.037(d) and (g), Transportation Code, as amended by Chapters 125 (**HB 920**) and 1052 (**HB 1956**), Acts of the 85th Legislature, Regular Session, 2017, are transferred to Subchapter D, Chapter 551A, Transportation Code, as added by this Act, redesignated as Sections 551A.057 and 551A.058, Transportation Code, and reenacted and amended to read as follows:

Sec. 551A.057. AGRICULTURAL OR UTILITY OPERATION ON HIGHWAY. (a) ~~[(4)]~~ The operator of an unregistered off-highway vehicle may operate ~~[drive]~~ the vehicle on a ~~[public street, road, or]~~ highway that is not an interstate or limited-access highway if:

(1) the transportation is in connection with:

(A) the production, cultivation, care, harvesting, preserving, drying, processing, canning, storing, handling, shipping, marketing, selling, or use of agricultural products, as defined by Section 52.002, Agriculture Code; or

(B) utility work performed by a utility;

(2) the operator attaches to the back of the vehicle a triangular orange flag that is at least six feet above ground level;

(3) the vehicle's headlights and taillights are illuminated;

(4) ~~[the operator holds a driver's license, as defined by Section 521.001;~~

~~[(5)]~~ the operation of the vehicle occurs in the daytime; and

(5) ~~[(6)]~~ the operation of the vehicle does not exceed a distance of 25 miles from the point of origin to the destination.

(b) Notwithstanding Section 551A.052, an off-highway vehicle operated under this section is not required to display a license plate.

Sec. 551A.058. LAW ENFORCEMENT OPERATION. (a) ~~[(e)]~~ A peace officer or other person who provides law enforcement, firefighting, ambulance, medical, or other emergency services, including a volunteer firefighter, may operate an unregistered off-highway vehicle on a ~~[public street, road, or]~~ highway that is not an interstate or limited-access highway ~~[only]~~ if:

(1) the transportation is in connection with the performance of the operator's official duty;

(2) the operator attaches to the back of the vehicle a triangular orange flag that is at least six feet above ground level;

(3) the vehicle's headlights and taillights are illuminated; and

(4) ~~[the operator holds a driver's license, as defined by Section 521.001; and~~

~~[(5)]~~ the operation of the vehicle does not exceed a distance of 10 miles from the point of origin to the destination.

(b) Notwithstanding Section 551A.052, an off-highway vehicle operated under this section is not required to display a license plate.

SECTION 33. Section 663.037(d-1), Transportation Code, is transferred to Section 551A.057, Transportation Code, as added by this Act, redesignated as Section 551A.057(c), Transportation Code, and amended to read as follows:

(c) ~~[(d-1)]~~ Provisions of this code regarding helmet and eye protection use, safety certification, and other vehicular restrictions do not apply to the operation of an off-highway vehicle under this section ~~[Subsection (d)].~~

SECTION 34. Section 663.037(e), Transportation Code, is transferred to Subchapter D, Chapter 551A, Transportation Code, as added by this Act, redesignated as Section 551A.059, Transportation Code, and amended to read as follows:

Sec. 551A.059. FLAG STANDARDS. ~~[(e)]~~ The director of the Department of Public Safety shall adopt standards and specifications that apply to the color, size, and mounting position of the flags ~~[flag]~~ required under Sections 551A.057 and 551A.058 ~~[Subsections (d)(2) and (g)(2)].~~

SECTION 35. Chapter 551A, Transportation Code, as added by this Act, is amended by adding Subchapter E, and a heading is added to that subchapter to read as follows:

#### SUBCHAPTER E. EQUIPMENT AND SAFETY REQUIREMENTS

SECTION 36. Sections 663.033, 663.034, 663.035, and 663.036, Transportation Code, are transferred to Subchapter E, Chapter 551A, Transportation Code, as added by this Act, redesignated as Sections 551A.071, 551A.072, 551A.073, and 551A.074, Transportation Code, and amended to read as follows:

Sec. 551A.071 ~~[663.033]~~. REQUIRED EQUIPMENT; DISPLAY OF LIGHTS. (a) An off-highway vehicle that is operated on public off-highway vehicle land, [property or] a beach, or a highway must be equipped with:

(1) a brake system maintained in good operating condition;

(2) an adequate muffler system in good working condition; and

(3) a United States Forest Service qualified spark arrester.

(b) An off-highway vehicle that is operated on public off-highway vehicle land, ~~[property or]~~ a beach, or a highway must display a lighted headlight and taillight:

(1) during the period from one-half hour after sunset to one-half hour before sunrise; and

(2) at any time when visibility is reduced because of insufficient light or atmospheric conditions.

(c) A person may not operate an off-highway vehicle on public off-highway vehicle land, ~~[property or]~~ a beach, or a highway if:

(1) the vehicle has an exhaust system that has been modified with a cutout, bypass, or similar device; or

(2) the spark arrester has been removed or modified, unless the vehicle is being operated in a closed-course competition event.

(d) The coordinator may exempt off-highway vehicles that are participating in certain competitive events from the requirements of this section.

Sec. 551A.072 ~~[663.034]~~. SAFETY APPAREL REQUIRED. (a) A person may not operate, ride, or be carried on an off-highway vehicle on public off-highway vehicle land, ~~[property or]~~ a beach, or a highway unless the person wears:

(1) a safety helmet that complies with United States Department of Transportation standards; ~~and~~

(2) eye protection; and

(3) seat belts, if the vehicle is equipped with seat belts.

(b) Subsections (a)(1) and (2) do not apply to a motor vehicle that has four wheels, is equipped with bench or bucket seats and seat belts, and includes a roll bar or roll cage construction to reduce the risk of injury to an occupant of the vehicle in case of vehicle rollover.

(c) This section does not apply to a motor vehicle that is in the process of being loaded into or unloaded from a trailer or another vehicle used to transport the vehicle.

Sec. 551A.073 ~~[663.035]~~. RECKLESS OR CARELESS OPERATION PROHIBITED. A person may not operate an off-highway vehicle on public off-highway vehicle land ~~[property]~~ or a beach in a careless or reckless manner that endangers, injures, or damages any person or property.

Sec. 551A.074 ~~[663.036]~~. CARRYING PASSENGERS. A person may not carry a passenger on an off-highway vehicle operated on public off-highway vehicle land, ~~[property or]~~ a beach, or a highway unless the vehicle is designed by the manufacturer to transport a passenger.

SECTION 37. Chapter 551A, Transportation Code, as added by this Act, is amended by adding Subchapter F, and a heading is added to that subchapter to read as follows:

SUBCHAPTER F. CERTAIN OFFENSES

SECTION 38. Section 663.038, Transportation Code, is transferred to Subchapter F, Chapter 551A, Transportation Code, as added by this Act, redesignated as Section 551A.091, Transportation Code, and amended to read as follows:

Sec. 551A.091 ~~[663.038]. VIOLATION OF CHAPTER ON PUBLIC OFF-HIGHWAY VEHICLE LAND OR BEACH[; OFFENSE]. An~~ ~~[(a) A person commits an offense if the person violates a provision of this chapter.~~

~~[(b) Except as otherwise provided by Title 6 or this title, an] offense for a violation of [under] this chapter committed on public off-highway vehicle land or a beach [section] is a Class C misdemeanor.~~

SECTION 39. Section 601.052(a), Transportation Code, is amended to read as follows:

(a) Section 601.051 does not apply to:

(1) the operation of a motor vehicle that:

(A) is a former military vehicle or is at least 25 years old;

(B) is used only for exhibitions, club activities, parades, and other functions of public interest and not for regular transportation; and

(C) for which the owner files with the department an affidavit, signed by the owner, stating that the vehicle is a collector's item and used only as described by Paragraph (B);

(2) ~~[the operation of]~~ a neighborhood electric vehicle that is operated only as authorized by Section 551.304;

(2-a) ~~[or]~~ a golf cart that is operated only as authorized by Section ~~[551.304 or]~~ 551.403;

(2-b) an off-highway vehicle that is operated only as authorized by Subchapter C, Chapter 551A, or Section 551A.055 of this code or Chapter 29, Parks and Wildlife Code; or

(3) a volunteer fire department for the operation of a motor vehicle the title of which is held in the name of a volunteer fire department.

SECTION 40. The heading to Subtitle G, Title 7, Transportation Code, is amended to read as follows:

SUBTITLE G. MOTORCYCLES ~~[AND OFF-HIGHWAY VEHICLES]~~

SECTION 41. The following provisions are repealed:

(1) Sections 63.002(4-a) and (4-b), Natural Resources Code;

(2) Section 29.011, Parks and Wildlife Code;

(3) Sections 502.001(1), (18), and (37), and 551.451(1), (6), and (7), Transportation Code;

(4) the heading to Section 663.037, Transportation Code; and

(5) the heading to Chapter 663, Transportation Code.

SECTION 42. The change in law made 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 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 this Act if any element of the offense occurred before that date.

SECTION 43. 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, 2019.

### **HB 2190 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Hunter called up with senate amendments for consideration at this time,

**HB 2190**, A bill to be entitled An Act relating to admission of certain students to an open-enrollment charter school in certain counties.

Representative Hunter moved to concur in the senate amendments to **HB 2190**.

The motion to concur in the senate amendments to **HB 2190** prevailed by (Record 1849): 129 Yeas, 11 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Holland; Huberty; Hunter; Johnson, J.E.; Kacal; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Beckley; González, J.; Hinojosa; Howard; Israel; King, K.; Longoria; Morales; Ortega; Rose; Rosenthal.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Bailes; González, M.

### **STATEMENTS OF VOTE**

When Record No. 1849 was taken, I was shown voting no. I intended to vote yes.

J. González



When Record No. 1849 was taken, I was shown voting yes. I intended to vote no.

Thierry

### **Senate Committee Substitute**

**CSHB 2190**, A bill to be entitled An Act relating to admission of certain students to an open-enrollment charter school.

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

SECTION 1. Section 12.117, Education Code, is amended by adding Subsection (d) to read as follows:

(d) Notwithstanding Section 12.111(a)(13), an open-enrollment charter school may admit a child of an employee of the school as provided by this section regardless of whether the child resides in the geographic area served by the school.

SECTION 2. This Act applies beginning with the 2019-2020 school year.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

### **HB 1263 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative E. Thompson called up with senate amendments for consideration at this time,

**HB 1263**, A bill to be entitled An Act relating to an order by a drainage district to maintain certain infrastructure.

Representative E. Thompson moved to concur in the senate amendments to **HB 1263**.

The motion to concur in the senate amendments to **HB 1263** prevailed by (Record 1850): 118 Yeas, 21 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Noble; Ortega; Pacheco; Paddie; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Talarico; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Bonnen; Cain; Dean; Frank; Goldman; Harris; Krause; Kuempel; Lang; Middleton; Oliverson; Patterson; Sanford; Schaefer; Shaheen; Stickland; Stucky; Swanson; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Nevárez; Parker; Thierry.

### **Senate Committee Substitute**

**CSHB 1263**, A bill to be entitled An Act relating to an order by the Brazoria Drainage District Number 4 to maintain certain infrastructure.

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

SECTION 1. Chapter 991, Acts of the 74th Legislature, Regular Session, 1995, is amended by adding Section 5A to read as follows:

SECTION 5A. ORDER TO MAINTAIN CERTAIN INFRASTRUCTURE ON PRIVATE PROPERTY. (a) This section does not apply to a property owner that is a railroad that owns or leases:

(1) locomotives and freight rail cars; and

(2) rights-of-way used for the purposes of transporting goods by rail between at least two terminuses.

(b) The district may order a property owner to clear or otherwise maintain a canal, drain, ditch, or levee located on the owner's private property.

(c) A property owner who receives an order under Subsection (b) of this section may comply with the order by:

(1) providing consent for the district to perform the clearing or maintenance described in the order; or

(2) performing the clearing or maintenance described in the order.

(d) If a property owner who receives an order under Subsection (b) of this section fails to comply with the order before the 180th day after the date the order was issued, the district, if the property owner does not deny access to the property, may enter the property to perform the clearing or maintenance described in the order.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 2784 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Phelan called up with senate amendments for consideration at this time,

**HB 2784**, A bill to be entitled An Act relating to the creation of the Texas Industrial Workforce Apprenticeship Grant Program.

Representative Phelan moved to concur in the senate amendments to **HB 2784**.

The motion to concur in the senate amendments to **HB 2784** prevailed by (Record 1851): 119 Yeas, 23 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Springer; Stephenson; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Biedermann; Cain; Harless; Harris; Krause; Lang; Leman; Middleton; Oliverson; Parker; Patterson; Sanford; Schaefer; Shaheen; Smith; Smithee; Stickland; Stucky; Swanson; Tinderholt; Toth; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **Senate Committee Substitute**

**CSHB 2784.** A bill to be entitled An Act relating to the creation of the Texas Industrial Workforce Apprenticeship Grant Program.

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

SECTION 1. Chapter 481, Government Code, is amended by adding Subchapter EE to read as follows:

#### SUBCHAPTER EE. TEXAS INDUSTRIAL WORKFORCE APPRENTICESHIP GRANT PROGRAM

Sec. 481.601. PURPOSE. The purpose of the Texas Industrial Workforce Apprenticeship Grant Program is to address the immediate industrial workforce needs of this state resulting from the impact of Hurricane Harvey and overall workforce shortages.

Sec. 481.602. DEFINITIONS. In this subchapter:

(1) "Apprenticeship program" means a training program that provides on-the-job training, preparatory instruction, supplementary instruction, or related instruction in a trade that has been recognized as an apprenticeable occupation by the Office of Apprenticeship of the United States Department of Labor.

(2) "Person" does not include a governmental entity.

Sec. 481.603. PROGRAM. The office shall establish and administer the Texas Industrial Workforce Apprenticeship Grant Program to encourage the private sector to develop specialized industrial workforce apprenticeship programs in this state. Under the program, the office shall provide grants for persons who meet the requirements of Section 481.605.

Sec. 481.604. TEXAS INDUSTRIAL WORKFORCE APPRENTICESHIP FUND. (a) The Texas industrial workforce apprenticeship fund is a dedicated account in the general revenue fund.

(b) The following amounts shall be deposited in the fund:

(1) money appropriated by the legislature for the fund for purposes described by this subchapter;

(2) interest earned on the investment of money in the fund; and

(3) gifts, grants, and other donations received for the fund.

(c) The fund may be used only for an apprenticeship program that meets the requirements of Section 481.605.

Sec. 481.605. APPLICATION; ELIGIBILITY FOR GRANT. To be eligible to receive a grant under this subchapter, a person must:

(1) if the person is an entity, be in good standing under the laws of the state in which the person was formed or organized, as evidenced by a certificate issued by the secretary of state or the state official of another state having custody of the records pertaining to a person formed or organized under the laws of that state;

(2) not owe delinquent taxes to a taxing unit of this state; and

(3) have in place an apprenticeship program that:

(A) provides on-the-job training under an industry-recognized, accredited training curriculum;

(B) guarantees employment for participants during and on completion of the training period;

(C) provides eligibility for participants to receive full-time employee benefits during and on completion of the training period;

(D) requires participants to advance their skills, at a minimum, to a credentialed mid-level status in the field related to the apprenticeship program;

(E) has a duration of not less than 16 weeks and not more than 26 weeks; and

(F) gives preference to training and hiring:

(i) unemployed Texans who have filed with the Texas Workforce Commission;

(ii) veterans of the United States armed forces;

(iii) formerly incarcerated individuals; and

(iv) underemployed individuals who are working without industry-recognized certifications or other credentials.

Sec. 481.606. LIMITATIONS ON GRANT AMOUNT AND USE. The amount of a grant awarded under this subchapter may not exceed \$10,000 per apprenticeship program participant and may be used only to reimburse the cost of training, not including wages and benefits.

Sec. 481.607. REQUIREMENTS; GRANT AWARD. (a) The office shall distribute the grant funds as a reimbursement for training costs incurred by grant recipients in accordance with Section 481.606.

(b) Before awarding a grant to a person under this subchapter, the office must determine that a sufficient number of apprenticeship program participants have:

(1) completed the program and achieved the training requirements specified by Section 481.605(3)(D); and

(2) maintained available and suitable employment for a period of not less than six months cumulatively after completion of the apprenticeship program.

(c) The executive director by rule may develop the criteria for making the determinations required by Subsection (b).

Sec. 481.608. PROGRAM RULES. (a) The executive director shall adopt rules to administer and enforce this subchapter.

(b) The office shall post the rules on its Internet website.

Sec. 481.609. ANNUAL REPORT. (a) Not later than December 1 of each year, the office shall submit to the lieutenant governor, the speaker of the house of representatives, and the members of the legislature a report on grants made under this subchapter that states:

(1) the number of direct jobs each grant recipient created in this state in each job category of the federal Equal Employment Opportunity Commission's job classification guide;

(2) the median wage of the jobs each grant recipient created in this state;

(3) the total amount of each grant awarded to a grant recipient; and

(4) the number and categorization of apprenticeship program participants trained and employed by each grant recipient under Section 481.605(3)(F).

(b) The report may not include information that is made confidential by law.

(c) The office may require a grant recipient under this subchapter to submit, on a form provided by the office, information required to complete the report.

(d) The office shall post the annual report on its Internet website.

SECTION 2. This Act takes effect September 1, 2019.

## **HB 1755 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative E. Thompson called up with senate amendments for consideration at this time,

**HB 1755**, A bill to be entitled An Act relating to assembled vehicles and former military vehicles, including the titling and registration of those vehicles.

Representative E. Thompson moved to concur in the senate amendments to **HB 1755**.

The motion to concur in the senate amendments to **HB 1755** prevailed by (Record 1852): 138 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner;

Hernandez; Herrero; Holland; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Burns; Hinojosa; Howard; Pacheco.

### **Senate Committee Substitute**

**CSHB 1755**, A bill to be entitled An Act relating to assembled vehicles and former military vehicles, including the titling and registration of those vehicles.

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

SECTION 1. Subchapter A, Chapter 2301, Occupations Code, is amended by adding Section 2301.0045 to read as follows:

Sec. 2301.0045. NONAPPLICABILITY OF CHAPTER TO ASSEMBLED VEHICLES AND HOBBYIST. This chapter does not apply to an assembled vehicle or a hobbyist, as those terms are defined by Section 731.001, Transportation Code.

SECTION 2. Subchapter A, Chapter 2302, Occupations Code, is amended by adding Section 2302.009 to read as follows:

Sec. 2302.009. REBUILDING OF ASSEMBLED VEHICLE PROHIBITED. A salvage vehicle dealer may not, as part of engaging in a business or activity regulated under this chapter, rebuild an assembled vehicle, as defined by Section 731.001, Transportation Code.

SECTION 3. Subtitle J, Title 7, Transportation Code, is amended by adding Chapter 731 to read as follows:

#### CHAPTER 731. ASSEMBLED VEHICLES

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 731.001. DEFINITIONS. (a) In this chapter:

(1) "Assembled motorcycle" means a motorcycle, as defined by Section 541.201, that is built or assembled by a hobbyist.

(2) "Assembled motor vehicle" means a motor vehicle, as defined by Section 501.002(17)(A), that:

(A) has a motor, body, and frame; and

(B) is built or assembled by a hobbyist.

(3) "Assembled trailer" means a trailer, semitrailer, or travel trailer, as those terms are defined by Section 501.002, that is built or assembled by a hobbyist.

(4) "Assembled vehicle" means:

(A) an assembled motor vehicle;

(B) an assembled motorcycle;

(C) an assembled trailer;

(D) a custom vehicle;

(E) a street rod;

(F) a replica; or

(G) a glider kit.

(5) "Board" means the board of the Texas Department of Motor Vehicles.

(6) "Custom vehicle" and "street rod" have the meanings assigned by Section 504.501.

(7) "Glider kit" means a truck tractor, as defined by Section 541.201, that is built or assembled using:

(A) a kit that typically consists of a new cab, frame, and front axle and new accessories; and

(B) a used powertrain.

(8) "Hobbyist" means a person who:

(A) builds or assembles an assembled vehicle for personal use;

(B) does not engage in the continuous sale of vehicles, as defined by the department; and

(C) is not the maker of a kit or a manufacturer, as defined by Section 2301.002, Occupations Code.

(9) "Master technician" means a person who holds a master technician certification issued by the National Institute for Automotive Service Excellence.

(10) "Owner" has the meaning assigned by Section 541.001.

(11) "Replica" means a vehicle that uses a manufactured prefabricated body or a body constructed from materials not original to the vehicle and that resembles an established make of a previous year vehicle model. The term may include a custom vehicle or street rod.

(12) "Title" and "vehicle identification number" have the meanings assigned by Section 501.002.

(13) "Vehicle" has the meaning assigned by Section 502.001.

(b) For purposes of Subsection (a)(4), the term "assembled vehicle" does not include a golf cart, as defined by Section 551.401, or an off-highway vehicle, as defined by Section 663.001, regardless of whether the vehicle is built or assembled by a hobbyist.

Sec. 731.002. RULES. The board may adopt rules as necessary to implement and administer this chapter.

Sec. 731.003. CONFLICT OF LAW. To the extent of a conflict between this chapter, including a rule adopted under this chapter, and another law, this chapter controls.

#### SUBCHAPTER B. TITLE AND REGISTRATION

Sec. 731.051. ELIGIBILITY FOR TITLE AND REGISTRATION. (a) Except as provided by Subsection (b), an owner of an assembled vehicle shall apply for a title for the vehicle and register the vehicle as provided by Chapters

501 and 502, as applicable, and in accordance with rules adopted under this chapter, regardless of whether the assembled vehicle was built or assembled using a vehicle that was previously titled in this state or another jurisdiction.

(b) An assembled vehicle may not be titled or registered in this state if the vehicle:

(1) is built or assembled from the merging of two or more vehicle classes, provided that component parts from the following vehicle classes may be interchanged:

(A) two-axle, four-tire passenger cars;

(B) two-axle, four-tire pickups, panels, and vans; and

(C) six-tire dually pickups, of which the rear tires are dual tires;

(2) uses the frame or body of a nonrepairable motor vehicle, as defined by Section 501.091;

(3) contains any electrical or mechanical components from a flood-damaged vehicle;

(4) is designed for off-highway use only;

(5) is designed by the manufacturer for on-track racing only;

(6) has been stripped to the extent that the vehicle loses its original identity; or

(7) uses any parts that do not meet federal motor vehicle safety standards, if standards have been developed for those parts.

Sec. 731.052. PROCEDURES AND REQUIREMENTS FOR TITLE AND REGISTRATION. (a) The board by rule shall establish procedures and requirements for:

(1) issuance of a title for an assembled vehicle; and

(2) registration of an assembled vehicle.

(b) Rules adopted under Subsection (a):

(1) may not exclude a type of assembled vehicle, other than an assembled vehicle described by Section 731.051(b), from eligibility for title and registration;

(2) must establish the form of a title issued for an assembled vehicle; and

(3) must exempt an assembled vehicle or a type of assembled vehicle from any provision of Chapter 501 or 502 that an assembled vehicle or type of assembled vehicle, by its nature, cannot comply with or otherwise meet the requirements of.

Sec. 731.053. CERTIFICATE OF TITLE REQUIREMENTS. (a) The title for an assembled vehicle that has never been titled in this state or any other jurisdiction must:

(1) list the owner of the assembled vehicle as the purchaser;

(2) contain the notation "NONE" in the space for the seller's name;

(3) list the municipality and state in which the vehicle was completed in the space for the seller's municipality and state; and

(4) contain the odometer reading and the notation "NOT ACTUAL MILEAGE".



(b) Except as provided by Subsection (a), a title issued for an assembled vehicle must contain all of the information required under Section 501.021.

Sec. 731.054. ASSIGNMENT OF VEHICLE IDENTIFICATION NUMBER. The department shall assign a vehicle identification number under Section 501.033 to an assembled vehicle unless the vehicle has a discernible vehicle identification number assigned by:

(1) the manufacturer of the component part by which the vehicle may be identified; or

(2) the maker of the kit from which the vehicle is built or assembled.

#### SUBCHAPTER C. INSPECTION BY MASTER TECHNICIAN

Sec. 731.101. INSPECTION REQUIRED FOR ISSUANCE OF TITLE. (a) In addition to the inspection required under Chapter 548, an assembled vehicle must pass an inspection conducted by a master technician for the type of assembled vehicle being inspected. The inspection must be conducted before issuance of a title for the assembled vehicle.

(b) On application for title for an assembled vehicle, the owner of the assembled vehicle must provide:

(1) proof acceptable to the department that the vehicle passed an inspection conducted under this section; and

(2) a copy of the master technician's Automobile and Light Truck certification or a successor certification.

(c) The board by rule shall establish procedures and requirements for the inspection required by this section. Rules adopted under this subsection:

(1) must establish inspection criteria;

(2) may specify additional items of equipment that must be inspected by a master technician and may specify different items of equipment that must be inspected based on the type of assembled vehicle; and

(3) must require an owner of an assembled vehicle that is being inspected under this section to pay all fees required for the inspection, including any reinspection, in addition to all applicable fees required under Chapter 548 for an inspection or reinspection conducted under that chapter.

Sec. 731.102. EQUIPMENT SUBJECT TO INSPECTION. An inspection conducted under Section 731.101 must:

(1) as applicable, include the following items of an assembled vehicle:

(A) frame, chassis, and any structural components of the vehicle;

(B) wheel assembly;

(C) brake system, including each brake and power brake unit;

(D) steering system, including power steering; and

(E) front seat belts in vehicles that contain seat belt anchorages;

and

(2) include an evaluation of the structural integrity of the assembled vehicle and, as applicable, the connection points of the:

(A) frame, chassis, or body;

(B) steering system;

(C) drive train; and

(D) suspension.

SECTION 4. Section 501.002, Transportation Code, is amended by amending Subdivisions (1), (8), (24), (31), and (32) and adding Subdivision (1-a) to read as follows:

(1) "Assembled vehicle" has the meaning assigned by Section 731.001.

(1-a) "Certificate of title" means a printed record of title issued under Section 501.021.

(8) "First sale" means:

(A) the bargain, sale, transfer, or delivery of a motor vehicle, other than an assembled vehicle, that has not been previously registered or titled, with intent to pass an interest in the motor vehicle, other than a lien, regardless of where the bargain, sale, transfer, or delivery occurred; and

(B) the registration or titling of that vehicle.

(24) "Serial number" means a vehicle identification number that is affixed to a part of a motor vehicle and that is:

(A) the manufacturer's permanent vehicle identification number;

(B) a derivative number of the manufacturer's permanent vehicle identification number;

(C) the motor number; ~~or~~

(D) the vehicle identification number assigned by the department;

or

(E) the vehicle identification number assigned by the maker of a kit, if the vehicle is an assembled vehicle that is assembled from a kit.

(31) "Used motor vehicle" means:

(A) a motor vehicle that has been the subject of a first sale; or

(B) an assembled vehicle that has been issued a title.

(32) "Vehicle identification number" means:

(A) the manufacturer's permanent vehicle identification number affixed by the manufacturer to the motor vehicle that is easily accessible for physical examination and permanently affixed on one or more removable parts of the vehicle; or

(B) a serial number affixed to a part of a motor vehicle that is:

(i) a derivative number of the manufacturer's permanent vehicle identification number;

(ii) the motor number; ~~or~~

(iii) a vehicle identification number assigned by the department; or

(iv) the vehicle identification number assigned by the maker of a kit, if the vehicle is an assembled vehicle that is assembled from a kit.

SECTION 5. Section 501.035(b), Transportation Code, is amended to read as follows:

(b) In this section, "former military vehicle" has the meaning assigned by Section 502.001 ~~[504.502(i)]~~.

SECTION 6. Section 502.001, Transportation Code, is amended by adding Subdivision (17-a) to read as follows:

(17-a) "Former military vehicle" means a vehicle, including a trailer, that:

- (A) was manufactured for use in any country's military forces; and
- (B) is not operated on continuous tracks.

SECTION 7. Subchapter D, Chapter 502, Transportation Code, is amended by adding Section 502.141 to read as follows:

Sec. 502.141. OFF-HIGHWAY FORMER MILITARY VEHICLES. (a) Except as provided by Subsections (b) and (c), a person may not register a former military vehicle designated for off-highway use, with or without design alterations, for operation on a public highway.

(b) A former military vehicle may be registered for on-road use if the vehicle:

(1) is a high mobility multipurpose wheeled vehicle designated for off-highway use; and

(2) has a gross vehicle weight rating of less than 10,000 pounds.

(c) A former military vehicle issued specialty license plates under Section 504.502 may be operated on a public highway in accordance with that section.

SECTION 8. Subchapter A, Chapter 503, Transportation Code, is amended by adding Section 503.013 to read as follows:

Sec. 503.013. DEALER TRANSFER OF CERTAIN ASSEMBLED VEHICLES PROHIBITED. (a) In this section, "assembled vehicle" and "replica" have the meanings assigned by Section 731.001.

(b) Ownership of an assembled vehicle, other than a replica, may not be transferred to or by a dealer under this chapter.

SECTION 9. Section 504.502(i), Transportation Code, is amended to read as follows:

(i) In this section, "former military vehicle" means a vehicle, including a trailer, regardless of the vehicle's size, weight, or year of manufacture, that:

(1) was manufactured for use in any country's military forces; ~~and~~

(2) is maintained to represent its military design and markings accurately; and

(3) is not operated on continuous tracks.

SECTION 10. Subchapter A, Chapter 548, Transportation Code, is amended by adding Section 548.009 to read as follows:

Sec. 548.009. ASSEMBLED VEHICLES. (a) In this section, "assembled vehicle" has the meaning assigned by Section 731.001.

(b) A provision of this chapter does not apply to an assembled vehicle if the provision:

(1) conflicts with Chapter 731 or a rule adopted under that chapter; or

(2) is a provision that an assembled vehicle, by its nature, cannot comply with or otherwise meet.

SECTION 11. Section 663.001, Transportation Code, is amended by amending Subdivision (1-b) and adding Subdivision (3) to read as follows:

(1-b) "Off-highway vehicle" means:

(A) an all-terrain vehicle or recreational off-highway vehicle, as those terms are defined by Section 502.001; ~~or~~

(B) a sand rail; or

(C) a utility vehicle.

(3) "Sand rail" means a vehicle, as defined by Section 502.001, that:

(A) is designed or built primarily for off-highway use in sandy terrains, including for use on sand dunes;

(B) has a tubular frame, an integrated roll cage, and an engine that is rear-mounted or placed midway between the front and rear axles of the vehicle; and

(C) has a gross vehicle weight, as defined by Section 541.401, of:

(i) not less than 700 pounds; and

(ii) not more than 2,000 pounds.

SECTION 12. As soon as practicable after the effective date of this Act, the board of the Texas Department of Motor Vehicles shall:

(1) adopt the rules required by Chapter 731, Transportation Code, as added by this Act; and

(2) adopt or modify any rules necessary to implement the changes in law made by this Act.

SECTION 13. This Act takes effect September 1, 2019.

### **HB 1742 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Smithee called up with senate amendments for consideration at this time,

**HB 1742**, A bill to be entitled An Act relating to the mediation of the settlement of certain health benefit claims involving balance billing by out-of-network laboratories.

Representative Smithee moved to concur in the senate amendments to **HB 1742**.

The motion to concur in the senate amendments to **HB 1742** prevailed by (Record 1853): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### Senate Committee Substitute

**CSHB 1742**, A bill to be entitled An Act relating to the mediation of the settlement of certain health benefit claims involving balance billing by out-of-network laboratories.

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

SECTION 1. Section 1467.001, Insurance Code, is amended by amending Subdivisions (4), (5), and (7) and adding Subdivisions (4-b) and (4-c) to read as follows:

(4) "Facility-based provider" means a physician, health care practitioner, or other health care provider who provides health care ~~[or medical]~~ services to patients of a facility.

(4-b) "Health care services" has the meaning assigned by Section 562.002.

(4-c) "Laboratory" means an accredited facility in which a specimen taken from a human body is interpreted and pathological diagnoses are made.

(5) "Mediation" means a process in which an impartial mediator facilitates and promotes agreement between the insurer offering a preferred provider benefit plan or the administrator and a laboratory, facility-based provider, or emergency care provider or the laboratory's or provider's representative to settle a health benefit claim of an enrollee.

(7) "Party" means an insurer offering a preferred provider benefit plan, an administrator, or a laboratory, facility-based provider, or emergency care provider or the laboratory's or provider's representative who participates in a mediation conducted under this chapter. The enrollee is also considered a party to the mediation.

SECTION 2. Section 1467.005, Insurance Code, is amended to read as follows:

Sec. 1467.005. REFORM. This chapter may not be construed to prohibit:

(1) an insurer offering a preferred provider benefit plan or administrator from, at any time, offering a reformed claim settlement; or

(2) a laboratory, facility-based provider, or emergency care provider from, at any time, offering a reformed charge for health care ~~[or medical]~~ services ~~[or supplies]~~.

SECTION 3. Section 1467.051, Insurance Code, is amended to read as follows:

Sec. 1467.051. AVAILABILITY OF MANDATORY MEDIATION; EXCEPTION. (a) An enrollee may request mediation of a settlement of an out-of-network health benefit claim if:

(1) the amount for which the enrollee is responsible to a laboratory, facility-based provider, or emergency care provider, after copayments, deductibles, and coinsurance, including the amount unpaid by the administrator or insurer, is greater than \$500; and

(2) the health benefit claim is for:

(A) emergency care; ~~[or]~~  
(B) a health care ~~[or medical]~~ service ~~[or supply]~~ provided by a facility-based provider in a facility that is a preferred provider or that has a contract with the administrator; or

(C) a laboratory service, if:

(i) the specimen evaluated by the laboratory is collected:

(a) at the office of a health care practitioner who is a preferred provider or has a contract with the administrator; or

(b) at a facility that is a preferred provider or that has a contract with the administrator; and

(ii) the laboratory is an out-of-network laboratory.

(b) Except as provided by Subsections (c) and (d), if an enrollee requests mediation under this subchapter, the laboratory, facility-based provider, or emergency care provider, or the laboratory's or provider's representative, and the insurer or the administrator, as appropriate, shall participate in the mediation.

(c) Except in the case of an emergency and if requested by the enrollee, a laboratory or facility-based provider shall, before providing a health care ~~[or medical]~~ service ~~[or supply]~~, provide a complete disclosure to an enrollee that:

(1) explains that the laboratory or facility-based provider does not have a contract with the enrollee's health benefit plan;

(2) discloses projected amounts for which the enrollee may be responsible; and

(3) discloses the circumstances under which the enrollee would be responsible for those amounts.

(d) A laboratory or facility-based provider who makes a disclosure under Subsection (c) and obtains the enrollee's written acknowledgment of that disclosure may not be required to mediate a billed charge under this subchapter if the amount billed is less than or equal to the maximum amount projected in the disclosure.

SECTION 4. Section 1467.0511, Insurance Code, is amended to read as follows:

Sec. 1467.0511. NOTICE AND INFORMATION PROVIDED TO ENROLLEE. (a) A bill sent to an enrollee by a laboratory, facility-based provider, or emergency care provider or an explanation of benefits sent to an enrollee by an insurer or administrator for an out-of-network health benefit claim eligible for mediation under this chapter must contain, in not less than 10-point boldface type, a conspicuous, plain-language explanation of the mediation process available under this chapter, including information on how to request mediation and a statement that is substantially similar to the following:

"You may be able to reduce some of your out-of-pocket costs for an out-of-network medical or health care claim that is eligible for mediation by contacting the Texas Department of Insurance at (website) and (phone number)."

(b) If an enrollee contacts an insurer, administrator, laboratory, facility-based provider, or emergency care provider about a bill that may be eligible for mediation under this chapter, the insurer, administrator, laboratory, facility-based provider, or emergency care provider is encouraged to:

- (1) inform the enrollee about mediation under this chapter; and
- (2) provide the enrollee with the department's toll-free telephone number and Internet website address.

SECTION 5. Section 1467.052(c), Insurance Code, is amended to read as follows:

(c) A person may not act as mediator for a claim settlement dispute if the person has been employed by, consulted for, or otherwise had a business relationship with an insurer offering the preferred provider benefit plan or a physician, laboratory, health care practitioner, or other health care provider during the three years immediately preceding the request for mediation.

SECTION 6. Section 1467.053(d), Insurance Code, is amended to read as follows:

(d) The mediator's fees shall be split evenly and paid by the insurer or administrator and the laboratory, facility-based provider, or emergency care provider.

SECTION 7. Sections 1467.054(b), (c), and (e), Insurance Code, are amended to read as follows:

(b) A request for mandatory mediation must be provided to the department on a form prescribed by the commissioner and must include:

- (1) the name of the enrollee requesting mediation;
- (2) a brief description of the claim to be mediated;
- (3) contact information, including a telephone number, for the requesting enrollee and the enrollee's counsel, if the enrollee retains counsel;
- (4) the name of the laboratory, facility-based provider, or emergency care provider and name of the insurer or administrator; and
- (5) any other information the commissioner may require by rule.

(c) On receipt of a request for mediation, the department shall notify the laboratory, facility-based provider, or emergency care provider and insurer or administrator of the request.

(e) A dispute to be mediated under this chapter that does not settle as a result of a teleconference conducted under Subsection (d) must be conducted in the county in which the health care [~~or medical~~] services were rendered.

SECTION 8. Sections 1467.055(d), (h), and (i), Insurance Code, are amended to read as follows:

(d) If the enrollee is participating in the mediation in person, at the beginning of the mediation the mediator shall inform the enrollee that if the enrollee is not satisfied with the mediated agreement, the enrollee may file a complaint with:

- (1) the Texas Medical Board or other appropriate regulatory agency against the laboratory, facility-based provider, or emergency care provider for improper billing; and
- (2) the department for unfair claim settlement practices.

(h) On receipt of notice from the department that an enrollee has made a request for mediation that meets the requirements of this chapter, the laboratory, facility-based provider, or emergency care provider may not pursue any collection effort against the enrollee who has requested mediation for amounts other than copayments, deductibles, and coinsurance before the earlier of:

- (1) the date the mediation is completed; or
- (2) the date the request to mediate is withdrawn.

(i) A health care ~~[or medical]~~ service ~~[or supply]~~ provided by a laboratory, facility-based provider, or emergency care provider may not be summarily disallowed. This subsection does not require an insurer or administrator to pay for an uncovered service ~~[or supply]~~.

SECTION 9. Sections 1467.056(a), (b), and (d), Insurance Code, are amended to read as follows:

(a) In a mediation under this chapter, the parties shall:

- (1) evaluate whether:

(A) the amount charged by the laboratory, facility-based provider, or emergency care provider for the health care ~~[or medical]~~ service ~~[or supply]~~ is excessive; and

(B) the amount paid by the insurer or administrator represents the usual and customary rate for the health care ~~[or medical]~~ service ~~[or supply]~~ or is unreasonably low; and

(2) as a result of the amounts described by Subdivision (1), determine the amount, after copayments, deductibles, and coinsurance are applied, for which an enrollee is responsible to the laboratory, facility-based provider, or emergency care provider.

(b) The laboratory, facility-based provider, or emergency care provider may present information regarding the amount charged for the health care ~~[or medical]~~ service ~~[or supply]~~. The insurer or administrator may present information regarding the amount paid by the insurer or administrator.

(d) The goal of the mediation is to reach an agreement among the enrollee, the laboratory, facility-based provider, or emergency care provider, and the insurer or administrator, as applicable, as to the amount paid by the insurer or administrator to the laboratory, facility-based provider, or emergency care provider, the amount charged by the laboratory, facility-based provider, or emergency care provider, and the amount paid to the laboratory, facility-based provider, or emergency care provider by the enrollee.

SECTION 10. Section 1467.058, Insurance Code, is amended to read as follows:

Sec. 1467.058. CONTINUATION OF MEDIATION. After a referral is made under Section 1467.057, the laboratory, facility-based provider, or emergency care provider and the insurer or administrator may elect to continue the mediation to further determine their responsibilities. Continuation of mediation under this section does not affect the amount of the billed charge to the enrollee.

SECTION 11. Section 1467.059, Insurance Code, is amended to read as follows:



Sec. 1467.059. **MEDIATION AGREEMENT.** The mediator shall prepare a confidential mediation agreement and order that states:

(1) the total amount for which the enrollee will be responsible to the laboratory, facility-based provider, or emergency care provider, after copayments, deductibles, and coinsurance; and

(2) any agreement reached by the parties under Section 1467.058.

SECTION 12. Sections 1467.151(a), (b), and (d), Insurance Code, are amended to read as follows:

(a) The commissioner and the Texas Medical Board or other regulatory agency, as appropriate, shall adopt rules regulating the investigation and review of a complaint filed that relates to the settlement of an out-of-network health benefit claim that is subject to this chapter. The rules adopted under this section must:

(1) distinguish among complaints for out-of-network coverage or payment and give priority to investigating allegations of delayed health care services ~~[or medical care]~~;

(2) develop a form for filing a complaint and establish an outreach effort to inform enrollees of the availability of the claims dispute resolution process under this chapter;

(3) ensure that a complaint is not dismissed without appropriate consideration;

(4) ensure that enrollees are informed of the availability of mandatory mediation; and

(5) require the administrator to include a notice of the claims dispute resolution process available under this chapter with the explanation of benefits sent to an enrollee.

(b) The department and the Texas Medical Board or other appropriate regulatory agency shall maintain information:

(1) on each complaint filed that concerns a claim or mediation subject to this chapter; and

(2) related to a claim that is the basis of an enrollee complaint, including:

(A) the type of services that gave rise to the dispute;

(B) the type and specialty, if any, of the laboratory, facility-based provider, or emergency care provider who provided the out-of-network service;

(C) the county and metropolitan area in which the health care ~~[or medical]~~ service ~~[or supply]~~ was provided;

(D) whether the health care ~~[or medical]~~ service ~~[or supply]~~ was for emergency care; and

(E) any other information about:

(i) the insurer or administrator that the commissioner by rule requires; or

(ii) the laboratory, facility-based provider, or emergency care provider that the Texas Medical Board or other appropriate regulatory agency by rule requires.

(d) A laboratory, facility-based provider, or emergency care provider who fails to provide a disclosure under Section 1467.051 or 1467.0511 is not subject to discipline by the Texas Medical Board or other appropriate regulatory agency for that failure and a cause of action is not created by a failure to disclose as required by Section 1467.051 or 1467.0511.

SECTION 13. The changes in law made by this Act apply only to a claim for health care services provided on or after September 1, 2019. A claim for health care services provided before September 1, 2019, 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 14. This Act takes effect only if none of the following bills proposed by the 86th Legislature, Regular Session, 2019, or similar legislation of the 86th Legislature, Regular Session, 2019, are enacted and become law:

(1) **HB 2967**, relating to prohibited balance billing and an independent dispute resolution program for out-of-network coverage under certain managed care plans;

(2) **HB 3933**, relating to consumer protections against billing and limitations on information reported by consumer reporting agencies;

(3) **SB 1264**, relating to consumer protections against certain medical and health care billing by certain out-of-network providers; or

(4) **SB 1591**, relating to prohibited balance billing and an independent dispute resolution program for out-of-network coverage under certain managed care plans.

SECTION 15. This Act takes effect September 1, 2019.

### **HB 2102 - MOTION TO CONCUR IN SENATE AMENDMENTS**

Representative Capriglione called up with senate amendments for consideration at this time,

**HB 2102**, A bill to be entitled An Act relating to the payment of insurance deductibles related to property insurance policies; creating criminal offenses.

Representative Capriglione moved to concur in the senate amendments to **HB 2102**.

The motion to concur in the senate amendments to **HB 2102** was lost by (Record 1854): 64 Yeas, 75 Nays, 2 Present, not voting. (The vote was reconsidered later today, and the motion to concur in the senate amendments to **HB 2102** prevailed by Record No. 1924.)

Yeas — Anderson; Bailes; Bell, C.; Bohac; Bonnen; Buckley; Capriglione; Cyrier; Dean; Flynn; Frank; Geren; Goldman; Harless; Hefner; Hernandez; Hinojosa; Holland; Huberty; Hunter; Kacal; King, P.; Krause; Lambert; Lang; Leach; Leman; Longoria; Lozano; Lucio; Metcalf; Meyer; Middleton; Miller; Morrison; Murphy; Noble; Oliverson; Ortega; Parker; Patterson; Paul; Phelan; Raney; Rose; Sanford; Shaheen; Sheffield; Shine; Smith; Smithee; Springer; Stephenson; Swanson; Thompson, E.; Toth; Turner, C.; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Allen; Allison; Ashby; Beckley; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Bucy; Burns; Burrows; Button; Cain; Calanni; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Frullo; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harris; Herrero; Howard; Israel; Johnson, J.E.; King, K.; King, T.; Klick; Kuempel; Landgraf; Larson; Lopez; Martinez; Martinez Fischer; Meza; Minjarez; Morales; Muñoz; Murr; Neave; Nevárez; Pacheco; Paddie; Perez; Price; Ramos; Raymond; Reynolds; Rodriguez; Romero; Rosenthal; Schaefer; Sherman; Stickland; Stucky; Talarico; Thierry; Tinderholt; Turner, J.; VanDeaver; Walle.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Anchia; Canales; Thompson, S.

### **HCR 184 - ADOPTED** **(by Phelan)**

The following privileged resolution was laid before the house:

#### **HCR 184**

WHEREAS, **HB 1397** has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains a technical error that should be corrected; now, therefore, be it

RESOLVED by the 86th Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to make the following correction:

In SECTION 4 of the bill, in added Section 36.213(f), Utilities Code, strike "recovery for a power generation facility that provides greater than \$200 million of Texas jurisdictional generation capacity," and substitute "incremental recovery for a power generation facility greater than \$200 million on a Texas jurisdictional basis,".

**HCR 184** was adopted by (Record 1855): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price;

Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Middleton.

### **HB 965 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative M. González called up with senate amendments for consideration at this time,

**HB 965**, A bill to be entitled An Act relating to updating references to certain former health services state agencies and certain terms used to describe persons with intellectual or developmental disabilities in the Education Code.

Representative M. González moved to concur in the senate amendments to **HB 965**.

The motion to concur in the senate amendments to **HB 965** prevailed by (Record 1856): 134 Yeas, 6 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Krause; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Flynn; Hefner; Lang; Shaheen; Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Bell, C.; Klick.

**STATEMENT OF VOTE**

When Record No. 1856 was taken, I was shown voting yes. I intended to vote no.

Wilson

**Senate Committee Substitute**

**CSHB 965**, A bill to be entitled An Act relating to updating references to certain former health services state agencies and certain terms used to describe persons with intellectual or developmental disabilities in the Education Code.

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

SECTION 1. Section 25.041, Education Code, is amended to read as follows:

Sec. 25.041. TRANSFER OF CHILDREN OR WARDS OF EMPLOYEES OF STATE SUPPORTED LIVING CENTERS ~~[SCHOOLS]~~. A school-age child or ward of an employee of a state supported living center ~~[school]~~ for persons with intellectual disabilities ~~[the mentally retarded]~~ constituted as a school district who resides in the boundaries of center ~~[the state school]~~ property but who is not a student at the center ~~[state school]~~ is entitled to attend school in a district adjacent to the center ~~[state school]~~ free of any charge to the child's or ward's parent or guardian provided the parent or guardian is required by the superintendent of the center ~~[state school]~~ to live on the grounds of the center ~~[state school]~~ for the convenience of this state. A tuition charge required by the admitting district shall be paid by the district constituting the state supported living center ~~[school]~~ out of funds allotted to it by the agency.

SECTION 2. Section 29.003(b), Education Code, is amended to read as follows:

(b) A student is eligible to participate in a school district's special education program if the student:

(1) is not more than 21 years of age and has a visual or auditory impairment that prevents the student from being adequately or safely educated in public school without the provision of special services; or

(2) is at least three but not more than 21 years of age and has one or more of the following disabilities that prevents the student from being adequately or safely educated in public school without the provision of special services:

- (A) physical disability;
- (B) intellectual or developmental disability ~~[mental retardation]~~;
- (C) emotional disturbance;
- (D) learning disability;
- (E) autism;
- (F) speech disability; or
- (G) traumatic brain injury.

SECTION 3. Section 29.012(d), Education Code, is amended to read as follows:

(d) The Texas Education Agency, the Health and Human Services Commission, the Department of Family and Protective Services ~~[the Texas Department of Mental Health and Mental Retardation, the Texas Department of~~

~~Human Services, the Texas Department of Health, the Department of Protective and Regulatory Services, the Interagency Council on Early Childhood Intervention, the Texas Commission on Alcohol and Drug Abuse], and the Texas Juvenile Justice Department by a cooperative effort shall develop and by rule adopt a memorandum of understanding. The memorandum must:~~

(1) establish the respective responsibilities of school districts and of residential facilities for the provision of a free, appropriate public education, as required by the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) and its subsequent amendments, including each requirement for children with disabilities who reside in those facilities;

(2) coordinate regulatory and planning functions of the parties to the memorandum;

(3) establish criteria for determining when a public school will provide educational services;

(4) provide for appropriate educational space when education services will be provided at the residential facility;

(5) establish measures designed to ensure the safety of students and teachers; and

(6) provide for binding arbitration consistent with Chapter 2009, Government Code, and Section 154.027, Civil Practice and Remedies Code.

SECTION 4. Section 29.456(b), Education Code, is amended to read as follows:

(b) If the commissioner of education and the executive commissioner of the Health and Human Services Commission ~~Department of Aging and Disability Services~~ are unable to bring the school district and forensic state supported living center to agreement, the commissioners shall jointly submit a written request to the attorney general to appoint a neutral third party knowledgeable in special education and intellectual and developmental disability ~~mental retardation~~ issues to resolve each issue on which the district and the center disagree. The decision of the neutral third party is final and may not be appealed. The district and the center shall implement the decision of the neutral third party. The commissioner of education or the executive commissioner of the Health and Human Services Commission ~~Department of Aging and Disability Services~~ shall ensure that the district and the center implement the decision of the neutral third party.

SECTION 5. Section 29.457(b), Education Code, is amended to read as follows:

(b) Not later than December 1 of each year, a school district that receives an allotment under this section shall submit a report accounting for the expenditure of funds received under this section to the governor, the lieutenant governor, the speaker of the house of representatives, the chairs of the standing committees of the senate and house of representatives with primary jurisdiction regarding persons with intellectual and developmental disabilities ~~mental retardation~~ and public education, and each member of the legislature whose district contains any portion of the territory included in the school.

SECTION 6. Section 30.0015(b), Education Code, is amended to read as follows:

(b) The agency by rule shall develop and annually disseminate standards for a school district's transfer of an assistive technology device to an entity listed in this subsection when a student with a disability using the device changes the school of attendance in the district or ceases to attend school in the district that purchased the device and the student's parents, or the student if the student has the legal capacity to enter into a contract, agrees to the transfer. The device may be transferred to:

- (1) the school or school district in which the student enrolls;
- (2) a state agency, including the Health and Human Services Commission ~~[Texas Rehabilitation Commission and the Texas Department of Mental Health and Mental Retardation]~~, that provides services to the student following the student's graduation from high school; or
- (3) the student's parents, or the student if the student has the legal capacity to enter into a contract.

SECTION 7. Section 52.40(a), Education Code, is amended to read as follows:

(a) The board may cancel the repayment of a loan received by a student who earns a doctorate of psychology degree and who, prior to the date on which repayment of the loan is to commence, is employed by the ~~[Department of Aging and Disability Services, the]~~ Department of State Health Services~~[-]~~ or the Health and Human Services Commission and performs duties formerly performed by employees of the Texas Department of Human Services ~~[or Texas Department of Mental Health and Mental Retardation]~~, the Texas Juvenile Justice Department, ~~[or]~~ the Texas Department of Criminal Justice, or a former state agency that provided services to persons with mental illness, persons with intellectual disabilities, or persons with developmental disabilities.

SECTION 8. Section 73.401, Education Code, is amended to read as follows:

Sec. 73.401. ESTABLISHMENT. The Harris County Psychiatric Center has been developed and built by Harris County, Texas, and a former state agency that provided services to persons with mental illness, persons with intellectual disabilities, and persons with developmental disabilities ~~[the Texas Department of Mental Health and Mental Retardation]~~. The facilities of the Harris County Psychiatric Center to be operated by The University of Texas System shall be operated consistent with the rules and regulations of the board of regents and with the provisions of this subchapter.

SECTION 9. Section 73.403, Education Code, is amended to read as follows:

Sec. 73.403. OPERATION OF COMMITMENT CENTER. Harris County, the Harris Center for Mental Health and IDD, or both of those entities, ~~[and/or the Mental Health and Mental Retardation Authority (MHMRA) of Harris County]~~ may operate on the premises of the Harris County Psychiatric Center a commitment center, the functions of which may include patient screening, intake, and admissions (both voluntary and involuntary) to the Harris County Psychiatric

Center as may be provided for in a lease ~~[and/or sublease]~~ and operating agreement or a sublease and operating agreement as authorized under Section 73.405 ~~[of this code]~~. The functions of the Harris County Psychiatric Commitment Center located on the premises of the Harris County Psychiatric Center both in terms of operation and in terms of funding shall not be the responsibility of the Health and Human Services Commission ~~[Texas Department of Mental Health and Mental Retardation]~~ or The University of Texas System. As may be provided for in a lease ~~[and/or sublease]~~ and operating agreement or a sublease and operating agreement, The University of Texas System may charge for any support services provided by the Harris County Psychiatric Center to the commitment center.

SECTION 10. Section 73.404, Education Code, is amended to read as follows:

Sec. 73.404. FUNDING. (a) Funding for the state-supported facilities and operations of the Harris County Psychiatric Center shall be provided through legislative appropriations to the Health and Human Services Commission ~~[Texas Department of Mental Health and Mental Retardation]~~ and to The University of Texas System, and any appropriations to the commission ~~[department]~~ for the Harris County Psychiatric Center shall be transferred to The University of Texas System in accordance with the General Appropriations Act and the lease ~~[and/or sublease]~~ and operating agreement or sublease and operating agreement provided for in Section 73.405 ~~[of this code]~~. Legislative appropriations may be for any further construction at the Harris County Psychiatric Center; for equipment, both fixed and movable; for utilities, including data processing and communications; for maintenance, repairs, renovations, and additions; for any damage or destruction; and for operations of the Harris County Psychiatric Center; provided, however, that as to funding for Harris County Psychiatric Center operations, legislative appropriations shall not exceed 85 percent of the total operating costs of the entire Harris County Psychiatric Center, exclusive of any costs of the commitment center.

(b) Any funding, under a lease ~~[and/or sublease]~~ and operating agreement or sublease and operating agreement wherein The University of Texas System is the lessee, for ~~[the county supported and/or MHMRA supported]~~ facilities and operations of the Harris County Psychiatric Center supported by the county or the Health and Human Services Commission, which may be provided through county appropriations, including funds made available by the Harris Center for Mental Health and IDD ~~[County Mental Health and Mental Retardation Authority]~~, or from gifts and grants, shall be transferred in accordance with the lease ~~[and/or sublease]~~ and operating agreement or sublease and operating agreement provided for in Section 73.405 ~~[of this code]~~. Such funds may be for any further construction at the Harris County Psychiatric Center; for equipment, both fixed and movable; for utilities, including data processing and communications; for maintenance, repairs, renovations, and additions; for any damage or destruction; and for Harris County Psychiatric Center operations which latter funding may be proportional to the total costs of The University of Texas System operating the entire Harris County Psychiatric Center, exclusive of any additional cost incurred



by ~~[of]~~ Harris County or the Health and Human Services Commission for ~~[and/or MHMRA]~~ operating the commitment center, which costs shall remain the sole responsibility of the entity or entities that incurred those costs ~~[Harris County and/or MHMRA]~~.

SECTION 11. Sections 73.405(a) and (d), Education Code, are amended to read as follows:

(a) The state-supported facilities of the Harris County Psychiatric Center shall be leased to and operated and administered by The University of Texas System in accordance with a lease and operating agreement. The ~~[county supported and/or MHMRA supported]~~ facilities supported by the county or the Harris Center for Mental Health and IDD, exclusive of the commitment center, may be leased or ~~[and/or]~~ subleased by The University of Texas System in the same lease ~~[and/or sublease]~~ and operating agreement or sublease and operating agreement. Any lease ~~[and/or sublease]~~ and operating agreement or sublease and operating agreement shall provide for a lease payment by The University of Texas System of no more than \$1 per year plus other good and valuable consideration as provided for in Section 73.406 ~~[of this code]~~.

(d) Any lease ~~[and/or sublease]~~ and operating agreement or sublease and operating agreement shall provide that The University of Texas System shall cause the Harris County Psychiatric Center to be operated in accordance with the standards for accreditation of The ~~[the]~~ Joint Commission ~~[on Accreditation of Hospitals]~~; that all financial transactions and performance programs may be appropriately audited; that an admission, discharge, and transfer coordination policy be established; that appropriate patient data be made available to the Health and Human Services Commission, the Harris Center for Mental Health and IDD ~~[department, MHMRA]~~, and the county, including but not limited to diagnosis and lengths of stay; and that a priority of patient treatment policy be established.

SECTION 12. Section 73.406, Education Code, is amended to read as follows:

Sec. 73.406. REVENUES. That portion of any revenues related to the provision of patient services through the operation of the Harris County Psychiatric Center facilities that are leased or ~~[and/or]~~ subleased by and to The University of Texas System shall be accounted for and expended in accordance with the rules, regulations, and bylaws of The University of Texas System and in such manner that such revenues will reduce appropriated and funded requirements by both the state and county or the Harris Center for Mental Health and IDD ~~[MHMRA]~~ on a prorated basis, all as may be provided for in a lease ~~[and/or sublease]~~ and operating agreement or sublease and operating agreement.

SECTION 13. Section 73.501, Education Code, is amended to read as follows:

Sec. 73.501. TRANSFER AND LEASE OF FACILITIES. (a) The governance, operation, management, and control of the Texas Research Institute of Mental Sciences ~~[created by Chapter 427, Acts of the 55th Legislature, Regular Session, 1957, as amended (Article 3174b 4, Vernon's Texas Civil Statutes)]~~ and all land, buildings, improvements thereon, and major fixed

equipment comprising said institute shall be leased from the Health and Human Services Commission or a former state agency that provided services to persons with mental illness, persons with intellectual disabilities, and persons with developmental disabilities [~~Texas Department of Mental Health and Mental Retardation~~] and transferred to the board of regents of The University of Texas System for \$1 a year and shall be subject to the provisions of [~~Subdivision (9) of Subsection (a) of~~] Section 65.02(a)(9) [~~65.02 of the Education Code~~].

(b) All land, buildings, and improvements thereon and major fixed equipment comprising said institute leased by The University of Texas System shall be utilized only for purposes of patient care services, research, and education related to mental health, intellectual disability, and developmental disability [~~mental retardation~~]. The Health and Human Services Commission or a former state agency that provided services to persons with mental illness, persons with intellectual disabilities, and persons with developmental disabilities [~~Texas Department of Mental Health and Mental Retardation~~] may sell or otherwise dispose of the land, buildings, improvements thereon, or major fixed equipment provided that the proceeds from the sale or other disposition shall be used for the same purposes in Harris County; and further provided, that the board of regents of The University of Texas System, prior to such sale or other disposition, has approved of such sale or disposition and the allocation of proceeds.

SECTION 14. Section 73.502, Education Code, is amended to read as follows:

Sec. 73.502. TRANSFER OF GIFTS, GRANTS, UNEXPENDED BALANCES, CONTRACTS, AND OBLIGATIONS. Any gifts, grants, unexpended balances of appropriated or unappropriated funds, and all movable equipment that was held by a former state agency that provided services to persons with mental illness, persons with intellectual disabilities, and persons with developmental disabilities or that was transferred to the Health and Human Services Commission on dissolution of that former agency and was held [~~the Texas Department of Mental Health and Mental Retardation~~] for, on behalf of, or for the use and benefit of the Texas Research Institute of Mental Sciences are hereby transferred to The University of Texas System; provided, however, that all previously appropriated funds for statewide training of [~~department~~] personnel and program evaluation by the institute shall be retained by the Health and Human Services Commission [~~department~~]. All contracts and written obligations of every kind and character entered into by a former state agency that provided services to persons with mental illness, persons with intellectual disabilities, and persons with developmental disabilities [~~the Texas Department of Mental Health and Mental Retardation~~] for and on behalf of the Texas Research Institute of Mental Sciences are ratified, confirmed, and validated, and in all such contracts and written obligations, the board of regents of The University of Texas System is substituted in lieu and shall stand and act in place and stead of the former state agency that provided services to persons with mental illness, persons with intellectual disabilities, and persons with developmental disabilities [~~Texas Department of Mental Health and Mental Retardation~~]; provided, however, that an advisory committee shall be established with regard to research protocols and

the executive commissioner of the Health and Human Services Commission ~~[department]~~ shall be a member; provided further, that The University of Texas System may contract with the Department of State Health Services ~~[department]~~ for continued extramural and other laboratory consultative services. The Health and Human Services Commission ~~[Texas Department of Mental Health and Mental Retardation]~~, Harris County, and the ~~[Mental Health and Mental Retardation Authority of]~~ Harris Center for Mental Health and IDD ~~[County]~~ shall provide for the continuity of inpatient and outpatient care of the patients and programs operated at the Texas Research Institute of Mental Sciences and may contract for the provision of such services in accordance with the provisions of and appropriations provided in the General Appropriations Act.

SECTION 15. Sections 73.503(a) and (h), Education Code, are amended to read as follows:

(a) Present institute personnel shall be allowed to apply for employment with The University of Texas System, Harris County, or the Harris Center for Mental Health and IDD ~~[Mental Health and Mental Retardation Authority of Harris County]~~ and be given priority consideration for such employment.

(h) The Employees Retirement System, the Health and Human Services Commission ~~[Texas Department of Mental Health and Mental Retardation]~~, and The University of Texas System shall provide the Teacher Retirement System with information necessary to establish employees' rights to credit under this section. The Employees Retirement System and the Teacher Retirement System shall establish procedures to prevent duplication of retirement credit for the same service.

SECTION 16. This Act takes effect September 1, 2019.

### **HB 2218 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Lozano called up with senate amendments for consideration at this time,

**HB 2218**, A bill to be entitled An Act relating to creating a Class C menhaden boat license; imposing a fee; requiring a license.

Representative Lozano moved to concur in the senate amendments to **HB 2218**.

The motion to concur in the senate amendments to **HB 2218** prevailed by (Record 1857): 137 Yeas, 3 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leman; Longoria; Lopez; Lozano; Lucio;

Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Noble; Oliverson; Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Biedermann; Leach.

### STATEMENT OF VOTE

When Record No. 1857 was taken, I was shown voting yes. I intended to vote no.

Hefner

### Senate Committee Substitute

**CSHB 2218**, A bill to be entitled An Act relating to creating a Class C menhaden boat license; imposing a fee; requiring a license.

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

SECTION 1. Section 47.008, Parks and Wildlife Code, is amended by amending Subsections (a) and (d) and adding Subsection (a-1) to read as follows:

(a) A boat may not be used for the purpose of catching, storing, and transporting menhaden in tidal water unless the owner of the boat has acquired:

(1) a Class A menhaden boat license; or

(2) a Class C menhaden boat license.

(a-1) The holder of a Class C menhaden boat license may not take or harvest from the public water of the state more than 300 pounds a day of menhaden or an amount set by the department.

(d) The commission shall set the license fee for each ~~[Class B]~~ menhaden boat for each yearly period:

(1) in an amount not less than \$2,000 for a Class A menhaden boat license;

(2) in an amount not to exceed \$50 for a Class B menhaden boat license; and

(3) at \$420 for a Class C menhaden boat license.

SECTION 2. Section 47.038, Parks and Wildlife Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Except as provided by Subsection (a-1), nets ~~[Nets]~~ or purse seines used for catching menhaden may not be:

(1) less than one and one-half inch stretched mesh, excluding the bag;

(2) used in any bay, river, pass, or tributary, nor within one mile of any barrier, jetty, island, or pass, nor within one-half mile offshore in the Gulf of Mexico; or

(3) used for the purpose of taking edible aquatic products for the purpose of barter, sale, or exchange.

(a-1) The holder of a Class C menhaden boat license issued under Section 47.008 may use a cast net, as defined by the commission, to catch menhaden in any coastal bay, river, or tributary landward from the shoreline of the state along the coast of the Gulf of Mexico.

SECTION 3. Section 47.008(c), Parks and Wildlife Code, is repealed.

SECTION 4. This Act takes effect September 1, 2019.

### **HB 1584 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative S. Thompson called up with senate amendments for consideration at this time,

**HB 1584**, A bill to be entitled An Act relating to health benefit plan coverage of prescription drugs for stage-four advanced, metastatic cancer.

Representative S. Thompson moved to concur in the senate amendments to **HB 1584**.

The motion to concur in the senate amendments to **HB 1584** prevailed by (Record 1858): 115 Yeas, 24 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bowers; Buckley; Bucy; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hefner; Hernandez; Herrero; Hinojosa; Howard; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Sheffield; Sherman; Shine; Smithee; Springer; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Bonnen; Burns; Cain; Frank; Harris; Holland; King, P.; Krause; Landgraf; Lang; Metcalf; Middleton; Miller; Murr; Oliverson; Patterson; Schaefer; Shaheen; Smith; Stickland; Swanson; Tinderholt; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Huberty; Murphy; Walle.

### STATEMENT OF VOTE

When Record No. 1858 was taken, I was shown voting no. I intended to vote yes.

Swanson

#### Senate Amendment No. 1 (Senate Floor Amendment No. 1)

Amend **HB 1584** (senate committee report) in SECTION 1 of the bill, by striking added Section 1369.213(b), Insurance Code (page 2, lines 36 through 40), and substituting the following:

(b) This section applies only to a drug the use of which is:

(1) consistent with best practices for the treatment of stage-four advanced, metastatic cancer or an associated condition;

(2) supported by peer-reviewed, evidence-based literature; and

(3) approved by the United States Food and Drug Administration.

#### **HB 1833 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Wray called up with senate amendments for consideration at this time,

**HB 1833**, A bill to be entitled An Act relating to the authority to transfer real property in the name of an entity.

Representative Wray moved to concur in the senate amendments to **HB 1833**.

The motion to concur in the senate amendments to **HB 1833** prevailed by (Record 1859): 140 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Meza; Swanson.

**Senate Committee Substitute**

**CSHB 1833**, A bill to be entitled An Act relating to the authority to transfer real property in the name of an entity.

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

SECTION 1. Chapter 12, Property Code, is amended by adding Section 12.019 to read as follows:

Sec. 12.019. AFFIDAVIT OF AUTHORITY TO TRANSFER. (a) In this section, "domestic entity," "foreign entity," "jurisdiction of formation," and "nonprofit entity" have the meanings assigned by Section 1.002, Business Organizations Code.

(b) This section does not apply to:

(1) a domestic nonprofit entity or a foreign entity that is:

(A) exempt from federal taxation under Section 501(a), Internal Revenue Code of 1986, by being listed as an exempt entity under Section 501(c)(3) of that code; or

(B) described by Section 170(c)(1) or (2), Internal Revenue Code of 1986; or

(2) a transaction involving the transfer of an estate or interest in real property in an amount that exceeds \$1 million.

(c) A domestic entity or foreign entity may execute and record an affidavit identifying one or more individuals with authority to transfer on behalf of the entity an estate or interest in real property in the name of the entity if the entity is:

(1) a limited liability company, a limited partnership, or a professional entity as defined by Section 301.003, Business Organizations Code; and

(2) active or in good standing under the laws of the entity's jurisdiction of formation.

(d) An estate or interest in real property in the name of a domestic entity or foreign entity may be transferred on behalf of the entity by one or more individuals identified as authorized to do so in an affidavit described by Subsection (c).

(e) Subject to Subsection (f), an affidavit described by Subsection (c) must:

(1) be executed under penalty of perjury by an individual who swears that the individual:

(A) is at least 18 years of age;

(B) is authorized to execute and deliver the affidavit on behalf of the entity;

(C) is fully competent to execute the affidavit; and

(D) understands that:

(i) third parties will rely on the truthfulness of the statements made in the affidavit; and

(ii) the affidavit is made under penalty of perjury; and

(2) state:

(A) the name of the domestic entity or foreign entity that holds title to the real property and that the entity is active or in good standing under the laws of the entity's jurisdiction of formation;

(B) the address, including street address, of the domestic entity's or foreign entity's principal place of business in this state or, if the entity does not have a principal place of business in this state, the address of the entity's principal place of business in the state or country that is the entity's jurisdiction of formation;

(C) the legal description of the real property an estate or interest in which is to be transferred and specify the nature of the transfer authorized; and

(D) the name and title of one or more individuals authorized to transfer on the entity's behalf an estate or interest in the real property described in the affidavit.

(f) An individual is authorized to execute an affidavit described by Subsection (c) on behalf of a domestic entity that files a franchise tax public information report under Section 171.203, Tax Code, if, on the date the affidavit is executed, the individual:

(1) in the case of a limited liability company, is a manager or member of the limited liability company;

(2) in the case of a limited partnership, is a general partner of the limited partnership; or

(3) in the case of a professional entity, is a director or officer of the applicable professional entity.

(g) Except as provided by Subsection (h), the individual executing an affidavit described by Subsection (c) may not be the individual identified in the affidavit as authorized to transfer an estate or interest in the real property described in the affidavit.

(h) The individual executing the affidavit described by Subsection (c) may be the individual identified in the affidavit as authorized to transfer an estate or interest in the real property described in the affidavit if:

(1) the entity is a limited liability company and the affidavit includes a representation by the affiant that the affiant is the sole member and manager of the limited liability company;

(2) the entity is a limited partnership and the affidavit includes a representation by the affiant that the affiant is the sole general partner of the limited partnership;

(3) the entity is a professional entity and the affidavit includes a representation by the affiant that the affiant is the sole director and officer of the applicable professional entity; or

(4) the most recent franchise tax public information report of the entity under Section 171.203, Tax Code, available on the date the affidavit is executed identifies only the affiant and no other person as an officer, director, member, manager, or general partner of the entity.

(i) The affidavit must be recorded with the county clerk in the county in which the real property is located. The county clerk may collect a fee for recording an affidavit under this section in the amount authorized for recording a transfer of real property.



(j) A person who in good faith acts in reliance on an affidavit that complies with this section and that contains transfer authority that has not been terminated under Subsection (n) or has not expired under Subsection (o) is not liable to any person for that act and may assume without inquiry the existence of the facts contained in the affidavit if the person does not have actual knowledge that any material representations contained in the affidavit are incorrect.

(k) A person who in good faith enters into a transaction involving the transfer of an estate or interest in real property described in an affidavit that is described by Subsection (c) and who relies on the affidavit, without actual knowledge that any material representations contained in the affidavit are incorrect, may enforce the transaction against the entity and the real property described in the affidavit as if the representations contained in the affidavit are correct if:

(1) the affidavit complies with this section; and

(2) the transfer authority specified in the affidavit has not been terminated under Subsection (n) or has not expired under Subsection (o).

(l) With respect to an affidavit described by Subsection (c), this section does not limit the rights of an owner of an interest in the entity against the affiant, the entity, or any individual identified in the affidavit with authority to transfer on behalf of the entity an estate or interest in real property in the name of the entity.

(m) Nothing in this section:

(1) requires an individual to rely on an affidavit described by Subsection (c);

(2) requires an entity to deliver an affidavit that complies with this section in order for a transfer of an estate or interest in real property on behalf of the entity to take effect; or

(3) prohibits an entity from authorizing an individual to transfer an estate or interest in real property on behalf of the entity by a means other than an affidavit described by Subsection (c).

(n) An entity that executes and records an affidavit described by Subsection (c) may terminate the transfer authority specified in the affidavit at any time by recording a written termination of the authority specified in the affidavit with the county clerk in the county in which the real property is located. The written termination must be in the form of an affidavit that:

(1) satisfies the requirements of Subsection (e) other than Subsection (e)(2)(D);

(2) provides the recording information for the affidavit that specifies the transfer authority being terminated; and

(3) states that the authority to transfer an estate or interest in real property as contained in the previously recorded affidavit is terminated.

(o) The transfer authority contained in an affidavit that complies with this section and that has not been terminated as provided by Subsection (n) expires on the first anniversary of the date on which the affidavit was recorded under Subsection (i).

(p) The transfer authority or the termination of the transfer authority specified in an affidavit that is recorded under Subsection (i) or (n) is effective on the date the county clerk indexes the affidavit.

SECTION 2. This Act takes effect September 1, 2019.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 1833** (senate committee report) as follows:

(1) In SECTION 1 of the bill, strike added Section 12.019(a), Property Code (page 1, lines 26-29), and substitute the following:

(a) In this section:

(1) "Domestic entity," "foreign entity," "jurisdiction of formation," and "nonprofit entity" have the meanings assigned by Section 1.002, Business Organizations Code.

(2) "Transfer" means a transaction to sell, exchange, convey with or without covenants, quitclaim, release, surrender, mortgage, encumber, partition or consent to partitioning, subdivide, apply for zoning, rezoning, or other governmental permits, plat or consent to platting, develop, grant options concerning, lease or sublet, or otherwise dispose of an estate or interest in real property or a right incident to real property.

(2) In SECTION 1 of the bill, in added Section 12.019(m)(2), Property Code (page 3, line 24), strike "; or" and substitute ":",

(3) In SECTION 1 of the bill, in added Section 12.019(m)(3), Property Code (page 3, line 28), between "(c)" and the underlined period, insert the following:

; or

(4) shall be construed to validate a transfer of an estate or interest in real property that is void by other law

### **HB 914 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative S. Thompson called up with senate amendments for consideration at this time,

**HB 914**, A bill to be entitled An Act relating to the regulation of bingo games.

Representative S. Thompson moved to concur in the senate amendments to **HB 914**.

The motion to concur in the senate amendments to **HB 914** prevailed by (Record 1860): 102 Yeas, 37 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bowers; Buckley; Bucy; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Howard; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Larson;

Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Minjarez; Morales; Morrison; Muñoz; Neave; Nevárez; Ortega; Pacheco; Paddie; Parker; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Stephenson; Talarico; Thierry; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Anderson; Ashby; Biedermann; Bohac; Bonnen; Burns; Cain; Dean; Flynn; Goldman; Harris; Hefner; Holland; King, P.; Krause; Landgraf; Lang; Middleton; Miller; Murr; Noble; Oliverson; Patterson; Paul; Sanford; Schaefer; Shaheen; Smith; Smithee; Springer; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Huberty; Meza; Murphy.

### Senate Committee Substitute

**CSHB 914**, A bill to be entitled An Act relating to the regulation of bingo games.

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

SECTION 1. Sections 2001.305(b) and (c), Occupations Code, are amended to read as follows:

(b) Immediately after issuing ~~[receiving]~~ a license, the commission ~~[a license holder]~~ shall send a copy of the license to the appropriate governing body. The governing body shall file the copy of the license in a central file containing licenses issued under this chapter.

(c) Not later than the 10th day after the date a license is issued, the commission ~~[license holder]~~ shall give written notice of the issuance of the license to:

(1) the police department of the municipality in which bingo will be conducted, if bingo is to be conducted in a municipality; or

(2) the sheriff of the county in which bingo will be conducted, if bingo is to be conducted outside a municipality.

SECTION 2. Section 2001.313(h), Occupations Code, is amended to read as follows:

(h) A licensed authorized organization may employ an individual who is not on the registry established by this section as an operator, manager, cashier, usher, caller, or salesperson on a provisional basis if the individual is awaiting the results of a background check by the commission:

(1) for a period not to exceed 30 ~~[44]~~ days if the individual is a resident of this state; or

(2) for a period to be established by commission rule if the individual is not a resident of this state.

SECTION 3. Section 2001.419, Occupations Code, is amended by amending Subsections (d) and (e) and adding Subsection (f) to read as follows:

(d) If more than one bingo occasion is conducted at the same premises on the same day:

- (1) the bingo occasions must be announced separately;
- (2) the licensed times may not overlap; and

(3) notwithstanding Subsection (e), bingo cards may be sold during a bingo occasion for play during a subsequent bingo occasion that is scheduled to begin at the same premises in not more than eight hours after the sale of cards for the subsequent occasion begins.

(e) Bingo cards, pull-tab bingo tickets, and the use of card-minding devices [paper] for a bingo occasion may be sold at the licensed premises at any time beginning one hour before the bingo occasion and ending at the conclusion of the bingo occasion [begins].

(f) If pull-tab bingo tickets are sold by one licensed authorized organization that conducts consecutive bingo occasions during one day, the organization may account for and report all of the pull-tab bingo ticket sales for the occasions as sales for the final occasion.

SECTION 4. Section 2001.451(b), Occupations Code, is amended to read as follows:

(b) Except as provided by Section 2001.502(a), a ~~[A]~~ licensed authorized organization shall deposit in the bingo account all funds derived from the conduct of bingo, less the amount awarded as cash prizes under Sections 2001.420(a) and (b). Except as provided by Subsection (b-1), a deposit must be made not later than the third ~~[second]~~ business day after the day of the bingo occasion on which the receipts were obtained.

SECTION 5. Section 2001.502, Occupations Code, is amended to read as follows:

Sec. 2001.502. PRIZE FEE. (a) A licensed authorized organization or unit as defined by Section 2001.431 shall :

(1) collect from a person who wins a cash bingo prize of more than \$5 a fee in the amount of five percent of the amount ~~[or value]~~ of the prize ; and

(2) except as otherwise provided by this section, remit to the commission the amount of the [a] fee collected under Subdivision (1) [in the amount of five percent of the amount or value of all bingo prizes of more than \$5 awarded].

(b) Notwithstanding Subsection (a)(2), each quarter, a licensed authorized organization or unit that collects a prize fee under Subsection (a) for a bingo game conducted in a county or municipality that was entitled to receive a portion of a bingo prize fee as of January 1, 2019, shall remit 50 percent of the amount collected as the prize fee to the commission and:

(1) if the county or municipality in which the bingo game is conducted voted before November 1, 2019, to impose the prize fee, remit 50 percent of the amount collected as the prize fee to:

(A) the county that voted to impose the fee by that date, provided the location at which the bingo game is conducted is not within the boundaries of a municipality that voted to impose the prize fee by that date;

(B) the municipality that voted to impose the fee by that date, provided the county in which the bingo game is conducted did not vote to impose the fee by that date; or

(C) in equal shares, the county and the municipality, provided each voted to impose the fee before that date; or

(2) if neither the county or municipality in which the bingo game is conducted voted before November 1, 2019, to impose the prize fee, deposit the remainder of the amount collected as the prize fee in the general charitable fund of the organization or on a pro rata basis to the general funds of the organizations comprising the unit, as applicable, to be used for the charitable purposes of the organization or organizations.

(c) The governing body of a county or municipality that voted to impose a prize fee under Subsection (b)(1) may at any time vote to discontinue the imposition of the fee. If a county or municipality votes on or after November 1, 2019, to discontinue the fee, the fees to which the county or municipality, as applicable, was entitled before the vote shall be collected by the licensed authorized organization or unit as defined by Section 2001.431 and deposited as provided by Subsection (b)(2).

(d) A fee collected under Subsection (a) does not apply to:

(1) a merchandise prize awarded as a prize for winning a bingo game, including a bingo card, a pull-tab bingo ticket, a bingo dauber, or other bingo merchandise; or

(2) the use of a card-minding device awarded as a prize for winning a bingo game.

SECTION 6. Section 2001.504(a), Occupations Code, is amended to read as follows:

(a) A fee on prizes authorized or imposed under this subchapter is due and is payable by the license holder or a person conducting bingo without a license to the commission and county or municipality, as applicable, quarterly on or before the 25th day of the month succeeding each calendar quarter.

SECTION 7. The heading to Section 2001.507, Occupations Code, is amended to read as follows:

Sec. 2001.507. COLLECTION AND DEPOSIT ~~[DISBURSEMENT]~~ OF PRIZE FEE.

SECTION 8. Section 2001.507, Occupations Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) The commission shall deposit the revenue collected from the fee on prizes imposed by Section 2001.502 to the credit of ~~[a special account in]~~ the general revenue fund.

(a-1) The revenue collected by the commission from the fee on prizes imposed by Section 2001.502 is considered miscellaneous revenue for purposes of appropriations made to the commission under the General Appropriations Act for the administration of this chapter.

SECTION 9. Section 404.073(c), Government Code, is amended to read as follows:

(c) Interest that has been and that will be accrued or earned from deposits made under a law to which this subsection applies is state funds not subject to allocation or distribution to taxing units, cities, or transportation authorities under that law. This subsection applies to:

- (1) Section 205.02, Alcoholic Beverage Code;
- (2) ~~Section 2001.507, Occupations Code;~~
- ~~[(3)]~~ Section 403.105(d) of this code;
- (3) ~~[(4)]~~ Sections 321.501 and 321.504, Tax Code;
- (4) ~~[(5)]~~ Sections 322.301 and 322.304, Tax Code; and
- (5) ~~[(6)]~~ Sections 323.501 and 323.504, Tax Code.

SECTION 10. The following provisions of the Occupations Code are repealed:

- (1) Section 2001.103(a-1);
- (2) Section 2001.104;
- (3) Section 2001.313(b-3);
- (4) Section 2001.437(i);
- (5) Section 2001.503; and
- (6) Sections 2001.507(b), (c), (d), (e), (f), (g), (h), and (i).

SECTION 11. (a) A county or municipality may receive a portion of the prize fee collected under Section 2001.502, Occupations Code, as amended by this Act, after the effective date of this Act only if:

- (1) the county or municipality was entitled to receive a portion of a bingo prize fee as of January 1, 2019; and
- (2) the governing body of the county or municipality:

(A) by majority vote of the members of the governing body approves the continued receipt of funds under that section and notifies the Texas Lottery Commission of that decision not later than November 1, 2019; and

(B) notifies each licensed authorized organization within the county's or municipality's jurisdiction, as applicable, of the continued imposition of the fee.

(b) Not later than October 1, 2019, the Texas Lottery Commission shall notify the governing body of a county or municipality that was entitled to receive a portion of the prize fee collected under Section 2001.502, Occupations Code, as that section existed immediately before the effective date of this Act, of the requirements for continued receipt of the prize fee under that section as provided in Subsection (a) of this section.

SECTION 12. Section 2001.305, Occupations Code, as amended by this Act, applies only to an authorized organization license or a commercial lessor license that is issued under Chapter 2001, Occupations Code, on or after the effective date of this Act. An authorized organization license or a commercial lessor license issued before the effective date of this Act 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 13. (a) Except as otherwise provided by Subsection (b) of this section, this Act takes effect January 1, 2020.

- (b) The following provisions take effect September 1, 2019:

- (1) Section 2001.502(c), Occupations Code, as added by this Act;
  - (2) Section 2001.507(a), Occupations Code, as amended by this Act;
- and
- (3) Section 2001.507(a-1), Occupations Code, as added by this Act.

**HB 2053 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Landgraf called up with senate amendments for consideration at this time,

**HB 2053**, A bill to be entitled An Act relating to individuals and organizations providing certain services and liability in connection with prescribed burns.

Representative Landgraf moved to concur in the senate amendments to **HB 2053**.

The motion to concur in the senate amendments to **HB 2053** prevailed by (Record 1861): 140 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Meza; Middleton.

**Senate Committee Substitute**

**CSHB 2053**, A bill to be entitled An Act relating to individuals and organizations providing certain services and liability in connection with prescribed burns.

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

SECTION 1. Section 352.081(f), Local Government Code, is amended to read as follows:

(f) This section does not apply to outdoor burning activities:

(1) related to public health and safety that are authorized by the Texas Commission on Environmental Quality for:

(A) firefighter training;

(B) public utility, natural gas pipeline, or mining operations; or

(C) planting or harvesting of agriculture crops; or

(2) that are conducted by a certified and insured prescribed burn manager certified under Section 153.048, Natural Resources Code, and meet the standards of Section 153.047, Natural Resources Code~~[-or~~

~~[(3) that are conducted by the members of a prescribed burning organization under the conditions provided by Section 153.049, Natural Resources Code, and meet the standards of Section 153.047, Natural Resources Code].~~

SECTION 2. Sections 153.004, 153.046, and 153.047, Natural Resources Code, are amended to read as follows:

Sec. 153.004. PRESCRIBED BURNING IN STATE OF EMERGENCY OR DISASTER. A certified and insured prescribed burn manager ~~[or the members of a prescribed burning organization]~~ may conduct a burn in a county in which a state of emergency or state of disaster has been declared by the governor or the president of the United States, unless the declaration expressly prohibits all outdoor burning.

Sec. 153.046. DUTIES. The board shall:

(1) establish standards for prescribed burning;

(2) develop a comprehensive training curriculum for certified and insured prescribed burn managers;

(3) establish standards for certification, recertification, and training for certified and insured prescribed burn managers;

(4) establish minimum education and professional requirements for instructors for the approved curriculum; and

(5) establish insurance requirements for certified and insured prescribed burn managers in amounts not less than those required by Section 153.082 ~~[-and~~

~~[(6) establish minimum insurance requirements for prescribed burning organizations].~~

Sec. 153.047. PRESCRIBED BURNING STANDARDS. Minimum standards established by the board for prescribed burning must:

(1) ensure that prescribed burning is the controlled application of fire to naturally occurring or naturalized vegetative fuels under specified environmental conditions in accordance with a written prescription plan:

(A) designed to confine the fire to a predetermined area and to accomplish planned land management objectives; and

(B) that conforms to the standards established under this section;

(2) require that~~[-~~

~~[(A)]~~ at least one certified and insured prescribed burn manager is present on site during the conduct of the prescribed burn; ~~[or~~

~~[(B) the burn be conducted by the members of a prescribed burning organization].~~



(3) establish appropriate guidelines for size of burning crews sufficient to:

(A) conduct the burn in accordance with the prescription plan; and

(B) provide adequate protection for the safety of persons and of adjacent property;

(4) include standards for notification to adjacent land owners, the Texas Commission on Environmental Quality, and local fire authorities; and

(5) include minimum insurance requirements for certified and insured prescribed burn managers ~~[and prescribed burning organizations]~~.

SECTION 3. Section 153.081(a), Natural Resources Code, is amended to read as follows:

(a) Subject to Section 153.082, an owner, lessee, or occupant of agricultural or conservation land is not liable for property damage or for injury or death to persons caused by or resulting from prescribed burning conducted on the land owned by, leased by, or occupied by the person if the prescribed burning is conducted

~~[(4)]~~ under the supervision of a certified and insured prescribed burn manager ~~[- or~~

~~[(2) by the members of a prescribed burning organization].~~

SECTION 4. Section 153.082, Natural Resources Code, is amended to read as follows:

Sec. 153.082. INSURANCE. The limitation on liability under Section 153.081 does not apply to an owner, lessee, or occupant of agricultural or conservation land unless:

(1) the burn is conducted under the supervision of a certified and insured prescribed burn manager who has liability insurance coverage:

(A) of at least \$1 million for each single occurrence of bodily injury or death, or injury to or destruction of property; and

(B) with a policy period minimum aggregate limit of at least \$2 million; or

(2) the owner, lessee, or occupant is a governmental unit, as that term is defined by Section 2259.001, Government Code, that has a self-insurance program that provides the amount of coverage required by Subdivision (1) ~~[- or~~

~~[(3) the burn is conducted by the members of a prescribed burning organization that has insurance coverage in an amount not less than the amount established by the board under Section 153.046].~~

SECTION 5. Subchapter C, Chapter 153, Natural Resources Code, is amended by adding Section 153.083 to read as follows:

Sec. 153.083. LIABILITY REGARDING CERTAIN PRESCRIBED BURNS. (a) In this section, "burn boss" means an individual responsible for directing a prescribed burn under a written prescription plan described by Section 153.047.

(b) Except as provided by Subsection (c), if a prescribed burn is conducted in accordance with a written prescription plan described by Subsection (d) and Section 153.047, a person may be held liable for property damage, personal injury, or death caused by or resulting from the burn only if the person:

- (1) is the burn boss; and
- (2) is otherwise liable under other law.
- (c) Subject to Sections 153.081 and 153.082, a person other than the burn boss, including a person assisting or acting under the direction of the burn boss, may be held liable for property damage, personal injury, or death caused by or resulting from the burn only if the person:
  - (1) commits gross negligence or intentionally causes the property damage, personal injury, or death; and
  - (2) is otherwise liable under other law.
- (d) For purposes of this section, if the burn boss is not the owner, lessee, or occupant of the land on which the burn is conducted, the written prescription plan must include:
  - (1) the signature of:
    - (A) the burn boss; or
    - (B) the owner, lessee, or occupant of the land on which the burn is conducted; and
  - (2) a contract acknowledging liability.
- (e) Nothing in this section may be construed to create a cause of action or to create a standard of care, obligation, or duty that forms the basis of a cause of action.

SECTION 6. Sections 153.001(3) and 153.049, Natural Resources Code, are repealed.

SECTION 7. The change in law made by this Act applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrues before the effective date of this Act is governed by the law applicable to the cause of action immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 8. This Act takes effect September 1, 2019.

## **HB 2112 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative E. Thompson called up with senate amendments for consideration at this time,

**HB 2112**, A bill to be entitled An Act relating to salvage motor vehicles, including flood vehicles, and nonrepairable motor vehicles.

Representative E. Thompson moved to concur in the senate amendments to **HB 2112**.

The motion to concur in the senate amendments to **HB 2112** prevailed by (Record 1862): 138 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless;

Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Oliverson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Meza; Middleton.

### Senate Committee Substitute

**CSHB 2112**, A bill to be entitled An Act relating to salvage motor vehicles, including flood vehicles, and nonrepairable motor vehicles.

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

SECTION 1. Section 501.091, Transportation Code, is amended by adding Subdivision (4-a) to read as follows:

(4-a) "Flood vehicle":

(A) means a motor vehicle that was submerged in a level of water higher than a doorsill of the vehicle or had water enter the passenger, trunk, or engine compartment and:

(i) water came into contact with mechanical, electrical, or computerized components of the vehicle;

(ii) because of the water, the vehicle requires repair to, or replacement of, any mechanical, electrical, or computerized component to operate; and

(iii) an insurance company paid a claim as a result of damage from the water; and

(B) does not include a motor vehicle designed for and capable of water submersion for recreational or other purposes unless the submersion results in damage to:

(i) electrical safety components; or

(ii) a major component part.

SECTION 2. Sections 501.097(c) and (c-1), Transportation Code, are amended to read as follows:

(c) A ~~printed~~ nonrepairable vehicle title must state on its face that the motor vehicle:

(1) may not:

(A) be repaired, rebuilt, or reconstructed;

(B) be issued a title or registered in this state;

(C) be operated on a public highway, in addition to any other requirement of law; and

(2) may only be used as a source for used parts or scrap metal.

(c-1) The department's titling system must include a remark that clearly identifies the vehicle as a salvage motor vehicle or nonrepairable motor vehicle.

SECTION 3. Section 501.1002, Transportation Code, is amended to read as follows:

Sec. 501.1002. OWNER-RETAINED VEHICLES. (a) If an insurance company pays a claim on a nonrepairable motor vehicle or salvage motor vehicle and the insurance company does not acquire ownership of the motor vehicle, the insurance company shall:

(1) submit to the department, before the 31st day after the date of the payment of the claim, on the form prescribed by the department, a report stating that the insurance company:

(A) has paid a claim on the motor vehicle; ~~and~~

(B) has not acquired ownership of the motor vehicle; and

(C) has determined that the motor vehicle is a salvage motor vehicle or a nonrepairable motor vehicle; and

(2) provide notice to the owner of the motor vehicle of:

(A) the report required under Subdivision (1); ~~and~~

(B) the requirements for operation or transfer of ownership of the motor vehicle under Subsection (b); and

(C) the insurance company's determination that the motor vehicle is a salvage motor vehicle or a nonrepairable motor vehicle.

(b) The owner of a salvage motor vehicle or nonrepairable motor vehicle may not transfer ownership of the motor vehicle by sale or otherwise unless the department has issued a salvage vehicle title, salvage record of title, nonrepairable vehicle title, or nonrepairable record of title for the motor vehicle or a comparable ownership document has been issued by another state or jurisdiction for the motor vehicle in the name of the owner.

(c) Notwithstanding any other provision of this subchapter, on receipt of a report required under Subsection (a) for a vehicle described by that subsection, the department shall issue for the vehicle in the name of the owner, as applicable:

(1) a salvage vehicle title or a salvage record of title for a salvage motor vehicle; or

(2) a nonrepairable vehicle title or a nonrepairable record of title for a nonrepairable motor vehicle.

(d) The department shall collect the fee authorized under this subchapter for the issuance of a title or record of title under Subsection (c). The department shall waive the fee if the report required under Subsection (a)(1) is submitted through the department's titling system.

SECTION 4. Subchapter E, Chapter 501, Transportation Code, is amended by adding Section 501.1004 to read as follows:

Sec. 501.1004. FLOOD VEHICLES. (a) A salvage vehicle title, salvage record of title, nonrepairable vehicle title, or nonrepairable record of title issued by the department for a flood vehicle or any title or record of title subsequently issued by the department for a flood vehicle must bear a notation that the department considers appropriate for a flood vehicle.

(b) An entity that takes possession of a flood vehicle issued ownership documents without the notation required under Subsection (a) shall:

(1) submit, on a form prescribed by the department, a report to the department before the 31st day after the date the entity takes possession of the flood vehicle, unless the entity:

(A) is an insurance company or salvage pool operator as defined by Section 2302.001, Occupations Code; and

(B) obtains an ownership document for the vehicle that bears the notation required by Subsection (a) before the entity transfers the vehicle; and

(2) if the entity is a lienholder in possession of the vehicle under Chapter 54, 59, or 70, Property Code, or Chapter 2303, Occupations Code, apply to the department for the appropriate title in accordance with Section 501.097 before offering the vehicle for public sale.

SECTION 5. The following provisions are repealed:

(1) Section 2302.254(c), Occupations Code; and

(2) Section 501.09112, Transportation Code.

SECTION 6. This Act takes effect September 1, 2019.

## **HB 4712 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Miller called up with senate amendments for consideration at this time,

**HB 4712**, A bill to be entitled An Act relating to the powers and duties of the Fort Bend County Levee Improvement District No. 7.

Representative Miller moved to concur in the senate amendments to **HB 4712**.

The motion to concur in the senate amendments to **HB 4712** prevailed by (Record 1863): 107 Yeas, 31 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, K.; Bernal; Blanco; Bohac; Bowers; Buckley; Bucy; Burrows; Button; Calanni; Canales; Capriglione; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield;

Sherman; Shine; Smithee; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Ashby; Biedermann; Bonnen; Burns; Cain; Clardy; Dean; Frank; Goldman; Harris; Hefner; Holland; Krause; Landgraf; Lang; Metcalf; Middleton; Murr; Noble; Oliverson; Patterson; Sanford; Schaefer; Shaheen; Smith; Springer; Stickland; Swanson; Tinderholt; Toth; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Bell, C.; Leach; Meza; VanDeaver.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 4712** by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Section 8334.003 to read as follows:

Sec. 8334.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

### **HB 1576 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Phelan called up with senate amendments for consideration at this time,

**HB 1576**, A bill to be entitled An Act relating to the delivery of certain medical transportation services, including under Medicaid and certain other health and human services programs; imposing a mandatory payment; authorizing an administrative penalty.

Representative Phelan moved to concur in the senate amendments to **HB 1576**.

The motion to concur in the senate amendments to **HB 1576** prevailed by (Record 1864): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble;

Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Meza.

### Senate Committee Substitute

**CSHB 1576**, A bill to be entitled An Act relating to the delivery of certain transportation services under Medicaid and certain other health and human services programs.

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

SECTION 1. Section 531.001, Government Code, is amended by adding Subdivision (4-c) to read as follows:

(4-c) "Medicaid managed care organization" means a managed care organization as defined by Section 533.001 that contracts with the commission under Chapter 533 to provide health care services to Medicaid recipients.

SECTION 2. The heading to Section 531.02414, Government Code, is amended to read as follows:

Sec. 531.02414. NONEMERGENCY TRANSPORTATION SERVICES UNDER [ADMINISTRATION AND OPERATION OF] MEDICAL TRANSPORTATION PROGRAM.

SECTION 3. Section 531.02414(a), Government Code, is amended by amending Subdivision (1) and adding Subdivisions (1-a) and (3) to read as follows:

(1) "Medical transportation program" means the program that provides nonemergency transportation services ~~[to and from covered health care services, based on medical necessity,]~~ to recipients under Medicaid, subject to Subsection (a-1), the children with special health care needs program, and the transportation for indigent cancer patients program, who have no other means of transportation.

(1-a) "Nonemergency transportation service" means nonemergency medical transportation services authorized under:

(A) for a Medicaid recipient, the state Medicaid plan; and

(B) for a recipient under another program described by Subdivision (1), that program.

(3) "Transportation network company" has the meaning assigned by Section 2402.001, Occupations Code.

SECTION 4. Section 531.02414, Government Code, is amended by adding Subsections (a-1), (i), (j), (k), (l), and (m) and amending Subsections (b), (e), and (f) to read as follows:

(a-1) This section does not apply to the provision of nonemergency transportation services on or after September 1, 2020, to a Medicaid recipient who is enrolled in a managed care plan offered by a Medicaid managed care organization.

(b) Notwithstanding any other law, the commission shall directly supervise the administration and operation of the medical transportation program under this section.

(e) The executive commissioner shall adopt rules to ensure the safe and efficient provision of nonemergency transportation services under this section ~~[the medical transportation program by regional contracted brokers and subcontractors of regional contracted brokers]~~. The rules must include:

(1) minimum standards regarding the physical condition and maintenance of motor vehicles used to provide the services, including standards regarding the accessibility of motor vehicles by persons with disabilities;

(2) a requirement that a regional contracted broker verify that each motor vehicle operator providing the services or seeking to provide the services has a valid driver's license;

(3) a requirement that a regional contracted broker check the driving record information maintained by the Department of Public Safety under Subchapter C, Chapter 521, Transportation Code, of each motor vehicle operator providing the services or seeking to provide the services;

(4) a requirement that a regional contracted broker check the public criminal record information maintained by the Department of Public Safety and made available to the public through the department's Internet website of each motor vehicle operator providing the services or seeking to provide the services; and

(5) training requirements for motor vehicle operators providing the services through a regional contracted broker, including training on the following topics:

(A) passenger safety;

(B) passenger assistance;

(C) assistive devices, including wheelchair lifts, tie-down equipment, and child safety seats;

(D) sensitivity and diversity;

(E) customer service;

(F) defensive driving techniques; and

(G) prohibited behavior by motor vehicle operators.

(f) Except as provided by Subsection (j), the ~~[The]~~ commission shall require compliance with the rules adopted under Subsection (e) in any contract entered into with a regional contracted broker to provide nonemergency transportation services under the medical transportation program.

(i) Emergency medical services personnel and emergency medical services vehicles, as those terms are defined by Section 773.003, Health and Safety Code, may not provide nonemergency transportation services under the medical transportation program.



(j) A regional contracted broker may subcontract with a transportation network company to provide services under this section. A rule or other requirement adopted by the executive commissioner under Subsection (e) does not apply to the subcontracted transportation network company or a motor vehicle operator who is part of the company's network. The commission or the regional contracted broker may not require a motor vehicle operator who is part of the subcontracted transportation network company's network to enroll as a Medicaid provider to provide services under this section.

(k) The commission or a regional contracted broker that subcontracts with a transportation network company under Subsection (j) may require the transportation network company or a motor vehicle operator who provides services under this section to be periodically screened against the list of excluded individuals and entities maintained by the Office of Inspector General of the United States Department of Health and Human Services.

(l) Notwithstanding any other law, a motor vehicle operator who is part of the network of a transportation network company that subcontracts with a regional contracted broker under Subsection (j) and who satisfies the driver requirements in Section 2402.107, Occupations Code, is qualified to provide services under this section. The commission and the regional contracted broker may not impose any additional requirements on a motor vehicle operator who satisfies the driver requirements in Section 2402.107, Occupations Code, to provide services under this section.

(m) For purposes of this section and notwithstanding Section 2402.111(a)(2)(A), Occupations Code, a motor vehicle operator who provides services under this section may use a wheelchair-accessible vehicle equipped with a lift or ramp that is capable of transporting passengers using a fixed-frame wheelchair in the cabin of the vehicle if the vehicle otherwise meets the requirements of Section 2402.111, Occupations Code.

SECTION 5. The heading to Section 533.00257, Government Code, is amended to read as follows:

Sec. 533.00257. DELIVERY OF MEDICAL TRANSPORTATION PROGRAM SERVICES THROUGH MANAGED TRANSPORTATION ORGANIZATION.

SECTION 6. Section 533.00257(a), Government Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "Transportation network company" has the meaning assigned by Section 2402.001, Occupations Code.

SECTION 7. Section 533.00257, Government Code, is amended by amending Subsections (b), (d), and (g) and adding Subsections (k), (l), (m), and (n) to read as follows:

(b) The ~~[Subject to Subsection (i), the]~~ commission ~~may~~ ~~[shall]~~ provide medical transportation program services on a regional basis through a managed transportation delivery model using managed transportation organizations and providers, as appropriate, that:

- (1) operate under a capitated rate system;
- (2) assume financial responsibility under a full-risk model;

- (3) operate a call center;
- (4) use fixed routes when available and appropriate; and
- (5) agree to provide data to the commission if the commission determines that the data is required to receive federal matching funds.

(d) Except as provided by Subsections (k) and (m), a ~~[A]~~ managed transportation organization that participates in the medical transportation program must attempt to contract with medical transportation providers that:

(1) are considered significant traditional providers, as defined by rule by the executive commissioner;

(2) meet the minimum quality and efficiency measures required under Subsection (g) and other requirements that may be imposed by the managed transportation organization; and

(3) agree to accept the prevailing contract rate of the managed transportation organization.

(g) Except as provided by Subsections (k) and (m), the ~~[The]~~ commission shall require that managed transportation organizations and providers participating in the medical transportation program meet minimum quality and efficiency measures as determined by the commission.

(k) A managed transportation organization may subcontract with a transportation network company to provide services under this section. A rule or other requirement adopted by the executive commissioner under this section or Section 531.02414 does not apply to the subcontracted transportation network company or a motor vehicle operator who is part of the company's network. The commission or the managed transportation organization may not require a motor vehicle operator who is part of the subcontracted transportation network company's network to enroll as a Medicaid provider to provide services under this section.

(l) The commission or a managed transportation organization that subcontracts with a transportation network company under Subsection (k) may require the transportation network company or a motor vehicle operator who provides services under this section to be periodically screened against the list of excluded individuals and entities maintained by the Office of Inspector General of the United States Department of Health and Human Services.

(m) Notwithstanding any other law, a motor vehicle operator who is part of the network of a transportation network company that subcontracts with a managed transportation organization under Subsection (k) and who satisfies the driver requirements in Section 2402.107, Occupations Code, is qualified to provide services under this section. The commission and the managed transportation organization may not impose any additional requirements on a motor vehicle operator who satisfies the driver requirements in Section 2402.107, Occupations Code, to provide services under this section.

(n) For purposes of this section and notwithstanding Section 2402.111(a)(2)(A), Occupations Code, a motor vehicle operator who provides services under this section may use a wheelchair-accessible vehicle equipped

with a lift or ramp that is capable of transporting passengers using a fixed-frame wheelchair in the cabin of the vehicle if the vehicle otherwise meets the requirements of Section 2402.111, Occupations Code.

SECTION 8. Subchapter A, Chapter 533, Government Code, is amended by adding Sections 533.002571, 533.00258, and 533.002581 to read as follows:

Sec. 533.002571. DELIVERY OF NONEMERGENCY TRANSPORTATION SERVICES TO CERTAIN MEDICAID RECIPIENTS THROUGH MEDICAID MANAGED CARE ORGANIZATION. (a) In this section:

(1) "Nonemergency transportation service" has the meaning assigned by Section 531.02414.

(2) "Nonmedical transportation service" and "transportation network company" have the meanings assigned by Section 533.00258.

(b) The commission shall require each Medicaid managed care organization to arrange and provide nonemergency transportation services to a recipient enrolled in a managed care plan offered by the organization using the most cost-effective and cost-efficient method of delivery, including by delivering nonmedical transportation services through a transportation network company or other transportation vendor as provided by Section 533.002581, if available and medically appropriate. The commission shall supervise the provision of the services.

(c) Subject to Subsection (d), the executive commissioner shall adopt:

(1) rules applicable to the provision of nonemergency medical transportation services by a Medicaid managed care organization that impose the same standards and requirements as those adopted under Section 531.02414(e); and

(2) other rules as necessary to ensure the safe and efficient provision of nonemergency transportation services by a Medicaid managed care organization under this section.

(d) A Medicaid managed care organization may subcontract with a transportation network company to provide nonemergency transportation services under this section. A rule or other requirement adopted by the executive commissioner under Subsection (c) or Section 531.02414 does not apply to the subcontracted transportation network company or a motor vehicle operator who is part of the company's network. The commission or the Medicaid managed care organization may not require a motor vehicle operator who is part of the subcontracted transportation network company's network to enroll as a Medicaid provider to provide services under this section.

(e) The commission or a Medicaid managed care organization that subcontracts with a transportation network company under Subsection (d) may require the transportation network company or a motor vehicle operator who provides services under this section to be periodically screened against the list of excluded individuals and entities maintained by the Office of Inspector General of the United States Department of Health and Human Services.

(f) Notwithstanding any other law, a motor vehicle operator who is part of the network of a transportation network company that subcontracts with a Medicaid managed care organization under Subsection (d) and who satisfies the driver requirements in Section 2402.107, Occupations Code, is qualified to provide services under this section. The commission and the Medicaid managed care organization may not impose any additional requirements on a motor vehicle operator who satisfies the driver requirements in Section 2402.107, Occupations Code, to provide services under this section.

(g) For purposes of this section and notwithstanding Section 2402.111(a)(2)(A), Occupations Code, a motor vehicle operator who provides services under this section may use a wheelchair-accessible vehicle equipped with a lift or ramp that is capable of transporting passengers using a fixed-frame wheelchair in the cabin of the vehicle if the vehicle otherwise meets the requirements of Section 2402.111, Occupations Code.

(h) The commission may temporarily waive the applicability of Subsection (b) to a Medicaid managed care organization as necessary based on the results of a review conducted under Section 533.007 and until enrollment of recipients in a managed care plan offered by the organization is permitted under that section.

(i) The commission shall extend a contract for the provision of nonemergency transportation services under Section 533.00257 or other law as necessary until the requirements of this section are implemented with respect to each Medicaid managed care organization. This subsection expires September 1, 2023.

Sec. 533.00258. NONMEDICAL TRANSPORTATION SERVICES UNDER MEDICAID MANAGED CARE PROGRAM. (a) In this section:

(1) "Nonmedical transportation service" means:

(A) curb-to-curb transportation to or from a medically necessary, nonemergency covered health care service in a standard passenger vehicle that is scheduled not more than 48 hours before the transportation occurs, that is provided to a recipient enrolled in a managed care plan offered by a Medicaid managed care organization, and that the organization determines meets the level of care that is medically appropriate for the recipient, including transportation related to:

(i) discharge of a recipient from a health care facility;

(ii) receipt of urgent care; and

(iii) obtaining pharmacy services and prescription drugs; and

(B) any other transportation to or from a medically necessary, nonemergency covered health care service the commission considers appropriate to be provided by a transportation vendor, as determined by commission rule or policy.

(2) "Transportation network company" has the meaning assigned by Section 2402.001, Occupations Code.

(3) "Transportation vendor" means an entity, including a transportation network company, that contracts with a Medicaid managed care organization to provide nonmedical transportation services.

(b) The executive commissioner shall adopt rules regarding the manner in which nonmedical transportation services may be arranged and provided.

(c) The rules must require a Medicaid managed care organization to create a process to:

(1) verify that a passenger is eligible to receive nonmedical transportation services;

(2) ensure that nonmedical transportation services are provided only to and from covered health care services in areas in which a transportation network company operates; and

(3) ensure the timely delivery of nonmedical transportation services to a recipient, including by setting reasonable service response goals.

(d) Before September 1, 2020, and subject to Section 533.002581(h), a rule adopted in accordance with Subsection (c)(3) may not impose a penalty on a Medicaid managed care organization that contracts with a transportation vendor under this section if the vendor is unable to provide nonmedical transportation services to a recipient after the Medicaid managed care organization has made a specific request for those services.

(e) The rules must require a transportation vendor to, before permitting a motor vehicle operator to provide nonmedical transportation services:

(1) confirm that the operator:

(A) is at least 18 years of age;

(B) maintains a valid driver's license issued by this state, another state, or the District of Columbia; and

(C) possesses proof of registration and automobile financial responsibility for each motor vehicle to be used to provide nonmedical transportation services;

(2) conduct, or cause to be conducted, a local, state, and national criminal background check for the operator that includes the use of:

(A) a commercial multistate and multijurisdiction criminal records locator or other similar commercial nationwide database; and

(B) the national sex offender public website maintained by the United States Department of Justice or a successor agency;

(3) confirm that any vehicle to be used to provide nonmedical transportation services:

(A) meets the applicable requirements of Chapter 548, Transportation Code; and

(B) except as provided by Subsection (j), has at least four doors; and

(4) obtain and review the operator's driving record.

(f) The rules may not permit a motor vehicle operator to provide nonmedical transportation services if the operator:

(1) has been convicted in the three-year period preceding the issue date of the driving record obtained under Subsection (e)(4) of:

(A) more than three offenses classified by the Department of Public Safety as moving violations; or

(B) one or more of the following offenses:

(i) fleeing or attempting to elude a police officer under Section 545.421, Transportation Code;

(ii) reckless driving under Section 545.401, Transportation Code;

(iii) driving without a valid driver's license under Section 521.025, Transportation Code; or

(iv) driving with an invalid driver's license under Section 521.457, Transportation Code;

(2) has been convicted in the preceding seven-year period of any of the following:

(A) driving while intoxicated under Section 49.04 or 49.045, Penal Code;

(B) use of a motor vehicle to commit a felony;

(C) a felony crime involving property damage;

(D) fraud;

(E) theft;

(F) an act of violence; or

(G) an act of terrorism; or

(3) is found to be registered in the national sex offender public website maintained by the United States Department of Justice or a successor agency.

(g) The commission may not require:

(1) a motor vehicle operator to enroll as a Medicaid provider to provide nonmedical transportation services; or

(2) a Medicaid managed care organization to credential a motor vehicle operator to provide nonmedical transportation services.

(h) The commission or a Medicaid managed care organization that contracts with a transportation vendor may require the transportation vendor or a motor vehicle operator who provides services under this section to be periodically screened against the list of excluded individuals and entities maintained by the Office of Inspector General of the United States Department of Health and Human Services.

(i) Notwithstanding any other law, a motor vehicle operator who is part of a transportation network company's network and who satisfies the driver requirements in Section 2402.107, Occupations Code, is qualified to provide nonmedical transportation services. The commission and a Medicaid managed care organization may not impose any additional requirements on a motor vehicle operator who satisfies the driver requirements in Section 2402.107, Occupations Code, to provide nonmedical transportation services.

(j) For purposes of this section and notwithstanding Section 2402.111(a)(2)(A), Occupations Code, a motor vehicle operator who provides services under this section may use a wheelchair-accessible vehicle equipped with a lift or ramp that is capable of transporting passengers using a fixed-frame wheelchair in the cabin of the vehicle if the vehicle otherwise meets the requirements of Section 2402.111, Occupations Code.

Sec. 533.002581. DELIVERY OF NONMEDICAL TRANSPORTATION SERVICES UNDER MEDICAID MANAGED CARE PROGRAM. (a) In this section, "nonmedical transportation service" and "transportation vendor" have the meanings assigned by Section 533.00258.

(b) The commission shall designate managed care service areas in which to require, beginning not later than January 1, 2020, each Medicaid managed care organization with which the commission has a contract that is anticipated to be in effect on September 1, 2020, and that operates in a designated service area to arrange for the provision of nonmedical transportation services to recipients enrolled in a managed care plan offered by the organization. The commission shall designate at least three, but not more than four, managed care service areas for purposes of this subsection. At least one of the designated service areas must be located in an urban service area, and at least one must be located in a rural service area. This subsection expires September 1, 2021.

(c) The commission shall require each Medicaid managed care organization to arrange for the provision of nonmedical transportation services to recipients enrolled in a managed care plan offered by the organization.

(d) A Medicaid managed care organization may contract with a transportation vendor or other third party to arrange for the provision of nonmedical transportation services. If a Medicaid managed care organization contracts with a third party that is not a transportation vendor to arrange for the provision of nonmedical transportation services, the third party shall contract with a transportation vendor to deliver the nonmedical transportation services.

(e) A Medicaid managed care organization that contracts with a transportation vendor or other third party to arrange for the provision of nonmedical transportation services shall ensure the effective sharing and integration of service coordination, service authorization, and utilization management data between the managed care organization and the transportation vendor or third party.

(f) A Medicaid managed care organization may not require:

(1) a motor vehicle operator to enroll as a Medicaid provider to provide nonmedical transportation services; or

(2) the credentialing of a motor vehicle operator to provide nonmedical transportation services.

(g) For purposes of this section and notwithstanding Section 2402.111(a)(2)(A), Occupations Code, a motor vehicle operator who provides services under this section may use a wheelchair-accessible vehicle equipped with a lift or ramp that is capable of transporting passengers using a fixed-frame wheelchair in the cabin of the vehicle if the vehicle otherwise meets the requirements of Section 2402.111, Occupations Code.

(h) The commission may waive the applicability of Subsection (c) to a Medicaid managed care organization for not more than three months as necessary based on the results of a review conducted under Section 533.007 and until enrollment of recipients in a managed care plan offered by the organization is permitted under that section.

SECTION 9. Section 533.00257(i), Government Code, is repealed.

SECTION 10. Notwithstanding Sections 533.002571(b) and 533.002581(b), Government Code, as added by this Act, the Health and Human Services Commission is not required to implement those subsections until September 1, 2020.

SECTION 11. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 12. As soon as practicable after the effective date of this Act, the executive commissioner of the Health and Human Services Commission shall adopt rules as necessary to implement the changes in law made by this Act.

SECTION 13. 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, 2019.

#### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 1576** (senate committee printing) as follows:

(1) In SECTION 4 of the bill, in added Section 531.02414(a-1), Government Code (page 1, line 56), strike "This" and substitute "Subject to Section 533.002571(i), this".

(2) In SECTION 8 of the bill, strike added Section 533.002571(c), Government Code (page 4, lines 36-44), and substitute the following:

(c) Subject to Subsection (d), the executive commissioner shall adopt rules as necessary to ensure the safe and efficient provision of nonemergency transportation services by a Medicaid managed care organization under this section.

(3) In SECTION 8 of the bill, in added Section 533.002581(c), Government Code (page 7, line 27), strike "The commission" and substitute "Beginning not later than September 1, 2020, the commission".

(4) In SECTION 10 of the bill (page 7, line 66), strike "533.002581(b)" and substitute "533.002581(c)".

#### **HB 2384 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Leach called up with senate amendments for consideration at this time,

**HB 2384**, A bill to be entitled An Act relating to judicial compensation and assignment, the contributions to, benefits from, membership in, and administration of the Judicial Retirement System of Texas Plan One and Plan Two, and the compensation and retirement benefits of certain prosecutors and other members of the elected class of the Employees Retirement System of Texas.

Representative Leach moved to concur in the senate amendments to **HB 2384**.



The motion to concur in the senate amendments to **HB 2384** prevailed by (Record 1865): 136 Yeas, 2 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Ramos; Stickland.

Present, not voting — Mr. Speaker; Fierro; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Dean; González, M.; Kuempel.

### STATEMENT OF VOTE

When Record No. 1865 was taken, I was shown voting no. I intended to vote yes.

Stickland

### Senate Committee Substitute

**CSHB 2384**, A bill to be entitled An Act relating to judicial compensation and assignment, the contributions to, benefits from, membership in, and administration of the Judicial Retirement System of Texas Plan One and Plan Two, and the compensation and retirement benefits of certain prosecutors and other members of the elected class of the Employees Retirement System of Texas.

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

SECTION 1. Section 201.105(a), Family Code, is amended to read as follows:

(a) An associate judge appointed under this subchapter is entitled to a salary in the amount equal to ~~[be determined by a majority vote of the presiding judges of the administrative judicial regions. The salary may not exceed]~~ 90 percent of the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a), Government Code.

SECTION 2. Section 201.205(a), Family Code, is amended to read as follows:

(a) An associate judge appointed under this subchapter is entitled to a salary in the amount equal to [as determined by a majority vote of the presiding judges of the administrative judicial regions. The salary may not exceed] 90 percent of the state base salary paid to a district judge as set by the [state] General Appropriations Act in accordance with Section 659.012(a), Government Code.

SECTION 3. Section 25.0005, Government Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (a-2) to read as follows:

(a) A statutory county court judge, other than a statutory county court judge who engages in the private practice of law, shall be paid a total annual salary set by the commissioners court at an amount that is not less than \$1,000 less than the sum of the [total] annual salary as set by the General Appropriations Act in accordance with Section 659.012 paid to [received by] a district judge with comparable years of service as the statutory county court judge and any state or county [in the county. A district judge's or statutory county court judge's total annual salary includes] contributions and supplements paid to a district judge in the county, [paid by the state or a county,] other than contributions received as compensation under Section 74.051. A statutory county court judge's total annual salary includes any state or county contributions and supplements paid to the judge. For purposes of this subsection, the years of service of a statutory county court judge include any years of service as an appellate court, district court, multicounty statutory county court, or statutory probate court justice or judge.

(a-1) The minimum salary prescribed by Subsection (a) that is to be based on the annual salary of a district judge under Section 659.012(b) becomes effective on the first day of the county's fiscal year following the date the statutory county court judge accrues the years of service required for an increase in salary under Subsection (a).

(a-2) Notwithstanding Subsection (a), the maximum annual salary of a statutory county court judge is \$1,000 less than the sum of the maximum combined annual salary from all state and county sources paid to a district judge entitled to a salary under Section 659.012(b)(2) and any longevity pay received by a district judge in accordance with Section 659.0445(d).

SECTION 4. Section 25.0015, Government Code, is amended to read as follows:

Sec. 25.0015. STATE CONTRIBUTION. [(a)] Beginning on the first day of the state fiscal year, the state shall annually compensate each county in an amount equal to 60 percent of the state base salary paid to [of] a district [court] judge as set by the General Appropriations Act in accordance with Section 659.012(a) [in the county] for each statutory county court judge in the county who:

(1) does not engage in the private practice of law; and

(2) presides over a court with at least the jurisdiction provided by Section 25.0003.

SECTION 5. Section 25.0023, Government Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (a-2) to read as follows:

(a) The commissioners court shall set the total annual salary of each judge of a statutory probate court at an amount that is at least equal to the sum of the [total] annual salary as set by the General Appropriations Act in accordance with

Section 659.012 paid to ~~[received by]~~ a district judge with comparable years of service as the statutory probate court judge and any state or county ~~[in the county. A district judge's or statutory probate court judge's total annual salary includes]~~ contributions and supplements paid to a district judge in the county ~~[by the state or a county]~~, other than contributions received as compensation under Section 74.051 ~~[25.0022(e)]~~. A statutory probate court judge's total annual salary includes any state or county contributions and supplements paid to the judge, other than contributions paid under Section 25.0022(e). For purposes of this subsection, the years of service of a statutory probate court judge include any years of service as an appellate court, district court, multicounty statutory county court, or statutory county court justice or judge.

(a-1) The minimum salary prescribed by Subsection (a) that is to be based on the annual salary of a district judge under Section 659.012(b) becomes effective on the first day of the county's fiscal year following the date the judge accrues the years of service required for an increase in salary under Subsection (a).

(a-2) Notwithstanding Subsection (a), the maximum annual salary of a statutory probate court judge is \$1,000 less than the sum of the maximum combined annual salary from all state and county sources paid to a district judge entitled to a salary under Section 659.012(b)(2) and any longevity pay received by a district judge in accordance with Section 659.0445(d).

SECTION 6. Section 25.2607(d), Government Code, is amended to read as follows:

(d) Notwithstanding Section 25.0015, the state shall annually compensate the administrative county of a multicounty statutory county court for the salary of the judge of the multicounty statutory county court in an amount equal to 100 percent of the state base salary paid to ~~[of]~~ a district ~~[court]~~ judge as set by the General Appropriations Act in accordance with Section 659.012(a) ~~[in the county for the salary of the judge of the multicounty statutory county court]~~.

SECTION 7. Section 26.006(a), Government Code, is amended to read as follows:

(a) A county judge is entitled to an annual salary supplement from the state in an amount equal to 18 percent of the state base salary paid to ~~[annual compensation provided for]~~ a district judge as set by ~~[in]~~ the General Appropriations Act in accordance with Section 659.012(a) if at least 40 percent of the functions that the judge performs are judicial functions.

SECTION 8. Section 41.013, Government Code, is amended to read as follows:

Sec. 41.013. COMPENSATION OF CERTAIN PROSECUTORS. Except as otherwise provided by law, a district attorney or criminal district attorney is entitled to receive from the state annual compensation in an amount equal to at least 80 percent of the state annual salary as set by ~~[compensation provided for a district judge in]~~ the General Appropriations Act in accordance with Section 659.012 paid to a district judge with comparable years of service as the district attorney or criminal district attorney.

SECTION 9. Section 46.001(2), Government Code, is amended to read as follows:

(2) "Benchmark salary" means the state annual salary as set by ~~[that is provided for a district judge in]~~ the General Appropriations Act in accordance with Section 659.012 paid to a district judge with comparable years of service as the county prosecutor.

SECTION 10. Section 46.003, Government Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a) The state prosecuting attorney and each state prosecutor is entitled to receive from the state a salary in an amount ~~[compensation]~~ equal to the state annual salary as set by ~~[compensation that is provided for a district judge in]~~ the General Appropriations Act in accordance with Section 659.012 paid to a district judge with comparable years of service as the state prosecuting attorney or state prosecutor.

(c) Notwithstanding Subsection (a), if the amount of a state prosecutor's total annual salary from state and county sources exceeds the amount of the maximum combined base salary from all state and county sources provided by Section 659.012 for a district judge with comparable years of service as the state prosecutor, the comptroller shall reduce the state prosecutor's state annual salary by the amount equal to the excess amount, except that the comptroller may not reduce the state prosecutor's state annual salary to an amount that is less than the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a).

(d) The comptroller shall calculate the amount of the state annual salary to be paid to a state prosecutor under this section for a state fiscal year based on sworn statements the state prosecutor files annually with the comptroller at the time and in the manner the comptroller requires that specify the amount of county compensation to be paid to the state prosecutor for that year.

SECTION 11. Section 46.0031(d), Government Code, is amended to read as follows:

(d) At least annually the comptroller shall pay to the salary fund of each county that is entitled to receive funds under this section an amount authorized under this section to supplement the salary of the county prosecutor. For purposes of calculating that amount, the comptroller shall use the benchmark salary applicable to the county prosecutor on September 1 of the state fiscal year in which the payment is made.

SECTION 12. Section 54.653(b), Government Code, is amended to read as follows:

(b) The salary of a full-time magistrate may not exceed an amount equal to 90 percent of the sum of:

(1) the state base salary paid to a district judge as set by the General Appropriations Act in accordance with ~~[by the state under]~~ Section 659.012(a) ~~[659.012]~~; and

(2) the maximum amount of county contributions and supplements allowed by law to be paid to a district judge under Section 659.012.

SECTION 13. Sections 74.003(b), (c), and (e), Government Code, are amended to read as follows:

(b) The chief justice of the supreme court may assign a qualified former or retired justice or judge of the supreme court, of the court of criminal appeals, or of a court of appeals to a court of appeals for active service regardless of whether a vacancy exists in the court to which the justice or judge is assigned. To be eligible for assignment under this subsection, a former or retired justice or judge must:

(1) have served as an active justice or judge for at least 96 months in a district, statutory probate, statutory county, or appellate court, with at least 48 of those months in an appellate court;

(2) not have been removed from office;

(3) certify under oath to the chief justice of the supreme court, on a form prescribed by the chief justice, that:

(A) the justice or judge has never been publicly reprimanded or censured by the State Commission on Judicial Conduct; and

(B) the justice or judge:

(i) did not resign or retire from office after the State Commission on Judicial Conduct notified the justice or judge of the commencement of a full investigation into an allegation or appearance of misconduct or disability of the justice or judge as provided in Section 33.022 and before the final disposition of that investigation; or

(ii) if the justice or judge did resign from office under circumstances described by Subparagraph (i), the justice or judge was not publicly reprimanded or censured as a result of the investigation;

(4) annually demonstrate that the justice or judge has completed in the past state fiscal year the educational requirements for active appellate court justices or judges; and

(5) certify to the chief justice of the supreme court a willingness not to appear and plead as an attorney in any court in this state for a period of two years.

(c) An active, former, or retired justice or judge assigned as provided by this section out of the county of the justice's or judge's ~~his~~ residence is entitled to receive the same expenses and per diem as those allowed a district judge assigned as provided by Subchapter C. The state shall pay the expenses and per diem on certificates of approval by the chief justice of the supreme court or the chief justice of the court of appeals to which the justice or judge is assigned. The compensation authorized by this subsection is in addition to all other compensation authorized by law.

(e) A retired justice or judge assigned as provided by this section is entitled to receive, pro rata for the time serving on assignment, from money appropriated from the general revenue fund for that purpose, an amount equal to the compensation received from state and county sources by a justice of the court of appeals to which assigned. A former justice or judge assigned as provided by this section is entitled to receive, pro rata for the time serving on assignment, from money appropriated from the general revenue fund for that purpose, an amount equal to the compensation from the state received by a justice of the court of

appeals to which assigned, and from county sources, an amount equal to the compensation received from county sources by a justice of the court of appeals to which assigned. For purposes of determining the amount to be paid to a former or retired justice or judge under this subsection, the compensation received from the state by a justice of the court of appeals to which the retired justice or judge is assigned is the amount equal to the state base salary paid to a justice of that court of appeals as set by the General Appropriations Act in accordance with Section 659.012(a).

SECTION 14. Sections 74.051(b) and (c), Government Code, are amended to read as follows:

(b) Except as provided by Subsection (c), a presiding judge shall receive a salary in an amount not to exceed 30 percent of the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a) [\$33,000 a year]. The Texas Judicial Council shall set the salary biennially and, in arriving at the amount of the salary, shall consider whether the presiding judge is active in administrative duties, performs part time, or is a retired judge. The salary set by the Texas Judicial Council shall be apportioned to each county in the region according to the population of the counties in [comprising] the region and shall be paid through the county budget process.

(c) A presiding judge who is a retired or former district judge or a retired appellate judge and who presides over an administrative region with 30 or more district courts, statutory county courts, and retired and former judges named on the list maintained under Section 74.055 for the administrative region is entitled to an annual salary for each fiscal year in an amount equal to [as follows]:

Number of Courts and Judges	Salary
30 to 49	<u>30 percent of the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a) [\$35,000]</u>
50 to 69	<u>35 percent of the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a) [\$40,000]</u>
70 to 89	<u>40 percent of the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a) [\$45,000]</u>
90 or more	<u>45 percent of the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a) [\$50,000]</u>

SECTION 15. Sections 74.061(b), (h), and (i), Government Code, are amended to read as follows:

(b) While serving in a county outside the judge's [his] judicial district or county, an assigned [a] judge is entitled to receive, in addition to the assigned judge's [his] necessary expenses, additional compensation from the county to which the assigned judge [he] is assigned in an amount not to exceed the difference between the compensation of the assigned judge from all sources, exclusive of the per diem provided by Subsection (f), and the compensation

received from all sources by the judge of the court to which the assigned judge ~~[he]~~ is assigned. If the judge of the court to which the assigned judge is assigned is paid an annual salary from the state in accordance with Section 659.012(b), the amount by which that annual salary exceeds the amount of the state base salary as set by the General Appropriations Act for the judge's position in accordance with Section 659.012(a) is not included in the compensation of the judge for purposes of determining the compensation of the assigned judge under this subsection. The county shall pay the compensation provided by this subsection on approval of the presiding judge of the administrative region in which the court to which the assigned judge is assigned is located.

(h) Notwithstanding Subsection (c), the salary from the state of a retired judge or justice assigned to a district court is determined pro rata based on the sum of the regular judge's salary from the county plus the amount of the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a) [greater of:

(1) the regular judge's salary from the state on August 31, 2007; or

(2) 100 percent of the regular judge's salary from the state, as established by the General Appropriations Act for any fiscal year].

(i) Notwithstanding Subsection (d), the salary from the state of a former judge or justice assigned to a district court is determined pro rata based on the amount of the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a) [greater of:

(1) the regular judge's salary from the state on August 31, 2007; or

(2) 100 percent of the regular judge's salary from the state, as established by the General Appropriations Act for any fiscal year].

SECTION 16. Section 75.016(c), Government Code, is amended to read as follows:

(c) The Commissioners Court of Travis County may set additional compensation to be paid to the presiding criminal judge by the county in any amount that does not exceed the amount the local administrative district judge of Travis County receives from this state. Notwithstanding any other law, compensation paid the presiding criminal judge under this subsection is not included as part of the judge's combined base salary from all state and county sources for purposes of the salary limitations provided by Section 659.012.

SECTION 17. Section 659.012, Government Code, is amended to read as follows:

Sec. 659.012. JUDICIAL SALARIES. (a) Notwithstanding Section 659.011 and subject to Subsections (b) and (b-1):

(1) a judge of a district court is entitled to an annual base salary from the state as set by the General Appropriations Act in an amount equal to [of] at least \$140,000 ~~[\$125,000]~~, except that the combined base salary of a district judge from all state and county sources, including compensation for any extrajudicial services performed on behalf of the county, may not exceed the amount that is \$5,000 less than the maximum combined base salary from all state and county sources [provided] for a justice of a court of appeals other than a chief justice as determined under this subsection;

(2) a justice of a court of appeals other than the chief justice is entitled to an annual base salary from the state in the amount ~~[that is]~~ equal to 110 percent of the state base salary of a district judge as set by the General Appropriations Act, except that the combined base salary of a justice of the court of appeals other than the chief justice from all state and county sources, including compensation for any extrajudicial services performed on behalf of the county, may not exceed the amount that is \$5,000 less than the base salary ~~[provided]~~ for a justice of the supreme court as determined under this subsection;

(3) a justice of the supreme court other than the chief justice or a judge of the court of criminal appeals other than the presiding judge is entitled to an annual base salary from the state in the amount ~~[that is]~~ equal to 120 percent of the state base salary of a district judge as set by the General Appropriations Act; and

(4) the chief justice or presiding judge of an appellate court is entitled to an annual base salary from the state in the amount equal to ~~[that is]~~ \$2,500 more than the state base salary provided for the other justices or judges of the court, except that the combined base salary of the chief justice of a court of appeals from all state and county sources may not exceed the amount equal to ~~[that is]~~ \$2,500 less than the base salary ~~[provided]~~ for a justice of the supreme court as determined under this subsection.

(b) A judge or justice for whom the amount of a state base salary is prescribed by Subsection (a) is entitled to an annual salary from the state in the amount equal to:

(1) 110 percent of the state base salary paid in accordance with Subsection (a) for the judge's or justice's position, beginning with the pay period that begins after the judge or justice accrues four years of:

(A) contributing service credit in the Judicial Retirement System of Texas Plan One or the Judicial Retirement System of Texas Plan Two;

(B) service as a judge of a statutory county court, multicounty statutory county court, or statutory probate court; or

(C) combined contributing service credit and service as provided by Paragraphs (A) and (B); and

(2) 120 percent of the state base salary paid in accordance with Subsection (a) for the judge's or justice's position, beginning with the pay period that begins after the judge or justice accrues eight years of:

(A) contributing service credit in the Judicial Retirement System of Texas Plan One or the Judicial Retirement System of Texas Plan Two;

(B) service as a judge of a statutory county court, multicounty statutory county court, or statutory probate court; or

(C) combined contributing service credit and service as provided by Paragraphs (A) and (B).

(b-1) A limitation on the combined base salary from all state and county sources prescribed by Subsection (a)(1) or (2) applies to a judge or justice to whom Subsection (b) applies, except that the amount by which the annual salary from the state paid to the judge or justice in accordance with Subsection (b) exceeds the amount of the state base salary for the judge's or justice's position set



by the General Appropriations Act in accordance with Subsection (a) is not included as part of the judge's or justice's combined base salary from all state and county sources for purposes of determining whether the judge's or justice's salary exceeds the limitation.

(c) To the extent of any conflict, the salary limitations provided by Subsection (a) [~~this section~~] for the combined base salary of a state judge or justice from state and local sources prevail [~~prevails~~] over any provision of Chapter 31 or 32 that authorizes the payment of additional compensation to a state judge or justice.

(d) Notwithstanding any other provision in this section or other law, in a county with more than five district courts, a district judge who serves as a local administrative district judge under Section 74.091 is entitled to an annual base salary from the state in the amount equal to [~~that is~~] \$5,000 more than the maximum salary from the state to which the judge is otherwise entitled under Subsection (a) or (b).

(e) For the purpose of salary payments by the state, the comptroller shall determine from sworn statements filed by the justices of the courts of appeals and district judges that the required salary limitations provided by Subsection (a) [~~this section~~] are maintained. If the state base [~~a~~] salary for a judge or justice prescribed by Subsection (a) combined with additional compensation from a county would exceed [~~be in excess of~~] the limitations provided by Subsection (a) [~~this section~~], the comptroller shall reduce the [~~state~~] salary payment made by the state by the amount of the excess.

(f) For purposes of Subsection (b), "contributing service credit" means service credit established in the:

(1) Judicial Retirement System of Texas Plan One under Section 833.101 or 833.106 for each month of service in which the member held a judicial office described by Section 832.001(a), including service credit established under either section that was previously canceled but reestablished under Section 833.102; or

(2) Judicial Retirement System of Texas Plan Two under Section 838.101 or 838.106 for each month of service in which the member held a judicial office described by Section 837.001(a), including service credit established under either section that was previously canceled but reestablished under Section 838.102.

SECTION 18. Section 659.0125, Government Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c) A retired judge appointed to an MDL pretrial court, as defined by Section 90.001, Civil Practice and Remedies Code, is entitled to receive the same compensation and benefits to which a district judge is entitled from the state. For purposes of this subsection, the compensation to which a district judge is entitled from the state is the amount equal to the state base salary paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a).

(d) A former or retired judge or justice assigned under Chapter 74 or 75 to a matter referred to an MDL pretrial court, as defined by Section 90.001, Civil Practice and Remedies Code, is entitled to receive the same compensation and benefits to which a former or retired judge or justice assigned under Chapter 74 is entitled under Section 74.061.

SECTION 19. Section 659.0445(b), Government Code, is amended to read as follows:

(b) The monthly amount of longevity pay under this section to which a judge or justice described by Subsection (a) is entitled:

(1) is equal to the product of 0.05 ~~[-0.31]~~ multiplied by the amount of the judge's or justice's current monthly state salary; and

(2) becomes payable beginning with the month following the month in which the judge or justice completes 12 ~~[46]~~ years of service for which credit is established in the applicable retirement system.

SECTION 20. Section 814.103, Government Code, is amended to read as follows:

Sec. 814.103. SERVICE RETIREMENT BENEFITS FOR ELECTED CLASS SERVICE. (a) Except as provided by Subsection (a-1) or (b), the standard service retirement annuity for service credited in the elected class of membership is an amount equal to the number of years of service credit in that class, times 2.3 ~~[two]~~ percent of the state base salary, excluding longevity pay payable under Section 659.0445 and as adjusted from time to time, being paid to a district judge as set by the General Appropriations Act in accordance with Section 659.012(a).

(a-1) Except as provided by Subsection (b), the standard service retirement annuity for service credited in the elected class of membership for a member of the class under Section 812.002(a)(3) whose effective date of retirement is on or after September 1, 2019, is an amount equal to the number of years of service credit in that class, times 2.3 percent of the state salary, excluding longevity pay payable under Section 659.0445 and as adjusted from time to time, being paid in accordance with Section 659.012 to a district judge who has the same number of years of contributing service credit as the member on the member's last day of service as a district or criminal district attorney, as applicable.

(b) The standard service retirement annuity for service credited in the elected class may not exceed at any time 100 percent of the state salary of ~~[being paid]~~ a district judge on which the annuity is based under Subsection (a) or (a-1), as applicable.

(c) For purposes of this section, "contributing service credit" with respect to:

(1) a member means service credit established in the elected class under Section 813.201 or 813.402 for each month of service in which the member held a position described by Section 812.002(a)(3), including service credit established under either section that was previously canceled but reestablished under Section 813.102; and

(2) a district judge has the meaning assigned by Section 659.012(f).

SECTION 21. Section 815.204(c), Government Code, is amended to read as follows:

(c) The medical board shall:

(1) review all medical examinations required by this subtitle and Subtitle D;

(2) investigate essential statements and certificates made by or on behalf of a member of the retirement system in connection with an application for disability retirement; and

(3) report in writing to the executive director its conclusions and recommendations on all matters referred to it.

SECTION 22. Section 834.001, Government Code, is amended to read as follows:

Sec. 834.001. TYPES OF BENEFITS. The types of benefits payable by the retirement system are:

(1) service retirement benefits; and

(2) ~~[disability retirement benefits; and~~

~~(3)]~~ death benefits.

SECTION 23. Section 834.002, Government Code, is amended to read as follows:

Sec. 834.002. APPLICATION FOR RETIREMENT. A member may apply for service ~~[or disability]~~ retirement by filing an application for retirement with the board of trustees before the date the member wishes to retire.

SECTION 24. Sections 834.102(a) and (d), Government Code, are amended to read as follows:

(a) The base service retirement annuity for a person whose effective date of retirement is:

(1) before September 1, 2019, is an amount equal to 50 percent of the state base salary, as adjusted from time to time, being paid in accordance with Section 659.012(a) to a judge of a court of the same classification as the court on which the retiree last served before retirement; or

(2) on or after September 1, 2019, is an amount equal to 50 percent of the state salary, as adjusted from time to time, being paid in accordance with Section 659.012(b)(2) to a judge of a court of the same classification as the court on which the retiree last served before retirement.

(d) The service retirement annuity of a person qualifying for retirement under Section 834.101(b) whose effective date of retirement is:

(1) before September 1, 2019, is an amount computed as a percentage of the state base salary, as adjusted from time to time, being paid in accordance with Section 659.012(a) to a judge of a court of the same classification as the court on which the retiree last served before retirement, according to the following schedule:

age at retirement

at least 60 but less than 61

at least 61 but less than 62

at least 62 but less than 63

at least 63 but less than 64

at least 64 but less than 65

percentage of state salary

40 percent

41.7 percent

43.6 percent

45.6 percent

47.7 percent; or

(2) on or after September 1, 2019, is an amount computed as a percentage of the state salary, as adjusted from time to time, being paid in accordance with Section 659.012(b)(2) to a judge of a court of the same classification as the court on which the retiree last served before retirement, according to the following schedule:

<u>age at retirement</u>	<u>percentage of state salary</u>
<u>at least 60 but less than 61</u>	<u>40 percent</u>
<u>at least 61 but less than 62</u>	<u>41.7 percent</u>
<u>at least 62 but less than 63</u>	<u>43.6 percent</u>
<u>at least 63 but less than 64</u>	<u>45.6 percent</u>
<u>at least 64 but less than 65</u>	<u>47.7 percent</u>

SECTION 25. Section 834.304(c), Government Code, is amended to read as follows:

(c) A death benefit may not be paid under this section if an optional retirement annuity has been selected as provided by Section 834.103 ~~or 834.203~~.

SECTION 26. Section 835.1015(b), Government Code, is amended to read as follows:

(b) A member who elects to make contributions under Subsection (a) shall contribute at the member contribution rate required under Section 840.102(a) multiplied by [six percent of] the member's state compensation for each payroll period in the manner provided by Sections 835.101(a) and (b).

SECTION 27. Section 839.102(a), Government Code, as amended by Chapters 1033 (**HB 1114**) and 1203 (**HB 617**), Acts of the 79th Legislature, Regular Session, 2005, is reenacted and amended to read as follows:

(a) Except as provided by Subsections (b), (c), (d), and (f), the standard service retirement annuity is an amount equal to 50 percent of the state annual salary as set by the General Appropriations Act in accordance with Section 659.012 being paid [at the time the member retires] to a judge of a court of the same classification as the last court to which the retiring member held judicial office who has the same number of years of contributing service credit as the member on the member's last day of service on the court ~~[was elected or appointed]~~.

SECTION 28. Section 839.102, Government Code, is amended by amending Subsection (c) and adding Subsections (g) and (h) to read as follows:

(c) The standard service retirement annuity of a person qualifying for retirement under Section 839.101(b) is an amount computed, according to the following schedule, as a percentage of the state annual salary as set by the General Appropriations Act in accordance with Section 659.012 being paid [at the time the member retires] to a judge of a court of the same classification as the last court to which the retiring member held judicial office who has the same number of years of contributing service credit as the member on the member's last day of service on the court ~~[was elected or appointed, according to the following schedule]~~:

<u>age at retirement</u>	<u>percentage of state salary</u>
<u>at least 60 but less than 61</u>	<u>40 percent</u>
<u>at least 61 but less than 62</u>	<u>41.7 percent</u>

at least 62 but less than 63	43.6 percent
at least 63 but less than 64	45.6 percent
at least 64 but less than 65	47.7 percent.

(g) The salary earned by a person as a visiting judge under Chapter 74 may not be used to determine the person's service retirement annuity under this section.

(h) For purposes of this section, "contributing service credit" has the meaning assigned by Section 659.012(f).

SECTION 29. Sections 839.201(a) and (b), Government Code, are amended to read as follows:

(a) A member, other than a member who is eligible to receive a service retirement annuity under Section 839.101, is eligible, regardless of age, to retire from regular active service for disability and receive a disability retirement annuity if the member has at least seven years of service credit in the retirement system.

(b) A member otherwise eligible may not receive a disability retirement annuity if the member is an active judge, as defined by Section 74.041 ~~[unless the chief justice of the supreme court and the medical board certify that the member is mentally or physically incapacitated for the further performance of regular judicial duties].~~

SECTION 30. Section 839.202, Government Code, is amended to read as follows:

Sec. 839.202. APPLICATION FOR DISABILITY RETIREMENT ANNUITY ~~[REPORTS]~~. (a) A member may apply for a disability retirement annuity by:

(1) filing an application for retirement with the board of trustees; or

(2) having an application filed with the board of trustees by the member's spouse, employer, or legal representative ~~[who applies for retirement because of physical incapacity shall file with the retirement system and the chief justice of the supreme court written reports by two physicians licensed to practice medicine in this state, fully reporting the claimed physical incapacity].~~

(b) An ~~[The retirement system shall refer an]~~ application for a disability retirement annuity may not be made:

(1) after the earlier of:

(A) the date the retirement is to become effective; or

(B) the second anniversary of the date the member ceased making contributions to the retirement system; or

(2) earlier than the 90th day before the date the retirement is to become effective ~~[to the medical board for its recommendations. The medical board may require an applicant to submit any additional information it considers necessary to enable it to make its recommendations].~~

(c) An applicant for a disability retirement annuity must submit to a medical examination and provide other pertinent information as may be required by the retirement system ~~[The chief justice of the supreme court may direct the retirement system to employ a physician under Section 840.203 or may direct the medical board to require additional information under Subsection (b)].~~

SECTION 31. Subchapter C, Chapter 839, Government Code, is amended by adding Section 839.2025 to read as follows:

Sec. 839.2025. DETERMINATION OF DISABILITY. (a) In determining whether a member is mentally or physically incapacitated for the further performance of regular judicial duties, the medical board designated under Section 840.202 may apply the standard prescribed by Section 814.203.

(b) A retiree who receives a disability retirement annuity under this subchapter is subject to Section 814.208 to the same extent as a disability retiree under that subchapter.

SECTION 32. Section 840.102(a), Government Code, is amended to read as follows:

(a) Except as provided by Subsections (g) and (h), each payroll period, a judicial officer who is a member of the retirement system is required to contribute 9.5[-:

~~[(1) 6.6] percent of the officer's state compensation for service rendered after [August 31, 2013, and before] September 1, 2019 [2014;~~

~~[(2) 6.9 percent of the officer's state compensation for service rendered after August 31, 2014, and before September 1, 2015;~~

~~[(3) 7.2 percent of the officer's state compensation for service rendered after August 31, 2015, and before September 1, 2016;~~

~~[(4) 7.5 percent of the officer's state compensation for service rendered after August 31, 2016; or~~

~~[(5) for service rendered on or after September 1, 2017, the lesser of:~~

~~[(A) 7.5 percent of the officer's state compensation; or~~

~~[(B) a percentage of the officer's state compensation equal to 7.5 percent reduced by one tenth of one percent for each one tenth of one percent that the state contribution rate for the fiscal year to which the service relates is less than the state contribution rate established for the 2015 fiscal year].~~

SECTION 33. Section 1551.102(f), Insurance Code, is amended to read as follows:

(f) An individual is eligible to participate in the group benefits program if the individual is certified and qualified as disabled and receives or is eligible to receive an annuity under Section 814.202, 814.207, 824.302, only as to higher education, ~~[834.201]~~ or 839.201, Government Code.

SECTION 34. The following provisions of the Government Code are repealed:

(1) Sections 25.2292(f) and (g);

(2) Section 834.003;

(3) Subchapter C, Chapter 834; and

(4) Section 840.202(c).

SECTION 35. Section 839.102, Government Code, as amended by this Act, applies only to a member of the Judicial Retirement System of Texas Plan Two who retires on or after the effective date of this Act. A member who retires before the effective date of this Act is governed by the law in effect immediately before that date, and the former law is continued in effect for that purpose.

SECTION 36. Sections 839.201(b) and 839.202, Government Code, as amended by this Act, and Section 839.2025, Government Code, as added by this Act, apply only to an application for a disability retirement annuity filed on or after the effective date of this Act. An application filed before the effective date of this Act is governed by the law in effect on the date the application was filed, and that law is continued in effect for that purpose.

SECTION 37. The comptroller of public accounts is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the comptroller may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 38. This Act takes effect September 1, 2019.

### **HB 2103 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Capriglione called up with senate amendments for consideration at this time,

**HB 2103**, A bill to be entitled An Act relating to a prohibition on contractors acting as public insurance adjusters in certain circumstances.

Representative Capriglione moved to concur in the senate amendments to **HB 2103**.

The motion to concur in the senate amendments to **HB 2103** prevailed by (Record 1866): 138 Yeas, 4 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Klick; Schaefer; Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### Senate Committee Substitute

**CSHB 2103**, A bill to be entitled An Act relating to a prohibition on contractors acting as public insurance adjusters in certain circumstances.

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

SECTION 1. The heading to Section 4102.163, Insurance Code, is amended to read as follows:

Sec. 4102.163. CERTAIN CONTRACTOR [~~ROOFING-RELATED~~] BUSINESS PROHIBITED.

SECTION 2. Section 4102.163(a), Insurance Code, is amended to read as follows:

(a) A [~~roofing~~] contractor may not act as a public adjuster or advertise to adjust claims for any property for which the contractor is providing or may provide contracting [~~roofing~~] services, regardless of whether the contractor:

(1) holds a license under this chapter; or

(2) is authorized to act on behalf of the insured under a power of attorney or other agreement.

SECTION 3. This Act takes effect September 1, 2019.

### HCR 183 - ADOPTED

(by E. Thompson)

The following privileged resolution was laid before the house:

#### HCR 183

WHEREAS, **HB 1755** has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 86th Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to make the following corrections to the enrolled version of **HB 1755**:

(1) In SECTION 3 of the bill, in added Section 731.001(a)(5), Transportation Code, strike "Texas Department of Motor Vehicles" and substitute "department".

(2) In SECTION 3 of the bill, in added Section 731.001(a), Transportation Code, add the following subdivision and renumber subsequent subdivisions of that subsection accordingly:

(7) "Department" means the Texas Department of Motor Vehicles.

**HCR 183** was adopted by (Record 1867): 140 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty;



Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Leach; Sheffield.

### **HB 1731 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Y. Davis called up with senate amendments for consideration at this time,

**HB 1731**, A bill to be entitled An Act relating to the payment for funeral services performed by a transferring funeral home under a purchase agreement for funeral services or merchandise.

Representative Y. Davis moved to concur in the senate amendments to **HB 1731**.

The motion to concur in the senate amendments to **HB 1731** prevailed by (Record 1868): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Biedermann.

### **Senate Committee Substitute**

**CSHB 1731**, A bill to be entitled An Act relating to the payment for funeral services performed by a transferring funeral home under a purchase agreement for funeral services or merchandise.

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

SECTION 1. Section 651.406, Occupations Code, is amended by adding Subsection (e) to read as follows:

(e) A funeral establishment that receives a dead human body transferred from another funeral establishment shall include in the purchase agreement any amount owed by the customer to the transferring funeral establishment. The recipient funeral establishment shall remit to the transferring funeral establishment any amount collected on behalf of the transferring funeral establishment.

SECTION 2. Section 651.406(e), Occupations Code, as added by this Act, applies only to a purchase agreement entered into or renewed on or after the effective date of this Act. A purchase agreement entered into or renewed before the effective date of this Act 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.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 3808 - HOUSE REFUSES TO CONCUR IN SENATE AMENDMENTS CONFERENCE COMMITTEE APPOINTED**

Representative Walle called up with senate amendments for consideration at this time,

**HB 3808**, A bill to be entitled An Act relating to the filing of a degree plan by students at public institutions of higher education.

Representative Walle moved that the house not concur in the senate amendments and that a conference committee be requested to adjust the differences between the two houses on **HB 3808**.

The motion prevailed.

The chair announced the appointment of the following conference committee, on the part of the house, on **HB 3808**: Walle, chair; Cain, Rosenthal, Stickland, and C. Turner.

### **HB 3081 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Noble called up with senate amendments for consideration at this time,

**HB 3081**, A bill to be entitled An Act relating to a person qualified to serve as a special or temporary justice of the peace.

Representative Noble moved to concur in the senate amendments to **HB 3081**.

The motion to concur in the senate amendments to **HB 3081** prevailed by (Record 1869): 133 Yeas, 7 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Krause; Oliverson; Patterson; Smith; Stickland; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Biedermann; Huberty.

### Senate Committee Substitute

**CSHB 3081**, A bill to be entitled An Act relating to a person qualified to serve as a temporary justice of the peace.

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

SECTION 1. Sections 27.055(c) and (e), Government Code, are amended to read as follows:

(c) In this section [~~Subsections (b) and (f)~~], "qualified person" means a person who has served as a justice of the peace, county judge, or the judge of a county court at law for not less than four [4 1/2] years and who has not been convicted of a criminal offense that involves moral turpitude.

(e) The county judge may appoint any qualified voter under Section 11.002, Election Code, who has experience and knowledge relevant to judicial or justice court processes and procedures and is approved by the county judge and a justice of the peace in the county, to serve as a temporary justice of the peace if the judge cannot find a qualified person who agrees to serve under this section [~~Subsection (b) or (f)~~].

SECTION 2. The change in law made by this Act applies only to a temporary justice of the peace appointed on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2019.

## **HB 3224 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Lozano called up with senate amendments for consideration at this time,

**HB 3224**, A bill to be entitled An Act relating to a study on the creation of a defense under the Solid Waste Disposal Act for persons engaged in certain recycling transactions.

Representative Lozano moved to concur in the senate amendments to **HB 3224**.

The motion to concur in the senate amendments to **HB 3224** prevailed by (Record 1870): 138 Yeas, 3 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Ramos; Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Biedermann.

### **Senate Committee Substitute**

**CSHB 3224**, A bill to be entitled An Act relating to a study on the creation of a defense under the Solid Waste Disposal Act for persons engaged in certain recycling transactions.

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

SECTION 1. (a) In this section:

(1) "Commission" means the Texas Commission on Environmental Quality.

(2) "Recyclable material" has the meaning assigned by 42 U.S.C. Section 9627(b).

(b) The commission, in consultation with industry stakeholders, shall:

(1) conduct a study on the potential impacts of creating a defense to liability under Section 361.271(a)(3) or (4), Health and Safety Code, for persons who arrange for recycling of recyclable material who would not be liable for the recyclable material under 42 U.S.C. Section 9607(a)(3) or (4) based on the person meeting the applicable criteria established under 42 U.S.C. Section 9627; and

(2) propose legislative recommendations based on the study.

(c) The commission shall establish a workgroup that includes industry stakeholders for the purpose of assisting the commission in proposing legislative recommendations under Subsection (b)(2) of this section.

(d) Not later than January 15, 2021, the commission shall submit to the legislature a report on the findings of the study and legislative recommendations based on the study.

(e) This Act expires August 31, 2021.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 2335 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Walle called up with senate amendments for consideration at this time,

**HB 2335**, A bill to be entitled An Act relating to the disaster supplemental nutrition assistance program.

Representative Walle moved to concur in the senate amendments to **HB 2335**.

The motion to concur in the senate amendments to **HB 2335** prevailed by (Record 1871): 139 Yeas, 3 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Cain; King, P.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **Senate Committee Substitute**

**CSHB 2335**, A bill to be entitled An Act relating to the disaster supplemental nutrition assistance program.

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

SECTION 1. Subchapter A, Chapter 33, Human Resources Code, is amended by adding Section 33.0024 to read as follows:

Sec. 33.0024. DISASTER SNAP. (a) In this section, "program" means the program to provide supplemental nutrition assistance benefits to victims of a disaster as authorized by 7 U.S.C. Section 2014.

(b) The commission shall:

(1) in collaboration with local government officials:

(A) create a directory of local points of contact for the operation of the program;

(B) determine the best method for communication between the commission and local government officials regarding the program; and

(C) evaluate, develop, and maintain a list of potential sites for in-person application for program benefits that meet federal requirements;

(2) enter into memorandums of understanding with local government agencies documenting the roles and responsibilities of the commission and each local government agency regarding the determination of the need for and the location of sites for in-person application for program benefits; and

(3) provide information regarding the program and strategies for effective collaboration between local governments and the commission to local government officials in coastal counties by hosting webinars, conducting conference calls, or holding in-person meetings.

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, 2019.

### **HB 3227 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Howard called up with senate amendments for consideration at this time,

**HB 3227**, A bill to be entitled An Act relating to a female inmate's access to programs offered to inmates of the Texas Department of Criminal Justice.

Representative Howard moved to concur in the senate amendments to **HB 3227**.

The motion to concur in the senate amendments to **HB 3227** prevailed by (Record 1872): 140 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithe; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Wiener.

Nays — Cain; Toth.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### Senate Committee Substitute

**CSHB 3227**, A bill to be entitled An Act relating to the availability of and access to certain programs and services for persons in the custody of the Texas Department of Criminal Justice.

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

SECTION 1. Chapter 493, Government Code, is amended by adding Section 493.032 to read as follows:

Sec. 493.032. AVAILABILITY OF PEER SUPPORT SERVICES. (a) The department shall adopt a policy to increase the availability of formal and informal peer support services, including certified peer specialist services, to a person confined in a facility operated by or under contract with the department, including a state jail felony facility, substance abuse felony punishment facility, or intermediate sanction facility.

(b) The policy adopted under Subsection (a) must:

(1) allow for persons who have previously been convicted of an offense, including releasees on parole or mandatory supervision and defendants on community supervision, to serve as certified peer specialists in a facility described by Subsection (a);

(2) specify the conditions under which a person described by Subdivision (1) may serve as a certified peer specialist; and

(3) allow for persons confined in a facility described by Subsection (a) to serve in a peer support role, provided that the persons are trained and supervised by a community-based organization described by Subsection (c).

(c) In implementing the policy adopted under Subsection (a), the department shall:

(1) collaborate with community-based organizations that provide peer specialist training, including training in any of the following peer support specialties:

(A) certified peer specialist;

(B) certified peer reentry specialist;

(C) certified peer recovery specialist; or

(D) any other peer support specialty recognized by the Health and Human Services Commission; and

(2) encourage and assist persons described by Subsection (b)(3), with particular emphasis on persons who have been involved with programs or services relating to substance abuse or behavioral health, to participate in training described by Subdivision (1).

SECTION 2. Subchapter A, Chapter 501, Government Code, is amended by adding Section 501.026 to read as follows:

Sec. 501.026. ACCESS TO PROGRAMS BY FEMALE INMATES. (a) The department shall develop and implement policies that increase and promote a female inmate's access to programs offered to inmates in the custody of the department, including educational, vocational, substance use treatment, rehabilitation, life skills training, and prerelease programs. The department may not reduce or limit a male inmate's access to a program to meet the requirements of this section.

(b) Not later than December 31 of each year, the department shall:

(1) prepare and submit to the governor, the lieutenant governor, the speaker of the house of representatives, each standing committee of the legislature having primary jurisdiction over the department, and the reentry task force described by Section 501.098 a written report that includes:

(A) a description of any department policies that were created, modified, or eliminated during the preceding year to meet the requirements of this section; and

(B) a list of programs available to female inmates in the custody of the department during the preceding year; and

(2) publish the report on the department's Internet website.

SECTION 3. Not later than September 1, 2020, the Texas Department of Criminal Justice shall adopt and implement the policy required by Section 493.032, Government Code, as added by this Act.

SECTION 4. (a) As soon as practicable after the effective date of this Act, the Texas Department of Criminal Justice shall develop and implement the policies required by Section 501.026, Government Code, as added by this Act.

(b) The Texas Department of Criminal Justice shall submit the first report required by Section 501.026, Government Code, as added by this Act, not later than December 31, 2020.

SECTION 5. This Act takes effect September 1, 2019.



**HB 2345 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Walle called up with senate amendments for consideration at this time,

**HB 2345**, A bill to be entitled An Act relating to resources to facilitate disaster mitigation, response, and recovery.

Representative Walle moved to concur in the senate amendments to **HB 2345**.

The motion to concur in the senate amendments to **HB 2345** prevailed by (Record 1873): 128 Yeas, 11 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Parker; Paul; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Cain; Clardy; Hefner; Krause; Lang; Noble; Patterson; Shaheen; Stickland; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Huberty; Perez; Romero.

**Senate Committee Substitute**

**CSHB 2345**, A bill to be entitled An Act relating to the creation of the Institute for a Disaster Resilient Texas.

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

SECTION 1. Subchapter E, Chapter 86, Education Code, is amended by adding Section 86.82 to read as follows:

Sec. 86.82. INSTITUTE FOR A DISASTER RESILIENT TEXAS. (a) In this section, "institute" means the Institute for a Disaster Resilient Texas.

(b) The Institute for a Disaster Resilient Texas is a component of Texas A&M University.

(c) The institute is under the management and direction of the board.

(d) The institute shall:

(1) develop data analytics tools to support disaster planning, mitigation, response, and recovery by the state, its political subdivisions, and the public;

(2) create and maintain web-based analytical and visual tools to communicate disaster risks and ways to reduce those risks, including tools that work on the level of individual parcels of land;

(3) provide evidence-based information and solutions to aid in the formation of state and local partnerships to support disaster planning, mitigation, response, and recovery;

(4) collect, display, and communicate comprehensive flood-related information, including applicable updated inundation maps, for use by decision-makers and the public; and

(5) collaborate with institutions of higher education, as that term is defined by Section 61.003, state agencies, local governments, and other political subdivisions to accomplish the purposes of this section.

(e) The institute may employ personnel, including experts in planning, engineering, hydrology, ecology, and economics.

(f) The institute may accept a gift or grant from any public or private source for the benefit of the institute.

SECTION 2. The Institute for a Disaster Resilient Texas is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the institute may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

### **HB 2910 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Klick called up with senate amendments for consideration at this time,

**HB 2910**, A bill to be entitled An Act relating to the confidentiality of certain personal information of certain persons obtained for the purposes of voting.

Representative Klick moved to concur in the senate amendments to **HB 2910**.

The motion to concur in the senate amendments to **HB 2910** prevailed by (Record 1874): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman;

González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Huberty.

### **Senate Committee Substitute**

**CSHB 2910**, A bill to be entitled An Act relating to the confidentiality of certain personal information of certain persons obtained for the purposes of voting.

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

SECTION 1. Section 1.005, Election Code, is amended by adding Subdivisions (4-a) and (18-a) to read as follows:

(4-a) "Federal judge" means:

(A) a judge, former judge, or retired judge of a United States court of appeals;

(B) a judge, former judge, or retired judge of a United States district court;

(C) a judge, former judge, or retired judge of a United States bankruptcy court; or

(D) a magistrate judge, former magistrate judge, or retired magistrate judge of a United States district court.

(18-a) "State judge" means:

(A) a judge, former judge, or retired judge of an appellate court, a district court, a constitutional county court, a county court at law, or a statutory probate court of this state;

(B) an associate judge appointed under Chapter 201, Family Code, or a retired associate judge or former associate judge appointed under that chapter;

(C) a magistrate or associate judge appointed under Chapter 54 or 54A, Government Code;

(D) a justice of the peace; or

(E) a municipal court judge.

SECTION 2. Section 13.004, Election Code, is amended by amending Subsections (c) and (d) and adding Subsection (e) to read as follows:

(c) The following information furnished on a registration application is confidential and does not constitute public information for purposes of Chapter 552, Government Code:

- (1) a social security number;
- (2) a Texas driver's license number;
- (3) a number of a personal identification card issued by the Department of Public Safety;
- (4) an indication that an applicant is interested in working as an election judge;

(5) the residence address of the applicant, if the applicant is a federal judge or state judge~~[- as defined by Section 13.0021]~~, the spouse of a federal judge or state judge, or an individual to whom Section 552.1175, Government Code, or Section 521.1211, Transportation Code, applies and the applicant:

(A) included an affidavit with the registration application describing the applicant's status under this subdivision, ~~[including an affidavit under Section 13.0021]~~ if the applicant is a federal judge or state judge or the spouse of a federal judge or state judge;

(B) provided the registrar with an affidavit describing the applicant's status under this subdivision, ~~[including an affidavit under Section 13.0021]~~ if the applicant is a federal judge or state judge or the spouse of a federal judge or state judge; or

(C) provided the registrar with a completed form approved by the secretary of state for the purpose of notifying the registrar of the applicant's status under this subdivision;

(6) the residence address of the applicant, if the applicant, the applicant's child, or another person in the applicant's household is a victim of family violence as defined by Section 71.004, Family Code, who provided the registrar with:

(A) a copy of a protective order issued under Chapter 85, Family Code, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the applicant, the applicant's child, or another person in the applicant's household is a victim of family violence;

(7) the residence address of the applicant, if the applicant, the applicant's child, or another person in the applicant's household is a victim of sexual assault or abuse, stalking, or trafficking of persons who provided the registrar with:

(A) a copy of a protective order issued under Chapter 7A or Article 6.09, Code of Criminal Procedure, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the applicant, the applicant's child, or another person in the applicant's household is a victim of sexual assault or abuse, stalking, or trafficking of persons; ~~[or]~~

(8) the residence address of the applicant, if the applicant:

(A) is a participant in the address confidentiality program administered by the attorney general under Subchapter C, Chapter 56, Code of Criminal Procedure; and

(B) provided the registrar with proof of certification under Article 56.84, Code of Criminal Procedure; or

(9) the telephone number of any applicant submitting documentation under Subdivision (5), (6), (7), or (8).

(d) The voter registrar or other county official who has access to the information furnished on a registration application may not post the following information on a website:

(1) a telephone number;

(2) a social security number;

(3) a driver's license number or a number of a personal identification card;

(4) a date of birth; or

(5) the residence address of a voter who submits documentation under Subsection (c)(5), (6), (7), or (8) to the voter registrar ~~[is a federal judge or state judge, as defined by Section 13.0021, or the spouse of a federal judge or state judge, if the voter included an affidavit with the application under Section 13.0021]~~ or regarding whom the registrar has received notification ~~[an affidavit submitted]~~ under Section 15.0215.

(e) Documentation submitted under Subsection (c)(5), (6), (7), or (8) shall be retained on file with the voter registration application.

SECTION 3. Section 15.0215(b), Election Code, is amended to read as follows:

(b) On receiving notice from the Office of Court Administration of the Texas Judicial System of the person's qualification for office as a federal judge or state judge and of the name of the judge's spouse, if applicable, the registrar of the county in which the judge resides shall:

(1) omit from the registration list the residence address of the judge and the spouse of the judge; and

(2) prepare a memorandum of the notice, indicating the substance and date of the notification, and retain the memorandum on file with the application.

SECTION 4. Section 15.081(d), Election Code, is amended to read as follows:

(d) Notwithstanding Subsection (b), the suspense list may not contain the residence address of a voter whose residence address is confidential under Section 13.004 ~~[who is a federal judge, a state judge, or the spouse of a federal judge or state judge, if the voter included an affidavit with the voter's registration application under Section 13.0021 or the registrar received an affidavit submitted under Section 15.0215 before the list was prepared. In this subsection, "federal judge" and "state judge" have the meanings assigned by Section 13.0021].~~

SECTION 5. Section 18.005(c), Election Code, is amended to read as follows:

(c) The original or supplemental list of registered voters may not contain the residence address of a voter whose residence address is confidential under Section 13.004 ~~[who is a federal judge, a state judge, or the spouse of a federal judge or state judge, if the voter included an affidavit with the voter's registration application under Section 13.0021 or the registrar received an affidavit submitted under Section 15.0215 before the list was prepared. In this subsection, "federal judge" and "state judge" have the meanings assigned by Section 13.0021].~~

SECTION 6. Section 18.066(b), Election Code, is amended to read as follows:

(b) Information furnished under this section may not include:

(1) a voter's social security number; or  
(2) the residence address of a voter whose residence address is confidential under Section 13.004 ~~[who is a federal judge or state judge, as defined by Section 13.0021, or the spouse of a federal judge or state judge, if the voter included an affidavit with the voter's registration application under Section 13.0021 or the applicable registrar has received an affidavit submitted under Section 15.0215].~~

SECTION 7. Section 552.117(a), Government Code, as amended by Chapters 34 (**SB 1576**), 190 (**SB 42**), and 1006 (**HB 1278**), Acts of the 85th Legislature, Regular Session, 2017, is reenacted and amended to read as follows:

(a) Information is excepted from the requirements of Section 552.021 if it is information that relates to the home address, home telephone number, emergency contact information, or social security number of the following person or that reveals whether the person has family members:

(1) a current or former official or employee of a governmental body, except as otherwise provided by Section 552.024;

(2) a peace officer as defined by Article 2.12, Code of Criminal Procedure, or a security officer commissioned under Section 51.212, Education Code, regardless of whether the officer complies with Section 552.024 or 552.1175, as applicable;

(3) a current or former employee of the Texas Department of Criminal Justice or of the predecessor in function of the department or any division of the department, regardless of whether the current or former employee complies with Section 552.1175;

(4) a peace officer as defined by Article 2.12, Code of Criminal Procedure, or other law, a reserve law enforcement officer, a commissioned deputy game warden, or a corrections officer in a municipal, county, or state penal institution in this state who was killed in the line of duty, regardless of whether the deceased complied with Section 552.024 or 552.1175;

(5) a commissioned security officer as defined by Section 1702.002, Occupations Code, regardless of whether the officer complies with Section 552.024 or 552.1175, as applicable;

(6) an officer or employee of a community supervision and corrections department established under Chapter 76 who performs a duty described by Section 76.004(b), regardless of whether the officer or employee complies with Section 552.024 or 552.1175;

(7) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(8) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(9) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code, regardless of whether the current or former officer complies with Section 552.024 or 552.1175;

(10) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(11) a current or former member of the Texas military forces, as that term is defined by Section 437.001;

(12) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters, regardless of whether the current or former attorney complies with Section 552.024 or 552.1175; ~~or~~

(13) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(14) ~~[(12)]~~ a current or former employee of the Texas Civil Commitment Office or of the predecessor in function of the office or a division of the office, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(15) ~~[(12)]~~ a current or former federal judge or state judge, as those terms are defined by Section 1.005 ~~[13.0021(a)]~~, Election Code, or a spouse of a current or former federal judge or state judge; or

(16) a current or former United States attorney or assistant United States attorney and the spouse or child of the attorney ~~[(13) a current or former district attorney, criminal district attorney, or county attorney whose jurisdiction includes any criminal law or child protective services matter].~~

SECTION 8. Section 552.1175(a), Government Code, is amended to read as follows:

(a) This section applies only to:

(1) peace officers as defined by Article 2.12, Code of Criminal Procedure, or special investigators as described by Article 2.122, Code of Criminal Procedure;

(2) county jailers as defined by Section 1701.001, Occupations Code;

(3) current or former employees of the Texas Department of Criminal Justice or of the predecessor in function of the department or any division of the department;

(4) commissioned security officers as defined by Section 1702.002, Occupations Code;

(5) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(5-a) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(6) officers and employees of a community supervision and corrections department established under Chapter 76 who perform a duty described by Section 76.004(b);

(7) criminal investigators of the United States as described by Article 2.122(a), Code of Criminal Procedure;

(8) police officers and inspectors of the United States Federal Protective Service;

(9) current and former employees of the office of the attorney general who are or were assigned to a division of that office the duties of which involve law enforcement;

(10) current or former juvenile probation and detention officers certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;

(11) current or former employees of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;

(12) current or former employees of the Texas Juvenile Justice Department or the predecessors in function of the department;

(13) federal judges and state judges as defined by Section 1.005 ~~[13.0021]~~, Election Code; and

(14) current or former employees of the Texas Civil Commitment Office or of the predecessor in function of the office or a division of the office.

SECTION 9. The change in law made by this Act to Section 552.1175, Government Code, applies only to a request for information that is received by a governmental body or an officer on or after the effective date of this Act. A request for information that was received before the effective date of this Act is governed by the law in effect on the date the request was received, and the former law is continued in effect for that purpose.

SECTION 10. Sections 13.0021(a) and 15.0215(a), Election Code, are repealed.

SECTION 11. This Act takes effect September 1, 2019.

## **HB 2422 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Anderson called up with senate amendments for consideration at this time,



**HB 2422**, A bill to be entitled An Act relating to the coordination of certain broadband projects by the Texas Department of Transportation.

Representative Anderson moved to concur in the senate amendments to **HB 2422**.

The motion to concur in the senate amendments to **HB 2422** prevailed by (Record 1875): 136 Yeas, 5 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Cain; Oliverson; Stickland; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Huberty.

### STATEMENT OF VOTE

When Record No. 1875 was taken, I was shown voting no. I intended to vote yes.

Wilson

### Senate Committee Substitute

**CSHB 2422**, A bill to be entitled An Act relating to the coordination of certain broadband projects by the Texas Department of Transportation.

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

SECTION 1. Chapter 201, Transportation Code, is amended by adding Subchapter H-1 to read as follows:

#### SUBCHAPTER H-1. COORDINATION OF BROADBAND INSTALLATION

Sec. 201.671. DEFINITIONS. In this subchapter:

(1) "Broadband" means a mass-market retail service by wire or radio that provides the capability to transmit data to and receive data from all or substantially all Internet endpoints, including capabilities that are incidental to and enable the operation of the service. The term includes a service that is functionally equivalent to the service described by this subdivision.

(2) "Broadband conduit" means a conduit, pipe, innerduct, or microduct for fiber-optic or other cables that supports broadband and wireless facilities for broadband.

Sec. 201.672. COORDINATION. (a) The department shall provide notice on the department's Internet website of ongoing and planned highway construction projects for which the department will provide voluntary joint trenching opportunities in the state's right-of-way for broadband providers. A broadband provider may collaborate with the department to deploy broadband conduit or other broadband facilities in those rights-of-way.

(b) The department shall give special consideration to broadband deployment described by Subsection (a) that is likely to improve access to broadband by rural or underserved communities.

(c) To the extent practicable, the department shall assist political subdivisions in taking advantage of voluntary joint trenching opportunities.

Sec. 201.673. REPORT. Annually, the department shall submit to the legislature a report that explains the actions taken by the department in carrying out this subchapter and identifies any costs or cost savings to the state and private entities associated with voluntary joint trenching opportunities.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 3304 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Price called up with senate amendments for consideration at this time,

**HB 3304.** A bill to be entitled An Act relating to the repeal of certain provisions affecting the electronic exchange of health information.

Representative Price moved to concur in the senate amendments to **HB 3304.**

The motion to concur in the senate amendments to **HB 3304** prevailed by (Record 1876): 137 Yeas, 4 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales;

Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Cain; Stickland; Tinderholt.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Huberty.

### Senate Committee Substitute

**CSHB 3304**, A bill to be entitled An Act relating to the sunset review of the Texas Health Services Authority and the repeal of certain provisions affecting the electronic exchange of health information.

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

SECTION 1. Subchapter A, Chapter 182, Health and Safety Code, is amended by adding Section 182.004 to read as follows:

Sec. 182.004. APPLICATION OF SUNSET ACT. The Texas Health Services Authority is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the corporation is abolished and this section, Section 182.001, and Subchapters B and C expire September 1, 2027.

SECTION 2. The following provisions of the Health and Safety Code are repealed:

- (1) Section 182.003;
- (2) Section 182.052;
- (3) Section 182.101(b);
- (4) Section 182.102(c);
- (5) Section 182.103(d);
- (6) Section 182.104(b);
- (7) Section 182.105(b);
- (8) Section 182.106(b);
- (9) Section 182.107(d); and
- (10) Section 182.108(f).

SECTION 3. Section 15(b), Chapter 12 (**SB 203**), Acts of the 84th Legislature, Regular Session, 2015, which added Sections 182.108(g), (h), (i), (j), (k), (l), (m), and (n), Health and Safety Code, effective September 1, 2021, is repealed.

SECTION 4. This Act takes effect September 1, 2019.

**HB 2546 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Guillen called up with senate amendments for consideration at this time,

**HB 2546**, A bill to be entitled An Act relating to the energy efficiency performance standards for construction of industrialized housing.

Representative Guillen moved to concur in the senate amendments to **HB 2546**.

The motion to concur in the senate amendments to **HB 2546** prevailed by (Record 1877): 123 Yeas, 18 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Biedermann; Cain; Dean; Frank; Harris; Hefner; Hunter; Krause; Lang; Leman; Middleton; Oliverson; Patterson; Schaefer; Springer; Stickland; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Beckley.

**STATEMENT OF VOTE**

When Record No. 1877 was taken, I was shown voting yes. I intended to vote no.

Shaheen

**Senate Committee Substitute**

**CSHB 2546**, A bill to be entitled An Act relating to the energy efficiency performance standards for construction of certain industrialized housing.

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

SECTION 1. Subchapter D, Chapter 1202, Occupations Code, is amended by adding Section 1202.1536 to read as follows:

Sec. 1202.1536. OPTION TO CONSTRUCT CERTAIN INDUSTRIALIZED HOUSING IN ACCORDANCE WITH CERTAIN ENERGY EFFICIENCY PERFORMANCE STANDARDS. (a) Notwithstanding any other provision of this subchapter related to energy efficiency performance standards, a manufacturer or builder of industrialized housing may construct single-family industrialized housing in accordance with the energy efficiency performance standards outlined in:

(1) the energy code adopted by the council; or  
(2) the energy code in this state for single-family residential construction with any local amendments or alternative compliance paths described by Section 388.003, Health and Safety Code, that are:

(A) requested by a municipality, county, or group of counties located in the climate zone in which the single-family industrialized housing will be located; and

(B) determined by the laboratory, as defined by Section 388.002, Health and Safety Code, to be equally or more stringent than the energy code described by Section 388.003(a), Health and Safety Code.

(b) A manufacturer or builder of industrialized housing shall maintain and, on request, make available to the department, to a design review agency, or to another entity authorized to evaluate industrialized housing under this chapter all documentation necessary to evaluate single-family industrialized housing constructed by the manufacturer or builder in accordance with the energy efficiency performance standards described by Subsection (a).

SECTION 2. This Act takes effect September 1, 2019.

## **HB 2446 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Swanson called up with senate amendments for consideration at this time,

**HB 2446**, A bill to be entitled An Act relating to the availability of certain information regarding firefighters, volunteer firefighters, and emergency medical services personnel.

Representative Swanson moved to concur in the senate amendments to **HB 2446**.

The motion to concur in the senate amendments to **HB 2446** prevailed by (Record 1878): 139 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez;

Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Walle; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Stickland; Toth.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — White.

### STATEMENT OF VOTE

When Record No. 1878 was taken, my vote failed to register. I would have voted yes.

White

### Senate Committee Substitute

**CSHB 2446**, A bill to be entitled An Act relating to the availability of certain information regarding firefighters, volunteer firefighters, emergency medical services personnel, and fire safety inspectors and the certification and training for fire safety inspectors.

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

SECTION 1. Section 411.1235(a), Government Code, is amended to read as follows:

(a) A volunteer fire department or a fire department operated by an emergency services district is entitled to obtain from the department criminal history record information maintained by the department that relates to a person who:

(1) is required to be certified by the Texas Commission on Fire Protection and:

(A) ~~(A)~~ is an applicant for a beginning position with the fire department; or

(B) ~~(B)~~ currently holds a position with that fire department; or

(2) holds a position with the fire department and seeks to conduct fire safety inspections without becoming certified as a fire inspector by the Texas Commission on Fire Protection.

SECTION 2. Section 411.129(a), Government Code, is amended to read as follows:

(a) Except as provided by Subsection (b), a municipality is entitled to obtain from the department criminal history record information maintained by the department that relates to a person who:

(1) is:

(A) ~~(A)~~ an applicant for employment by the municipality;

(B) ~~[(2)]~~ an employee of the municipality;  
(C) ~~[(3)]~~ an applicant for employment by or an employee of a business or person that contracts with the municipality;  
(D) ~~[(4)]~~ a volunteer with the municipality; or  
(E) ~~[(5)]~~ an applicant for a volunteer position with the municipality; or

(2) seeks the municipality's authorization to conduct fire safety inspections without becoming certified as a fire inspector by the Texas Commission on Fire Protection.

SECTION 3. Section 419.909, Government Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (a-2) to read as follows:

(a) Except as provided by Subsection (a-1), only ~~[Only]~~ an individual certified by the commission as a fire inspector may conduct a fire safety inspection required by a state or local law, rule, regulation, or ordinance. The following entities may provide training related to fire safety inspections:

(1) the commission or a training facility certified by the commission;  
(2) the State Firefighters' and Fire Marshals' Association of Texas or a training facility approved by that association;  
(3) any state agency with authority over fire safety inspections; or  
(4) any local agency authorized to provide the training by a state agency described by Subdivision (3).

(a-1) Subject to Subsection (a-2), for purposes of conducting a fire safety inspection under Subsection (a), an individual is not required to be certified by the commission if:

(1) the individual:  
(A) has completed a course of training on fire safety inspections offered by an entity described by Subsection (a) that complies with NFPA Standard 1031: Fire Inspector I, 2014 Edition, "Standard for Professional Qualifications for Fire Inspector and Plan Examiner," as published by the National Fire Protection Association;

(B) is:  
(i) a member of a volunteer fire department; or  
(ii) authorized to conduct fire safety inspections by a municipality in which an emergency services district is located if the municipality has adopted a fire safety code; and

(C) has not been convicted of an offense that involves family violence, as defined by Section 71.004, Family Code, or a felony; and

(2) the inspection is conducted in:  
(A) a county with a population of less than 100,000; or  
(B) a political subdivision of this state that employs fewer than five firefighters regulated by the commission.

(a-2) A volunteer fire department or a municipality described by Subsection (a-1)(1)(B)(ii) may obtain an individual's criminal history record information for use in conducting a criminal history background check before authorizing the individual to conduct fire safety inspections.

SECTION 4. Section 552.117(a), Government Code, as amended by Chapters 34 (**SB 1576**), 190 (**SB 42**), and 1006 (**HB 1278**), Acts of the 85th Legislature, Regular Session, 2017, is reenacted and amended to read as follows:

(a) Information is excepted from the requirements of Section 552.021 if it is information that relates to the home address, home telephone number, emergency contact information, or social security number of the following person or that reveals whether the person has family members:

(1) a current or former official or employee of a governmental body, except as otherwise provided by Section 552.024;

(2) a peace officer as defined by Article 2.12, Code of Criminal Procedure, or a security officer commissioned under Section 51.212, Education Code, regardless of whether the officer complies with Section 552.024 or 552.1175, as applicable;

(3) a current or former employee of the Texas Department of Criminal Justice or of the predecessor in function of the department or any division of the department, regardless of whether the current or former employee complies with Section 552.1175;

(4) a peace officer as defined by Article 2.12, Code of Criminal Procedure, or other law, a reserve law enforcement officer, a commissioned deputy game warden, or a corrections officer in a municipal, county, or state penal institution in this state who was killed in the line of duty, regardless of whether the deceased complied with Section 552.024 or 552.1175;

(5) a commissioned security officer as defined by Section 1702.002, Occupations Code, regardless of whether the officer complies with Section 552.024 or 552.1175, as applicable;

(6) an officer or employee of a community supervision and corrections department established under Chapter 76 who performs a duty described by Section 76.004(b), regardless of whether the officer or employee complies with Section 552.024 or 552.1175;

(7) a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(8) a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(9) a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code, regardless of whether the current or former officer complies with Section 552.024 or 552.1175;

(10) a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;



(11) a current or former member of the Texas military forces, as that term is defined by Section 437.001; ~~or~~

(12) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters, regardless of whether the current or former attorney complies with Section 552.024 or 552.1175; ~~or~~

(13) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(14) ~~(12)~~ a current or former employee of the Texas Civil Commitment Office or of the predecessor in function of the office or a division of the office, regardless of whether the current or former employee complies with Section 552.024 or 552.1175;

(15) ~~(12)~~ a current or former federal judge or state judge, as those terms are defined by Section 13.0021(a), Election Code, or a spouse of a current or former federal judge or state judge; or

(16) a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code, regardless of whether the firefighter or volunteer firefighter or emergency medical services personnel comply with Section 552.024 or 552.1175, as applicable ~~[(13) a current or former district attorney, criminal district attorney, or county attorney whose jurisdiction includes any criminal law or child protective services matter].~~

SECTION 5. The heading to Section 552.1175, Government Code, is amended to read as follows:

Sec. 552.1175. EXCEPTION: CONFIDENTIALITY OF CERTAIN PERSONAL IDENTIFYING INFORMATION OF PEACE OFFICERS AND OTHER OFFICIALS PERFORMING SENSITIVE GOVERNMENTAL FUNCTIONS ~~[, COUNTY JAILERS, SECURITY OFFICERS, EMPLOYEES OF CERTAIN STATE AGENCIES OR CERTAIN CRIMINAL OR JUVENILE JUSTICE AGENCIES OR OFFICES, AND FEDERAL AND STATE JUDGES].~~

SECTION 6. Section 552.1175(a), Government Code, is amended to read as follows:

(a) This section applies only to:

(1) peace officers as defined by Article 2.12, Code of Criminal Procedure;

(2) county jailers as defined by Section 1701.001, Occupations Code;

(3) current or former employees of the Texas Department of Criminal Justice or of the predecessor in function of the department or any division of the department;

(4) commissioned security officers as defined by Section 1702.002, Occupations Code;

(5) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(5-a) a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(6) officers and employees of a community supervision and corrections department established under Chapter 76 who perform a duty described by Section 76.004(b);

(7) criminal investigators of the United States as described by Article 2.122(a), Code of Criminal Procedure;

(8) police officers and inspectors of the United States Federal Protective Service;

(9) current and former employees of the office of the attorney general who are or were assigned to a division of that office the duties of which involve law enforcement;

(10) current or former juvenile probation and detention officers certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;

(11) current or former employees of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code;

(12) current or former employees of the Texas Juvenile Justice Department or the predecessors in function of the department;

(13) federal judges and state judges as defined by Section 13.0021, Election Code; ~~and~~

(14) current or former employees of the Texas Civil Commitment Office or of the predecessor in function of the office or a division of the office; and

(15) a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code.

SECTION 7. Subchapter C, Chapter 552, Government Code, is amended by adding Section 552.159 to read as follows:

Sec. 552.159. EXCEPTION: CONFIDENTIALITY OF CERTAIN WORK SCHEDULES. A work schedule or a time sheet of a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code, is confidential and excepted from the requirements of Section 552.021.

SECTION 8. Section 25.025(a), Tax Code, as amended by Chapters 34 (**SB 1576**), 41 (**SB 256**), 193 (**SB 510**), 1006 (**HB 1278**), and 1145 (**HB 457**), Acts of the 85th Legislature, Regular Session, 2017, is reenacted and amended to read as follows:

(a) This section applies only to:

(1) a current or former peace officer as defined by Article 2.12, Code of Criminal Procedure, and the spouse or surviving spouse of the peace officer;

(2) the adult child of a current peace officer as defined by Article 2.12, Code of Criminal Procedure;

(3) a county jailer as defined by Section 1701.001, Occupations Code;

(4) an employee of the Texas Department of Criminal Justice;

(5) a commissioned security officer as defined by Section 1702.002, Occupations Code;

(6) an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of family violence as defined by Section 71.004, Family Code, by providing:

(A) a copy of a protective order issued under Chapter 85, Family Code, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of family violence;

(7) ~~(6)~~ an individual who shows that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons by providing:

(A) a copy of a protective order issued under Chapter 7A or Article 6.09, Code of Criminal Procedure, or a magistrate's order for emergency protection issued under Article 17.292, Code of Criminal Procedure; or

(B) other independent documentary evidence necessary to show that the individual, the individual's child, or another person in the individual's household is a victim of sexual assault or abuse, stalking, or trafficking of persons;

(8) ~~(7)~~ a participant in the address confidentiality program administered by the attorney general under Subchapter C, Chapter 56, Code of Criminal Procedure, who provides proof of certification under Article 56.84, Code of Criminal Procedure;

(9) ~~(8)~~ a federal judge, a state judge, or the spouse of a federal judge or state judge;

(10) a current or former district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(11) ~~(9)~~ a current or former employee of a district attorney, criminal district attorney, or county or municipal attorney whose jurisdiction includes any criminal law or child protective services matters;

(12) ~~(10)~~ an officer or employee of a community supervision and corrections department established under Chapter 76, Government Code, who performs a duty described by Section 76.004(b) of that code;

(13) ~~(11)~~ a criminal investigator of the United States as described by Article 2.122(a), Code of Criminal Procedure;

(14) ~~(12)~~ a police officer or inspector of the United States Federal Protective Service;

(15) ~~(13)~~ a current or former United States attorney or assistant United States attorney and the spouse and child of the attorney;

(16) ~~(14)~~ a current or former employee of the office of the attorney general who is or was assigned to a division of that office the duties of which involve law enforcement;

(17) ~~[(15)]~~ a medical examiner or person who performs forensic analysis or testing who is employed by this state or one or more political subdivisions of this state;

(18) ~~[(16)]~~ a current or former member of the United States armed forces who has served in an area that the president of the United States by executive order designates for purposes of 26 U.S.C. Section 112 as an area in which armed forces of the United States are or have engaged in combat;

(19) ~~[(17)]~~ a current or former employee of the Texas Juvenile Justice Department or of the predecessors in function of the department;

(20) ~~[(18)]~~ a current or former juvenile probation or supervision officer certified by the Texas Juvenile Justice Department, or the predecessors in function of the department, under Title 12, Human Resources Code;

(21) ~~[(19)]~~ a current or former employee of a juvenile justice program or facility, as those terms are defined by Section 261.405, Family Code; ~~and~~

(22) ~~[(18)]~~ a current or former employee of the Texas Civil Commitment Office or of the predecessor in function of the office or a division of the office;

(23) ~~[(18)]~~ a current or former employee of a federal judge or state judge; and

(24) a firefighter or volunteer firefighter or emergency medical services personnel as defined by Section 773.003, Health and Safety Code.

SECTION 9. The changes in law made by this Act apply only to a request for information that is received by a governmental body or an officer on or after the effective date of this Act. A request for information that was received before the effective date of this Act is governed by the law in effect on the date the request was received, and the former law is continued in effect for that purpose.

SECTION 10. To the extent of any conflict, this Act prevails over another Act of the 86th Legislature, Regular Session, 2019, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 11. 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, 2019.

### **HB 3531 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Shine called up with senate amendments for consideration at this time,

**HB 3531**, A bill to be entitled An Act relating to the disqualification of a prosecuting attorney or judge in a case investigated by the public integrity unit of the Texas Rangers.

Representative Shine moved to concur in the senate amendments to **HB 3531**.

The motion to concur in the senate amendments to **HB 3531** prevailed by (Record 1879): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithe; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Wiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Toth.

### Senate Committee Substitute

**CSHB 3531**, A bill to be entitled An Act relating to the disqualification of a prosecuting attorney or judge in a case investigated by the public integrity unit of the Texas Rangers.

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

SECTION 1. The heading to Section 411.0255, Government Code, is amended to read as follows:

Sec. 411.0255. DISQUALIFICATION ~~[RECURAL]~~ OF PROSECUTING ATTORNEY OR JUDGE; SELECTION OF PROSECUTING ATTORNEY BY PRESIDING JUDGE OF ADMINISTRATIVE JUDICIAL REGION.

SECTION 2. Section 411.0255, Government Code, is amended by amending Subsections (a) and (c) and adding Subsections (b-1), (b-2), (b-3), (b-4), and (c-1) to read as follows:

(a) In this section, "presiding judges" means the presiding judges of the administrative judicial regions.

(b-1) The judge of a court with jurisdiction over a complaint may request that the presiding judges permit the judge to recuse himself or herself for good cause in a case investigated under this subchapter, and on submitting the notice of recusal, the judge is disqualified.

(b-2) The public integrity unit shall inform the judge of the court with jurisdiction over a complaint if the prosecuting attorney is disqualified for purposes of Article 2.07, Code of Criminal Procedure, because the prosecuting attorney is the subject of a criminal investigation under this subchapter based on

credible evidence of criminal misconduct. On showing that the prosecuting attorney is the subject of the investigation, the judge shall order the prosecuting attorney disqualified under Article 2.08, Code of Criminal Procedure.

(b-3) If the judge of the court with jurisdiction over a complaint described by Subsection (b-2) is also disqualified, the public integrity unit shall inform the presiding judges of the prosecuting attorney's disqualification under that subsection.

(b-4) The public integrity unit shall inform the presiding judges if a judge of a court with jurisdiction over a complaint is disqualified because the judge is the subject of a criminal investigation under this subchapter based on credible evidence of criminal misconduct. On showing that the judge is the subject of the investigation, the presiding judges shall order the judge disqualified. Disqualification under this subsection applies only to the judge's access to the criminal investigation pending against the judge and to any prosecution of a criminal charge resulting from that investigation.

(c) Following the disqualification or recusal of a prosecuting attorney under this section [Subsection (b)], the presiding judges shall appoint a prosecuting attorney from another county in that administrative judicial region by majority vote. A prosecuting attorney selected under this subsection has the authority to represent the state in the prosecution of the offense.

(c-1) Following the disqualification of a judge of a court with jurisdiction over a complaint under this section, the presiding judges by majority vote shall appoint a judge from a county within the administrative judicial region. A judge selected under this subsection has jurisdiction over the complaint.

SECTION 3. The change in law made by this Act to Section 411.0255, Government Code, applies to a case investigated by the public integrity unit of the Texas Rangers initiated or pending before a court on or after the effective date of this Act.

SECTION 4. 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, 2019.

### **HB 1399 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Phelan called up with senate amendments for consideration at this time,

**HB 1399**, A bill to be entitled An Act relating to the creation and storage of DNA records for a person arrested for certain felony offenses.

Representative Phelan moved to concur in the senate amendments to **HB 1399**.

The motion to concur in the senate amendments to **HB 1399** prevailed by (Record 1880): 99 Yeas, 40 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bonnen; Bowers; Buckley; Bucy; Burrows; Button; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Cyrier; Davis, Y.; Dean; Deshotel; Dutton; Farrar; Flynn; Frank; Geren; Goldman; González, M.; Goodwin; Guerra; Guillen; Harless; Harris; Hernandez; Herrero; Holland; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lang; Larson; Leach; Lopez; Lozano; Martinez; Martinez Fischer; Meyer; Meza; Middleton; Minjarez; Murphy; Nevárez; Noble; Oliverson; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Sanford; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Talarico; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Anchia; Biedermann; Bohac; Burns; Cain; Craddick; Dominguez; Fierro; Frullo; Gervin-Hawkins; González, J.; Gutierrez; Hefner; Hinojosa; Krause; Lambert; Landgraf; Leman; Longoria; Lucio; Metcalf; Miller; Morales; Muñoz; Murr; Neave; Ortega; Pacheco; Ramos; Romero; Rose; Rosenthal; Schaefer; Stickland; Swanson; Thierry; Tinderholt; Toth; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Calanni; Howard; Morrison.

### STATEMENTS OF VOTE

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Allen

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Bowers

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Bucy

When Record No. 1880 was taken, I was in the house but away from my desk. I would have voted yes.

Calanni

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Dean

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Deshotel

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Guerra

When Record No. 1880 was taken, I was shown voting no. I intended to vote yes.

Hinojosa

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Martinez

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Parker

When Record No. 1880 was taken, I was shown voting yes. I intended to vote no.

Sanford

#### Senate Committee Substitute

**CSHB 1399**, A bill to be entitled An Act relating to the creation and storage of DNA records for a person arrested for certain felony offenses.

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

SECTION 1. This Act may be cited as the Krystal Jean Baker Act.

SECTION 2. Article 42A.352, Code of Criminal Procedure, is amended to read as follows:

Art. 42A.352. DNA SAMPLE. A judge granting community supervision to a defendant convicted of a felony shall require as a condition of community supervision that the defendant provide a DNA sample under Subchapter G, Chapter 411, Government Code, for the purpose of creating a DNA record of the defendant, unless the defendant has already submitted the required sample under Section 411.1471, Government Code, or other [state] law.

SECTION 3. Article 102.020(a), Code of Criminal Procedure, is amended to read as follows:

(a) A person shall pay as a cost of court:

(1) \$250 on conviction of an offense listed in Section 411.1471(a)(1), Government Code;

(2) \$50 on conviction of an offense described by Section 411.1471(a)(2) [411.1471(a)(3)], Government Code; or

(3) \$34 on placement of the person on community supervision, including deferred adjudication community supervision, if the person is required to submit a DNA sample under Article 42A.352.

SECTION 4. Subchapter G, Chapter 411, Government Code, is amended by adding Section 411.1425 to read as follows:



Sec. 411.1425. GRANT FUNDS. The director shall apply for any available federal grant funds applicable to the creation and storage of DNA records of persons arrested for certain offenses.

SECTION 5. The heading to Section 411.1471, Government Code, is amended to read as follows:

Sec. 411.1471. DNA RECORDS OF PERSONS ARRESTED FOR [CHARGED WITH,] OR CONVICTED OF CERTAIN OFFENSES.

SECTION 6. Section 411.1471, Government Code, is amended by amending Subsections (a), (b), and (e) and adding Subsection (b-1) to read as follows:

(a) This section applies to a defendant who is:

(1) arrested [~~indicted or waives indictment~~] for a felony prohibited [~~or punishable~~] under any of the following Penal Code sections:

- (A) Section 19.02;
- (B) Section 19.03;
- (C) Section 20.03;
- (D) Section 20.04 [~~20.04(a)(4)~~];
- (E) Section 20.05;
- (F) Section 20.06;
- (G) Section 20A.02;
- (H) Section 20A.03;
- (I) Section 21.02;
- (J) [~~(D)~~] Section 21.11;
- (K) Section 22.01;
- (L) [~~(C)~~] Section 22.011;
- (M) Section 22.02;
- (N) [~~(D)~~] Section 22.021;
- (O) [~~(E)~~] Section 25.02;
- (P) Section 29.02;
- (Q) Section 29.03;
- (R) [~~(F)~~] Section 30.02 [~~30.02(d)~~];
- (S) Section 31.03;
- (T) Section 43.03;
- (U) Section 43.04;
- (V) [~~(G)~~] Section 43.05;
- (W) [~~(H)~~] Section 43.25; or
- (X) [~~(I)~~] Section 43.26; or
- [~~(J)~~ Section 21.02; or
- [~~(K)~~ Section 20A.03;]

(2) [~~arrested for a felony described by Subdivision (1) after having been previously convicted of or placed on deferred adjudication for an offense described by Subdivision (1) or an offense punishable under Section 30.02(e)(2), Penal Code; or~~

[~~(3)~~] convicted of an offense:

(A) under Title 5, Penal Code, other than an offense described by Subdivision (1), that is punishable as a Class A misdemeanor or any higher category of offense, except for an offense punishable as a Class A misdemeanor under Section 20.02, 22.01, or 22.05, Penal Code; or

(B) under Section 21.08, 25.04, 43.02(b), ~~[43.03]~~ or 43.24, Penal Code.

~~(b) [After a defendant described by Subsection (a)(1) is indicted or waives indictment, the court in which the case is pending shall require the defendant to provide to a law enforcement agency one or more specimens for the purpose of creating a DNA record.]~~ A law enforcement agency arresting a defendant described by Subsection (a)(1) ~~[(a)(2)]~~, immediately after fingerprinting the defendant and at the same location as the fingerprinting occurs, shall require the defendant to provide one or more specimens for the purpose of creating a DNA record.

(b-1) After a defendant described by Subsection (a)(2) ~~[(a)(3)]~~ is convicted, the court shall require the defendant to provide to a law enforcement agency one or more specimens for the purpose of creating a DNA record.

(e) Notwithstanding Subsection (d), on acquittal of a defendant described by Subsection (a)(1) ~~[or (2)]~~ or dismissal of the case against the defendant, the court shall order the law enforcement agency taking the specimen to immediately destroy the record of the collection of the specimen and require the department to destroy the specimen and the record of its receipt.

SECTION 7. Section 411.1471(c), Government Code, is repealed.

SECTION 8. Section 411.1471, Government Code, as 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 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 this Act if any element of the offense occurred before that date.

SECTION 9. The Department of Public Safety of the State of Texas is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Department of Public Safety of the State of Texas may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 10. This Act takes effect September 1, 2019.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 1399** (senate committee printing) as follows:

On page 2, line 55, between "," and "the", insert "or after an individual has been granted relief in accordance with a writ of habeas corpus that is based on a court finding or determination that the person is actually innocent of a crime for which the person was sentenced,".

**Senate Amendment No. 2 (Senate Floor Amendment No. 2)**

Amend **CSHB 1399** (senate committee report) in SECTION 6 of the bill, by striking amended Section 411.1471(e), Government Code (page 2, lines 53-58), and substituting the following:

(e) Notwithstanding Subsection (d), on acquittal of a defendant described by Subsection (a)(1) [~~or (2)~~] or dismissal of the case against the defendant, [~~the court shall order~~] the law enforcement agency taking the specimen shall [~~to~~] immediately destroy the record of the collection of the specimen, and [~~require~~] the department shall [~~to~~] destroy the specimen and the record of its receipt. As soon as practicable after the acquittal of the defendant or the dismissal of the case, the court shall provide notice of the acquittal or dismissal to the applicable law enforcement agency and the department.

**HB 2628 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Bucy called up with senate amendments for consideration at this time,

**HB 2628**, A bill to be entitled An Act relating to the manner of reporting and maintaining certain information relating to candidates and election returns.

Representative Bucy moved to concur in the senate amendments to **HB 2628**.

The motion to concur in the senate amendments to **HB 2628** prevailed by (Record 1881): 134 Yeas, 7 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Harris; King, P.; Oliverson; Patterson; Springer; Toth.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Button.

**STATEMENT OF VOTE**

When Record No. 1881 was taken, I was shown voting yes. I intended to vote no.

Wilson

**Senate Committee Substitute**

**CSHB 2628**, A bill to be entitled An Act relating to the manner of reporting and maintaining certain information relating to candidates and election returns.

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

SECTION 1. Sections 67.007(a), (c), and (d), Election Code, are amended to read as follows:

(a) For each election for a statewide, ~~or~~ district, county, or precinct office, a statewide measure, or president and vice-president of the United States, the county clerk of each county in the territory covered by the election shall prepare county election returns.

(c) The county clerk shall certify ~~sign~~ the county returns ~~[to certify their accuracy]~~.

(d) Not later than 24 hours after completion of the local canvass, the county clerk shall deliver to the secretary of state, in the manner directed by the secretary, the county returns ~~[in a sealed envelope]~~. ~~[The envelope shall be labeled: "Election Returns for \_\_\_\_\_ (name) County, for \_\_\_\_\_ (election)."]~~

SECTION 2. Sections 67.008(b) and (c), Election Code, are amended to read as follows:

(b) The returns shall be delivered to the secretary of state as provided by Section 67.007. ~~[except that the envelope shall be labeled: "Returns of Election for Governor/Lieutenant Governor, \_\_\_\_\_ (name) County, for \_\_\_\_\_ (election)."]~~

(c) The secretary of state shall retain the returns ~~[in their sealed condition]~~ until the first day of the next regular legislative session, when the secretary shall deliver the returns to the speaker of the house of representatives.

SECTION 3. Section 67.009(b), Election Code, is amended to read as follows:

(b) With the delivery of the official county returns forms, the secretary of state shall deliver~~[-~~

~~[(1)]~~ written instructions on the preparation and delivery of the county election returns~~[-and~~

~~[(2) the officially prescribed envelopes for delivering the returns to the secretary].~~

SECTION 4. Section 181.032, Election Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) Not later than the 10th day after the date of the filing deadline prescribed by Section 181.033, the authority with whom an application is filed shall deliver to the secretary of state a list containing:

- (1) each candidate's name;
- (2) each candidate's residence address;

- (3) the office sought by the candidate; ~~[and]~~
  - (4) the date on which the candidate filed the application; and
  - (5) any additional information required by the secretary of state.
- (c) A list delivered under Subsection (b) must be in a format prescribed by the secretary of state.

SECTION 5. Section 181.068(a), Election Code, is amended to read as follows:

(a) The presiding officer of each convention held under this chapter shall certify, in a format prescribed by the secretary of state, ~~[writing]~~ for placement on the general election ballot the name and address of each candidate nominated by the convention.

SECTION 6. This Act takes effect September 1, 2019.

### **HB 3714 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Parker called up with senate amendments for consideration at this time,

**HB 3714**, A bill to be entitled An Act relating to the establishment of street lights along county roads in the unincorporated area of certain counties.

Representative Parker moved to concur in the senate amendments to **HB 3714**.

The motion to concur in the senate amendments to **HB 3714** prevailed by (Record 1882): 140 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Oliverson; Springer.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

**STATEMENT OF VOTE**

When Record No. 1882 was taken, I was shown voting no. I intended to vote yes.

Springer

**Senate Committee Substitute**

**CSHB 3714**, A bill to be entitled An Act relating to the establishment of street lights along county roads in the unincorporated area of certain counties.

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

SECTION 1. The heading to Section 280.003, Transportation Code, is amended to read as follows:

Sec. 280.003. STREET LIGHTS ON COUNTY ROADS ~~[IN SUBDIVISION LOCATED]~~ IN CERTAIN COUNTIES.

SECTION 2. Section 280.003, Transportation Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (b-1) to read as follows:

(a) This section applies only to the unincorporated area of a county:  
(1) that has any of its territory located within 150 miles of an international boundary;

(2) with a population of more than 650,000 that is adjacent to two counties, each of which has a population of more than 1.8 million; or

(3) with a population of more than 3.3 million.

(b) The commissioners court of a county may by order provide for the establishment of street lights along a county road ~~[located in a subdivision]~~. The order may provide for:

(1) the installation, operation, and maintenance of the street lights by:

(A) the county; or

(B) another public or private entity with which the county may contract;

(2) the imposition of a fee on landowners ~~[in the subdivision]~~ who benefit from the street lights;

(3) the collection of a fee imposed under this subsection by the county tax assessor-collector; and

(4) any other matter the commissioners court finds necessary to the installation, operation, or maintenance of the street lights.

(b-1) Street lights installed by a county:

(1) must be installed in a subdivision if the lights are installed by a county described by Subsection (a)(1); and

(2) may not be located on private property if the lights are installed by a county described by Subsection (a)(2) or (3).

(c) This section does not supersede applicable provisions for street light service contained in the tariff of an electric utility that provides service to the area in which the lights are installed ~~[to the subdivision]~~.

SECTION 3. This Act takes effect September 1, 2019.

## **HB 2524 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Anderson called up with senate amendments for consideration at this time,

**HB 2524**, A bill to be entitled An Act relating to the prosecution of the criminal offense of theft of service.

Representative Anderson moved to concur in the senate amendments to **HB 2524**.

The motion to concur in the senate amendments to **HB 2524** prevailed by (Record 1883): 138 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Ramos; Rose.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Israel; Walle.

### **Senate Committee Substitute**

**CSHB 2524**, A bill to be entitled An Act relating to the prosecution of the criminal offense of theft of service.

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

SECTION 1. Section 31.04, Penal Code, is amended by amending Subsections (b), (c), (d), and (d-1) and adding Subsections (d-2), (d-3), (d-4), and (d-5) to read as follows:

(b) For purposes of this section, intent to avoid payment is presumed if any of the following occurs:

(1) the actor absconded without paying for the service or expressly refused to pay for the service in circumstances where payment is ordinarily made immediately upon rendering of the service, as in hotels, campgrounds, recreational vehicle parks, restaurants, and comparable establishments;

(2) the actor failed to make payment under a service agreement within 10 days after receiving notice demanding payment;

(3) the actor returns property held under a rental agreement after the expiration of the rental agreement and fails to pay the applicable rental charge for the property within 10 days after the date on which the actor received notice demanding payment; ~~[or]~~

(4) the actor failed to return the property held under a rental agreement:

(A) within five days after receiving notice demanding return, if the property is valued at less than \$2,500; ~~[or]~~

(B) within three days after receiving notice demanding return, if the property is valued at \$2,500 or more but less than \$10,000; or

(C) within two days after receiving notice demanding return, if the property is valued at \$10,000 or more; or

(5) the actor:

(A) failed to return the property held under an agreement described by Subsections (d-2)(1)-(3) within five business days after receiving notice demanding return; and

(B) has made fewer than three complete payments under the agreement.

(c) For purposes of Subsections (a)(4), (b)(2), ~~[and]~~ (b)(4), and (b)(5), notice must ~~[shall]~~ be:

(1) [notice] in writing;

(2) [?] sent by:

(A) registered or certified mail with return receipt requested; or

(B) commercial delivery service; ~~[or by telegram with report of delivery requested,]~~ and

(3) sent ~~[addressed]~~ to the actor using the actor's mailing ~~[at his]~~ address shown on the rental agreement or service agreement.

(d) Except as otherwise provided by this subsection, if ~~[if]~~ written notice is given in accordance with Subsection (c), it is presumed that the notice was received ~~not [no]~~ later than two ~~[five]~~ days after the notice ~~[it]~~ was sent. For purposes of Subsections (b)(4)(A) and (B), if written notice is given in accordance with Subsection (c), it is presumed that the notice was received not later than five days after the notice was sent.

(d-1) For purposes of Subsection (a)(2), the diversion of services to the benefit of a person who is not entitled to those services includes the disposition of personal property by an actor having control of the property under an agreement described by Subsections (d-2)(1)-(3), if the actor disposes of the property in violation of the terms of the agreement and to the benefit of any person who is not entitled to the property.

(d-2) For purposes of Subsection (a)(3), the term "written rental agreement" does not include an agreement that:



(1) permits an individual to use personal property for personal, family, or household purposes for an initial rental period;

(2) is automatically renewable with each payment after the initial rental period; and

(3) permits the individual to become the owner of the property.

(d-3) For purposes of Subsection (a)(4):

(1) if the compensation is or was to be paid on a periodic basis, the intent to avoid payment for a service may be formed at any time during or before a pay period; and

(2) the partial payment of wages alone is not sufficient evidence to negate the actor's intent to avoid payment for a service.

(d-4) A presumption established under Subsection (b) involving a defendant's failure to return property held under an agreement described by Subsections (d-2)(1)-(3) may be refuted if the defendant shows that the defendant:

(1) intended to return the property; and

(2) was unable to return the property.

(d-5) For purposes of Subsection (b)(5), "business day" means a day other than Sunday or a state or federal holiday.

SECTION 2. The change in law made 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 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 this Act if any element of the offense occurred before that date.

SECTION 3. This Act takes effect September 1, 2019.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 2524** (senate committee report) in SECTION 1 of the bill as follows:

(1) In amended Section 31.04(d), Penal Code (page 2, line 10), between "and (B)" and the underlined comma, insert "and (b)(5)".

(2) In added Section 31.04(d-3)(1), Penal Code (page 2, line 32), strike "and" and substitute "[and]".

(3) In added Section 31.04(d-3)(2), Penal Code (page 2, line 35), between "service" and the period, insert the following:  
; and

(3) the term "service" does not include leasing personal property under an agreement described by Subsections (d-2)(1)-(3)

### **HB 3460 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative E. Thompson called up with senate amendments for consideration at this time,

**HB 3460**, A bill to be entitled An Act relating to the route designation for the issuance of a permit for the movement of oversize and overweight vehicles in certain counties.

Representative E. Thompson moved to concur in the senate amendments to **HB 3460**.

The motion to concur in the senate amendments to **HB 3460** prevailed by (Record 1884): 129 Yeas, 12 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martínez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Smith; Smithee; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Cain; Hefner; Krause; Lang; Middleton; Shaheen; Springer; Stickland; Tinderholt; Toth; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Walle.

### **Senate Committee Substitute**

**CSHB 3460**, A bill to be entitled An Act relating to the route designation for the issuance of a permit for the movement of oversize and overweight vehicles in certain counties.

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

SECTION 1. Section 623.219, Transportation Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) For a permit issued by a port authority contiguous to the Gulf of Mexico or a bay or inlet opening into the gulf with a population of not more than 200,000 that is adjacent to a county described in Subsection (b), the commission shall, with the consent of the port authority, designate the most direct route from:

(1) the Matagorda County line to the entrance of the Port of Palacios using State Highway 35;

(2) the Matagorda County line to the entrance of the Port of Palacios using State Highway 60;

(3) the Matagorda County line to the entrance of the Port of Palacios using FM 521; and

(4) the Matagorda County line to the entrance of the Port of Palacios using State Highway 71.

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, 2019.

### **HB 2640 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Cortez called up with senate amendments for consideration at this time,

**HB 2640**, A bill to be entitled An Act relating to political parties.

Representative Cortez moved to concur in the senate amendments to **HB 2640**.

The motion to concur in the senate amendments to **HB 2640** prevailed by (Record 1885): 100 Yeas, 40 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bowers; Buckley; Bucy; Burns; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, T.; Klick; Kuempel; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Middleton; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Ortega; Pacheco; Perez; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Talarico; Thierry; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Ashby; Biedermann; Bohac; Bonnen; Burrows; Cain; Cyrier; Dean; Goldman; Harless; Harris; Hefner; Holland; Hunter; King, K.; King, P.; Krause; Lambert; Lang; Metcalf; Miller; Noble; Oliverson; Paddie; Parker; Patterson; Paul; Phelan; Price; Sanford; Schaefer; Shaheen; Smith; Springer; Stickland; Swanson; Thompson, E.; Toth; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Frank; Hinojosa.

### **STATEMENTS OF VOTE**

When Record No. 1885 was taken, I was shown voting yes. I intended to vote no.

K. Bell

When Record No. 1885 was taken, I was shown voting yes. I intended to vote no.

Button

### Senate Committee Substitute

**CSHB 2640**, A bill to be entitled An Act relating to political parties.

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

SECTION 1. Sections 67.017(a) and (b), Election Code, are amended to read as follows:

(a) After each election for a statewide office or the office of United States representative, state senator, or state representative, a district office, a county office, or a precinct office, the county clerk shall prepare a report of the number of votes, including early voting votes cast by mail and early voting votes cast by personal appearance, received in each county election precinct for each candidate for each of those offices. In a presidential election year, the report must include the number of votes received in each precinct for each set of candidates for president and vice-president of the United States. ~~[For any other election, the presiding officer of the canvassing authority shall prepare a report of the precinct results as contained in the election register.]~~

(b) The county clerk ~~[or presiding officer]~~ shall deliver the report to the secretary of state not later than the 30th day after election day in an electronic format prescribed by the secretary of state.

SECTION 2. Section 161.008(b), Election Code, is amended to read as follows:

(b) Not later than the 68th day before general election day, the secretary of state shall deliver the certification to the authority responsible for having the official general election ballot prepared in each county in which the candidate's name is to appear on the ballot. The secretary of state may deliver the certification by notifying the authority that the candidates posted on the secretary of state's Internet website are the candidates certified. In addition to the other methods of delivering the certification under this section, the secretary of state shall deliver a copy of the certification to the authority by e-mail.

SECTION 3. Section 162.003, Election Code, is amended to read as follows:

Sec. 162.003. AFFILIATION BY VOTING IN PRIMARY. A person becomes affiliated with a political party when the person:

- (1) is accepted to vote in the party's primary election; or
- (2) returns ~~[applies for and is provided]~~ an early voting or limited primary ballot ~~[to be]~~ voted by mail.

SECTION 4. Section 162.004, Election Code, is amended by adding Subsection (a-1) and amending Subsections (b) and (c) to read as follows:

(a-1) An election officer shall stamp a voter registration certificate with a party affiliation under Subsection (b) or provide an affiliation certificate under Subsection (c) unless, not later than the 90th day before the date of the primary

election, the county chair notifies the county clerk that the chair does not require a stamped voter registration certificate or affiliation certificate for verification of attendance at a precinct convention.

(b) Subject to Subsection (a-1), an [An] election officer at a primary election polling place shall stamp the party's name in the party affiliation space of the registration certificate of each voter who presents the voter's registration certificate and is accepted to vote unless the party name has already been stamped in the space.

(c) Subject to Subsection (a-1), if [H] a voter is accepted to vote without presenting a registration certificate, the presiding judge shall issue the voter an affiliation certificate. The certificate is not required to be issued to a voter in a runoff primary unless the voter requests it. The affiliation certificate may be combined with the notice provided under Section 172.1114. If the combined form is used, an election officer is not required to comply with Subsection (b).

SECTION 5. Section 162.005, Election Code, is amended to read as follows:

Sec. 162.005. AFFILIATION PROCEDURE: EARLY VOTING BY MAIL. Subject to Section 162.004(a-1), the [The] early voting clerk in a general primary election shall provide an affiliation certificate with each early voting or limited ballot to be voted by mail. The certificate is not required to be provided to an applicant for a runoff primary ballot unless the applicant requests it.

SECTION 6. Sections 162.008(b) and (c), Election Code, are amended to read as follows:

(b) On request of a person desiring to affiliate with a political party, a member of the county executive committee for the county in which the person resides or other person authorized by party rule shall administer the following oath: "I swear that I have not voted in a primary election or participated in a convention of another party during this voting year. I hereby affiliate myself with the \_\_\_\_\_ Party." [prescribed by Section 162.007(b).]

(c) After administering the oath, the committee member or authorized person may [shall] stamp the party's name in the party affiliation space unless the party name has already been stamped in the space. If the person does not present a registration certificate, the committee member or authorized person on the person's request shall issue the person an affiliation certificate [on the person's registration certificate or issue the person an affiliation certificate as provided by Section 162.007(c)].

SECTION 7. Section 171.002, Election Code, is amended to read as follows:

Sec. 171.002. COMMITTEE COMPOSITION. (a) The state executive committee consists of two members from each state senatorial district or congressional district, as determined by party rule. One of each district's members must be a man and the other a woman.

(b) In addition to the members representing the senatorial or congressional districts, the committee has a chair and a vice chair, one of whom must be a man and the other a woman. Except as otherwise provided by party rule, the chair and vice chair are considered members of the committee.

(c) The chair, vice chair, and members representing the senatorial or congressional districts are elected at the party's biennial state convention. However, the chair, vice chair, and members may be elected for four-year terms at the state convention held in gubernatorial election years. Each holds office until a successor is elected and assumes office.

(d) The members elected to represent a particular senatorial or congressional district must be those recommended by the convention delegates representing that senatorial or congressional district.

SECTION 8. Section 171.003(c), Election Code, is amended to read as follows:

(c) To be eligible to serve as a replacement to fill a vacancy in a membership representing a senatorial or congressional district, a person must reside in the district.

SECTION 9. Section 171.004(a), Election Code, is amended to read as follows:

(a) To participate in a state executive committee meeting as a proxy for a member representing a senatorial or congressional district, a person must reside in that district.

SECTION 10. Section 171.0231, Election Code, is amended to read as follows:

Sec. 171.0231. WRITE-IN CANDIDATE FOR COUNTY CHAIR OR PRECINCT CHAIR. (a) Write-in candidates are not permitted for county chair or precinct chair unless a county executive committee authorizes write-in candidates.

(b) If the county executive committee authorizes write-in candidates:

(1) a ~~(a) A~~ write-in vote for the office of county chair or precinct chair may not be counted unless the name written in appears on the list of write-in candidates;

(2) to[-

~~(b) To~~ be entitled to a place on the list of write-in candidates, a candidate must make a declaration of write-in candidacy;

(3) a[-

~~(c) A~~ declaration of write-in candidacy must be filed with the authority with whom an application for a place on the ballot is required to be filed for the office;

(4) a[-

~~(d) A~~ declaration of write-in candidacy must be filed not later than 6 p.m. of the fifth day after the date of the filing deadline for the general primary election;

(5) with[-

~~(e) With~~ the appropriate modifications and to the extent practicable, Subchapter B, Chapter 146, applies to write-in voting for the office of county chair or precinct chair; and

(6) the[-

~~(g) The~~ secretary of state shall prescribe any procedures necessary to implement this subsection ~~[section]~~.

SECTION 11. Section 171.024, Election Code, is amended by amending Subsection (e) and adding Subsections (f) and (g) to read as follows:

(e) After a vacancy is filled, the county chair shall submit the replacement member's name to the secretary of state for posting on the secretary of state's Internet website ~~[promptly deliver written or electronic notice of the replacement member's name and address to the state chair and to the county clerk]~~.

(f) The secretary of state shall create a system for the county chair to submit the information to the secretary of state for posting on the secretary of state's Internet website under Subsection (e).

(g) The state executive committee may by rule require a specific deadline for filling vacancies on a county executive committee before that committee fills a vacancy in nomination for public office, but may not set the deadline for a date later than the date that the vacancy in nomination for public office occurred. The deadline does not apply to the filling of a vacancy if the executive committee contains no members.

SECTION 12. Section 171.051, Election Code, is amended to read as follows:

Sec. 171.051. DISTRICT EXECUTIVE COMMITTEE ESTABLISHED.

(a) For each district from which an officer of the federal or state government is elected, a district executive committee is established as provided by this subchapter for each political party holding a primary election.

(b) The state executive committee may by rule require a specific deadline for filling vacancies on a district executive committee before that committee fills a vacancy in nomination for public office, but may not set the deadline for a date later than the date that the vacancy in nomination for public office occurred. The deadline does not apply to the filling of a vacancy if the executive committee contains no members.

SECTION 13. Section 171.053(a), Election Code, is amended to read as follows:

(a) The district executive committee for a district comprising only a part of a single county consists of the members of the county executive committee who reside ~~[precinct chairs of the county election precincts]~~ in the district.

SECTION 14. Section 171.071, Election Code, is amended to read as follows:

Sec. 171.071. PRECINCT EXECUTIVE COMMITTEE ESTABLISHED.

(a) For each commissioners precinct and for each justice precinct, a precinct executive committee is established as provided by this subchapter for each political party holding a primary election.

(b) The state executive committee may by rule require a specific deadline for filling vacancies on a precinct executive committee before that committee fills a vacancy in nomination for public office, but may not set the deadline for a date later than the date that the vacancy in nomination for public office occurred. The deadline does not apply to the filling of a vacancy if the executive committee contains no members.

SECTION 15. Section 171.072(a), Election Code, is amended to read as follows:

(a) The precinct executive committee for a commissioners precinct or for a justice precinct containing three or more county election precincts consists of the members of the county executive committee who reside ~~[precinct chair of each county election precinct]~~ in the commissioners or justice precinct, as applicable.

SECTION 16. Subchapter B, Chapter 172, Election Code, is amended by adding Sections 172.0222 and 172.0223 to read as follows:

Sec. 172.0222. REVIEW OF APPLICATION; NOTICE TO CANDIDATE.

(a) If the application of this section conflicts with the application of Section 141.032, this section prevails.

(b) On the filing of an application for a place on the general primary election ballot, the authority with whom the application is filed shall review the application to determine whether it complies with the requirements as to form, content, and procedure that it must satisfy for the candidate's name to be placed on the general primary election ballot.

(c) Except as provided by Subsection (d) or (e), the review shall be completed not later than the fifth business day after the date the application is received by the authority.

(d) If an application is submitted fewer than five business days before the regular filing deadline, the review shall be completed not later than the first Friday after the regular filing deadline.

(e) If an application is accompanied by a petition, the petition is considered part of the application, and the review shall be completed as soon as practicable after the date the application is received by the authority. However, the petition is not considered part of the application for purposes of determining compliance with the requirements applicable to each document, and a deficiency in the requirements for one document may not be remedied by the contents of the other document. Unless the petition is challenged, the authority is only required to review the petition for facial compliance with the applicable requirements as to form, content, and procedure.

(f) A determination under this section that an application complies with the applicable requirements does not preclude a subsequent determination that the application does not comply, subject to Section 172.0223.

(g) If an application does not comply with the applicable requirements, the authority shall reject the application and immediately deliver to the candidate written notice of the reason for the rejection.

(h) This section does not apply to a determination of a candidate's eligibility.

(i) After the filing deadline:

(1) a candidate may not amend an application filed under Section 172.021; and

(2) the authority with whom the application is filed may not accept an amendment to an application filed under Section 172.021.

Sec. 172.0223. LIMITATION ON CHALLENGE OF APPLICATION. (a) If the application of this section conflicts with the application of Section 141.034, this section prevails.



(b) An application for a place on the general primary election ballot may not be challenged for compliance with the applicable requirements as to form, content, and procedure after the 50th day before the date of the election for which the application is made.

(c) This section does not apply to a determination of a candidate's eligibility.

(d) A challenge must state with specificity how the application does not comply with the applicable requirements as to form, content, and procedure. The authority's review of the challenge is limited to the specific items challenged and any response filed with the authority by the challenged candidate.

SECTION 17. Section 172.055(c), Election Code, is amended to read as follows:

(c) Not later than 24 hours after the candidate withdraws or is declared ineligible or after the authority preparing the notice learns of the candidate's death, as applicable, the authority shall:

(1) deliver a copy of the notice to:

(A) ~~[(+)]~~ at least one daily newspaper published in the county or, if none, at least one weekly newspaper published there, if any, for a notice prepared by the county chair;

(B) ~~[(+)]~~ at least three daily newspapers that regularly maintain a news representative at the State Capitol, for a notice applicable to a statewide office; or

(C) ~~[(+)]~~ at least one daily newspaper published in each county wholly or partly situated in the district or, if none, at least one weekly newspaper published there, if any, for a notice prepared by the state chair for a district office;

(2) post the notice on the authority's Internet website, if one is maintained; and

(3) send a copy of the notice to:

(A) the secretary of state, to be posted on the secretary of state's Internet website, for a candidate for an office filled by voters of more than one county; or

(B) the county clerk, to be posted on the county's Internet website, for an office filled by voters of a single county.

SECTION 18. Section 172.082, Election Code, is amended by amending Subsections (b) and (f) and adding Subsection (g) to read as follows:

(b) The county chair or the county chair's designee shall conduct the drawing unless the county executive committee provides by resolution that the drawing be conducted by the primary committee.

(f) The state chair shall conduct the drawing if:

(1) the county chair~~[-]~~

~~[(+)]~~ requests that the state chair conduct the drawing; or

(2) the county chair or the county chair's designee fails to conduct the drawing by the deadline set in this section.

(g) A designee appointed by the county chair to conduct the drawing under this section must be:

(1) a member of the county executive committee; or

(2) if no member of the county executive committee is available to conduct the drawing, a resident of the county served by the committee who is affiliated with the same political party.

SECTION 19. Section 172.088(g), Election Code, is amended to read as follows:

(g) The state executive committee shall prescribe the wording of the ballot language for the proposition submitted by the petition ~~[submitting a proposal]~~.

SECTION 20. Section 172.090, Election Code, is amended by amending Subsection (a) and adding Subsections (d) and (e) to read as follows:

(a) In a primary election ~~[in which election precincts are consolidated]~~, the county executive committee may provide by resolution, order, or other official action for voting ~~[in a consolidated precinct]~~ by separate paper ballot for the office of precinct chair.

(d) The county chair or the county clerk may produce and number ballots by hand under this section.

(e) The secretary of state shall adopt rules for conducting a hand count of ballots under this section.

SECTION 21. Sections 172.1111(a) and (c), Election Code, are amended to read as follows:

(a) Before the opening of the polls during the early voting period and on election day, the presiding judge shall post at each outside door through which a voter may enter the building in which the polling place is located a written notice in bold print of the date, hour, and place for each precinct, county, senatorial, or state convention that a voter in the precinct may be eligible to attend during the election year.

(c) The notice must remain posted continuously through the early voting period and on election day.

SECTION 22. Section 172.1112(a), Election Code, is amended to read as follows:

(a) The county clerk shall post a notice of the election and a notice of consolidated precincts, if applicable, in the manner prescribed by Section 4.003(b) for general and special elections. The notice of the election shall be posted on the county's ~~[party's]~~ Internet website, if the county ~~[party]~~ maintains a website. If the county ~~[party]~~ does not maintain a website, the notice shall be posted on the bulletin board used for posting notice of meetings of the commissioners court.

SECTION 23. Section 172.1114(e), Election Code, is amended to read as follows:

(e) A county chair of a political party shall supply or contract with the authority to supply a notice prepared according to this section to the authority conducting the election not later than the 30th day before the date early voting by personal appearance begins. The authority's preparation of copies is a necessary expense incurred in connection with a primary election under Section 173.001.

SECTION 24. Section 172.113(e), Election Code, is amended to read as follows:

(e) On completing the tabulation, the authority shall:

(1) deliver it to the general custodian; or ~~[may]~~

(2) post the tabulation;

(A) on the county's website; and ~~[or]~~

(B) if required by secretary of state rule, the secretary of state's website.

SECTION 25. Section 172.1141, Election Code, is amended to read as follows:

Sec. 172.1141. LIST OF REGISTERED VOTERS FOR CONVENTION.

(a) A county clerk shall prepare a list under this section unless, not later than the 90th day before the date of the primary, the county chair notifies the county clerk that the chair does not require a list. At the same time the acceptance of each voter for voting in the general primary election is indicated on the precinct list of registered voters furnished for use in the election, the acceptance of the voter shall also be indicated on the list furnished for use in the party's conventions.

(b) If a county records the acceptance of a voter electronically, the state chair or county chair may request and the county clerk shall provide not later than the date of the local general primary canvass an electronic document listing the persons who voted in the party primary, the unique identifier assigned to each person, and whether the person voted early in person or by mail, or voted in person on election day.

SECTION 26. Section 172.115(c), Election Code, is amended to read as follows:

(c) The presiding judge shall retain and provide at the appropriate time the list of registered voters to be used in the party's conventions if the list was produced under Section 172.1141.

SECTION 27. Section 172.116, Election Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (h) to read as follows:

(a) The county chair or the county chair's designee and, if available, at least one member of the county executive committee selected by the county executive committee shall canvass the precinct election returns for the county.

(b) The county chair or the county chair's designee and any selected county executive committee member shall convene to conduct the local canvass on the second Thursday after election day at the hour specified by the county chair and posted on the county party website or the commissioners court bulletin board if the county organization of the political party does not maintain a website.

(c) The county clerk shall prepare and electronically submit to the secretary of state a report of the results of the canvass, which must include:

(1) the total number of votes cast in each precinct for each candidate or measure; and

(2) the number of counted and uncounted provisional ballots cast in each precinct.

(h) A designee appointed by the county chair to conduct the local canvass under this section must be:

(1) a member of the county executive committee; or

(2) if no member of the county executive committee is available to conduct the canvass, a resident of the county served by the committee who is affiliated with the same political party.

SECTION 28. Sections 172.117(a-1) and (a-2), Election Code, are amended to read as follows:

(a-1) The secretary of state shall develop appropriate notations to describe the status of each candidate. The notations shall include:

- (1) "filed";
- (2) "accepted";
- (3) "rejected";
- (4) "withdrew";
- (5) ~~(3)~~ "lost primary";
- (6) ~~(4)~~ "in runoff";
- (7) ~~(5)~~ "lost runoff";
- (8) ~~(6)~~ "deceased";
- (9) ~~(7)~~ "declared ineligible"; or
- (10) ~~(8)~~ "nominee for general election."

(a-2) The county chair shall update the notations after each general primary and runoff primary election, unless the secretary of state's Internet website automatically updates the notations based on election returns. After any withdrawal or death of a candidate, and subsequent replacement of the candidate on the ballot, the chair shall notify the state chair, who shall update the notation on the website. All notations must be completed and accurate on the date prescribed by the secretary of state by rule to ensure that an authority printing general election ballots may rely on the information.

SECTION 29. Section 172.121(b), Election Code, is amended to read as follows:

(b) The secretary of state shall update the status of each candidate as appropriate ~~[The state chair shall deliver the certification]~~ by posting next to the candidate's name on the secretary of state's website whether the person lost in the primary or is in a runoff for the position as soon as practicable after the state canvass of the general primary election is completed.

SECTION 30. Section 172.122, Election Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) Not later than the 20th day after the date the state canvass is completed, the state chair shall submit ~~[deliver]~~ the certification to the secretary of state for posting on the secretary of state's Internet website.

(c) The secretary of state shall create a system for the state chair to submit the information to the secretary of state for posting on the secretary of state's Internet website under Subsection (b).

SECTION 31. Section 172.124(a), Election Code, is amended to read as follows:

(a) For each primary election, the county clerk shall prepare a report of the number of votes, including early voting votes, received in each county election precinct by each candidate for an ~~[a statewide]~~ office, other than a party office,

~~[or the office of United States representative, state senator, or state representative,]~~ as provided by Section 67.017 for the report of precinct results for a general election.

SECTION 32. Section 172.130(a), Election Code, is amended to read as follows:

(a) Notwithstanding a conflicting provision of this code, the state chair, or the state chair's designee, may perform any administrative duty of the county chair, county chair's designee, or county executive committee related to the conduct of a primary election that has not been performed in the time required by law, including the submission of candidate information under Section 172.029, drawing for ballot order under Section ~~[Sections]~~ 172.082 ~~[and 172.084]~~, and canvassing returns under Section 172.116.

SECTION 33. Section 173.032(c), Election Code, is amended to read as follows:

(c) The state chair may, with the consent of the secretary of state and the county chair or county executive committee, if one exists for the county, accept money into the state primary fund on behalf of a county party. The state chair must keep records to track the money that is attributable to a county.

SECTION 34. Subchapter B, Chapter 173, Election Code, is amended by adding Section 173.0341 to read as follows:

Sec. 173.0341. STATE CHAIR AS FISCAL AGENT FOR COUNTY PARTY. (a) A state chair, or the designee of a state chair, may enter into an agreement with a county chair under which the state chair will act as a fiscal agent for the county party.

(b) The secretary of state shall prescribe the form of an agreement under this section.

(c) If the state chair acts as the fiscal agent for a county party in accordance with an agreement under this section:

(1) the state chair shall deliver the completed agreement to the secretary of state;

(2) any filing fee received by the county party under Subchapter C must be made payable to the state party for deposit in the state primary fund not later than five days after receipt of the filing fee;

(3) the county chair or county executive committee shall make a request in accordance with Section 31.093 to enter into a contract with the county elections administrator to conduct primary elections in the county; and

(4) Section 173.031 does not apply to the county party.

SECTION 35. Section 173.061, Election Code, is amended to read as follows:

Sec. 173.061. FEE PAID TO COUNTY CHAIR. Except as provided by Section 173.0341(c)(2), the [The] county chair shall deposit in the county primary fund each filing fee accompanying an application for a place on the ballot filed with the county chair.

SECTION 36. Section 174.021(b), Election Code, is amended to read as follows:

(b) A political party may by rule allow a county to hold precinct conventions before or during the county convention on the same day and at the same place as the county convention. The rule may modify other provisions of this subchapter as necessary for the county to hold precinct conventions as provided by this subsection.

SECTION 37. Section 174.025(c), Election Code, is amended to read as follows:

(c) Before conducting business, the precinct chair shall prepare a list containing the name and residence address of each person who is admitted to participate in the convention. The state executive committee by rule may adopt an alternate process in place of the requirement under this subsection.

SECTION 38. Sections 174.064(c) and (d), Election Code, are amended to read as follows:

(c) The county chair shall post ~~[and deliver]~~ the notice of a county convention. The temporary chair of a senatorial district convention shall post ~~[and deliver]~~ the notice of the senatorial district convention.

(d) If the county chair fails to post ~~[or deliver]~~ notice in accordance with this section, another member of the county executive committee may post ~~[or deliver]~~ the notice. If the temporary chair of a senatorial district convention fails to post ~~[or deliver]~~ notice in accordance with this section, another member of the county executive committee who may participate in setting the convention's hour and place may post ~~[or deliver]~~ the notice.

SECTION 39. Section 191.003, Election Code, is amended to read as follows:

Sec. 191.003. NOTICE OF CANDIDATES TO SECRETARY OF STATE.  
(a) The state chair of each political party holding a presidential primary election shall submit the information to the secretary of state for posting on the secretary of state's Internet website and certify the name of each presidential candidate who qualifies for a place on the presidential primary election ballot in the same manner as a candidate filing for statewide, district, and county offices ~~[and deliver the certification to the secretary of state]~~ not later than the ninth day after the date of the regular filing deadline for the general primary election.

(b) The secretary of state shall create a system for submitting the information to the secretary of state for posting on the secretary of state's Internet website under Subsection (a).

SECTION 40. Section 191.004(b), Election Code, is amended to read as follows:

(b) The names of the presidential candidates shall be printed as the first race on the ballot under the heading "Preference For Presidential Nominee" followed by the instruction, "You may vote for one presidential candidate whose name appears on the ballot by making a mark ~~[placing an 'X']~~ in the shape ~~[square]~~ beside the candidate's name." If party rules provide for voting for an uncommitted status, the instruction shall read, "You may vote for one presidential candidate whose name appears on the ballot by making a mark ~~[placing an 'X']~~ in the shape ~~[square]~~ beside the candidate's name or you may vote as uncommitted

by making a mark [~~placing an 'X'~~] in the shape [~~square~~] beside 'Uncommitted.' Make only one choice." The instruction shall be changed as appropriate to accommodate the form of a voting system ballot.

SECTION 41. Section 191.008(d), Election Code, is amended to read as follows:

(d) For a political party to be entitled to have its nominees for president and vice-president of the United States placed on the general election ballot in an election year in which the party is holding a presidential primary election, the rules adopted under this section or the rules already in existence must be posted on the party's Internet website and filed with the secretary of state not later than January 5 of the presidential election year. The secretary of state may extend this deadline for good cause.

SECTION 42. The following provisions of the Election Code are repealed:

- (1) Section 171.054(g);
- (2) Section 174.023(b); and
- (3) Section 174.064(b).

SECTION 43. This Act takes effect September 1, 2019.

### **HB 2584 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Cortez called up with senate amendments for consideration at this time,

**HB 2584**, A bill to be entitled An Act relating to the authority of a code enforcement officer performing official duties to possess or carry an instrument used for deterring an animal bite.

Representative Cortez moved to concur in the senate amendments to **HB 2584**.

The motion to concur in the senate amendments to **HB 2584** prevailed by (Record 1886): 121 Yeas, 19 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bowers; Buckley; Bucy; Burns; Button; Calanni; Canales; Capriglione; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Ashby; Bonnen; Cain; Clardy; Dean; Goldman; Hefner; Holland; Krause; Landgraf; Lang; Middleton; Miller; Murr; Patterson; Paul; Sanford; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Burrows; Leach.

### STATEMENT OF VOTE

When Record No. 1886 was taken, I was shown voting no. I intended to vote yes.

Zedler

### Senate Committee Substitute

**CSHB 2584**, A bill to be entitled An Act relating to the authority of a code enforcement officer performing official duties to possess or carry an instrument used for deterring an animal bite.

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

SECTION 1. Section 46.15, Penal Code, is amended by adding Subsection (h) to read as follows:

(h) The provisions of Sections 46.02 and 46.03 prohibiting the possession or carrying of a club do not apply to a code enforcement officer who:

(1) holds a certificate of registration issued under Chapter 1952, Occupations Code; and

(2) possesses or carries an instrument used specifically for deterring an animal bite while the officer is:

(A) performing official duties; or

(B) traveling to or from a place of duty.

SECTION 2. Section 1952.051, Occupations Code, is amended by adding Subsection (c) to read as follows:

(c) The education requirements adopted under Subsection (b) must include education regarding the principles and procedures to be followed when possessing or carrying an instrument used specifically for deterring an animal bite.

SECTION 3. Section 1952.1051, Occupations Code, is amended to read as follows:

Sec. 1952.1051. CONTINUING EDUCATION. The commission by rule shall prescribe continuing education requirements for code enforcement officers and code enforcement officers in training that:

(1) establish the number of hours of continuing education required for renewal of a certificate of registration;

(2) establish an approved curriculum that includes material regarding changes in applicable law and the principles and procedures to be followed when possessing or carrying an instrument used specifically for deterring an animal bite; and



(3) provide that the approved curriculum may be taught by suitable public agencies and by private entities approved by the department.

SECTION 4. (a) As soon as practicable after the effective date of this Act, the Texas Commission of Licensing and Regulation shall adopt the rules necessary to implement Sections 1952.051 and 1952.1051, Occupations Code, as amended by this Act.

(b) A code enforcement officer shall complete the education requirements described by Section 1952.051(c), Occupations Code, as added by this Act, before the officer may possess or carry an instrument used specifically for deterring an animal bite as provided by Section 46.15(h), Penal Code, as added by this Act.

SECTION 5. This Act takes effect September 1, 2019.

### **HB 3316 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative White called up with senate amendments for consideration at this time,

**HB 3316**, A bill to be entitled An Act relating to the Texas Crime Stoppers Council.

Representative White moved to concur in the senate amendments to **HB 3316**.

The motion to concur in the senate amendments to **HB 3316** prevailed by (Record 1887): 124 Yeas, 17 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bowers; Buckley; Bucy; Burns; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wu; Zerwas; Zwiener.

Nays — Biedermann; Bonnen; Burrows; Cain; Goldman; Harris; Hefner; Krause; Lang; Noble; Patterson; Schaefer; Shaheen; Tinderholt; Toth; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Wray.

**Senate Committee Substitute**

**CSHB 3316**, A bill to be entitled An Act relating to the Texas Crime Stoppers Council.

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

SECTION 1. Section 414.001, Government Code, is amended by amending Subdivision (2) and adding Subdivisions (3) and (4) to read as follows:

(2) "Crime stoppers organization" means:

(A) a private, nonprofit organization that is operated on a local or statewide level, that accepts ~~[and expends]~~ donations and expends funds for rewards to persons who submit tips under Section 414.0015(a), ~~[report to the organization information about criminal activity]~~ and that forwards the information received from tips to the appropriate law enforcement agency, school district, or open-enrollment charter school as provided by Section 414.0015(b); or

(B) a public organization that is operated on a local or statewide level, that pays rewards to persons who submit tips under Section 414.0015(a) ~~[report to the organization information about criminal activity]~~, and that forwards the information received from tips to the appropriate law enforcement agency, school district, or open-enrollment charter school as provided by Section 414.0015(b).

(3) "Open-enrollment charter school" means a school that has been granted a charter under Subchapter D, Chapter 12, Education Code.

(4) "School district" means a public school district created under the laws of this state.

SECTION 2. Chapter 414, Government Code, is amended by adding Section 414.0015 to read as follows:

Sec. 414.0015. CRIME STOPPERS TIPS. (a) The council, a crime stoppers organization, or a person accepting information on behalf of the council or a crime stoppers organization may accept tips submitted by any person regarding:

(1) criminal activity;

(2) conduct or threatened conduct that constitutes a danger to public safety or an individual; or

(3) conduct or threatened conduct that would disrupt the efficient and effective operations of a school district or open-enrollment charter school.

(b) A crime stoppers organization may forward a tip submitted under Subsection (a) to the appropriate law enforcement agency, school district, or open-enrollment charter school, except that a tip regarding conduct or threatened conduct described only by Subsection (a)(3) may be forwarded only to the appropriate school district or open-enrollment charter school.

SECTION 3. Section 414.002, Government Code, is amended by amending Subsections (b), (c), and (d) and adding Subsection (e) to read as follows:

(b) The council consists of five voting members appointed by the governor with the advice and consent of the senate. At least three members must be:

(1) a current or former official or employee of a school district or open-enrollment charter school; or

(2) a person ~~[persons]~~ who has ~~[have]~~ participated in a crime stoppers organization in any of the following capacities:

- (A) ~~[(+)]~~ as a law enforcement coordinator;
- (B) ~~[(=)]~~ as a member of the board of directors;
- (C) ~~[(=)]~~ as a media representative; or
- (D) ~~[(+)]~~ as an administrative officer.

(c) The term of office of a voting member is four years.

(d) At its first meeting after the beginning of each fiscal year the council shall elect from among its voting members a chairman and other officers that the council considers necessary.

(e) In addition to the voting members appointed under Subsection (b), the council may annually appoint a current student of a public school in this state who participates in the Texas Crime Stoppers Ambassador Program as a nonvoting student advisor to the council.

SECTION 4. Section 414.003, Government Code, is amended to read as follows:

Sec. 414.003. PER DIEM AND EXPENSES. A voting member of the council is entitled to:

- (1) a per diem as determined by appropriation; and
- (2) reimbursement for actual and necessary expenses incurred in performing duties as a member.

SECTION 5. Section 414.005, Government Code, is amended to read as follows:

Sec. 414.005. DUTIES. The council shall:

(1) encourage, advise, and assist in the creation of crime stoppers organizations;

(2) foster the detection of crime and encourage persons to submit tips under Section 414.0015(a) [report information about criminal acts];

(3) encourage news and other media to ~~[broadcast reenactments and to]~~ inform the public of the functions of crime stoppers organizations' operations and programs;

(4) promote the process of crime stoppers organizations to forward information from tips submitted under Section 414.0015(a) ~~[about criminal acts]~~ to the appropriate law enforcement agencies, school districts, and open-enrollment charter schools;

(5) help law enforcement agencies detect and combat crime by increasing the flow of information to and between law enforcement agencies;

(6) create specialized programs targeted at detecting specific crimes or types of crimes identified as priorities by the council, including at least one program that:

(A) encourages individuals to submit tips regarding ~~[report]~~ sex offenders who have failed to register under Chapter 62, Code of Criminal Procedure;

(B) encourages individuals to submit tips regarding ~~[report]~~ criminal activity relating to the trafficking of persons, as described under Chapter 20A, Penal Code; and

(C) financially rewards each individual who ~~submits a tip~~ ~~[makes a report]~~ described by Paragraph (A) or (B) that leads or substantially contributes to the arrest or apprehension:

(i) of a sex offender who has failed to register under Chapter 62, Code of Criminal Procedure; or

(ii) of a person suspected of engaging in conduct that constitutes an offense under Chapter 20A, Penal Code; ~~and~~

(7) encourage, advise, and assist crime stoppers organizations in implementing any programs created under Subdivision (6), including a program specifically described by Subdivision (6); and

(8) encourage, advise, and assist in the creation of campus-based crime stoppers organizations to increase the detection of criminal activity and other conduct or threatened conduct that may be submitted to a crime stoppers organization under Section 414.0015(a).

SECTION 6. Section 414.007, Government Code, is amended to read as follows:

Sec. 414.007. CONFIDENTIALITY OF CRIME STOPPERS ~~[COUNCIL]~~ RECORDS. A record relating to a tip received under Section 414.0015(a) maintained by the council, a crime stoppers organization, a law enforcement agency, a school district, or an open-enrollment charter school, including the identity of the person who submitted the tip, is ~~[Council records relating to reports of criminal acts are]~~ confidential and is not subject to disclosure under Chapter 552.

SECTION 7. Sections 414.008(a), (b), and (e), Government Code, are amended to read as follows:

(a) Except as otherwise provided by this section, evidence relating to ~~[of]~~ a communication between a person submitting a tip under Section 414.0015(a) ~~[report of a criminal act to the council or a crime stoppers organization]~~ and a ~~[the]~~ person who accepted the tip under that subsection ~~[report on behalf of the council or organization]~~ is not admissible in a court or an administrative proceeding and may not be considered in a hearing regarding the expulsion of a student under Subchapter A, Chapter 37, Education Code, or any other student disciplinary proceeding.

(b) A record ~~[Records]~~ of the council, ~~[or]~~ a crime stoppers organization, a law enforcement agency, a school district, or an open-enrollment charter school concerning a tip submitted under Section 414.0015(a) ~~[report of criminal activity]~~ may not be compelled to be produced before a court or other tribunal except on a motion:

(1) filed in a criminal trial court by a defendant who alleges that the record ~~[records or report]~~ contains evidence that is exculpatory to the defendant in the trial of that offense; or

(2) filed in a civil case by a plaintiff who alleges that denial of access to the record ~~[the records]~~ concerning the tip ~~[report of criminal activity]~~ abrogates any part of a cognizable common law cause of action, if the plaintiff alleging abrogation:

(A) was charged with or convicted of a criminal offense based at least partially on the tip ~~[report]~~ and the charges were dismissed, the plaintiff was acquitted, or the conviction was overturned, as applicable; and

(B) in the motion establishes a prima facie case that the plaintiff's abrogated claim is based on injuries from the criminal charge or conviction caused by the wrongful acts of another performed in connection with the tip ~~[report]~~.

(e) The court shall return to the council, ~~[or]~~ crime stoppers organization, law enforcement agency, school district, or open-enrollment charter school the materials that are produced under this section but not disclosed to the movant. The council, ~~[or]~~ crime stoppers organization, law enforcement agency, school district, or open-enrollment charter school shall store the materials at least until the first anniversary of the following appropriate date:

(1) the date of expiration of the time for all direct appeals in a criminal case; or

(2) the date a plaintiff's right to appeal in a civil case is exhausted.

SECTION 8. Section 414.009(a), Government Code, is amended to read as follows:

(a) A person who is a member or employee of the council, a crime stoppers organization, a law enforcement agency, a school district, or an open-enrollment charter school or who accepts a tip under Section 414.0015(a) ~~[report of criminal activity]~~ on behalf of the council or a crime stoppers organization commits an offense if the person intentionally or knowingly discloses ~~[divulges]~~ to a person not a member of or employed by the council, a crime stoppers organization, a law enforcement agency, a school district, or an open-enrollment charter school the ~~[content of a report of a criminal act or the]~~ identity of a ~~[the]~~ person who submitted a tip or the content of that tip ~~[made the report]~~ without the person's consent, unless:

(1) the person disclosing the information has received authorization to disclose the information from the chief executive of the crime stoppers organization that originally received the tip, and the chief executive has reasonably determined that failing to disclose the identity of a person who submitted the tip creates a probability of imminent physical injury to another; or

(2) the disclosure is otherwise required by law or court order ~~[of the person who made the report]~~.

SECTION 9. Sections 414.010(a) and (d), Government Code, are amended to read as follows:

(a) Except as provided by Subsection (d), a crime stoppers organization certified by the council to receive money in the form of payments from defendants placed on community supervision under Chapter 42A, Code of Criminal Procedure, or money in the form of repayments of rewards under Articles 37.073 and 42.152, Code of Criminal Procedure, may transfer ~~[use]~~ not more than 20 percent of the money ~~[annually]~~ received during each calendar year to accounts used solely to pay costs incurred in administering the organization and shall use the remainder of the money, including any interest earned on the money, only for the payment of rewards to ~~[reward]~~ persons who submit tips

under Section 414.0015(a) ~~[report information concerning criminal activity]~~. Not later than January 31 of each year, a crime stoppers organization that receives or expends money under this section shall file a detailed report with the council.

(d) A ~~[If the amount of funds received by a]~~ crime stoppers organization under this section ~~[exceeds three times the amount of funds that the organization uses to pay rewards during a fiscal year based on the average amount of funds used to pay rewards during each of the preceding three fiscal years, the organization]~~ may deposit excess funds, in an amount established by council rule, ~~[the excess amount of funds]~~ in ~~[a]~~ separate accounts ~~[interest bearing account]~~ to be used by the organization solely for law enforcement or public safety purposes relating to crime stoppers or juvenile justice, ~~as established by council rule [including intervention, apprehension, and adjudication]~~. An organization that deposits excess funds in an account as provided by this subsection may use any interest earned on the funds to pay costs incurred in administering the organization.

SECTION 10. Section 414.012, Government Code, is amended to read as follows:

Sec. 414.012. STATEWIDE CRIME REPORTING SYSTEMS. The council shall establish a free statewide telephone service and other appropriate systems to allow tips under Section 414.0015(a) ~~[information about criminal acts]~~ to be submitted ~~[reported]~~ to the council and shall make the telephone service and other reporting systems accessible at all times to persons residing in areas of the state not served by a crime stoppers organization. The council shall forward any ~~[the]~~ information it receives ~~[received]~~ to appropriate crime stoppers organizations, law enforcement agencies, school districts, or open-enrollment charter schools ~~[crime stoppers organization]~~.

SECTION 11. Section 414.013, Government Code, is amended to read as follows:

Sec. 414.013. IMMUNITY FROM CIVIL LIABILITY. (a) A person who submits ~~[communicates]~~ to the council or a crime stoppers organization a tip under Section 414.0015(a) ~~[report of criminal activity that leads to the arrest of, the filing of charges against, or the conviction of a person for a criminal offense]~~ is immune from civil liability for damages resulting from the submission ~~[communication]~~ unless the submission ~~[communication]~~ was:

- (1) intentionally, wilfully, or wantonly negligent or false;
- (2) made ~~[or done]~~ with conscious indifference or reckless disregard for the safety of others; or
- (3) made to further the commission of a criminal act.

(b) A person who in the course and scope of the person's duties or functions receives, forwards, or acts on a tip submitted under Section 414.0015(a) ~~[report of criminal activity communicated to the council or a crime stoppers organization]~~ is immune from civil liability for damages resulting from an act or omission in the performance of the person's duties or functions unless the act or omission was:

- (1) intentional or ~~[r]~~ wilfully or wantonly negligent; ~~[or]~~

(2) done with conscious indifference or reckless disregard for the safety of others; or

(3) done to further the commission of a criminal act.

SECTION 12. Section 351.901(a), Local Government Code, is amended by amending Subdivision (1) and adding Subdivisions (3) and (4) to read as follows:

(1) "Crime stoppers organization" means a private, nonprofit organization or a public organization that:

(A) is operated on a local or statewide level;

(B) accepts ~~and expends~~ donations and expends funds for rewards to persons who submit tips under Section 414.0015(a), Government Code ~~[report to the organization information about criminal activity]; and~~

(C) forwards the information received from tips to the appropriate law enforcement agency, school district, or open-enrollment charter school as provided by Section 414.0015(b), Government Code.

(3) "Open-enrollment charter school" means a school that has been granted a charter under Subchapter D, Chapter 12, Education Code.

(4) "School district" means a public school district created under the laws of this state.

SECTION 13. This Act takes effect September 1, 2019.

## **HB 2782 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Wray called up with senate amendments for consideration at this time,

**HB 2782**, A bill to be entitled An Act relating to decedents' estates, transfer on death deeds, and matters involving probate courts.

Representative Wray moved to concur in the senate amendments to **HB 2782**.

The motion to concur in the senate amendments to **HB 2782** prevailed by (Record 1888): 139 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee;

Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Landgraf.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Perez.

### **Senate Committee Substitute**

**CSHB 2782**, A bill to be entitled An Act relating to decedents' estates, transfer on death deeds, and matters involving probate courts.

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

SECTION 1. Section 31.001, Estates Code, is amended to read as follows:

Sec. 31.001. SCOPE OF "PROBATE PROCEEDING" FOR PURPOSES OF CODE. The term "probate proceeding," as used in this code, includes:

- (1) the probate of a will, with or without administration of the estate;
- (2) the issuance of letters testamentary and of administration;
- (3) an heirship determination or small estate affidavit, community property administration, and homestead and family allowances;
- (4) an application, petition, motion, or action regarding the probate of a will or an estate administration, including a claim for money owed by the decedent;
- (5) a claim arising from an estate administration and any action brought on the claim;
- (6) the settling of a personal representative's account of an estate and any other matter related to the settlement, partition, or distribution of an estate; ~~and~~
- (7) a will construction suit; and
- (8) a will modification or reformation proceeding under Subchapter J, Chapter 255.

SECTION 2. Chapter 111, Estates Code, is amended by adding Subchapter C to read as follows:

#### SUBCHAPTER C. PROVISION OF CERTAIN INFORMATION ON DEATH

Sec. 111.101. DEFINITIONS. In this subchapter:

- (1) "Contracting third party" has the meaning assigned by Section 111.051.
- (2) "Deceased party" means a deceased:
  - (A) party to a multiple-party account governed by Chapter 113;
  - (B) owner of property subject to a possible nontestamentary transfer as described by Section 111.051(1); or
  - (C) insured under an insurance contract.

Sec. 111.102. PROVISION OF INFORMATION TO PERSONAL REPRESENTATIVE OF DECEASED PARTY. To the extent not prohibited by federal or other state law, a contracting third party shall, on request, provide to the personal representative of a deceased party's estate all information the contracting



third party would have provided to the deceased party as of the date of the deceased party's death, if the deceased party had requested the information, without regard to whether the deceased party's estate has an interest in the multiple-party account, the property subject to a possible nontestamentary transfer, or the insurance contract.

SECTION 3. Section 113.252(c), Estates Code, is amended to read as follows:

(c) Any proceeding by the personal representative of a deceased party to assert liability under Subsection (b):

(1) may be commenced only if the personal representative receives a written demand by a surviving spouse, a creditor, or a person acting on behalf of a minor child of the deceased party; and

(2) must be commenced on or before the second anniversary of the death of the deceased party.

SECTION 4. Section 114.102, Estates Code, is amended to read as follows:

Sec. 114.102. EFFECT OF SUBSEQUENT CONVEYANCE ON TRANSFER ON DEATH DEED. An otherwise valid transfer on death deed is void as to a subsequent grantee of an ~~any~~ interest in real property that is conveyed by the transferor during the transferor's lifetime after the transfer on death deed is executed and recorded if:

(1) a valid instrument conveying the interest or a memorandum sufficient to give notice of the conveyance of the interest is recorded in the deed records in the county clerk's office of the same county in which the transfer on death deed is recorded; and

(2) the recording of the instrument or memorandum occurs before the transferor's death.

SECTION 5. Section 201.003(c), Estates Code, is amended to read as follows:

(c) If the deceased spouse is survived by a child or other descendant who is not also a child or other descendant of the surviving spouse, the deceased spouse's undivided one-half interest in the community estate ~~[one-half of the community estate is retained by the surviving spouse and the other one-half]~~ passes to the deceased spouse's children or other descendants. The descendants inherit only the portion of that estate to which they would be entitled under Section 201.101. In every case, the community estate passes charged with the debts against the community estate.

SECTION 6. Section 202.151, Estates Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) Except as provided by Subsection (c), ~~[Testimony]~~ in a proceeding to declare heirship, testimony regarding a decedent's heirs and family history must be taken from two disinterested and credible witnesses in open court, by deposition in accordance with Section 51.203, or in accordance with the Texas Rules of Civil Procedure.

(c) If it is shown to the court's satisfaction in a proceeding to declare heirship that, after a diligent search was made, only one disinterested and credible witness can be found who can make the required proof in the proceeding, the

testimony of that witness must be taken in open court, by deposition in accordance with Section 51.203, or in accordance with the Texas Rules of Civil Procedure.

SECTION 7. The heading to Chapter 254, Estates Code, is amended to read as follows:

CHAPTER 254. ~~[VALIDITY OF]~~ CERTAIN PROVISIONS IN, AND  
CONTRACTS RELATING TO, WILLS

SECTION 8. Chapter 254, Estates Code, is amended by adding Section 254.006 to read as follows:

Sec. 254.006. DESIGNATION OF ADMINISTRATOR. (a) A testator may grant in a will to an executor named in the will or to another person identified by name, office, or function the authority to designate one or more persons to serve as administrator of the testator's estate.

(b) To be effective, a designation of an administrator of a testator's estate as authorized by a will under Subsection (a) must be in writing and acknowledged before an officer authorized to take acknowledgments and administer oaths.

(c) Unless the will provides otherwise, a person designated to serve as administrator of a testator's estate as provided by Subsection (a) may serve only if:

(1) each executor named in the testator's will:

(A) is deceased;

(B) is disqualified to serve as executor; or

(C) indicates by affidavit filed with the county clerk of the county in which the application for letters testamentary is filed or, if an application has not been filed, a county described by Section 33.001(a)(1) or (2) the executor's inability or unwillingness to serve as executor;

(2) the designation is effective as provided by Subsection (b); and

(3) the person is not disqualified from serving under Section 304.003.

(d) Unless the will or designation provides otherwise, a person designated as administrator of a testator's estate as provided by this section has the same rights, powers, and duties as an executor named in the will, including the right to serve as an independent administrator with the power to sell property without the need for consent of the distributees under Section 401.002 or 401.006.

SECTION 9. Section 255.152, Estates Code, is amended by adding Subsection (d) to read as follows:

(d) Unless the will provides otherwise, Subsections (a), (b), and (c) do not apply to a devise to a charitable trust, as defined by Section 123.001, Property Code.

SECTION 10. Subchapter J, Chapter 255, Estates Code, is amended by adding Section 255.456 to read as follows:

Sec. 255.456. JURISDICTION AND TRANSFER OF PROCEEDING. (a) To the extent that this section conflicts with other provisions of this title, this section prevails.

(b) In a county in which there is no statutory probate court or county court at law exercising original probate jurisdiction, if a personal representative petitions the county court to modify or reform the terms of a will, the judge of the county court may, on the judge's own motion, or shall, on the motion of any party to the proceeding, according to the motion:

(1) request the assignment of a statutory probate court judge to hear the proceeding, as provided by Section 25.0022, Government Code; or

(2) transfer the proceeding to the district court, which may then hear the proceeding as if originally filed in the district court.

(c) A district court to which a proceeding is transferred under Subsection (b) has the jurisdiction and authority granted to a statutory probate court by Subtitle A.

(d) If a party to a modification or reformation proceeding files a motion for the assignment of a statutory probate court judge to hear the proceeding before the judge of the county court transfers the proceeding to a district court under this section, the county judge shall grant the motion for the assignment of a statutory probate court judge and may not transfer the proceeding to the district court unless the party withdraws the motion.

(e) A statutory probate court judge assigned to a proceeding under this section has the jurisdiction and authority granted to a statutory probate court by Subtitle A.

(f) In a county in which there is no statutory probate court, but in which there is a county court at law exercising original probate jurisdiction, if a personal representative petitions the county court to modify or reform the terms of a will, the judge of the county court may, on the judge's own motion, or shall, on the motion of any party to the proceeding, transfer the proceeding to the county court at law, which may then hear the proceeding as if originally filed in the county court at law.

(g) The county court shall continue to exercise jurisdiction over the management of the estate, other than the modification or reformation proceeding, until final disposition of the modification or reformation proceeding is made in accordance with this subchapter.

(h) On resolution of the modification or reformation proceeding, the statutory probate court judge assigned to hear the proceeding or the district court or county court at law to which the proceeding is transferred under this section shall return the matter to the county court for further proceedings not inconsistent with the orders of the statutory probate court, district court, or county court at law, as applicable.

(i) The clerk of a district court to which a modification or reformation proceeding is transferred under this section may perform in relation to the proceeding any function a county clerk may perform with respect to that type of matter.

SECTION 11. Section 256.051(a), Estates Code, is amended to read as follows:

(a) An executor named in a will, an administrator designated as authorized under Section 254.006, an independent administrator designated by all of the distributees of the decedent under Section 401.002(b), or an interested person may file an application with the court for an order admitting a will to probate, whether the will is:

- (1) ~~[written or unwritten;~~
- ~~[(2)]~~ in the applicant's possession or not;
- (2) ~~[(3)]~~ lost;
- (3) ~~[(4)]~~ destroyed; or
- (4) ~~[(5)]~~ outside of this state.

SECTION 12. Section 256.052(a), Estates Code, is amended to read as follows:

(a) An application for the probate of a will must state and aver the following to the extent each is known to the applicant or can, with reasonable diligence, be ascertained by the applicant:

- (1) each applicant's name and domicile;
  - (1-a) the last three numbers of each applicant's driver's license number and social security number, if the applicant has been issued one [applicable];
- (2) the testator's name, domicile, and, if known, age, on the date of the testator's death;
  - (2-a) the last three numbers of the testator's driver's license number and social security number;
- (3) the fact, date, and place of the testator's death;
- (4) facts showing that the court with which the application is filed has venue;
- (5) that the testator owned property, including a statement generally describing the property and the property's probable value;
- (6) the date of the will;
- (7) the name, state of residence, and physical address where service can be had of the executor named in the will or other person to whom the applicant desires that letters be issued;
- (8) the name of each subscribing witness to the will, if any;
- (9) whether one or more children born to or adopted by the testator after the testator executed the will survived the testator and, if so, the name of each of those children;
- (10) whether a marriage of the testator was ever dissolved after the will was made and, if so, when and from whom;
- (11) whether the state, a governmental agency of the state, or a charitable organization is named in the will as a devisee; and
- (12) that the executor named in the will, the applicant, or another person to whom the applicant desires that letters be issued is not disqualified by law from accepting the letters.

SECTION 13. Section 256.053(b), Estates Code, is amended to read as follows:

(b) A will filed under Subsection (a) must remain in the custody of the county clerk unless removed from the clerk's custody:

(1) by a court order under Section 256.202; or  
(2) by a court order issued under Subchapter C, Chapter 33, in which case the clerk shall deliver the will directly to the clerk of the court to which the probate proceeding is transferred.

SECTION 14. Section 256.202, Estates Code, is amended to read as follows:

Sec. 256.202. CUSTODY OF PROBATED WILL. An original will and the probate of the will shall be deposited in the office of the county clerk of the county in which the will was probated. The will and probate of the will shall remain in that office except during a time the will and the probate of the will are removed for inspection to another place on an order of the court where the will was probated. If that court orders the original will to be removed to another place for inspection:

(1) the person removing the will shall give a receipt for the will; ~~and~~  
(2) the court clerk shall make and retain a copy of the will; and  
(3) the will shall be delivered back to the office of the county clerk of the county in which the will was probated after the inspection is completed.

SECTION 15. Section 257.051(a), Estates Code, is amended to read as follows:

(a) An application for the probate of a will as a muniment of title must state and aver the following to the extent each is known to the applicant or can, with reasonable diligence, be ascertained by the applicant:

- (1) each applicant's name and domicile;
- (1-a) the last three numbers of each applicant's driver's license number and social security number, if the applicant has been issued one [applicable];
- (2) the testator's name, domicile, and, if known, age, on the date of the testator's death;
- (2-a) the last three numbers of the testator's driver's license number and social security number;
- (3) the fact, date, and place of the testator's death;
- (4) facts showing that the court with which the application is filed has venue;
- (5) that the testator owned property, including a statement generally describing the property and the property's probable value;
- (6) the date of the will;
- (7) the name, state of residence, and physical address where service can be had of the executor named in the will;
- (8) the name of each subscribing witness to the will, if any;
- (9) whether one or more children born to or adopted by the testator after the testator executed the will survived the testator and, if so, the name of each of those children;
- (10) that the testator's estate does not owe an unpaid debt, other than any debt secured by a lien on real estate, or that for another reason there is no necessity for administration of the estate;
- (11) whether a marriage of the testator was ever dissolved after the will was made and, if so, when and from whom; and

(12) whether the state, a governmental agency of the state, or a charitable organization is named in the will as a devisee.

SECTION 16. Chapter 257, Estates Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. SUBSEQUENT ESTATE ADMINISTRATION

Sec. 257.151. APPOINTMENT OF PERSONAL REPRESENTATIVE AND OPENING OF ADMINISTRATION AFTER WILL ADMITTED TO PROBATE AS MUNIMENT OF TITLE. A court order admitting a will to probate as a muniment of title under this chapter does not preclude the subsequent appointment of a personal representative and opening of an administration for the testator's estate if:

(1) an application under Chapter 301 is filed not later than the fourth anniversary of the testator's death; or

(2) the administration of the testator's estate is necessary for a reason provided by Section 301.002(b).

Sec. 257.152. COMPUTATION OF CERTAIN PERIODS. If a personal representative is appointed for a testator's estate after the testator's will has been admitted to probate as a muniment of title, the periods prescribed by the following sections begin to run from the date of qualification of the personal representative rather than from the date the will is admitted to probate as a muniment of title:

(1) Section 306.001;

(2) Section 306.002(a)(2)(B)(ii);

(3) Section 308.002; and

(4) Section 308.004.

SECTION 17. Section 301.051, Estates Code, is amended to read as follows:

Sec. 301.051. ELIGIBLE APPLICANTS FOR LETTERS. An executor named in a will, an administrator designated as authorized under Section 254.006, an independent administrator designated by all of the distributees of the decedent under Section 401.002(b) or 401.003, or an interested person may file an application with the court for:

(1) the appointment of the executor named in the will;

(1-a) the appointment of the designated administrator; or

(2) the appointment of an administrator, if:

(A) there is a will, but:

(i) no executor is named in the will; [✗]

(ii) the executor named in the will is disqualified, refuses to serve, is dead, or resigns;

(iii) a person designated to serve as administrator under Section 254.006 is disqualified, refuses to serve, is dead, or resigns; or

(iv) an authorized person other than the executor has not designated any person to serve as administrator under Section 254.006 as of the date of the filing of the application and the applicant notifies the court that the authorized person has no intention of doing so; or

(B) there is no will.

SECTION 18. Section 301.052(a), Estates Code, is amended to read as follows:

(a) An application for letters of administration when no will is alleged to exist must state:

(1) the applicant's name, domicile, and, if any, relationship to the decedent;

(1-a) the last three numbers of:

(A) the applicant's driver's license number, if the applicant has been issued one [applicable]; and

(B) the applicant's social security number, if the applicant has been issued one [applicable];

(2) the decedent's name and that the decedent died intestate;

(2-a) if known by the applicant at the time the applicant files the application, the last three numbers of the decedent's driver's license number and social security number;

(3) the fact, date, and place of the decedent's death;

(4) facts necessary to show that the court with which the application is filed has venue;

(5) whether the decedent owned property and, if so, include a statement of the property's probable value;

(6) the name and address, if known, whether the heir is an adult or minor, and the relationship to the decedent of each of the decedent's heirs;

(7) if known by the applicant at the time the applicant files the application, whether one or more children were born to or adopted by the decedent and, if so, the name, birth date, and place of birth of each child;

(8) if known by the applicant at the time the applicant files the application, whether the decedent was ever divorced and, if so, when and from whom;

(9) that a necessity exists for administration of the decedent's estate and an allegation of the facts that show that necessity; and

(10) that the applicant is not disqualified by law from acting as administrator.

SECTION 19. Section 301.151, Estates Code, as amended by Chapters 576 (**HB 3160**) and 949 (**SB 995**), Acts of the 84th Legislature, Regular Session, 2015, is reenacted and amended to read as follows:

Sec. 301.151. GENERAL PROOF REQUIREMENTS. An applicant for the issuance of letters testamentary or of administration of an estate must prove to the court's satisfaction that:

(1) the person whose estate is the subject of the application is dead;

(2) except as provided by Sections 301.002(b)(1) and (2) [~~Section 301.002(b)~~] with respect to administration necessary to receive or recover property or to prevent real property of the estate from becoming a danger [~~due a decedent's estate~~], and Section 501.006 with respect to a foreign will, [~~except as provided by Section 301.002(b)(2);~~] four years have not elapsed since the date of the decedent's death and before the application;

(3) the court has jurisdiction and venue over the estate;

(4) citation has been served and returned in the manner and for the period required by this title; and

(5) the person for whom letters testamentary or of administration are sought is entitled by law to the letters and is not disqualified.

SECTION 20. Section 304.001(a), Estates Code, is amended to read as follows:

(a) The court shall grant letters testamentary or of administration to persons qualified to act, in the following order:

(1) the person named as executor in the decedent's will;

(1-a) the person designated as administrator as authorized under Section 254.006;

(2) the decedent's surviving spouse;

(3) the principal devisee of the decedent;

(4) any devisee of the decedent;

(5) the next of kin of the decedent;

(6) a creditor of the decedent;

(7) any person of good character residing in the county who applies for the letters;

(8) any other person who is not disqualified under Section 304.003; and

(9) any appointed public probate administrator.

SECTION 21. Section 309.056, Estates Code, is amended by adding Subsection (e) to read as follows:

(e) Any extension granted by a court of the period in which to file an inventory, appraisal, and list of claims prescribed by Section 309.051 is considered an extension of the filing period for an affidavit under this section.

SECTION 22. Subchapter C, Chapter 351, Estates Code, is amended by adding Section 351.106 to read as follows:

Sec. 351.106. DIGITAL ASSETS. A personal representative of a decedent's estate may apply for and obtain a court order, either at the time the personal representative is appointed or at any time before the administration of the estate is closed, that:

(1) directs disclosure of the content of electronic communications of the decedent to the personal representative as provided by Section 2001.101 and that contains any court finding described by Section 2001.101(b)(3);

(2) with respect to a catalog of electronic communications sent or received by the decedent and other digital assets of the decedent, other than the content of an electronic communication, contains any court finding described by Section 2001.102(b)(4); or

(3) directs under Section 2001.231 a custodian to comply with a request to disclose digital assets under Chapter 2001.

SECTION 23. Sections 351.152(a) and (b), Estates Code, are amended to read as follows:



(a) ~~A [Except as provided by Subsection (b) and subject only to the approval of the court in which the estate is being administered, a]~~ personal representative may, without court approval, convey or enter into a contract to convey for attorney services a contingent interest in any property sought to be recovered, not to exceed a one-third interest in the property.

(b) A personal representative, including an independent executor or independent administrator, may convey or enter into a contract to convey for attorney services a contingent interest in any property sought to be recovered under this subchapter in an amount that exceeds a one-third interest in the property only on the approval of the court in which the estate is being administered. The court must approve a contract ~~[entered into]~~ or conveyance described by ~~[made under]~~ this subsection ~~[section]~~ before an attorney performs any legal services. A contract entered into or a conveyance made in violation of this subsection ~~[section]~~ is void unless the court ratifies or reforms the contract or documents relating to the conveyance to the extent necessary to make the contract or conveyance meet the requirements of this subsection ~~[section]~~.

SECTION 24. The heading to Section 352.052, Estates Code, is amended to read as follows:

Sec. 352.052. ALLOWANCE FOR DEFENSE OR SUCCESSFUL CONTEST OF WILL.

SECTION 25. Section 352.052, Estates Code, is amended by adding Subsection (c) to read as follows:

(c) In this subsection, "interested person" does not include a creditor or any other having a claim against the estate. An interested person who, in good faith and with just cause, successfully prosecutes a proceeding to contest the validity of a will or alleged will offered for or admitted to probate may be allowed out of the estate the person's necessary expenses and disbursements in that proceeding, including reasonable attorney's fees.

SECTION 26. Sections 355.102(b) and (c), Estates Code, are amended to read as follows:

(b) Class 1 claims are composed of funeral expenses and expenses of the decedent's last illness, including claims for reimbursement of those expenses, for a reasonable amount approved by the court, not to exceed [a total of] \$15,000 for funeral expenses and \$15,000 for expenses of the decedent's last illness. Any excess shall be classified and paid as other unsecured claims.

(c) Class 2 claims are composed of:

- (1) expenses of administration;
- (2) ~~[ ]~~ expenses incurred in preserving, safekeeping, and managing the estate, including fees and expenses awarded under Section 352.052;
- (3) ~~[and]~~ unpaid expenses of administration awarded in a guardianship of the decedent; and

(4) for an estate with respect to which a public probate administrator has taken any action under Chapter 455, court costs and commissions to which the administrator is entitled under Subchapter A, Chapter 352.

SECTION 27. Section 355.103, Estates Code, is amended to read as follows:

Sec. 355.103. PRIORITY OF CERTAIN PAYMENTS. When a personal representative has estate funds in the representative's possession, the representative shall pay in the following order:

(1) funeral expenses in an amount not to exceed \$15,000 and expenses of the decedent's last illness[?] in an amount not to exceed \$15,000;

(2) allowances made to the decedent's surviving spouse and children, or to either the surviving spouse or children;

(3) expenses of administration and expenses incurred in preserving, safekeeping, and managing the estate; and

(4) other claims against the estate in the order of the claims' classifications.

SECTION 28. Sections 355.1551(a) and (b), Estates Code, are amended to read as follows:

(a) A ~~[claim]~~ holder of a claim allowed and approved under Section 355.151(a)(2) who elects to take possession or sell the property securing the debt before final maturity in satisfaction of the ~~[claim]~~ holder's claim must do so within a reasonable time, as determined by the court.

(b) If the claim holder fails to take possession or sell secured property within the ~~[a reasonable]~~ time determined by the court under Subsection (a), on application by the personal representative, the court may require the sale of the property free of the lien and apply the proceeds to the payment of the whole debt in full satisfaction of the claim.

SECTION 29. Sections 356.105(a) and (b), Estates Code, are amended to read as follows:

(a) A sale of estate personal property shall be reported to the court. The laws regulating the approval ~~[confirmation]~~ or disapproval of a sale of real estate apply to the sale, except that a conveyance is not required.

(b) The court's order approving ~~[confirming]~~ the sale of estate personal property:

(1) vests the right and title of the intestate's estate in the purchaser who has complied with the terms of the sale; and

(2) is prima facie evidence that all requirements of the law in making the sale have been met.

SECTION 30. Subchapters I and J, Chapter 356, Estates Code, are amended to read as follows:

#### SUBCHAPTER I. SALE OF REAL ESTATE: PUBLIC AUCTION ~~[SALE]~~

Sec. 356.401. METHOD OF SALE; REQUIRED NOTICE. (a) A public sale of real estate of an estate shall be made at public auction. Except as otherwise provided by Section 356.403(c), the personal representative of an estate shall advertise a public auction ~~[sale]~~ of real estate of the estate by a notice published in the county in which the estate is pending, as provided by this title for publication of notices or citations. The notice must:

(1) include a reference to the order of sale;

(2) include the time, place, and required terms of sale; and

(3) briefly describe the real estate to be sold.

(b) The notice required by Subsection (a) is not required to contain field notes, but if the real estate to be sold is rural property, the notice must include:

- (1) the name of the original survey of the real estate;
- (2) the number of acres comprising the real estate;
- (3) the location of the real estate in the county; and
- (4) any name by which the real estate is generally known.

Sec. 356.402. COMPLETION [METHOD] OF AUCTION [SALE]. A public auction [sale] of real estate of an estate shall be completed on the bid of [made at public auction to] the highest bidder.

Sec. 356.403. TIME AND PLACE OF AUCTION [SALE]. (a) Except as provided by Subsection (c), a public auction [sale] of real estate of an estate shall be held [made] at:

(1) the courthouse door in the county in which the real estate is located, or if the real estate is located in more than one county, the courthouse door in any county in which the real estate is located [proceedings are pending]; or

(2) another place in a [that] county described by Subdivision (1) at which auctions [sales] of real estate are specifically authorized to be held as designated by the commissioners court of the county under Section 51.002(a), Property Code [made].

(b) Except as otherwise provided by this subsection, the auction [The sale] must occur between 10 a.m. and 4 p.m. on the first Tuesday of the month after publication of notice has been completed. If the first Tuesday of the month occurs on January 1 or July 4, the auction must occur between 10 a.m. and 4 p.m. on the first Wednesday of the month.

(c) If the court considers it advisable, the court may order the auction [sale] to be held [made] in the county in which the proceedings are pending [real estate is located], in which event notice shall be published both in that county and in the county in which the real estate is located [proceedings are pending].

Sec. 356.404. CONTINUANCE OF AUCTION [SALE]. (a) A public auction [sale] of real estate of an estate that is not completed on the day advertised may be continued from day to day by an oral public announcement of the continuance made at the conclusion of the auction [sale] each day.

(b) A continued auction [sale] must occur within the hours prescribed by Section 356.403(b).

(c) The continuance of an auction [a sale] under this section shall be shown in the report [of the sale] made to the court under Section 356.551.

Sec. 356.405. FAILURE OF BIDDER TO COMPLY. (a) If a person bids off real estate of the estate offered [for sale] at public auction and fails to comply with the terms of the bid [sale], the property shall be readvertised and auctioned [sold] without any further order.

(b) The person defaulting on a bid as described by Subsection (a) is liable for payment to the personal representative of the estate, for the estate's benefit, of:

- (1) 10 percent of the amount of the bid; and
- (2) the amount of any deficiency in price on the second auction [sale].

(c) The personal representative may recover the amounts under Subsection (b) by suit in any court in the county in which the auction ~~[sale]~~ was made that has jurisdiction of the amount claimed.

SUBCHAPTER J. SALE OF REAL ESTATE: CONTRACT FOR PRIVATE SALE

Sec. 356.451. TERMS OF ~~[MANNER OF]~~ SALE. The personal representative of an estate may enter into a contract for the ~~[A]~~ private sale of real estate of the estate ~~[shall be]~~ made in the manner the court directs in the order of sale. Unless the court directs otherwise, additional advertising, notice, or citation concerning the sale is not required.

SECTION 31. Section 356.502, Estates Code, is amended to read as follows:

Sec. 356.502. PROCEDURE. The procedure for the sale of an easement or right-of-way authorized under Section 356.501 is the same as the procedure provided by law for a private sale of estate real property by contract ~~[at private sale]~~.

SECTION 32. The heading to Subchapter L, Chapter 356, Estates Code, is amended to read as follows:

SUBCHAPTER L. APPROVAL ~~[CONFIRMATION]~~ OF SALE OF REAL PROPERTY AND TRANSFER OF TITLE

SECTION 33. Section 356.551, Estates Code, is amended to read as follows:

Sec. 356.551. REPORT. A successful bid or contract for the sale of estate real property shall be reported to the court ordering the sale not later than the 30th day after the date the ~~bid~~ ~~[sale]~~ is made or the property is placed under contract. The report must:

- (1) be sworn to, in writing, and filed with the clerk;
- (2) include:
  - (A) the date of the order of sale;
  - (B) a description of the property being sold;
  - (C) the time and place of the auction or date the property is placed under contract ~~[sale]~~;
  - (D) the purchaser's name;
  - (E) the amount of the successful bid or the purchase price for ~~[which]~~ each parcel of property or interest in property auctioned or placed under contract ~~[was sold]~~;
  - (F) the terms of the sale;
  - (G) whether the proposed sale of the property was made at public auction or by contract ~~[privately]~~; and
  - (H) whether the purchaser is ready to comply with the order of sale; and

- (3) be noted on the probate docket.

SECTION 34. Section 356.552, Estates Code, is amended to read as follows:

Sec. 356.552. ACTION OF COURT ON REPORT [~~OF SALE~~]. After the expiration of five days from the date a report [~~of sale~~] is filed under Section 356.551, the court shall:

(1) inquire into the manner in which the auction or contract described in the report [~~sale~~] was made;

(2) hear evidence in support of or against the report; and

(3) determine the sufficiency or insufficiency of the personal representative's general bond, if any has been required and given.

SECTION 35. Section 356.553, Estates Code, is amended to read as follows:

Sec. 356.553. APPROVAL [~~CONFIRMATION~~] OF SALE WHEN BOND NOT REQUIRED. If the personal representative of an estate is not required by this title to give a general bond, the court may approve [~~confirm~~] the sale of estate real property in the manner provided by Section 356.556(a) if the court finds that the sale is satisfactory and made in accordance with law.

SECTION 36. Sections 356.554(a), (b), and (c), Estates Code, are amended to read as follows:

(a) If the personal representative of an estate is required by this title to give a general bond, before the court approves [~~confirms~~] any sale of real estate, the court shall determine whether the bond is sufficient to protect the estate after the sale proceeds are received.

(b) If the court finds that the general bond is sufficient, the court may approve [~~confirm~~] the sale as provided by Section 356.556(a).

(c) If the court finds that the general bond is insufficient, the court may not approve [~~confirm~~] the sale until the general bond is increased to the amount required by the court, or an additional bond is given, and approved by the court.

SECTION 37. Section 356.556, Estates Code, is amended to read as follows:

Sec. 356.556. APPROVAL [~~CONFIRMATION~~] OR DISAPPROVAL ORDER. (a) If the court is satisfied that the proposed sale of real property [~~a sale~~] reported under Section 356.551 is [~~was~~] for a fair price, properly made, and in conformity with law, and the court has approved any increased or additional bond that the court found necessary to protect the estate, the court shall enter an order:

(1) approving [~~confirming~~] the sale;

(2) showing conformity with this chapter;

(3) detailing the terms of the sale; and

(4) authorizing the personal representative to convey the property on the purchaser's compliance with the terms of the sale.

(b) If the court is not satisfied that the proposed sale of real property is [~~sale was~~] for a fair price, properly made, and in conformity with law, the court shall enter an order setting aside the bid or contract [~~sale~~] and ordering a new sale to be made, if necessary.

(c) The court's action in approving [~~confirming~~] or disapproving a report under Section 356.551 [~~of a sale~~] has the effect of a final judgment. Any person interested in the estate or in the sale is entitled to have an order entered under this section reviewed as in other final judgments in probate proceedings.

SECTION 38. Section 356.557, Estates Code, is amended to read as follows:

Sec. 356.557. DEED. Real estate of an estate that is sold shall be conveyed by a proper deed that refers to and identifies the court order approving ~~[confirming]~~ the sale. The deed:

(1) vests in the purchaser all right and title of the estate to, and all interest of the estate in, the property; and

(2) is prima facie evidence that the sale has met all applicable requirements of the law.

SECTION 39. Section 356.558(a), Estates Code, is amended to read as follows:

(a) After the court has approved ~~[confirmed]~~ a sale and the purchaser has complied with the terms of the sale, the personal representative of the estate shall promptly execute and deliver to the purchaser a proper deed conveying the property.

SECTION 40. Section 401.005, Estates Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) If a decedent's will does not contain language directing that no bond or security be required of a person named as executor, unless the court finds that it would not be in the best interest of the estate, the court may waive the requirement of a bond if all of the distributees of the decedent agree to the waiver of bond in:

(1) the application for probate of the decedent's will; or

(2) one or more separate documents consenting to the application for probate of the decedent's will.

SECTION 41. Subchapter A, Chapter 402, Estates Code, is amended by adding Section 402.003 to read as follows:

Sec. 402.003. DIGITAL ASSETS. The court, either at the time the independent executor of an estate is appointed or at any time before the administration of the estate is closed, may enter an order that:

(1) directs disclosure of the content of electronic communications of the decedent to the independent executor as provided by Section 2001.101 and that contains any court finding described by Section 2001.101(b)(3);

(2) with respect to a catalog of electronic communications sent or received by the decedent and other digital assets of the decedent, other than the content of an electronic communication, contains any court finding described by Section 2001.102(b)(4); or

(3) directs under Section 2001.231 a custodian to comply with a request to disclose digital assets under Chapter 2001.

SECTION 42. Section 455.008(a), Estates Code, is amended to read as follows:

(a) If gross assets of an estate do not exceed 20 ~~[40]~~ percent of the maximum amount authorized for a small estate affidavit under Section 205.001, the public probate administrator may act without issuance of letters testamentary or of administration if the court approves a statement of administration stating:

(1) the name and domicile of the decedent;

(2) the date and place of death of the decedent; and

(3) the name, address, and relationship of each known heir or devisee of the decedent.

SECTION 43. Section 455.009, Estates Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The public probate administrator may file the affidavit as provided by Subsection (a) after the public probate administrator has acted under Section 455.007 or 455.008.

SECTION 44. Section 455.012, Estates Code, is amended to read as follows:

Sec. 455.012. DEPOSIT OF FUNDS IN COURT REGISTRY ~~[INTO THE COUNTY TREASURY]~~. The public probate administrator shall deposit all funds coming into the custody of the administrator in the court registry, except as provided by Section 455.003 ~~[county treasury]~~. Funds deposited must be disbursed ~~[dispersed]~~ at the direction of the public probate administrator and according to an order issued by the statutory probate court judge who appointed the administrator ~~[the guidelines of the county treasurer or auditor]~~.

SECTION 45. Section 25.002201(b), Government Code, is amended to read as follows:

(b) If the judge who is the subject of an order of recusal or disqualification is the presiding judge of the statutory probate courts, the chief justice of the supreme court shall assign ~~[a regional presiding judge,]~~ a statutory probate judge~~]~~ or a former or retired judge of a statutory probate court to hear the case.

SECTION 46. Section 25.00255(a), Government Code, is amended to read as follows:

(a) Notwithstanding any conflicting provision in the Texas Rules of Civil Procedure, Rules 18a and 18b, Texas Rules of Civil Procedure, apply to the recusal and disqualification of a statutory probate court judge except as otherwise provided by this section or another provision of this subchapter. The presiding judge:

(1) has the authority and shall perform the functions and duties of the presiding judge of the administrative judicial region under the rules, including the duty to hear or rule on a referred motion of recusal or disqualification or, subject to Subdivisions (2) and (3) ~~[and to Section 25.002201]~~, assign a judge to hear and rule on a referred motion of recusal or disqualification;

(2) may assign a presiding judge of the administrative judicial region to hear and rule on a referred motion of recusal or disqualification only with the consent of the presiding judge of the administrative judicial region; ~~[and]~~

(3) may not assign a judge of a statutory probate court located in the same county as the statutory probate court served by the judge who is the subject of the motion of recusal or disqualification; and

(4) if the presiding judge is the subject of the motion of recusal or disqualification, shall sign and file with the clerk an order referring the motion to the chief justice of the supreme court for assignment of a presiding judge of an

administrative judicial region, a statutory probate court judge, or a former or retired judge of a statutory probate court to hear and rule on the motion, subject to Subdivisions (2) and (3).

SECTION 47. The following provisions of the Estates Code are repealed:

- (1) Section 114.002(b); and
- (2) Subchapter D, Chapter 114.

SECTION 48. (a) Subchapter C, Chapter 111, Estates Code, as added by this Act, applies to an agreement, account, contract, or designation made or entered into before, on, or after the effective date of this Act, regardless of the date of the deceased party's death.

(b) Sections 31.001 and 113.252(c), Estates Code, as amended by this Act, apply to a proceeding commenced on or after the effective date of this Act. A proceeding commenced before the effective date of this Act is governed by the law in effect on the date the proceeding was commenced, and the former law is continued in effect for that purpose.

(c) The repeal of Subchapter D, Chapter 114, Estates Code, by this Act does not affect the validity of a transfer on death deed or a cancellation of a transfer on death deed executed before, on, or after the effective date of this Act.

(d) Section 202.151, Estates Code, as amended by this Act, applies only to a proceeding to declare heirship commenced on or after the effective date of this Act. A proceeding to declare heirship commenced before that date is governed by the law in effect on the date the proceeding was commenced, and the former law is continued in effect for that purpose.

(e) Section 255.456, Estates Code, as added by this Act, applies only to a petition filed on or after the effective date of this Act. A petition filed before the effective date of this Act is governed by the law in effect on the date the petition was filed, and the former law is continued in effect for that purpose.

(f) Sections 256.052(a), 256.053(b), and 257.051(a), Estates Code, as amended by this Act, and Section 401.005(a-1), Estates Code, as added by this Act, apply only to an application for the probate of a will filed on or after the effective date of this Act. An application for the probate of a will filed before that date 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.

(g) Section 301.052(a), Estates Code, as amended by this Act, applies only to an application for letters of administration filed on or after the effective date of this Act. An application for letters of administration 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.

(h) Sections 351.106 and 402.003, Estates Code, as added by this Act, apply only to the administration of a decedent's estate that is pending or commenced on or after the effective date of this Act.

(i) Sections 351.152(a) and (b), Estates Code, as amended by this Act, apply only to a contract entered into or a conveyance made on or after the effective date of this Act. A contract entered into or a conveyance made before



the effective date of this Act is governed by the law in effect on the date the contract was entered into or the conveyance was made, and the former law is continued in effect for that purpose.

(j) Sections 352.052(c) and 455.009(a-1), Estates Code, as added by this Act, and Subchapters I and J, Chapter 356, and Sections 255.152, 355.102(b) and (c), 355.103, 355.1551(a) and (b), 356.502, 356.551, 356.552, 356.553, 356.554(a), (b), and (c), 356.556, 356.557, 356.558(a), 455.008(a), and 455.012, Estates Code, as amended by this Act, apply only to the estate of a decedent who dies on or after the effective date of this Act. The estate of a decedent who dies before the effective date of this Act is governed by the law in effect on the date of the decedent's death, and the former law is continued in effect for that purpose.

(k) Section 25.00255(a), Government Code, as amended by this Act, applies only to a motion of recusal or disqualification made on or after the effective date of this Act. A motion of recusal or disqualification made before the effective date of this Act is governed by the law in effect on the date the motion was made, and the former law is continued in effect for that purpose.

(l) The addition by this Act of Section 309.056(e), Estates Code, is intended to clarify rather than change existing law.

SECTION 49. This Act takes effect September 1, 2019.

## **HB 4120 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Guillen called up with senate amendments for consideration at this time,

**HB 4120**, A bill to be entitled An Act relating to the financial security requirement for providers obligated under certain service contracts.

Representative Guillen moved to concur in the senate amendments to **HB 4120**.

The motion to concur in the senate amendments to **HB 4120** prevailed by (Record 1889): 139 Yeas, 3 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith;

Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Tinderholt; Toth.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **Senate Committee Substitute**

**CSHB 4120**, A bill to be entitled An Act relating to the financial security requirement for providers obligated under certain service contracts.

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

SECTION 1. Section 1304.151, Occupations Code, is amended by amending Subsection (b) and adding Subsections (b-1), (b-2), and (b-3) to read as follows:

(b) If the provider ensures its obligations under Subsection (a)(2), the amount maintained in the reserve account may not be less than an amount equal to 40 percent of the gross consideration the provider received from consumers from the sale of all service contracts issued and outstanding in this state, minus any claims paid. The executive director may review and examine the reserve account. Except as provided by Subsection (b-1), the [The] amount of the security deposit may not be less than \$250,000. The provider must submit to the executive director on request a copy of the provider's financial statements that must be prepared in accordance with generally accepted accounting principles, be without qualification as to the going concern status of the provider, and be audited by an independent certified public accountant. The commission by rule may require the provider to submit additional financial reports.

(b-1) Subject to Subsection (b-2), the amount of the security deposit required under Subsection (b) may not be less than \$25,000 if the provider:

(1) is a motor vehicle dealer licensed under Chapter 2301; and

(2) offers to sell service contracts only on motor vehicles sold by the provider.

(b-2) The amount of the security deposit required under Subsection (b-1) is:

(1) \$25,000 for a motor vehicle dealer that generated \$1,125,000 or less in annual gross revenue in this state from the sale of service contracts in the preceding year;

(2) \$50,000 for a motor vehicle dealer that generated more than \$1,125,000 and not more than \$2,500,000 in annual gross revenue in this state from the sale of service contracts in the preceding year; and

(3) \$75,000 for a motor vehicle dealer that generated more than \$2,500,000 in annual gross revenue in this state from the sale of service contracts in the preceding year.

(b-3) If a motor vehicle dealer described by Subsection (b-1) has no gross revenue in this state from the sale of service contracts in the preceding year, the security deposit shall be \$25,000.

SECTION 2. This Act takes effect September 1, 2019.

**HB 3390 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Sanford called up with senate amendments for consideration at this time,

**HB 3390**, A bill to be entitled An Act relating to caregivers for certain children, including the identification of caregivers for children in the conservatorship of the Department of Family and Protective Services and an exception from licensing requirements for certain caretakers.

Representative Sanford moved to concur in the senate amendments to **HB 3390**.

The motion to concur in the senate amendments to **HB 3390** prevailed by (Record 1890): 142 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

**Senate Committee Substitute**

**CSHB 3390**, A bill to be entitled An Act relating to caregivers for certain children, including the identification of caregivers for children in the conservatorship of the Department of Family and Protective Services and an exception from licensing requirements for certain caretakers.

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

SECTION 1. Section 107.002(b-1), Family Code, is amended to read as follows:

(b-1) In addition to the duties required by Subsection (b), a guardian ad litem appointed for a child in a proceeding under Chapter 262 or 263 shall:

(1) review the medical care provided to the child;

(2) in a developmentally appropriate manner, seek to elicit the child's opinion on the medical care provided; ~~and~~

(3) for a child at least 16 years of age, ascertain whether the child has received the following documents:

(A) a certified copy of the child's birth certificate;

(B) a social security card or a replacement social security card;

(C) a driver's license or personal identification certificate under Chapter 521, Transportation Code; and

(D) any other personal document the Department of Family and Protective Services determines appropriate; and

(4) seek to elicit in a developmentally appropriate manner the name of any adult, particularly an adult residing in the child's community, who could be a relative or designated caregiver for the child and immediately provide the names of those individuals to the Department of Family and Protective Services.

SECTION 2. Section 107.003(b), Family Code, is amended to read as follows:

(b) In addition to the duties required by Subsection (a), an attorney ad litem appointed for a child in a proceeding under Chapter 262 or 263 shall:

(1) review the medical care provided to the child;

(2) in a developmentally appropriate manner, seek to elicit the child's opinion on the medical care provided; ~~and~~

(3) for a child at least 16 years of age:

(A) advise the child of the child's right to request the court to authorize the child to consent to the child's own medical care under Section 266.010; and

(B) ascertain whether the child has received the following documents:

(i) a certified copy of the child's birth certificate;

(ii) a social security card or a replacement social security card;

(iii) a driver's license or personal identification certificate under Chapter 521, Transportation Code; and

(iv) any other personal document the Department of Family and Protective Services determines appropriate; and

(4) seek to elicit in a developmentally appropriate manner the name of any adult, particularly an adult residing in the child's community, who could be a relative or designated caregiver for the child and immediately provide the names of those individuals to the Department of Family and Protective Services.

SECTION 3. The heading to Section 261.307, Family Code, is amended to read as follows:

Sec. 261.307. INFORMATION RELATING TO INVESTIGATION PROCEDURE AND CHILD PLACEMENT RESOURCES.

SECTION 4. Section 261.307(a), Family Code, is amended to read as follows:

(a) As soon as possible after initiating an investigation of a parent or other person having legal custody of a child, the department shall provide to the person:

(1) a summary that:  
(A) is brief and easily understood;  
(B) is written in a language that the person understands, or if the person is illiterate, is read to the person in a language that the person understands;  
and

(C) contains the following information:

(i) the department's procedures for conducting an investigation of alleged child abuse or neglect, including:

(a) a description of the circumstances under which the department would request to remove the child from the home through the judicial system; and

(b) an explanation that the law requires the department to refer all reports of alleged child abuse or neglect to a law enforcement agency for a separate determination of whether a criminal violation occurred;

(ii) the person's right to file a complaint with the department or to request a review of the findings made by the department in the investigation;

(iii) the person's right to review all records of the investigation unless the review would jeopardize an ongoing criminal investigation or the child's safety;

(iv) the person's right to seek legal counsel;

(v) references to the statutory and regulatory provisions governing child abuse and neglect and how the person may obtain copies of those provisions; and

(vi) the process the person may use to acquire access to the child if the child is removed from the home;

(2) if the department determines that removal of the child may be warranted, a proposed child placement resources form that:

(A) instructs the parent or other person having legal custody of the child to:

(i) complete and return the form to the department or agency;

~~and~~

(ii) identify in the form at least three individuals who could be relative caregivers or designated caregivers, as those terms are defined by Section 264.751; ~~and~~

(iii) ask the child in a developmentally appropriate manner to identify any adult, particularly an adult residing in the child's community, who could be a relative caregiver or designated caregiver for the child; and

(iv) list on the form the name of each individual identified by the child as a potential relative caregiver or designated caregiver; and

(B) informs the parent or other person of a location that is available to the parent or other person to submit the information in the form 24 hours a day either in person or by facsimile machine or e-mail; and

(3) an informational manual required by Section 261.3071.

SECTION 5. Section 262.0022, Family Code, is amended to read as follows:

Sec. 262.0022. REVIEW OF PLACEMENT; FINDINGS. At each hearing under this chapter, the court shall review the placement of each child in the temporary or permanent managing conservatorship of the Department of Family and Protective Services who is not placed with a relative caregiver or designated caregiver as defined by Section 264.751. The court shall include in its findings a statement on whether the department:

(1) asked the child in a developmentally appropriate manner to identify any adult, particularly an adult residing in the child's community, who could be a relative caregiver or designated caregiver for the child; and

(2) has the option of placing the child with a relative caregiver or [other] designated caregiver.

SECTION 6. Sections 262.114(a), (a-2), and (b), Family Code, are amended to read as follows:

(a) Before a full adversary hearing under Subchapter C, the Department of Family and Protective Services must perform a background and criminal history check of the relatives or other designated individuals identified as a potential relative or designated caregiver, as defined by Section 264.751, on the proposed child placement resources form provided under Section 261.307, including any adult identified by the child. The department shall evaluate each person listed on the form to determine the relative or other designated individual who would be the most appropriate substitute caregiver for the child and must complete a home study of the most appropriate substitute caregiver, if any, before the full adversary hearing. Until the department identifies a relative or other designated individual qualified to be a substitute caregiver, the department must continue to explore substitute caregiver options, including asking the child in a developmentally appropriate manner to identify any adult, particularly an adult residing in the child's community, who could be a relative or designated caregiver for the child. The time frames in this subsection do not apply to a relative or other designated individual located in another state.

(a-2) If the child has not been placed with a relative or other designated caregiver by the time of the full adversary hearing under Section 262.201, the department shall file with the court a statement that explains:

(1) the reasons why the department has not placed the child with a relative or other designated caregiver listed on the proposed child placement resources form, including any adult identified by the child; and

(2) the actions the department is taking, if any, to place the child with a relative or other designated caregiver.

(b) The department may place a child with a relative or other designated caregiver identified on the proposed child placement resources form, including any adult identified by the child, if the department determines that the placement is in the best interest of the child. The department must complete the background and criminal history check and conduct a preliminary evaluation of the relative or other designated caregiver's home before the child is placed with the relative or other designated caregiver. The department may place the child with the relative or designated caregiver before conducting the home study required under Subsection (a). Not later than 48 hours after the time that the child is placed with

the relative or other designated caregiver, the department shall begin the home study of the relative or other designated caregiver. The department shall complete the home study as soon as possible unless otherwise ordered by a court. The department shall provide a copy of an informational manual required under Section 261.3071 to the relative or other designated caregiver at the time of the child's placement.

SECTION 7. Section 262.201, Family Code, is amended by adding Subsection (1-1) to read as follows:

(1-1) The court shall ask all parties present at the full adversary hearing whether:

(1) the child has had the opportunity, in a developmentally appropriate manner, to identify any adult, particularly an adult residing in the child's community, who could be a relative or designated caregiver for the child; and

(2) each individual identified by the child as a potential relative or designated caregiver is listed on the proposed child placement resources form.

SECTION 8. Section 263.002(b), Family Code, is amended to read as follows:

(b) At each permanency hearing under this chapter, the court shall review the placement of each child in the temporary managing conservatorship of the department who is not placed with a relative caregiver or designated caregiver as defined by Section 264.751. The court shall include in its findings a statement whether the department:

(1) asked the child in a developmentally appropriate manner to identify any adult, particularly an adult residing in the child's community, who could be a relative or designated caregiver for the child; and

(2) placed the child with a relative or ~~other~~ designated caregiver.

SECTION 9. Section 263.202(h), Family Code, is amended to read as follows:

(h) If a proposed child placement resources form as described by Section 261.307 has not been submitted, the court shall require each parent, alleged father, or other person to whom the department is required to provide a form to submit a completed form. The court shall ask all parties present at the status hearing whether:

(1) the child has had the opportunity, in a developmentally appropriate manner, to identify any adult, particularly an adult residing in the child's community, who could be a relative or designated caregiver for the child; and

(2) each individual identified by the child as a potential relative or designated caregiver is listed on the proposed child placement resources form.

SECTION 10. Section 263.306(a-1), Family Code, is amended to read as follows:

(a-1) At each permanency hearing before a final order is rendered, the court shall:

(1) identify all persons and parties present at the hearing;

(2) review the efforts of the department or other agency in:

(A) locating and requesting service of citation on all persons entitled to service of citation under Section 102.009; and

(B) obtaining the assistance of a parent in providing information necessary to locate an absent parent, alleged father, ~~or~~ relative of the child, or other adult identified by the child as a potential relative or designated caregiver;

(3) ask all parties present whether the child or the child's family has a Native American heritage and identify any Native American tribe with which the child may be associated;

(4) review the extent of the parties' compliance with temporary orders and the service plan and the extent to which progress has been made toward alleviating or mitigating the causes necessitating the placement of the child in foster care;

(5) review the permanency progress report to determine:

(A) the safety and well-being of the child and whether the child's needs, including any medical or special needs, are being adequately addressed;

(B) the continuing necessity and appropriateness of the placement of the child, including with respect to a child who has been placed outside of this state, whether the placement continues to be in the best interest of the child;

(C) the appropriateness of the primary and alternative permanency goals for the child developed in accordance with department rule and whether the department has made reasonable efforts to finalize the permanency plan, including the concurrent permanency goals, in effect for the child;

(D) whether the child has been provided the opportunity, in a developmentally appropriate manner, to express the child's opinion on any medical care provided;

(E) whether the child has been provided the opportunity, in a developmentally appropriate manner, to identify any adults, particularly an adult residing in the child's community, who could be a relative or designated caregiver for the child;

(F) for a child receiving psychotropic medication, whether the child:

(i) has been provided appropriate nonpharmacological interventions, therapies, or strategies to meet the child's needs; or

(ii) has been seen by the prescribing physician, physician assistant, or advanced practice nurse at least once every 90 days;

(G) ~~(F)~~ whether an education decision-maker for the child has been identified, the child's education needs and goals have been identified and addressed, and there have been major changes in the child's school performance or there have been serious disciplinary events;

(H) ~~(G)~~ for a child 14 years of age or older, whether services that are needed to assist the child in transitioning from substitute care to independent living are available in the child's community; and

(I) ~~(H)~~ for a child whose permanency goal is another planned permanent living arrangement:

(i) the desired permanency outcome for the child, by asking the child;



(ii) whether, as of the date of the hearing, another planned permanent living arrangement is the best permanency plan for the child and, if so, provide compelling reasons why it continues to not be in the best interest of the child to:

- (a) return home;
- (b) be placed for adoption;
- (c) be placed with a legal guardian; or
- (d) be placed with a fit and willing relative;

(iii) whether the department has conducted an independent living skills assessment under Section 264.121(a-3);

(iv) whether the department has addressed the goals identified in the child's permanency plan, including the child's housing plan, and the results of the independent living skills assessment;

(v) if the youth is 16 years of age or older, whether there is evidence that the department has provided the youth with the documents and information listed in Section 264.121(e); and

(vi) if the youth is 18 years of age or older or has had the disabilities of minority removed, whether there is evidence that the department has provided the youth with the documents and information listed in Section 264.121(e-1);

(6) determine whether to return the child to the child's parents if the child's parents are willing and able to provide the child with a safe environment and the return of the child is in the child's best interest;

(7) estimate a likely date by which the child may be returned to and safely maintained in the child's home, placed for adoption, or placed in permanent managing conservatorship; and

(8) announce in open court the dismissal date and the date of any upcoming hearings.

SECTION 11. Section 263.5031, Family Code, is amended to read as follows:

Sec. 263.5031. PERMANENCY HEARINGS FOLLOWING FINAL ORDER. At each permanency hearing after the court renders a final order, the court shall:

- (1) identify all persons and parties present at the hearing;
- (2) review the efforts of the department or other agency in notifying persons entitled to notice under Section 263.0021; and

(3) review the permanency progress report to determine:

(A) the safety and well-being of the child and whether the child's needs, including any medical or special needs, are being adequately addressed;

(B) whether the child has been provided the opportunity, in a developmentally appropriate manner, to identify any adult, particularly an adult residing in the child's community, who could be a relative or designated caregiver for the child;

(C) whether the department placed the child with a relative or ~~[other]~~ designated caregiver and the continuing necessity and appropriateness of the placement of the child, including with respect to a child who has been placed outside of this state, whether the placement continues to be in the best interest of the child;

(D) ~~[(C)]~~ if the child is placed in institutional care, whether efforts have been made to ensure that the child is placed in the least restrictive environment consistent with the child's best interest and special needs;

(E) ~~[(D)]~~ the appropriateness of the primary and alternative permanency goals for the child, whether the department has made reasonable efforts to finalize the permanency plan, including the concurrent permanency goals, in effect for the child, and whether:

(i) the department has exercised due diligence in attempting to place the child for adoption if parental rights to the child have been terminated and the child is eligible for adoption; or

(ii) another permanent placement, including appointing a relative as permanent managing conservator or returning the child to a parent, is appropriate for the child;

(F) ~~[(E)]~~ for a child whose permanency goal is another planned permanent living arrangement:

(i) the desired permanency outcome for the child, by asking the child;

(ii) whether, as of the date of the hearing, another planned permanent living arrangement is the best permanency plan for the child and, if so, provide compelling reasons why it continues to not be in the best interest of the child to:

(a) return home;

(b) be placed for adoption;

(c) be placed with a legal guardian; or

(d) be placed with a fit and willing relative;

(iii) whether the department has conducted an independent living skills assessment under Section 264.121(a-3);

(iv) whether the department has addressed the goals identified in the child's permanency plan, including the child's housing plan, and the results of the independent living skills assessment;

(v) if the youth is 16 years of age or older, whether there is evidence that the department has provided the youth with the documents and information listed in Section 264.121(e); and

(vi) if the youth is 18 years of age or older or has had the disabilities of minority removed, whether there is evidence that the department has provided the youth with the documents and information listed in Section 264.121(e-1);

(G) ~~[(F)]~~ if the child is 14 years of age or older, whether services that are needed to assist the child in transitioning from substitute care to independent living are available in the child's community;

(H) [~~(G)~~] whether the child is receiving appropriate medical care and has been provided the opportunity, in a developmentally appropriate manner, to express the child's opinion on any medical care provided;

(I) [~~(H)~~] for a child receiving psychotropic medication, whether the child:

(i) has been provided appropriate nonpharmacological interventions, therapies, or strategies to meet the child's needs; or

(ii) has been seen by the prescribing physician, physician assistant, or advanced practice nurse at least once every 90 days;

(J) [~~(I)~~] whether an education decision-maker for the child has been identified, the child's education needs and goals have been identified and addressed, and there are major changes in the child's school performance or there have been serious disciplinary events;

(K) [~~(J)~~] for a child for whom the department has been named managing conservator in a final order that does not include termination of parental rights, whether to order the department to provide services to a parent for not more than six months after the date of the permanency hearing if:

(i) the child has not been placed with a relative or other individual, including a foster parent, who is seeking permanent managing conservatorship of the child; and

(ii) the court determines that further efforts at reunification with a parent are:

(a) in the best interest of the child; and

(b) likely to result in the child's safe return to the child's parent; and

(L) [~~(K)~~] whether the department has identified a family or other caring adult who has made a permanent commitment to the child.

SECTION 12. Section 264.751(1), Family Code, is amended to read as follows:

(1) "Designated caregiver" means an individual who has a longstanding and significant relationship with a child or the family of a child for whom the department has been appointed managing conservator and who:

(A) is appointed to provide substitute care for the child, but is not verified by a licensed child-placing agency to operate an agency foster home under Chapter 42, Human Resources Code; or

(B) is subsequently appointed permanent managing conservator of the child after providing the care described by Paragraph (A).

SECTION 13. Section 42.041(b), Human Resources Code, as amended by Chapters 244 (**HB 871**) and 317 (**HB 7**), Acts of the 85th Legislature, Regular Session, 2017, is reenacted and amended to read as follows:

(b) This section does not apply to:

(1) a state-operated facility;

(2) an agency foster 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, other than a facility that would otherwise require a license as a child-care facility under this section, that provides shelter or care to a minor and the minor's child or children, if any, under Section 32.201, Family Code, if the facility:

(A) is currently under a contract with a state or federal agency; or

(B) meets the requirements listed under Section 51.005(b)(3);

(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, 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 1 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, or the family of the child or sibling group, before the child or sibling group was placed with the caretaker;

(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;

(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); ~~or~~

(24) a facility that provides respite care exclusively for a local mental health authority under a contract with the local mental health authority; or

(25) ~~(24)~~ a living arrangement in a caretaker's home involving one or more children or a sibling group in which the caretaker:

(A) has a written authorization agreement under Chapter 34, Family Code, with the parent of each child or sibling group to care for each child or sibling group;

(B) does not care for more than six children, excluding children who are related to the caretaker; and

(C) does not receive compensation for caring for any child or sibling group.

SECTION 14. As soon as practicable after the effective date of this Act, the commissioner of the Department of Family and Protective Services shall adopt rules necessary to implement the changes in law made by this Act.

SECTION 15. To the extent of any conflict, this Act prevails over another Act of the 86th Legislature, Regular Session, 2019, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 16. 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, 2019.

### **HB 4090 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Noble called up with senate amendments for consideration at this time,

**HB 4090**, A bill to be entitled An Act relating to the licensing of certain school-age programs that provide child-care services.

Representative Noble moved to concur in the senate amendments to **HB 4090**.

The motion to concur in the senate amendments to **HB 4090** prevailed by (Record 1891): 139 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel;

Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Hefner; Toth.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Nevárez.

### Senate Committee Substitute

**CSHB 4090**, A bill to be entitled An Act relating to the licensing of certain school-age programs that provide child-care services.

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

SECTION 1. Section 42.048, Human Resources Code, is amended by amending Subsections (a), (b), (c), (e), and (f) and adding Subsections (e-1), (e-2), and (e-3) to read as follows:

(a) The commission ~~[department]~~ shall issue a license after determining that an applicant has satisfied all requirements.

(b) When issuing a license, the commission ~~[department]~~ may impose restrictions on a facility, including the number of children to be served and the type of children to be served.

(c) The commission ~~[department]~~ may grant a variance of an individual standard set forth in the applicable standards for good and just cause.

(e) A license issued under this chapter is not transferable and applies only to the operator and facility location stated in the license application. Except as provided by Subsections (e-1), (e-2), and (e-3) ~~[this subsection]~~, a change in location or ownership automatically revokes a license.

(e-1) A change in location of a child-placing agency does not automatically revoke the license to operate the child-placing agency.

(e-2) A residential child-care facility operating under the license of a continuum-of-care residential operation that changes location may not continue to operate under that license unless the commission ~~[department]~~ approves the new location after the continuum-of-care residential operation meets all requirements related to the new location.

(e-3) A change in location of a school-age program operated exclusively during the summer period or any other time when school is not in session does not automatically revoke the license to operate the school-age program. A school-age program that changes location may not operate at the new location unless the commission approves the new location after the school-age program meets all requirements related to the new location.



(f) A license must be issued if the commission ~~[department]~~ determines that a facility meets all requirements. The evaluation shall be based on one or more visits to the facility and a review of required forms and records. A license is valid until the license expires, is revoked, or is surrendered.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 4644 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative C. Bell called up with senate amendments for consideration at this time,

**HB 4644.** A bill to be entitled An Act relating to the creation of the Wood Trace Management District of Montgomery County, Texas; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Representative C. Bell moved to concur in the senate amendments to **HB 4644**.

The motion to concur in the senate amendments to **HB 4644** prevailed by (Record 1892): 101 Yeas, 41 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Buckley; Bucy; Burns; Calanni; Canales; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Landgraf; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Stephenson; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wu; Zerwas; Zwiener.

Nays — Ashby; Bohac; Bonnen; Burrows; Button; Cain; Capriglione; Clardy; Craddick; Cyrier; Dean; Frank; Frullo; Goldman; Harless; Harris; Hefner; Holland; Krause; Lambert; Lang; Leach; Middleton; Miller; Murr; Oliverson; Parker; Patterson; Shaheen; Smith; Smithee; Springer; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Toth; Wilson; Wray; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **STATEMENT OF VOTE**

When Record No. 1892 was taken, I was shown voting no. I intended to vote yes.

Craddick

**Senate Committee Substitute**

**CSHB 4644**, A bill to be entitled An Act relating to the creation of the Wood Trace Management District of Montgomery County, Texas; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3967 to read as follows:

CHAPTER 3967. WOOD TRACE MANAGEMENT DISTRICT OF  
MONTGOMERY COUNTY, TEXAS  
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3967.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "County" means Montgomery County.

(3) "Director" means a board member.

(4) "District" means the Wood Trace Management District of Montgomery County, Texas.

Sec. 3967.0102. CREATION AND NATURE OF DISTRICT; IMMUNITY.

(a) The district is a special district created under Section 59, Article XVI, Texas Constitution.

(b) The district is a governmental unit, as provided by Section 375.004, Local Government Code.

(c) This chapter does not waive any governmental or sovereign immunity from suit, liability, or judgment that would otherwise apply to the district.

Sec. 3967.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district, the legislature has established a program to accomplish the public purposes set out in Sections 52 and 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(c) This chapter and the creation of the district may not be interpreted to relieve a municipality or the county from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant governmental services provided in the district.

Sec. 3967.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

- (1) developing and diversifying the economy of the state;
- (2) eliminating unemployment and underemployment; and
- (3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways, transit facilities, parking facilities, and public art objects, and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, drainage, road, and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3967.0105. DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes of the district contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

- (1) organization, existence, or validity;
- (2) right to issue any type of bonds for a purpose for which the district is created or to pay the principal of and interest on the bonds;
- (3) right to impose or collect an assessment or tax; or
- (4) legality or operation.

Sec. 3967.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code; or

(4) an industrial district created under Chapter 42, Local Government Code.

Sec. 3967.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3967.0108. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Sec. 3967.0109. CONFLICTS OF LAW. This chapter prevails over any provision of general law, including a provision of Chapter 375, Local Government Code, or Chapter 49, Water Code, that is in conflict or inconsistent with this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3967.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors elected or appointed as provided by this chapter and Subchapter D, Chapter 49, Water Code.

(b) Except as provided by Section 3967.0203, directors serve staggered four-year terms.

Sec. 3967.0202. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 3967.0203. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act creating this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) The temporary or successor temporary directors shall hold an election to elect five permanent directors as provided by Section 49.102, Water Code.

(c) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Subsection (b); or

(2) the fourth anniversary of the effective date of the Act creating this chapter.

(d) If permanent directors have not been elected under Subsection (b) and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (c) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Subsection (b); or

(2) the fourth anniversary of the date of the appointment or reappointment.

(e) If Subsection (d) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint

as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

Sec. 3967.0204. DISQUALIFICATION OF DIRECTORS. Section 49.052, Water Code, applies to the members of the board.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3967.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3967.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using money available to the district for that purpose, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or under Chapter 375, Local Government Code.

(b) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3967.0303. RECREATIONAL FACILITIES. The district may develop or finance recreational facilities as authorized by Chapter 375, Local Government Code, Sections 52 and 52-a, Article III, Texas Constitution, Section 59, Article XVI, Texas Constitution, and any other law that applies to the district.

Sec. 3967.0304. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may own, operate, maintain, design, acquire, construct, finance, issue bonds, notes, or other obligations for, improve, and convey to this state, a county, or a municipality for ownership, operation, and maintenance macadamized, graveled, or paved roads or improvements, including storm drainage, in aid of those roads.

Sec. 3967.0305. CONVEYANCE AND APPROVAL OF ROAD PROJECT. (a) The district may convey a road project authorized by Section 3967.0304 to:

(1) a municipality or county that will operate and maintain the road if the municipality or county has approved the plans and specifications of the road project; or

(2) the state if the state will operate and maintain the road and the Texas Transportation Commission has approved the plans and specifications of the road project.

(b) Except as provided by Subsection (c), the district shall operate and maintain a road project authorized by Section 3967.0304 that the district implements and does not convey to a municipality, a county, or this state under Subsection (a).

(c) The district may agree in writing with a municipality, a county, or this state to assign operation and maintenance duties to the district, the municipality, the county, or this state in a manner other than the manner described in Subsections (a) and (b).

Sec. 3967.0306. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 3967.0307. LAW ENFORCEMENT SERVICES. Section 49.216, Water Code, applies to the district.

Sec. 3967.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3967.0309. ECONOMIC DEVELOPMENT. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers that:

(1) Chapter 380, Local Government Code, provides to a municipality; and

(2) Subchapter A, Chapter 1509, Government Code, provides to a municipality.

Sec. 3967.0310. STRATEGIC PARTNERSHIP AGREEMENT. The district may negotiate and enter into a written strategic partnership agreement with a municipality under Section 43.0751, Local Government Code.

Sec. 3967.0311. REGIONAL PARTICIPATION AGREEMENT. The district may negotiate and enter into a written regional participation agreement with a municipality under Section 43.0754, Local Government Code.

Sec. 3967.0312. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3967.0313. ADDING OR EXCLUDING LAND. (a) The district may add land in the manner provided by Subchapter J, Chapter 49, Water Code.

(b) The district may exclude land as provided by Subchapter J, Chapter 49, Water Code. Section 375.044(b), Local Government Code, does not apply to the district.

(c) The district may include and exclude land as provided by Sections 54.739-54.747, Water Code. A reference in those sections to a "tax" means an ad valorem tax for the purposes of this subsection.

(d) If the district adopts a sales and use tax authorized at an election held under Section 3967.0602 and subsequently includes new territory in the district under this section, the district:

(1) is not required to hold another election to approve the imposition of the sales and use tax in the included territory; and

(2) shall impose the sales and use tax in the included territory as provided by Chapter 321, Tax Code.

(e) If the district adopts a sales and use tax authorized at an election held under Section 3967.0602 and subsequently excludes territory in the district under this section, the sales and use tax is inapplicable to the excluded territory, as provided by Chapter 321, Tax Code, but is applicable to the territory remaining in the district.

Sec. 3967.0314. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3967.0315. AUDIT EXEMPTION. (a) The district may elect to complete an annual financial report in lieu of an annual audit under Section 375.096(a)(6), Local Government Code, if:

(1) the district had no bonds or other long-term (more than one year) liabilities outstanding during the fiscal period;

(2) the district did not have gross receipts from operations, loans, taxes, assessments, or contributions in excess of \$250,000 during the fiscal period; and

(3) the district's cash and temporary investments were not in excess of \$250,000 during the fiscal period.

(b) Each annual financial report prepared in accordance with this section must be open to public inspection and accompanied by an affidavit signed by a duly authorized representative of the district attesting to the accuracy and authenticity of the financial report.

(c) The annual financial report and affidavit shall be substantially similar in form to the annual financial report and affidavit forms prescribed by the executive director of the Texas Commission on Environmental Quality under Section 49.198, Water Code.

Sec. 3967.0316. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

#### SUBCHAPTER D. ASSESSMENTS

Sec. 3967.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) The petition must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3967.0402. METHOD OF NOTICE FOR HEARING. The district may mail the notice required by Section 375.115(c), Local Government Code, by certified or first class United States mail. The board shall determine the method of notice.

Sec. 3967.0403. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district are:

(1) a first and prior lien against the property assessed;

(2) superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

#### SUBCHAPTER E. TAXES AND BONDS

Sec. 3967.0501. TAX ELECTION REQUIRED. The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.



Sec. 3967.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 3967.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or
- (3) provide a service.

(b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

Sec. 3967.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may, by competitive bid or negotiated sale, issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

(c) The limitation on the outstanding principal amount of bonds, notes, or other obligations provided by Section 49.4645, Water Code, does not apply to the district.

Sec. 3967.0504. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

- (1) revenue other than ad valorem taxes, including contract revenues; or
- (2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Sec. 3967.0505. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section 3967.0501, the district may issue bonds payable from ad valorem taxes.

(b) Section 375.243, Local Government Code, does not apply to the district.

(c) At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. 3967.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not issue bonds until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

(b) This section applies only to the district's first issuance of bonds payable from ad valorem taxes.

SUBCHAPTER F. SALES AND USE TAX

Sec. 3967.0601. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition, computation, administration, enforcement, and collection of the sales and use tax authorized by this subchapter except to the extent Chapter 321, Tax Code, is inconsistent with this chapter.

(b) A reference in Chapter 321, Tax Code, to a municipality or the governing body of a municipality is a reference to the district or the board, respectively.

Sec. 3967.0602. ELECTION; ADOPTION OF TAX. (a) The district may adopt a sales and use tax if authorized by a majority of the voters of the district voting at an election held for that purpose.

(b) The board by order may call an election to authorize the adoption of the sales and use tax. The election may be held on any uniform election date and in conjunction with any other district election.

(c) The ballot shall be printed to provide for voting for or against the proposition: "Authorization of a sales and use tax in the Wood Trace Management District of Montgomery County, Texas, at a rate not to exceed \_\_\_\_\_ percent" (insert rate of one or more increments of one-eighth of one percent).

Sec. 3967.0603. SALES AND USE TAX RATE. (a) On or after the date the results are declared of an election held under Section 3967.0602, at which the voters approved imposition of the tax authorized by this subchapter, the board shall determine and adopt by resolution or order the initial rate of the tax, which must be in one or more increments of one-eighth of one percent.

(b) After the election held under Section 3967.0602, the board may increase or decrease the rate of the tax by one or more increments of one-eighth of one percent.

(c) The initial rate of the tax or any rate resulting from subsequent increases or decreases may not exceed the lesser of:

(1) the maximum rate authorized by the district voters at the election held under Section 3967.0602; or

(2) a rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district, would result in the maximum combined rate prescribed by Section 321.101(f), Tax Code, at any location in the district.

Sec. 3967.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This section applies to the district after a municipality annexes part of the territory in the district and imposes the municipality's sales and use tax in the annexed territory.

(b) If at the time of annexation the district has outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, Section 321.102(g), Tax Code, applies to the district.

(c) If at the time of annexation the district does not have outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, the district may:

(1) exclude the annexed territory from the district, if the district has no outstanding debt or other obligations payable from any source; or

(2) reduce the sales and use tax in the annexed territory by resolution or order of the board to a rate that, when added to the sales and use tax rate imposed by the municipality in the annexed territory, is equal to the sales and use tax rate imposed by the district in the district territory that was not annexed by the municipality.

Sec. 3967.0605. NOTIFICATION OF RATE CHANGE. The board shall notify the comptroller of any changes made to the tax rate under this subchapter in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

Sec. 3967.0606. USE OF REVENUE. Revenue from the sales and use tax imposed under this subchapter is for the use and benefit of the district and may be used for any district purpose. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations, and that pledge of revenue may be in combination with other revenue, including tax revenue, available to the district.

Sec. 3967.0607. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter without an election.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

(c) If the board abolishes the tax, the board shall notify the comptroller of that action in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

(d) If the board abolishes the tax or decreases the tax rate to zero, a new election to authorize a sales and use tax must be held under Section 3967.0602 before the district may subsequently impose the tax.

(e) This section does not apply to a decrease in the sales and use tax authorized under Section 3967.0604(c)(2).

#### SUBCHAPTER G. HOTEL OCCUPANCY TAX

Sec. 3967.0701. DEFINITION. In this subchapter, "hotel" has the meaning assigned by Section 156.001, Tax Code.

Sec. 3967.0702. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) For purposes of this subchapter:

(1) a reference in Subchapter A, Chapter 352, Tax Code, to a county is a reference to the district; and

(2) a reference in Subchapter A, Chapter 352, Tax Code, to the commissioners court is a reference to the board.

(b) Except as inconsistent with this subchapter, Subchapter A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized by this subchapter, including the collection of the tax, subject to the limitations prescribed by Sections 352.002(b) and (c), Tax Code.

Sec. 3967.0703. TAX AUTHORIZED; USE OF REVENUE. The district may impose a hotel occupancy tax for any purpose described by Section 351.101 or 352.101, Tax Code.

Sec. 3967.0704. TAX RATE. (a) The amount of the hotel occupancy tax may not exceed the lesser of:

(1) the maximum rate prescribed by Section 352.003(a), Tax Code; or

(2) a rate that, when added to the rates of all hotel occupancy taxes imposed by other political subdivisions with territory in the district and by this state, does not exceed the sum of the rate prescribed by Section 351.0025(b), Tax Code, plus two percent.

(b) The district tax is in addition to a tax imposed by a municipality under Chapter 351, Tax Code, or by the county under Chapter 352, Tax Code.

Sec. 3967.0705. INFORMATION. The district may examine and receive information related to the imposition of hotel occupancy taxes to the same extent as if the district were a county.

Sec. 3967.0706. USE OF REVENUE. The district may use revenue from the hotel occupancy tax for any district purpose that is an authorized use of hotel occupancy tax revenue under Chapter 351 or 352, Tax Code. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations and that pledge of revenue may be in combination with other revenue available to the district.

Sec. 3967.0707. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

#### SUBCHAPTER I. DISSOLUTION

Sec. 3967.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

(b) The board by majority vote may dissolve the district at any time.

(c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:

(1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.

(d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

SECTION 2. The Wood Trace Management District of Montgomery County, Texas, initially includes all the territory contained in the following area:

Being a 92.63-acre tract of land, located in the Andrew J. Hensley, Abstract No. 255 in Montgomery County, Texas; said 92.63-acre tract being out of a called 2,253.2253-acre tract of land conveyed to Terra Investments, LP in Clerk's File Number 2004023496 of the Official Public Records of Real Property of Montgomery County Texas (O.P.R.R.P.M.C.T.); said 92.63-acre tract being more particularly described by metes and bounds as follows (all bearings are referenced to the north line of said 2,253.2253-acre tract):

Beginning at a 5/8-inch iron rod with aluminum cap found at the northwest corner of a called 10.0000-acre tract of land recorded in Clerk's File Number 9350680 of the O.P.R.R.P.M.C.T., same being on the west line of said called 2,253.2253-acre tract and the east right-of-way (R.O.W.) line of Highway 149 (60-feet wide);

1. Thence, with the common line of said Highway 149 and said called 2,253.2253-acre tract, North 08 degrees 35 minutes 16 seconds West, a distance of 620.67 feet;

2. Thence, continuing with said common line, 291.17 feet along the arc of a curve to the right, said curve having a central angle of 05 degrees 59 minutes 03 seconds, a radius of 2,787.83 feet and a chord that bears North 05 degrees 35 minutes 45 seconds West, a distance of 291.04 feet;

3. Thence, with the northwest line of said called 2,253.2253-acre tract, North 42 degrees 18 minutes 44 seconds East, a distance of 1,390.50 feet;

4. Thence, continuing with the northwest line of said called 2,253.2253-acre tract, North 43 degrees 05 minutes 06 seconds East, a distance of 188.90 feet to the most westerly corner of a called 34.6647-acre tract of land recorded in Clerk's File Number 2018021947 of the O.P.R.R.P.M.C.T.;

Thence, with the west line of said called 34.6647-acre tract, the following five (5) courses:

5. 1,433.79 feet along the arc of a curve to the right, said curve having a central angle of 30 degrees 49 minutes 40 seconds, a radius of 2,664.79 feet and a chord that bears South 25 degrees 30 minutes 44 seconds East, a distance of 1,416.55 feet;

6. South 10 degrees 05 minutes 54 seconds East, a distance of 415.32 feet;

7. South 10 degrees 05 minutes 54 seconds East, a distance of 300.00 feet;

8. South 10 degrees 05 minutes 54 seconds East, a distance of 516.07 feet;

9. 1,088.92 feet along the arc of a curve to the left, said curve having a central angle of 10 degrees 31 minutes 19 seconds, a radius of 5,929.58 feet and a chord that bears South 15 degrees 21 minutes 34 seconds East, a distance of 1,087.39 feet to the south corner of aforesaid called 34.6647-acre tract, same

being a northwesterly line of a called 12.500-acre tract of land recorded in Clerk's File Number 2014032464 of the O.P.R.R.P.M.C.T. and a southeasterly interior line of aforesaid called 2,253.2253-acre tract;

10. Thence, with the common line of said called 12.500-acre tract and said called 2,253.2253-acre tract, South 41 degrees 39 minutes 24 seconds West, a distance of 434.22 feet to a westerly corner of said called 2,253.2253-acre tract;

11. Thence, with the southwest line of said called 2,253.2253-acre tract, North 47 degrees 46 minutes 25 seconds West, a distance of 1,585.59 feet to the south corner of aforesaid called 10.0000-acre tract;

Thence, with the east and north lines of said called 10.0000-acre tract, the following six (6) courses:

12. North 42 degrees 13 minutes 34 seconds East, a distance of 435.59 feet;

13. North 30 degrees 32 minutes 17 seconds West, a distance of 629.68 feet;

14. South 81 degrees 24 minutes 44 seconds West, a distance of 342.11 feet;

15. South 54 degrees 50 minutes 52 seconds West, a distance of 44.73 feet;

16. South 08 degrees 35 minutes 16 seconds East, a distance of 30.00 feet;

17. South 81 degrees 24 minutes 44 seconds West, a distance of 200.00 feet to the Point of Beginning and containing 92.63 acres of land.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. 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, 2019.

### **HB 4298 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Landgraf called up with senate amendments for consideration at this time,

**HB 4298**, A bill to be entitled An Act relating to the licensing of satellite offices of outpatient chemical dependency care facilities.

Representative Landgraf moved to concur in the senate amendments to **HB 4298**.

The motion to concur in the senate amendments to **HB 4298** prevailed by (Record 1893): 141 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Oliverson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **Senate Committee Substitute**

**CSHB 4298**, A bill to be entitled An Act relating to the licensing of satellite offices of outpatient chemical dependency care facilities.

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

SECTION 1. Section 464.003, Health and Safety Code, is amended to read as follows:

Sec. 464.003. EXEMPTIONS. This subchapter does not apply to:

- (1) a facility maintained or operated by the federal government;
- (2) a facility directly operated by the state;
- (3) a facility licensed by the department under Chapter 241, 243, 248, 466, or 577;
- (4) an educational program for intoxicated drivers;
- (5) the individual office of a private, licensed health care practitioner who personally renders private individual or group services within the scope of the practitioner's license and in the practitioner's office;
- (6) an individual who personally provides counseling or support services to a person with a chemical dependency but does not offer or purport to offer a chemical dependency treatment program;
- (7) a 12-step or similar self-help chemical dependency recovery program:
  - (A) that does not offer or purport to offer a chemical dependency treatment program;

(B) that does not charge program participants; and

(C) in which program participants may maintain anonymity; ~~or~~

(8) a juvenile justice facility or juvenile justice program, as defined by Section 261.405, Family Code; or

(9) a satellite office or location in which the person providing services is operating under the supervision of a licensed outpatient care facility and the services delivered at the satellite site fall within the scope of the licensure of the outpatient care facility.

SECTION 2. The Department of State Health Services is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the department may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 3871 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Krause called up with senate amendments for consideration at this time,

**HB 3871**, A bill to be entitled An Act relating to the process for establishing speed limits on roads near certain schools.

Representative Krause moved to concur in the senate amendments to **HB 3871**.

The motion to concur in the senate amendments to **HB 3871** prevailed by (Record 1894): 139 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).



Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Dutton; Guerra; Raney.

### Senate Committee Substitute

**CSHB 3871**, A bill to be entitled An Act relating to the process for establishing speed limits on roads near certain schools.

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

SECTION 1. Section 545.355(b), Transportation Code, is amended to read as follows:

(b) The commissioners court of a county may declare a lower speed limit of not less than:

(1) 30 miles per hour on a county road or highway to which this section applies, if the commissioners court determines that the prima facie speed limit on the road or highway is unreasonable or unsafe; or

(2) 20 miles per hour:

(A) in a residence district, unless the roadway has been designated as a major thoroughfare by a city planning commission; or

(B) on a county road or highway to which this section applies that is located within 500 feet of an elementary, secondary, or open-enrollment charter school or an institution of higher education, if approved under Section 545.357.

SECTION 2. Section 545.357, Transportation Code, is amended to read as follows:

Sec. 545.357. CONSIDERATION OF ~~[PUBLIC HEARING TO CONSIDER]~~ SPEED LIMITS WHERE CERTAIN SCHOOLS ARE LOCATED.

(a) The governing body of a municipality in which a public or private elementary or secondary school, an open-enrollment charter school, or an institution of higher education ~~[as defined by Section 61.003(8) or (15), Education Code,]~~ is located shall, on request of the governing body of a school or institution of higher education, hold a public hearing at least once each calendar year to consider prima facie speed limits on a highway in the municipality, including a highway of the state highway system, near the school or institution of higher education.

(b) If a county road outside the state highway system is located within 500 feet of a public or private elementary or secondary school, an open-enrollment charter school, or an institution of higher education that is not in a municipality, the commissioners court of the county, on request of the governing body of a school or institution of higher education, shall hold a public hearing at least once each calendar year to consider the prima facie speed limit on the road near the school or institution of higher education.

(c) A municipal governing body or commissioners court, on request of the governing body of a school or institution of higher education, may hold one public hearing for all public and private elementary and secondary schools, open-enrollment charter schools, and institutions of higher education in its jurisdiction.

(d) The Texas Transportation Commission, on request of the governing body of a school or institution of higher education, shall hold a public hearing at least once each calendar year to consider prima facie speed limits on highways in the state highway system that are near public or private elementary or secondary schools, open-enrollment charter schools, or institutions of higher education.

(e) On request of the governing body of a school or institution of higher education following a public hearing held under this section, the commissioners court, municipal governing body, or Texas Transportation Commission, as applicable, shall conduct an engineering and traffic investigation for the highway or road that is the subject of the request. On review of the results of the investigation, the commissioners court, municipal governing body, or Texas Transportation Commission has the same authority and discretion to alter prima facie speed limits as provided by Section 545.353, 545.355, or 545.356, as applicable. Following each public hearing held under this section, the governing body of a school or institution of higher education may make only one request under this subsection for an engineering and traffic investigation.

(f) In this section:

(1) "Governing body of a school or institution of higher education" means:

(A) the board of trustees of the school district in which a public elementary or secondary school is located;

(B) the governing body of a private elementary or secondary school;

(C) the governing body of an open-enrollment charter school; or

(D) the governing board of an institution of higher education.

(2) "Institution of higher education" means an institution of higher education or a private or independent institution of higher education, as those terms are defined by Section 61.003, Education Code.

(3) "Open-enrollment charter school" has the meaning assigned by Section 5.001, Education Code.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 2913 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Zerwas called up with senate amendments for consideration at this time,

**HB 2913**, A bill to be entitled An Act relating to the transfer of certain real property held by the Department of Public Safety of the State of Texas.

Representative Zerwas moved to concur in the senate amendments to **HB 2913**.

The motion to concur in the senate amendments to **HB 2913** prevailed by (Record 1895): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Clardy; Coleman; Collier;

Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Capriglione.

### **Senate Committee Substitute**

**CSHB 2913**, A bill to be entitled An Act relating to the transfer of certain real property held by the Department of Public Safety of the State of Texas and the transfer of jurisdiction over and management of the Star of the Republic Museum to the Texas Historical Commission.

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

#### **ARTICLE 1. TRANSFER OF CERTAIN PROPERTY OF DEPARTMENT OF PUBLIC SAFETY**

**SECTION 1.001.** (a) As soon as practicable after the effective date of this Act, the Department of Public Safety of the State of Texas shall transfer to Child Advocates of Fort Bend the real property described by Section 1.002 of this Act.

(b) Child Advocates of Fort Bend shall use the property transferred under this Act only for a purpose that benefits the public interest of the state. If Child Advocates of Fort Bend uses the property for any purpose other than a purpose that benefits the public interest of the state, ownership of the property automatically reverts to the Department of Public Safety of the State of Texas.

(c) The Department of Public Safety of the State of Texas shall transfer the property by an appropriate instrument of transfer. The instrument of transfer must provide that:

(1) Child Advocates of Fort Bend use the property only for a purpose that benefits the public interest of the state; and

(2) ownership of the property will automatically revert to the Department of Public Safety of the State of Texas if Child Advocates of Fort Bend uses the property for any purpose other than a purpose that benefits the public interest of the state.

(d) The Department of Public Safety of the State of Texas shall retain custody of the instrument of transfer after the instrument of transfer is filed in the real property records of Fort Bend County.

SECTION 1.002. The real property referred to in Section 1.001 of this Act is described as follows:

A 0.3294-acre tract of land in the James Lowery 1/3-League, Abstract Number 275, Fort Bend County, Texas, located in the City of Rosenberg, being a portion of that 1.7974-acre tract of land conveyed to Texas Department of Public Safety, described in a warranty deed recorded in Volume 758, Page 744 of the Official Public Records of Fort Bend County, Texas, said 0.3294-acre tract being further described by metes and bounds as follows:

BEGINNING at a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set in the occupied north right-of-way line of Avenue "N" and the south line of said 1.7974-acre tract for the southeast corner of this tract, said beginning point having coordinates of NORTHING: 13,760,038.29 and EASTING: 2,994,593.07, Texas Coordinate System, South Central Zone 4204, North American Datum of 1983, whence a 5/8-inch iron rod found at the original southeast corner of said 1.7974-acre tract bears South 67 degrees 49 minutes 56 seconds East a distance of 392.36 feet and the southeast corner of said James Lowery 1/3-League bears South 67 degrees 49 minutes 56 seconds East a distance of 442.36 feet and South 22 degrees 26 minutes 23 seconds West a distance of 798.9 feet, per calls in previous deeds and plats;

(1) THENCE North 67 degrees 49 minutes 56 seconds West, along the north right-of-way line of said Avenue "N", a distance of 32.11 feet to a point in a utility pole at the southwest corner of said 1.7974-acre tract and the southeast corner of a 2.500-acre tract conveyed to Fort Bend County Child Advocates, Inc., described in a special warranty deed with vendor's lien recorded in County Clerk's File Number 2006021668 of the Official Public Records of Fort Bend County, Texas, for the southwest corner of this tract, whence a 5/8-inch iron rod with a plastic cap marked "TERRA SURVEYING" bears South 05 degrees 24 minutes 22 seconds East a distance of 0.19 feet and an "X" cut on concrete found at the southwest corner of said 2.500-acre tract bears North 67 degrees 49 minutes 56 seconds West a distance of 279.56 feet;

(2) THENCE North 22 degrees 11 minutes 18 seconds East, along the east line of said 2.500-acre tract, a distance of 185.85 feet to a 5/8-inch iron rod found at the northeast corner of said 1.7974-acre tract and the southwest corner of Unrestricted Reserve "B", Terra Flora, a subdivision of the James Lowery 1/3-League, according to the map, plat and/or dedication deed thereof recorded in Slide 517/B and Volume 32, Page 6 of the Plat Records of Fort Bend County, Texas, for the northwest corner of this tract, said point having coordinates of NORTHING: 13,760,222.47 and EASTING: 2,994,633.52, Texas Coordinate System, South Central Zone 4204, North American Datum of 1983, whence a 5/8-inch iron rod bears North 22 degrees 11 minutes 18 seconds East a distance of 202.64 feet;

(3) THENCE South 67 degrees 39 minutes 44 seconds East, along the common line of said Unrestricted Reserve "B" and said 1.7974-acre tract, a distance of 145.05 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for the northeast corner of this tract, whence a 1-inch iron pipe bears South 67 degrees 39 minutes 44 seconds East a distance of 280.65 feet and a 3/4-inch iron pipe found at the northeast corner of said Terra Flora Subdivision bears South 67 degrees 39 minutes 44 seconds East a distance of 280.24 feet and North 22 degrees 26 minutes 23 seconds East a distance of 204.58 feet;

(4) THENCE South 22 degrees 20 minutes 16 seconds West a distance of 0.31 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of intersection for a corner of this tract;

(5) THENCE southwesterly, along a curve to the left, an arc distance of 76.65 feet, said curve having a radius of 55.93 feet, a delta angle of 78 degrees 31 minutes 25 seconds, a chord bearing of South 67 degrees 01 minutes 09 seconds West, and a chord distance of 70.79 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of reverse curvature for a corner of this tract;

(6) THENCE southwesterly, along a curve to the right, an arc distance of 4.43 feet, said curve having a radius of 3.00 feet, a delta angle of 84 degrees 38 minutes 18 seconds, a chord bearing of South 70 degrees 04 minutes 36 seconds West, and a chord distance of 4.04 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of tangency for a corner of this tract;

(7) THENCE North 67 degrees 36 minutes 19 seconds West, a distance of 18.60 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of intersection for a corner of this tract;

(8) THENCE South 21 degrees 34 minutes 50 seconds West a distance of 90.75 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of intersection for a corner of this tract;

(9) THENCE North 67 degrees 44 minutes 40 seconds West a distance of 5.07 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of intersection for a corner of this tract;

(10) THENCE South 23 degrees 44 minutes 55 seconds West a distance of 9.25 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of curvature for a corner of this tract;

(11) THENCE southwesterly, along a curve to the right, an arc distance of 7.75 feet, said curve having a radius of 5.00 feet, a delta angle of 88 degrees 47 minutes 17 seconds, a chord bearing of South 68 degrees 08 minutes 33 seconds West, and a chord distance of 7.00 feet, to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of tangency for a corner of this tract;

(12) THENCE North 67 degrees 27 minutes 48 seconds West a distance of 18.22 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of curvature for a corner of this tract;

(13) THENCE southwesterly, along a curve to the left, an arc distance of 22.35 feet, said curve having a radius of 14.00 feet, a delta angle of 91 degrees 28 minutes 59 seconds, a chord bearing of South 66 degrees 47 minutes 42 seconds West, and a chord distance of 20.05 feet to a 1/2-inch iron rod with a plastic cap marked "PSC RPLS 6453" set for a point of tangency for a corner of this tract;

(14) THENCE South 21 degrees 03 minutes 13 seconds West a distance of 13.28 feet to the POINT OF BEGINNING. Bearings called in this description are based on the Texas Coordinate System, South Central Zone 4204, North American Datum of 1983. Distances called in this description are surface distances.

## ARTICLE 2. TRANSFER OF JURISDICTION OVER AND MANAGEMENT OF STAR OF THE REPUBLIC MUSEUM

SECTION 2.001. Chapter 442, Government Code, is amended by adding Subchapter B-1 to read as follows:

### SUBCHAPTER B-1. STAR OF THE REPUBLIC MUSEUM

Sec. 442.061. DEFINITION. In this subchapter, "museum" means the Star of the Republic Museum.

Sec. 442.062. JURISDICTION AND MAINTENANCE OF MUSEUM. (a) The museum and its contents are under the jurisdiction of the commission. The commission is responsible for the preservation, maintenance, and operation of the museum.

(b) Notwithstanding Subsection (a), Blinn College District maintains ownership of the museum, the land on which the museum is located, and the artifacts in the museum.

(c) Except as provided by Subsection (b), any power or duty related to the museum formerly vested in any other state agency or entity is vested solely in the commission.

(d) The commission shall, in coordination with an advisory committee appointed by the board of trustees of the Blinn College District, promote the educational and public awareness programs at the museum, the Washington-on-the-Brazos State Historic Site, and the Barrington Living History Farm.

Sec. 442.063. GRANTS; DONATIONS. The commission may accept a grant or donation for any program or purpose of the museum.

SECTION 2.002. (a) On January 1, 2020, the following are transferred to the Texas Historical Commission:

(1) all powers and duties of Blinn College District relating to the Star of the Republic Museum;

(2) all unobligated and unexpended funds appropriated, donated, or contributed to Blinn College District designated for the administration of any part of the Star of the Republic Museum; and

(3) all files and other records of Blinn College District kept by Blinn College District regarding the Star of the Republic Museum.

(b) Notwithstanding any other law, Blinn College District shall continue to perform functions and activities related to the Star of the Republic Museum until January 1, 2020, and the former law is continued in effect for that purpose.

#### ARTICLE 3. EFFECTIVE DATES

SECTION 3.001. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2019.

(b) Article 1 of this Act takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, Article 1 of this Act takes effect September 1, 2019.

#### HB 2102 - NOTICE GIVEN

At 5:55 p.m., pursuant to the provisions of Rule 7, Section 37(c), of the House Rules, Representative Tinderholt gave notice that he would, in one hour, move to reconsider the vote by which the motion to concur in the senate amendments to **HB 2102** failed by Record No. 1854.

#### HB 4260 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS

Representative Cortez called up with senate amendments for consideration at this time,

**HB 4260**, A bill to be entitled An Act relating to the possession and administration of an epinephrine auto-injector by certain entities.

Representative Cortez moved to concur in the senate amendments to **HB 4260**.

The motion to concur in the senate amendments to **HB 4260** prevailed by (Record 1896): 133 Yeas, 7 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smithee; Springer; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Dean; Hefner; Krause; Oliverson; Smith; Wilson.

Present, not voting — Mr. Speaker; Moody(C); Stickland.

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Swanson.

### Senate Committee Substitute

**CSHB 4260**, A bill to be entitled An Act relating to the possession and administration of an epinephrine auto-injector by certain entities.

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

SECTION 1. The heading to Section 773.014, Health and Safety Code, is amended to read as follows:

Sec. 773.014. ADMINISTRATION OF EPINEPHRINE BY EMERGENCY MEDICAL SERVICES PERSONNEL.

SECTION 2. Subchapter A, Chapter 773, Health and Safety Code, is amended by adding Section 773.0145 to read as follows:

Sec. 773.0145. POSSESSION AND ADMINISTRATION OF EPINEPHRINE BY CERTAIN ENTITIES. (a) This section applies to:

(1) an amusement park, as defined by Section 46.035, Penal Code;  
(2) a child-care facility, as defined by Section 42.002, Human Resources Code;

(3) a day camp or youth camp, as defined by Section 141.002;  
(4) a private or independent institution of higher education, as defined by Section 61.003, Education Code;

(5) a restaurant, as defined by Section 17.821, Business & Commerce Code;

(6) a sports venue, as defined by Section 504.151, Local Government Code;

(7) a youth center, as defined by Section 481.134; or  
(8) subject to Subsection (b), any other entity that the executive commissioner by rule designates as an entity that would benefit from the possession and administration of epinephrine auto-injectors.

(b) This section does not apply to a governmental entity.

(c) An entity described by Subsection (a) may adopt a policy regarding the maintenance, administration, and disposal of epinephrine auto-injectors.

(d) A policy adopted under Subsection (c) must provide that only an entity employee or volunteer who is authorized and trained may administer an epinephrine auto-injector to a person who is reasonably believed to be experiencing anaphylaxis on the premises of the entity.

(e) The executive commissioner shall adopt rules regarding the maintenance, administration, and disposal of an epinephrine auto-injector by an entity subject to a policy adopted under Subsection (c). The rules must establish:

(1) the number of epinephrine auto-injectors and the dosages of the auto-injectors available at each entity;

(2) the process for each entity to verify the inventory of epinephrine auto-injectors at regular intervals for expiration and replacement; and

(3) the amount of training required for an entity employee or volunteer to administer an epinephrine auto-injector.



(f) Each entity that adopts a policy under Subsection (c) must have at least one entity employee or volunteer authorized and trained to administer an epinephrine auto-injector present during all hours the entity is open to the public or to the population that the entity serves, as applicable.

(g) The supply of epinephrine auto-injectors at each entity must:

(1) be stored in accordance with the manufacturer's instructions in a secure location; and

(2) be easily accessible to an entity employee or volunteer authorized and trained to administer an epinephrine auto-injector.

(h) Each entity that adopts a policy under Subsection (c) is responsible for training the entity's employees and volunteers in the administration of an epinephrine auto-injector.

(i) Employee and volunteer training under this section must:

(1) include information on:

(A) the signs and symptoms of anaphylaxis;

(B) the recommended dosages for an adult and a child;

(C) the administration of an epinephrine auto-injector;

(D) the implementation of emergency procedures, if necessary, after administering an epinephrine auto-injector; and

(E) the proper disposal of used or expired epinephrine auto-injectors; and

(2) be completed annually in a formal training session or through online education.

(j) Each entity shall maintain records on the training completed by each employee and volunteer under this section.

(k) A physician or person who has been delegated prescriptive authority under Chapter 157, Occupations Code, may prescribe epinephrine auto-injectors in the name of an entity.

(l) A physician or other person who prescribes epinephrine auto-injectors under Subsection (k) shall provide the entity with a standing order for the administration of an epinephrine auto-injector to a person reasonably believed to be experiencing anaphylaxis.

(m) The standing order under Subsection (l) is not required to be patient-specific, and the epinephrine auto-injector may be administered to a person without a previously established physician-patient relationship.

(n) Notwithstanding any other law, supervision or delegation by a physician is considered adequate if the physician:

(1) periodically reviews the order; and

(2) is available through direct telecommunication as needed for consultation, assistance, and direction.

(o) For purposes of Subsection (n)(2), a person who has been delegated prescriptive authority under Chapter 157, Occupations Code, is not engaged in the unauthorized practice of telemedicine or acting outside the person's scope of practice by consulting a physician as provided by that subdivision when prescribing an epinephrine auto-injector in accordance with this section.

(p) An order issued under this section must contain:

(1) the name and signature of the prescriber;  
(2) the name of the entity to which the order is issued;  
(3) the quantity of epinephrine auto-injectors to be obtained and maintained under the order; and

(4) the date of issue.

(q) A pharmacist may dispense an epinephrine auto-injector to an entity without requiring the name or any other identifying information relating to the user.

(r) A person who in good faith takes, or fails to take, any action under this section is immune from civil or criminal liability or disciplinary action resulting from that action or failure to act, including:

(1) issuing an order for epinephrine auto-injectors;

(2) supervising or delegating the administration of an epinephrine auto-injector;

(3) possessing, maintaining, storing, or disposing of an epinephrine auto-injector;

(4) prescribing an epinephrine auto-injector;

(5) dispensing an epinephrine auto-injector;

(6) administering, or assisting in administering, an epinephrine auto-injector;

(7) providing, or assisting in providing, training, consultation, or advice in the development, adoption, or implementation of policies, guidelines, rules, or plans; or

(8) undertaking any other act permitted or required under this section.

(s) The immunities and protections provided by this section are in addition to other immunities or limitations of liability provided by law.

(t) Notwithstanding any other law, this section does not create a civil, criminal, or administrative cause of action or liability or create a standard of care, obligation, or duty that provides a basis for a cause of action for an act or omission under this section.

(u) A cause of action does not arise from an act or omission described by this section.

(v) An entity and entity employees or volunteers are immune from suit resulting from an act, or failure to act, under this section, including an act or failure to act under related policies and procedures.

(w) An act or failure to act by entity employees or volunteers under this section, including an act or failure to act under related policies and procedures, is the exercise of judgment or discretion on the part of the entity employee or volunteer and is not considered to be a ministerial act for purposes of liability of the entity.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 4657 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative C. Bell called up with senate amendments for consideration at this time,

**HB 4657**, A bill to be entitled An Act relating to the creation of the Montgomery County Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Representative C. Bell moved to concur in the senate amendments to **HB 4657**.

The motion to concur in the senate amendments to **HB 4657** prevailed by (Record 1897): 100 Yeas, 41 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Bucy; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, P.; King, T.; Klick; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Parker; Perez; Phelan; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Sheffield; Sherman; Shine; Stephenson; Talarico; Thierry; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Anderson; Bohac; Bonnen; Buckley; Burns; Burrows; Cain; Cyrier; Dean; Goldman; Harris; Hefner; Holland; Hunter; King, K.; Krause; Kuempel; Landgraf; Lang; Leach; Middleton; Miller; Murr; Noble; Oliverson; Paddie; Patterson; Paul; Price; Schaefer; Shaheen; Smith; Smithee; Springer; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Harless; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### STATEMENTS OF VOTE

When Record No. 1897 was taken, I was shown voting no. I intended to vote yes.

Anderson

When Record No. 1897 was taken, I was shown voting present, not voting. I intended to vote yes.

Harless

### Senate Committee Substitute

**CSHB 4657**, A bill to be entitled An Act relating to the creation of the Montgomery County Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3979 to read as follows:

CHAPTER 3979. MONTGOMERY COUNTY MANAGEMENT DISTRICTNO. 1SUBCHAPTER A. GENERAL PROVISIONSSec. 3979.0101. DEFINITIONS. In this chapter:(1) "Board" means the district's board of directors.(2) "Commission" means the Texas Commission on Environmental Quality.(3) "County" means Montgomery County.(4) "Director" means a board member.(5) "District" means the Montgomery County Management DistrictNo. 1.Sec. 3979.0102. CREATION AND NATURE OF DISTRICT; IMMUNITY.(a) The district is a special district created under Section 59, Article XVI, Texas Constitution.(b) The district is a governmental unit, as provided by Section 375.004, Local Government Code.(c) This chapter does not waive any governmental or sovereign immunity from suit, liability, or judgment that would otherwise apply to the district.Sec. 3979.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.(b) By creating the district, the legislature has established a program to accomplish the public purposes set out in Sections 52 and 52-a, Article III, Texas Constitution.(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.(d) This chapter and the creation of the district may not be interpreted to relieve the county or a municipality from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant county or municipal services provided in the district.Sec. 3979.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.(b) The district is created to serve a public use and benefit.(c) The creation of the district is in the public interest and is essential to further the public purposes of:(1) developing and diversifying the economy of the state;(2) eliminating unemployment and underemployment; and(3) developing or expanding transportation and commerce.(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways, road facilities, transit facilities, parking facilities, recreational facilities, and public art objects and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, and drainage facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3979.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 3979.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code;

or  
(4) an industrial district created under Chapter 42, Local Government Code.

Sec. 3979.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3979.0108. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Sec. 3979.0109. CONFLICTS OF LAW. This chapter prevails over any provision of general law, including a provision of Chapter 375, Local Government Code, or Chapter 49, Water Code, that is in conflict or inconsistent with this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3979.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors elected or appointed as provided by this chapter and Subchapter D, Chapter 49, Water Code.

(b) Except as provided by Section 3979.0203, directors serve staggered four-year terms.

Sec. 3979.0202. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 3979.0203. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) The temporary directors shall hold an election to elect five permanent directors as provided by Section 49.102, Water Code.

(c) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Subsection (b); or

(2) the fourth anniversary of the effective date of the Act enacting this chapter.

(d) If permanent directors have not been elected under Subsection (b) and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (e) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Subsection (b); or

(2) the fourth anniversary of the date of the appointment or reappointment.

(e) If Subsection (d) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

Sec. 3979.0204. DISQUALIFICATION OF DIRECTORS. Section 49.052, Water Code, applies to the members of the board.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3979.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3979.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

(b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).

(c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3979.0303. RECREATIONAL FACILITIES. The district may develop or finance recreational facilities as authorized by Chapter 375, Local Government Code, Sections 52 and 52-a, Article III, Texas Constitution, Section 59, Article XVI, Texas Constitution, and any other law that applies to the district.

Sec. 3979.0304. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may own, operate, maintain, design, acquire, construct, finance, issue bonds, notes, or other obligations for, improve, and convey to this state, a county, or a municipality for ownership, operation, and maintenance macadamized, graveled, or paved roads or improvements, including storm drainage, in aid of those roads.

Sec. 3979.0305. CONVEYANCE AND APPROVAL OF ROAD PROJECT. (a) The district may convey a road project authorized by Section 3979.0304 to:

(1) a municipality or county that will operate and maintain the road if the municipality or county has approved the plans and specifications of the road project; or

(2) the state if the state will operate and maintain the road and the Texas Transportation Commission has approved the plans and specifications of the road project.

(b) Except as provided by Subsection (c), the district shall operate and maintain a road project authorized by Section 3979.0304 that the district implements and does not convey to a municipality, a county, or this state under Subsection (a).

(c) The district may agree in writing with a municipality, a county, or this state to assign operation and maintenance duties to the district, the municipality, the county, or this state in a manner other than the manner described in Subsections (a) and (b).

Sec. 3979.0306. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 3979.0307. LAW ENFORCEMENT SERVICES. Section 49.216, Water Code, applies to the district.

Sec. 3979.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3979.0309. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers that:

(1) Chapter 380, Local Government Code, provides to a municipality;  
and

(2) Subchapter A, Chapter 1509, Government Code, provides to a municipality.

Sec. 3979.0310. STRATEGIC PARTNERSHIP AGREEMENT. The district may negotiate and enter into a written strategic partnership agreement with a municipality under Section 43.0751, Local Government Code.

Sec. 3979.0311. REGIONAL PARTICIPATION AGREEMENT. The district may negotiate and enter into a written regional participation agreement with a municipality under Section 43.0754, Local Government Code.

Sec. 3979.0312. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3979.0313. ADDING OR EXCLUDING LAND. (a) The district may add land as provided by Subchapter J, Chapter 49, Water Code.



(b) The district may exclude land as provided by Subchapter J, Chapter 49, Water Code. Section 375.044(b), Local Government Code, does not apply to the district.

(c) The district may include and exclude land as provided by Sections 54.739-54.747, Water Code. A reference in those sections to a "tax" means an ad valorem tax for the purposes of this subsection.

(d) If the district adopts a sales and use tax authorized at an election held under Section 3979.0602 and subsequently includes new territory in the district under this section, the district:

(1) is not required to hold another election to approve the imposition of the sales and use tax in the included territory; and

(2) shall impose the sales and use tax in the included territory as provided by Chapter 321, Tax Code.

(e) If the district adopts a sales and use tax authorized at an election held under Section 3979.0602 and subsequently excludes territory in the district under this section, the sales and use tax is inapplicable to the excluded territory, as provided by Chapter 321, Tax Code, but is applicable to the territory remaining in the district.

Sec. 3979.0314. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3979.0315. AUDIT EXEMPTION. (a) The district may elect to complete an annual financial report in lieu of an annual audit under Section 375.096(a)(6), Local Government Code, if:

(1) the district had no bonds or other long-term (more than one year) liabilities outstanding during the fiscal period;

(2) the district did not have gross receipts from operations, loans, taxes, assessments, or contributions in excess of \$250,000 during the fiscal period; and

(3) the district's cash and temporary investments were not in excess of \$250,000 during the fiscal period.

(b) Each annual financial report prepared in accordance with this section must be open to public inspection and accompanied by an affidavit signed by a duly authorized representative of the district attesting to the accuracy and authenticity of the financial report.

(c) The annual financial report and affidavit shall be substantially similar in form to the annual financial report and affidavit forms prescribed by the executive director of the commission under Section 49.198, Water Code.

Sec. 3979.0316. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

#### SUBCHAPTER D. ASSESSMENTS

Sec. 3979.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3979.0402. METHOD OF NOTICE FOR HEARING. The district may mail the notice required by Section 375.115(c), Local Government Code, by certified or first class United States mail. The board shall determine the method of notice.

Sec. 3979.0403. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

#### **SUBCHAPTER E. TAXES AND BONDS**

Sec. 3979.0501. TAX ELECTION REQUIRED. The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.

Sec. 3979.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 3979.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

(1) maintain and operate the district;

(2) construct or acquire improvements; or

(3) provide a service.

(b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

Sec. 3979.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district, by competitive bid or negotiated sale, may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

(c) The limitation on the outstanding principal amount of bonds, notes, or other obligations provided by Section 49.4645, Water Code, does not apply to the district.

Sec. 3979.0504. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

(1) revenue other than ad valorem taxes, including contract revenues; or

(2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Sec. 3979.0505. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section 3979.0501, the district may issue bonds payable from ad valorem taxes.

(b) Section 375.243, Local Government Code, does not apply to the district.

(c) At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. 3979.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not issue bonds until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

(b) This section applies only to the district's first issuance of bonds payable from ad valorem taxes.

#### SUBCHAPTER F. SALES AND USE TAX

Sec. 3979.0601. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition, computation, administration, enforcement, and collection of the sales and use tax authorized by this subchapter except to the extent Chapter 321, Tax Code, is inconsistent with this chapter.

(b) A reference in Chapter 321, Tax Code, to a municipality or the governing body of a municipality is a reference to the district or the board, respectively.

Sec. 3979.0602. ELECTION; ADOPTION OF TAX. (a) The district may adopt a sales and use tax if authorized by a majority of the voters of the district voting at an election held for that purpose.

(b) The board by order may call an election to authorize the adoption of the sales and use tax. The election may be held on any uniform election date and in conjunction with any other district election.

(c) The ballot shall be printed to provide for voting for or against the proposition: "Authorization of a sales and use tax in the Montgomery County Management District No. 1 at a rate not to exceed \_\_\_\_\_ percent" (insert rate of one or more increments of one-eighth of one percent).

Sec. 3979.0603. SALES AND USE TAX RATE. (a) On or after the date the results are declared of an election held under Section 3979.0602, at which the voters approved imposition of the tax authorized by this subchapter, the board shall determine and adopt by resolution or order the initial rate of the tax, which must be in one or more increments of one-eighth of one percent.

(b) After the election held under Section 3979.0602, the board may increase or decrease the rate of the tax by one or more increments of one-eighth of one percent.

(c) The initial rate of the tax or any rate resulting from subsequent increases or decreases may not exceed the lesser of:

(1) the maximum rate authorized by the district voters at the election held under Section 3979.0602; or

(2) a rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district, would result in the maximum combined rate prescribed by Section 321.101(f), Tax Code, at any location in the district.

Sec. 3979.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This section applies to the district after a municipality annexes part of the territory in the district and imposes the municipality's sales and use tax in the annexed territory.

(b) If at the time of annexation the district has outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, Section 321.102(g), Tax Code, applies to the district.

(c) If at the time of annexation the district does not have outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, the district may:

(1) exclude the annexed territory from the district, if the district has no outstanding debt or other obligations payable from any source; or

(2) reduce the sales and use tax in the annexed territory by resolution or order of the board to a rate that, when added to the sales and use tax rate imposed by the municipality in the annexed territory, is equal to the sales and use tax rate imposed by the district in the district territory that was not annexed by the municipality.

Sec. 3979.0605. NOTIFICATION OF RATE CHANGE. The board shall notify the comptroller of any changes made to the tax rate under this subchapter in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

Sec. 3979.0606. USE OF REVENUE. Revenue from the sales and use tax imposed under this subchapter is for the use and benefit of the district and may be used for any district purpose. The district may pledge all or part of the revenue to

the payment of bonds, notes, or other obligations, and that pledge of revenue may be in combination with other revenue, including tax revenue, available to the district.

Sec. 3979.0607. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter without an election.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

(c) If the board abolishes the tax, the board shall notify the comptroller of that action in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

(d) If the board abolishes the tax or decreases the tax rate to zero, a new election to authorize a sales and use tax must be held under Section 3979.0602 before the district may subsequently impose the tax.

(e) This section does not apply to a decrease in the sales and use tax authorized under Section 3979.0604(c)(2).

#### SUBCHAPTER G. HOTEL OCCUPANCY TAX

Sec. 3979.0701. DEFINITION. In this subchapter, "hotel" has the meaning assigned by Section 156.001, Tax Code.

Sec. 3979.0702. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) For purposes of this subchapter:

(1) a reference in Subchapter A, Chapter 352, Tax Code, to a county is a reference to the district; and

(2) a reference in Subchapter A, Chapter 352, Tax Code, to the commissioners court is a reference to the board.

(b) Except as inconsistent with this subchapter, Subchapter A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized by this subchapter, including the collection of the tax, subject to the limitations prescribed by Sections 352.002(b) and (c), Tax Code.

Sec. 3979.0703. TAX AUTHORIZED; USE OF REVENUE. The district may impose a hotel occupancy tax for any purpose described by Section 351.101 or 352.101, Tax Code.

Sec. 3979.0704. TAX RATE. (a) The amount of the hotel occupancy tax may not exceed the lesser of:

(1) the maximum rate prescribed by Section 352.003(a), Tax Code; or

(2) a rate that, when added to the rates of all hotel occupancy taxes imposed by other political subdivisions with territory in the district and by this state, does not exceed the sum of the rate prescribed by Section 351.0025(b), Tax Code, plus two percent.

(b) The district tax is in addition to a tax imposed by a municipality under Chapter 351, Tax Code, or by the county under Chapter 352, Tax Code.

Sec. 3979.0705. INFORMATION. The district may examine and receive information related to the imposition of hotel occupancy taxes to the same extent as if the district were a county.

Sec. 3979.0706. USE OF REVENUE. The district may use revenue from the hotel occupancy tax for any district purpose that is an authorized use of hotel occupancy tax revenue under Chapter 35 or 352, Tax Code. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations and that pledge of revenue may be in combination with other revenue available to the district.

Sec. 3979.0707. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

#### SUBCHAPTER I. DISSOLUTION BY BOARD

Sec. 3979.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

(b) The board by majority vote may dissolve the district at any time.

(c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:

(1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.

(d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

SECTION 2. The Montgomery County Management District No. 1 initially includes all the territory contained in the following area:

#### TRACT 1

A metes and bounds description of a 279.07 acre tract of land situated in the Edward Taylor Survey, Abstract Number 554, Montgomery County, Texas; being all of a called 279.65 acre tract conveyed to Mitchell Energy Corporation by Surface Deed and Subsurface Easement dated January 1, 1995 and filed for record under Clerk's File No. 9509774 of the Montgomery County Official Public Records of Real Property; said 279.07 acres being more particularly described as follows with all bearing based on the Texas Coordinate System of 1983, Central Zone:

BEGINNING at a found 1/2-inch iron rod in the apparent west right-of-way of Cripple Creek Drive North, for an angle corner in the north line of Lot 1 of Galleria Oaks Estates as shown on a plat filed for record in Cabinet B, Sheet 79 of the Montgomery County Map Records and the southeast corner of said 279.65 acres, same being the southeast corner of the herein described tract, from which a found 1/2-inch iron rod bears North  $77^{\circ}23'58''$  East, 38.23 feet;

THENCE, South  $86^{\circ}25'45''$  West, along the north line of Lots 1- 7 of said Galleria Oaks Estates and the south line of said 279.65 acres, passing a found 1-inch iron pipe at 244.84 feet, a found axle at 544.26 feet, 5.56 feet right, a found 8-inch by 8-inch concrete monument at 544.89 feet, 4.90 feet right, and a found 1-inch iron pipe at 1170.28 feet, continuing for a total distance of 1988.05 feet (called 1997.31) to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner") in the northeast right-of-way of the Union Pacific Railroad (formerly I & G.N. Railroad Company) (width varies) filed for record under Volume 26, Page 351 of the Montgomery County Deed Records, for the south corner of the herein described tract, from which a found 8-inch by 8-inch concrete monument bears South  $86^{\circ}25'45''$  West, 9.14 feet;

THENCE, along the northeast right-of-way of the said Union Pacific Railroad and the southwest line of the herein described tract the following five (5) courses and distances:

1. North  $59^{\circ}15'02''$  West, 1127.60 feet, departing the north line of said Lot 7, to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner");

2. North  $30^{\circ}44'58''$  East, 25.00 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner");

3. North  $59^{\circ}15'02''$  West, 600.00 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner");

4. South  $30^{\circ}44'58''$  West, 25.00 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner");

5. North  $59^{\circ}15'02''$  West, 1371.85 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner") in the south line of a called 139.384 acre tract conveyed to Norma Helen Schoessow by Special Warranty Deed dated October 23, 1995 and filed for record under Clerk's File No. 9559657 of the Montgomery County Official Public Records of Real Property, for the west corner of the herein described tract, from which a found 8-inch by 8-inch concrete monument bears South  $87^{\circ}11'00''$  East, 8.79 feet;

THENCE, North  $87^{\circ}11'00''$  East, 2105.63 feet (called 2114.59 feet), departing the northeast right-of-way of the said Union Pacific Railroad, along the south line of said 139.384 acres, a north line of said 279.65 acres, and a north line of the herein described tract to a found 8-inch by 8-inch concrete monument, for an angle corner for said 139.384 acres, said 279.65 acres, and the herein described tract;

THENCE, North  $32^{\circ}44'24''$  East, along the southeast line of said 139.384 acres, the northwest line of said 279.65 acres, and the northwest line of the herein described tract, passing a found 1/2-inch iron rod (bent) at

2037.03 feet, 4.74 feet right, continuing for a total distance of 2056.48 feet to a found 1-inch pinched top pipe, for an angle corner for said 139.384 acres, said 279.65 acres, and the herein described tract;

THENCE, North 02°29'44" West, 2678.96 feet (called 2681.84 feet) along the east line of said 139.384 acres, the west line of said 279.65 acres, and the west line of the herein described tract to a found 8-inch by 8-inch concrete monument in the south line of a called 77.051 acre tract conveyed to Susan Halstead, Vincent S. Halstead, Steven B. Schoessow, Clarice J. Fore, Curtis F. Schoessow, Douglas P. Schoessow, Jana B. McNeil and Adrienne Leigh Fore by Gift Deed dated October 10, 2014 and filed for record under Clerk's File No. 2014100067 of the Montgomery County Official Public Records of Real Property, for the northeast corner of said 139.384 acres and the northwest corner of said 279.65 acres, same being the northwest corner of the herein described tract, from which a found 1/2-inch iron pipe bears North 01°41'45" East, 0.61 feet;

THENCE, North 86°56'34" East, along the south line of said 77.051 acres, the north line of said 279.65 acres, and the north line of the herein described tract, passing a found 1-inch pinched top pipe at 298.14 feet, continuing along the north line of said 279.65 acres and the north line of the herein described tract for a total distance of 715.80 feet to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner") for an angle corner;

THENCE, North 86°38'34" East, 561.72 feet (called 561.50 feet), continuing along the north line of said 279.65 acres and the north line of the herein described tract to a found 1/2-inch iron pipe in the apparent east line of the Edward Taylor Survey, Abstract Number 554 and the apparent west line of the Leander Wescott Survey, Abstract Number 616, for the southeast corner of a called 10 acre tract conveyed to Axe Em Investments, L.P. by Special Warranty Deed dated October 1, 2003 and filed for record under Clerk's File No. 2003-134286 of the Montgomery County Official Public Records of Real Property and the northeast corner of said 279.65 acres, same being the northeast corner of the herein described tract, from which a found 1/2-inch iron rod bears North 03°18'03" West, 941.08 feet;

THENCE, South 02°35'38" East, along the apparent east line of the Edward Taylor Survey, Abstract Number 554, the apparent west line of the Leander Wescott Survey, Abstract Number 616, the east line of said 279.65 acres and the east line of the herein described tract, passing a found 1/2-inch iron pipe at a distance of 2090.96 feet, 12.71 feet right, a found 5/8-inch iron rod at a distance of 2094.87 feet, 12.74 feet right and a found 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner") (previously set for survey of adjoining acreage) at a distance of 2107.96 feet, continuing along apparent east line of the Edward Taylor Survey, Abstract Number 554, the apparent west line of the Robin George Survey, Abstract Number 470, the apparent west line of the Leander Wescott Survey, Abstract Number 615, the west line of Block 4 of Cripple Creek Farms North Section Three (an unrecorded subdivision), the east line of said 279.65 acres and the east line of the herein described tract, same being the common line of a Boundary Agreement dated August 11, 1958 filed for record in



Volume 458, Page 386 of the Montgomery County Deed Records, passing a found 1/2-inch iron pipe at a distance of 2978.61 feet, 4.46 feet right, a found 1/2-inch iron pipe at a distance of 3178.70 feet, 4.50 feet right, a found 5/8-inch iron rod at a distance of 3408.76 feet, 4.96 feet right, a found 1/2-inch iron pipe at a distance of 3638.37 feet, 5.76 feet right, a found 1/2-inch iron pipe at a distance of 3846.97 feet, 5.42 feet right, a found 1/2-inch iron pipe at a distance of 4046.44 feet, 4.77 feet right, a found 3/4-inch iron rod at a distance of 4246.56 feet, 4.32 feet right, a found 1/2-inch iron pipe at a distance of 4446.96 feet, 5.22 feet right, a found 1/2-inch iron pipe at a distance of 4646.61 feet, 6.40 feet right, a found 5/8-inch iron rod at a distance of 4845.95 feet, 6.30 feet right, a found 1/2-inch iron pipe at a distance of 5044.96 feet, 6.79 feet right, a found 1/2-inch iron pipe at a distance of 5644.64 feet, 6.54 feet right, a found 1/4-inch iron pipe at a distance of 5665.25 feet, 7.16 feet right, a found 5/8-inch iron rod at a distance of 5665.30 feet, 6.86 feet right, continuing for a total distance of 6047.81 feet (called 6051.88 feet) to the POINT OF BEGINNING, CONTAINING 279.07 acres of land in Montgomery County, Texas, as shown on drawing number 9629-A.

#### TRACT 2

A METES AND BOUNDS description of a 842.23 acre tract of land situated in the Charles Frazier Survey, Abstract Number 206, the Andrew J. Hensley Survey, Abstract Number 255, the Azariah Prather Survey, Abstract Number 427 and the Leander Wescott Survey, Abstract Number 616, Montgomery County, Texas; being out of and a part of a called 881.183 acre tract (Tract 1) conveyed to Mitchell Energy Corporation by Special Warranty Deed dated July 31, 1997 and filed for record under Clerk's File No. 9746155 of the Montgomery County Official Public Records of Real Property; said 842.23 acres being more particularly described as follows with all bearings based on the Texas Coordinate System of 1983, Central Zone:

BEGINNING at a found 3-inch iron pipe for the north corner Greentree Forest Estates (an Unrecorded Subdivision), same being an interior corner of the herein described tract;

THENCE, South 42°47'48" West, along the northwest line of said Greentree Forest Estates and a southeast line of said 881.183 acres, passing a found 5/8-inch iron rod at 256.52 feet, a found 1/2-inch iron rod at 374.49 feet, 0.17 feet left, a found 5/8-inch iron rod at 847.40 feet, a found 5/8-inch iron rod at 965.59 feet, 0.38 feet right, a found 1/2-inch iron rod at 1202.01 feet, a found 1/2-inch iron rod at 1442.52 feet, 1.05 feet right, a found 5/8-inch iron rod at 1686.50 feet and a found 1/2-inch iron rod at 1921.45 feet, continuing for a total distance of 2155.95 feet (called 2155.95 feet) to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner") in the northeast line of called 4.615 acre tract, known as Tract 17, Block 4 of Cripple Creek Farms North Section Three (an unrecorded subdivision), conveyed to Larry Dan McQuerry and wife, Mary Margaret McQuerry by General Warranty Deed dated April 2, 1980 and filed for record under Clerk's File No. 8011618 of the Montgomery County Official

Public Records of Real Property, for a southwest corner of the herein described tract, from which a found 1/2-inch iron rod bears South 47°45'18" East, 171.07 feet;

THENCE, North 47°25'32" West, 433.31 feet (called 1246.42 feet), departing the northwest line of said Greentree Forest Estates, along the northeast line of said 4.615 acres and a southwest line of said 881.183 acres to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner") in the east line of a called 279.65 acre tract conveyed to Mitchell Energy Corporation by Surface Deed and Subsurface Easement dated January 1, 1995 and file for record under Clerk's File No. 9509774 of the Montgomery County Official Public Records of Real Property, same being the apparent east line of the Edward Taylor Survey, Abstract Number 554 and the apparent west line of the Leander Wescott Survey, Abstract Number 616, from which found 3-1/2" iron pipe bears North 47°25'32" West, 812.94 feet, and a found 1/2-inch iron rod bears South 02°35'38" East, 3939.85 feet;

THENCE, North 02°35'38" West, departing the northeast line of said 4.615 acres, along the east line of said 279.65 acres, the apparent east line of the Edward Taylor Survey, Abstract Number 554 and the apparent west line of the Leander Wescott Survey, Abstract Number 616, passing a 5/8-inch iron rod at 13.09 feet, 12.74 feet left and a found 1/2-inch iron pipe at 17.01 feet, 12.71 feet left, continuing for a total distance of 2107.96 feet to a found 1/2-inch iron pipe for the southeast corner of a called 10 acre tract conveyed to Axe Em Investments, L.P. by Special Warranty Deed dated October 1, 2003 and filed for record under Clerk's File No. 2003-134286 of the Montgomery County Official Public Records of Real Property, the northeast corner of said 279.65 acres and an angle point in the west line of the herein described tract, from which a found 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner") bears South 86°38'34" West, 561.72 feet;

THENCE, North 03°18'03" West, continuing along the apparent east line of the Edward Taylor Survey, Abstract Number 554, the apparent west line of the Leander Wescott Survey, Abstract Number 616, and the east line of said 10 acres, passing a 1/2-inch iron rod at 220.99 feet, continuing along the east line of said 10 acres, the east line of a called 5 acre tract and another called 10 acre tract (hereinafter referred to as "northern 10 acres"), both conveyed to Axe Em Investments, L.P. by Special Warranty Deed dated October 1, 2003 and filed for record under Clerk's File No. 2003-134286 of the Montgomery County Official Public Records of Real Property for a total distance of 941.08 feet to a found 1/2-inch iron rod in the north line of said 881.183 acres for an angle point in the south line of a called 757.02 acre tract ("Tract III") conveyed to 1488 Corp. by Special Warranty Deed dated December 29, 2015 and filed for record under Clerk's File No. 2016002467 of the Montgomery County Official Public Records of Real Property, same being the northwest corner of the herein described tract, from which a found axle bears North 48°48'43" West, 728.19 feet and a found 3/4-inch pinched top pipe bears North 03°04'57" West, 1286.89 feet;

THENCE, departing the east line of said northern 10 acres, the apparent east line of the Edward Taylor Survey, Abstract Number 554 and the apparent west line of the Leander Wescott Survey, Abstract Number 616, along the south line of said 757.02 acres and the north line of said 881.183 acres the following six (6) courses and distances:

1. South 48°52'00" East, 593.66 feet (called 1321.86 feet) to a found 3-inch iron pipe for an angle point;

2. North 42°00'28" East, 807.36 feet (called 807.98 feet) to a found 3-inch iron pipe;

3. North 43°20'46" East, 781.14 feet (called 779.36 feet) to a found 3/4-inch iron pipe;

4. North 41°41'25" East, 1538.43 feet (called 1540.14 feet) to a found 3-inch iron pipe;

5. North 42°24'04" East, 777.81 feet (called 778.99 feet) to a found 1/2-inch iron rod;

6. North 42°15'57" East, 706.71 feet (called 710.25 feet) to a point in the centerline of Mill Creek, for the west corner of a called 6.11186 acre tract, known as Tract 12 of Wildwood Estates (an unrecorded subdivision), conveyed to John M. Burdick and wife, Sandra A. Burdick by Warranty Deed dated October 14, 1991 and file for record under Clerk's File No. 9148107 of the Montgomery County Official Public Records of Real Property, same being the north corner of said 881.183 acres and the herein described tract, from which a found 1-inch iron pipe bears North 42°15'57" East, 1881.50 feet;

THENCE, departing the south line of said 757.02 acres, along the centerline meanders of said Mill Creek, same being the east line of said 881.183 acres, the following two-hundred and forty-six (246) courses and distances:

1. South 12°18'18" East, 20.94 feet to a point;
2. South 22°23'59" East, 74.66 feet to a point;
3. South 42°53'52" West, 46.44 feet to a point;
4. South 36°58'56" West, 46.01 feet to a point;
5. South 09°52'55" East, 37.33 feet to a point;
6. North 87°56'29" East, 80.12 feet to a point;
7. South 45°12'31" East, 17.10 feet to a point;
8. South 10°52'22" East, 26.87 feet to a point;
9. South 02°05'39" East, 26.13 feet to a point;
10. South 12°44'29" East, 19.29 feet to a point;
11. South 04°45'43" West, 43.16 feet to a point;
12. South 35°59'36" East, 36.12 feet to a point;
13. South 09°16'25" West, 32.54 feet to a point;
14. South 12°40'55" West, 171.14 feet to a point;
15. South 06°14'53" East, 70.78 feet to a point;
16. South 41°23'52" East, 61.54 feet to a point;
17. South 14°42'38" East, 130.27 feet to a point;
18. South 23°55'53" East, 126.21 feet to a point;
19. South 10°03'51" East, 50.67 feet to a point;
20. South 36°50'20" East, 107.39 feet to a point;

21. South 10°43'38" East, 60.21 feet to a point;
22. South 21°14'15" West, 153.28 feet to a point;
23. South 22°33'14" West, 58.07 feet to a point;
24. South 05°35'01" West, 20.25 feet to a point;
25. South 61°22'44" East, 38.41 feet to a point;
26. South 69°02'33" East, 58.99 feet to a point;
27. South 12°12'50" East, 124.16 feet to a point;
28. South 32°31'48" East, 44.10 feet to a point;
29. South 57°36'47" East, 61.05 feet to a point;
30. South 53°27'39" East, 56.94 feet to a point;
31. South 33°14'19" East, 97.80 feet to a point;
32. South 21°00'11" East, 47.88 feet to a point;
33. South 00°14'08" West, 9.48 feet to a point;
34. South 35°38'34" West, 15.42 feet to a point;
35. South 05°09'49" West, 35.23 feet to a point;
36. South 41°24'16" East, 29.71 feet to a point;
37. South 59°26'29" East, 22.32 feet to a point;
38. South 69°02'33" East, 324.70 feet to a point;
39. South 85°20'52" East, 48.71 feet to a point;
40. North 78°12'44" East, 26.46 feet to a point;
41. North 42°26'02" East, 37.26 feet to a point;
42. North 09°57'57" East, 21.44 feet to a point;
43. North 71°11'45" West, 44.32 feet to a point;
44. North 43°20'43" West, 8.72 feet to a point;
45. North 01°04'41" West, 22.38 feet to a point;
46. North 21°27'17" East, 14.55 feet to a point;
47. North 35°12'16" East, 57.34 feet to a point;
48. South 40°49'24" East, 26.21 feet to a point;
49. South 26°33'49" East, 19.14 feet to a point;
50. South 78°44'47" East, 39.61 feet to a point;
51. South 42°37'50" East, 117.76 feet to a point;
52. South 63°31'02" East, 54.42 feet to a point;
53. North 86°22'35" East, 14.48 feet to a point;
54. South 83°23'38" East, 50.81 feet to a point;
55. South 41°53'26" East, 37.41 feet to a point;
56. South 10°42'29" East, 156.83 feet to a point;
57. South 50°37'37" East, 26.55 feet to a point;
58. South 35°05'48" East, 74.85 feet to a point;
59. South 34°45'59" East, 50.28 feet to a point;
60. South 63°14'51" East, 163.53 feet to a point;
61. South 87°53'24" East, 20.12 feet to a point;
62. North 48°15'22" East, 95.09 feet to a point;
63. South 57°40'49" East, 12.18 feet to a point;
64. South 55°52'46" East, 39.03 feet to a point;
65. South 30°38'19" East, 13.33 feet to a point;
66. South 17°12'36" East, 20.13 feet to a point;

67. South 54°53'29" East, 145.28 feet to a point;
68. South 66°39'02" East, 56.87 feet to a point;
69. South 75°44'05" East, 87.52 feet to a point;
70. South 58°53'21" East, 90.35 feet to a point;
71. North 88°28'59" East, 42.27 feet to a point;
72. South 56°16'37" East, 181.99 feet to a point;
73. South 40°53'21" East, 125.58 feet to a point;
74. South 31°26'40" West, 50.99 feet to a point;
75. South 28°10'18" West, 24.21 feet to a point;
76. South 77°29'22" East, 19.73 feet to a point;
77. South 50°09'42" East, 96.47 feet to a point;
78. South 56°32'41" East, 38.23 feet to a point;
79. South 54°49'44" East, 31.98 feet to a point;
80. North 77°40'42" East, 30.26 feet to a point;
81. North 80°05'57" East, 64.03 feet to a point;
82. South 66°03'01" East, 290.35 feet to a point;
83. South 63°25'23" East, 170.62 feet to a point;
84. South 62°41'27" East, 181.12 feet to a point;
85. South 49°53'40" East, 59.94 feet to a point;
86. South 39°07'27" East, 46.28 feet to a point;
87. South 05°14'20" West, 92.52 feet to a point;
88. South 63°37'44" West, 38.32 feet to a point;
89. South 46°52'08" West, 17.69 feet to a point;
90. South 30°30'24" West, 32.48 feet to a point;
91. South 52°08'30" West, 30.87 feet to a point;
92. North 88°59'43" West, 56.63 feet to a point;
93. South 40°10'42" West, 137.98 feet to a point;
94. South 17°29'36" West, 77.42 feet to a point;
95. South 00°37'28" East, 30.27 feet to a point;
96. South 83°36'36" East, 64.24 feet to a point;
97. South 86°39'20" East, 105.45 feet to a point;
98. South 46°06'16" East, 176.19 feet to a point;
99. South 56°22'42" East, 61.38 feet to a point;
100. South 53°51'41" East, 64.61 feet to a point;
101. North 46°16'54" East, 19.60 feet to a point;
102. North 42°53'51" East, 33.81 feet to a point;
103. North 81°54'47" East, 105.65 feet to a point;
104. South 78°49'30" East, 53.59 feet to a point;
105. South 39°53'14" East, 18.21 feet to a point;
106. South 27°02'07" East, 57.44 feet to a point;
107. South 40°36'08" East, 83.23 feet to a point;
108. South 36°14'03" East, 104.79 feet to a point;
109. South 21°55'33" West, 120.32 feet to a point;
110. South 45°28'18" West, 24.82 feet to a point;
111. North 87°16'18" West, 60.19 feet to a point;
112. South 04°03'57" West, 40.49 feet to a point;

113. South 19°30'55" West, 113.56 feet to a point;
114. South 17°09'33" West, 26.63 feet to a point;
115. South 06°32'51" West, 52.58 feet to a point;
116. South 48°03'00" East, 198.07 feet to a point;
117. South 78°07'22" East, 39.83 feet to a point;
118. South 45°15'38" East, 108.53 feet to a point;
119. South 15°27'32" East, 74.05 feet to a point;
120. South 29°42'12" East, 187.05 feet to a point;
121. South 10°51'23" East, 98.64 feet to a point;
122. South 13°57'22" West, 16.81 feet to a point;
123. South 05°41'13" East, 152.49 feet to a point;
124. South 04°31'17" East, 117.06 feet to a point;
125. South 04°48'51" West, 67.94 feet to a point;
126. South 20°51'03" West, 86.27 feet to a point;
127. South 48°35'35" West, 63.11 feet to a point;
128. South 48°58'11" West, 27.31 feet to a point;
129. South 41°19'59" West, 147.94 feet to a point;
130. South 16°43'24" West, 51.25 feet to a point;
131. South 38°48'25" West, 129.88 feet to a point;
132. South 48°43'18" West, 33.26 feet to a point;
133. South 49°33'27" West, 63.28 feet to a point;
134. South 34°02'23" West, 138.93 feet to a point;
135. South 43°19'50" West, 77.02 feet to a point;
136. South 21°42'27" East, 21.32 feet to a point;
137. South 19°31'50" East, 69.55 feet to a point;
138. South 10°43'23" East, 164.23 feet to a point;
139. South 50°46'56" East, 96.05 feet to a point;
140. South 38°12'17" East, 124.95 feet to a point;
141. South 14°25'39" East, 40.20 feet to a point;
142. South 04°53'50" East, 123.95 feet to a point;
143. South 32°39'47" East, 115.61 feet to a point;
144. South 15°59'49" East, 145.05 feet to a point;
145. South 44°34'59" East, 144.65 feet to a point;
146. South 62°03'10" East, 95.40 feet to a point;
147. South 79°38'44" East, 72.91 feet to a point;
148. South 10°24'52" East, 229.66 feet to a point;
149. North 68°22'11" West, 80.47 feet to a point;
150. South 07°25'05" East, 48.42 feet to a point;
151. South 02°41'47" West, 198.27 feet to a point;
152. South 43°12'25" West, 88.27 feet to a point;
153. South 51°53'13" West, 53.80 feet to a point;
154. South 46°45'22" East, 42.20 feet to a point;
155. South 61°43'29" East, 161.36 feet to a point;
156. South 28°19'40" East, 101.12 feet to a point;
157. South 32°48'06" East, 144.76 feet to a point;
158. South 50°37'24" East, 51.47 feet to a point;

159. South 28°01'42" East, 126.58 feet to a point;
160. South 38°57'45" East, 107.31 feet to a point;
161. South 50°24'34" East, 71.71 feet to a point;
162. South 09°29'22" East, 212.34 feet to a point;
163. South 00°20'59" West, 132.90 feet to a point;
164. South 19°40'54" East, 86.34 feet to a point;
165. South 14°58'26" West, 140.70 feet to a point;
166. South 10°08'09" West, 74.76 feet to a point;
167. South 53°21'21" West, 115.04 feet to a point;
168. South 27°54'49" West, 62.71 feet to a point;
169. South 34°48'30" East, 61.40 feet to a point;
170. South 66°20'22" East, 141.85 feet to a point;
171. South 72°53'56" East, 64.16 feet to a point;
172. South 80°40'10" East, 93.92 feet to a point;
173. North 88°21'42" East, 215.53 feet to a point;
174. North 72°22'13" East, 72.02 feet to a point;
175. North 30°33'22" East, 51.13 feet to a point;
176. North 53°06'11" East, 67.65 feet to a point;
177. South 89°23'41" East, 60.02 feet to a point;
178. North 69°42'48" East, 89.16 feet to a point;
179. North 84°21'21" East, 28.12 feet to a point;
180. South 65°03'29" East, 63.15 feet to a point;
181. South 24°31'20" East, 153.15 feet to a point;
182. South 79°55'10" East, 74.23 feet to a point;
183. South 30°19'44" East, 69.41 feet to a point;
184. South 26°36'17" West, 67.33 feet to a point;
185. South 51°53'55" East, 28.30 feet to a point;
186. South 48°09'02" East, 20.98 feet to a point;
187. South 69°54'32" East, 42.71 feet to a point;
188. South 49°35'02" East, 114.15 feet to a point;
189. South 61°51'29" East, 70.82 feet to a point;
190. North 56°45'53" East, 81.24 feet to a point;
191. North 10°22'42" West, 27.52 feet to a point;
192. North 44°20'07" West, 46.76 feet to a point;
193. North 14°23'02" West, 40.60 feet to a point;
194. North 81°26'55" East, 88.16 feet to a point;
195. South 81°27'52" East, 225.26 feet to a point;
196. North 50°13'30" East, 52.21 feet to a point;
197. South 83°42'53" East, 38.65 feet to a point;
198. South 53°20'17" East, 54.33 feet to a point;
199. South 34°41'44" East, 78.36 feet to a point;
200. South 04°59'36" West, 17.83 feet to a point;
201. South 75°56'24" West, 26.48 feet to a point;
202. North 80°06'10" West, 22.44 feet to a point;
203. South 15°30'22" West, 102.03 feet to a point;
204. South 77°49'42" West, 77.55 feet to a point;

205. South 05°43'31" West, 17.16 feet to a point;
206. South 36°38'48" East, 52.50 feet to a point;
207. South 22°17'18" West, 18.42 feet to a point;
208. South 46°04'19" West, 106.13 feet to a point;
209. South 00°20'40" East, 46.25 feet to a point;
210. North 86°03'23" East, 65.78 feet to a point;
211. South 88°15'33" East, 59.39 feet to a point;
212. South 72°52'21" East, 84.16 feet to a point;
213. South 22°30'03" East, 31.04 feet to a point;
214. South 07°37'19" West, 34.13 feet to a point;
215. South 13°51'28" East, 32.68 feet to a point;
216. South 42°01'46" East, 82.75 feet to a point;
217. South 32°57'14" East, 31.07 feet to a point;
218. South 26°42'20" West, 36.83 feet to a point;
219. South 51°10'47" West, 104.44 feet to a point;
220. South 78°09'38" West, 133.44 feet to a point;
221. North 65°18'54" West, 40.51 feet to a point;
222. North 20°57'04" West, 19.22 feet to a point;
223. North 20°58'16" East, 21.54 feet to a point;
224. North 31°10'24" West, 21.19 feet to a point;
225. South 86°54'36" West, 98.56 feet to a point;
226. South 62°17'52" West, 61.48 feet to a point;
227. South 10°48'36" West, 14.13 feet to a point;
228. South 68°28'09" West, 146.02 feet to a point;
229. South 66°50'57" West, 13.98 feet to a point;
230. South 54°14'31" West, 9.13 feet to a point;
231. South 28°53'35" West, 47.36 feet to a point;
232. South 14°53'51" East, 38.67 feet to a point;
233. South 33°16'15" West, 110.49 feet to a point;
234. South 25°51'57" West, 87.36 feet to a point;
235. South 24°40'48" West, 168.46 feet to a point;
236. South 18°07'49" West, 119.57 feet to a point;
237. South 07°55'38" West, 73.03 feet to a point;
238. South 30°22'38" East, 68.89 feet to a point;
239. South 08°41'13" West, 43.89 feet to a point;
240. South 20°25'31" West, 64.73 feet to a point;
241. South 06°48'07" West, 63.29 feet to a point;
242. South 07°37'07" West, 39.79 feet to a point;
243. South 28°55'17" West, 36.09 feet to a point;
244. South 66°13'24" West, 56.17 feet to a point;
245. South 43°02'27" West, 59.63 feet to a point;
246. South 13°44'31" West, 6.84 feet to a point in the northeast line of Mill

Creek Forest as shown on a plat filed for record in Volume 5, Page 491 of the Montgomery County Deed Records for the most southerly corner of said 881.183 acres and the herein described tract;



THENCE, North 46°43'05" West, departing the centerline meanders of said Mill Creek, along the northeast line of said Mill Creek Forest, and the southwest line of said 881.183 acres, passing a found 1/2-inch iron rod (with cap stamped "Reinke 3971") at 61.41 feet, continuing for a total distance of 397.79 feet (called 414.06) to a found 1/2-inch iron rod (with cap stamped "Geomatics Inc.") for the north corner of said Mill Creek Forest, and an interior corner of said 881.183 acres and the herein described tract;

THENCE, South 43°03'45" West, along the northwest line of said Mill Creek Forest and a southeast line of said 881.183 acres, passing a found 3/4-inch iron pipe at 104.79 feet, 0.97 feet right, continuing for a total distance of 198.18 feet (called 192.78 feet) to a set 3/4-inch iron rod (with cap stamped "Jones|Carter Property Corner") for the east corner of Lot 14, Block 44 of Hazy Hollow East Estates Section 7 (an unrecorded subdivision) conveyed to Malcom James Johnson by Warranty Deed dated April 5, 1991 and filed for record under Clerk's File No. 9230908 of the Montgomery County Official Public Records of Real Property, a south corner of said 881.183 acres and the herein described tract;

THENCE, departing the northwest line of said Mill Creek Forest along the southwest line of said 881.183 acres and the herein described tract the following seven (7) courses and distances:

1. North 47°15'15" West, along the northeast line said Hazy Hollow East Estates Section 7, passing a found 3/8-inch iron rod at 1321.03 feet, 1.17 feet left, passing a found 1/2-inch iron rod at 1429.95 feet, 1.21 feet left, continuing for a total distance of 1755.51 feet to an angle point, from which a found 1/2-inch iron rod bears North 21°27'43" West 4.22 feet;

2. North 47°29'30" West, along the northeast line of said Hazy Hollow East Estates Section 7 and the northeast line of Hazy Hollow East Estates Section 4 (an unrecorded subdivision), passing a found 3/8-inch iron rod at 393.30 feet, 1.24 feet right, continuing for a total distance of 711.72 feet to a point;

3. North 47°20'39" West, along the northeast line of Hazy Hollow East Estates Section 10 (an unrecorded subdivision), passing a found 3/8-inch iron rod at 126.64 feet, 2.16 feet right, passing a found 3/8-inch iron rod at 375.33 feet, 1.09 feet right, passing a found 3/8-inch iron rod at 499.77 feet, 0.63 feet right, continuing for a total distance of 527.41 feet to a point;

4. North 47°17'20" West, along the northeast line of said Hazy Hollow East Estates Section 10, passing a found 5/8-inch iron rod at 96.90 feet, 0.38 feet right, a found 1/2-inch iron rod (bent) at 289.53 feet, a found 3/8-inch iron rod at 422.16 feet, 0.24 feet right, a found 1/2-inch iron rod at 554.92 feet, a found 5/8-inch iron rod at 687.54 feet, a found 3/8-inch iron rod at 1116.06 feet, 0.31 feet left, a found 3/8-inch iron rod at 1239.11 feet, 0.41 feet left, a found 3/8-inch iron rod at 1484.87 feet, 0.98 feet left, a found 3/8-inch iron rod at 1608.04 feet, 1.32 feet left, a found 3/8-inch iron rod at 1731.04 feet, 1.21 feet left, a found 3/8-inch iron rod at 1854.08 feet, 0.55 feet left, a found 5/8-inch square iron bar at 1977.47 feet, 0.11 feet right, a found 5/8-inch square iron bar at 2037.11 feet, 0.36 feet right, a found 3/8-inch iron rod at 2159.55 feet, 1.03 feet right, a found 1/2-inch iron rod (with cap stamped "C&C Surveying") at

2282.80 feet, 0.18 feet right, a found 1/2-inch iron rod (with cap stamped "C&C Surveying") at 2405.70 feet, and a found 3/8-inch iron rod at 2897.75 feet, 0.13 feet right, continuing for a total distance of 3015.29 feet to a point;

5. North 47°22'30" West, along the northeast line of Hazy Hollow East Estates Section 11 (an unrecorded subdivision), passing a found 3/8-inch iron rod at 5.37 feet, 2.20 feet left, a found 3/8-inch iron rod at 128.11 feet, 3.14 feet left, a found 3/8-inch iron rod at 251.00 feet, 3.59 feet left, a found 3/8-inch iron rod at 373.97 feet, 3.79 feet left, a found 3/8-inch iron rod at 496.74 feet, 3.70 feet left, a found 3/8-inch iron rod at 619.44 feet, 3.76 feet left, a found 3/8-inch iron rod at 743.26 feet, 1.81 feet left, and a found 3/8-inch iron rod at 988.51 feet, 0.13 feet left, continuing for a total distance of 1784.65 feet to a found 1/2-inch iron rod for the north corner of said Hazy Hollow East Estates Section 11 and the east corner of Greentree Forest Estates (an unrecorded subdivision);

6. North 47°01'59" West, along the northeast line of said Greentree Forest Estates, passing a found 1/2-inch iron rod at 354.40 feet, passing a found 5/8-inch iron rod at 414.22 feet, continuing for a total distance of 498.04 feet to a found 3-1/2-inch iron pipe;

7. North 47°36'37" West, 270.64 feet (called 270.76 feet) to the POINT OF BEGINNING, CONTAINING 842.23 acres of land in Montgomery County, Texas, as shown on drawing number 9630-A.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. 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, 2019.

#### **HB 4752 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Dutton called up with senate amendments for consideration at this time,

**HB 4752**, A bill to be entitled An Act relating to the territory of the Barrett Management District.

Representative Dutton moved to concur in the senate amendments to **HB 4752**.

The motion to concur in the senate amendments to **HB 4752** prevailed by (Record 1898): 95 Yeas, 44 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, C.; Bernal; Biedermann; Blanco; Bowers; Bucy; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Kuempel; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Ortega; Pacheco; Perez; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Stephenson; Swanson; Talarico; Thierry; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wu; Zerwas; Zwiener.

Nays — Ashby; Bell, K.; Bohac; Bonnen; Buckley; Burns; Burrows; Button; Cain; Cyrier; Dean; Gervin-Hawkins; Goldman; Harless; Harris; Hefner; Holland; Hunter; Klick; Krause; Landgraf; Lang; Leach; Metcalf; Middleton; Miller; Murr; Noble; Oliverson; Parker; Patterson; Paul; Phelan; Shaheen; Smith; Smithee; Springer; Stickland; Stucky; Thompson, E.; Tinderholt; Wilson; Wray; Zedler.

Present, not voting — Mr. Speaker; Geren; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Nevárez; Paddie.

### STATEMENT OF VOTE

When Record No. 1898 was taken, I was shown voting no. I intended to vote yes.

Gervin-Hawkins

### Senate Committee Substitute

**CSHB 4752**, A bill to be entitled An Act relating to the territory of the Barrett Management District.

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

SECTION 1. Section 3930.005, Special District Local Laws Code, is amended to read as follows:

Sec. 3930.005. DISTRICT TERRITORY. (a) The district is composed of the territory described by Section 2 of the Act enacting this chapter, as that territory may have been modified under this section, Section 3930.107, or other law.

(b) The boundaries and field notes of the district contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes of the district contained in Section 2 of the Act enacting this chapter or in copying the field notes in the legislative process does not in any way affect the district's:

- (1) organization, existence, or validity; or
- (2) legality or operation.

(c) The district shall hold an election in the additional territory in the new boundaries of the district described by Section 2 of the Act enacting this subsection on a uniform election date provided by Section 41.001, Election Code, to confirm the addition of the territory to the district.

(d) Notice of the confirmation election shall state the day and place or places for holding the election and the proposition to be voted on.

(e) The ballots for the confirmation election shall be printed to provide for voting "For New District Boundaries" and "Against New District Boundaries."

(f) Immediately after the confirmation election, the presiding judge shall take returns of the results to the board. The board shall canvass the returns and issue an order declaring the results at the earliest practicable time. The order must include a description of the district's boundaries according to the results of the election.

(g) If at least 60 percent of the votes cast in the election favor the addition of the territory to the district, the board shall issue an order declaring that the additional territory is added to the district and enter the result in its minutes. If less than 60 percent of the votes cast in the election favor the addition of the territory to the district, the board shall issue an order declaring that the addition was defeated and enter the result in its minutes.

(h) A copy of each order issued under this section must be filed:

- (1) in the deed records of Harris County; and
- (2) with the Texas Commission on Environmental Quality.

(i) Notwithstanding Subsections (a) and (b) of this section, if at least 60 percent of the votes cast in the election favor the addition of the territory in the new boundaries described by Section 2 of the Act enacting this subsection to the district, the district is composed of the territory in those new boundaries, as that territory may have been modified under Section 3930.107 or other law. The boundaries of the district contained in Section 2 of the Act enacting this subsection form a closure. A mistake in the description of the district contained in Section 2 of the Act enacting this subsection or in copying the description in the legislative process does not in any way affect the district's:

- (1) organization, existence, or validity; or
- (2) legality or operation.

(j) If less than 60 percent of the votes cast in the election favor the addition of the territory in the new boundaries described by Section 2 of the Act enacting this subsection to the district:

- (1) Subsections (a) and (b) apply to the territory of the district; and
- (2) the new boundaries described by Section 2 of the Act enacting this subsection are void.

SECTION 2. The Barrett Management District includes all the territory contained in the area enclosed by:

- (1) Sralla Road from Kennings Road to Barbers Hill Road;
- (2) Barbers Hill Road from Sralla Road to Crosby Lynchburg Road;
- (3) Crosby Lynchburg Road from Barbers Hill Road to Floyd Road;
- (4) Floyd Road from Crosby Lynchburg Road to the San Jacinto River;
- (5) the San Jacinto River from Floyd Road to Beaumont Highway;
- (6) Beaumont Highway from the San Jacinto River to Crosby Lynchburg Road;
- (7) Crosby Lynchburg Road from Beaumont Highway to the northbound U.S. Highway 90 Frontage Road;
- (8) the northbound U.S. Highway 90 Frontage Road from Crosby Lynchburg Road to Kennings Road; and
- (9) Kennings Road from the northbound U.S. Highway 90 Frontage Road to Sralla Road.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. 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, 2019.

## **HB 6 - HOUSE CONCURS IN SENATE AMENDMENTS**

### **TEXT OF SENATE AMENDMENTS**

Representative Morrison called up with senate amendments for consideration at this time,

**HB 6**, A bill to be entitled An Act relating to developing a disaster recovery task force to assist with long-term disaster recovery.

Representative Morrison moved to concur in the senate amendments to **HB 6**.

The motion to concur in the senate amendments to **HB 6** prevailed by (Record 1899): 140 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Stickland.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Bernal.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 6** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. The Texas Division of Emergency Management is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the division may, but is not required to, implement a provision of this Act other appropriations available for that purpose.

### **Senate Amendment No. 2 (Senate Floor Amendment No. 2)**

Amend **HB 6** by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 418.102, Government Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) An emergency management program required by Subsection (a) and maintained by a county, or in which a county participates, must provide for catastrophic debris management.

SECTION \_\_\_\_\_. Not later than January 1, 2020, each county shall provide for catastrophic debris management in the county's emergency management program or in a program in which the county participates as required by Section 418.102(a-1), Government Code, as added by this Act.

**Senate Amendment No. 3 (Senate Floor Amendment No. 3)**

Amend **HB 6** by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Sections 418.005(a), (b), (c), and (e), Government Code, are amended to read as follows:

(a) This section applies only to:

(1) an elected law enforcement officer or county judge, or an appointed public officer of the state or of a political subdivision, who has management or supervisory responsibilities and:

(A) ~~(A)~~ whose position description, job duties, or assignment includes emergency management responsibilities; or

(B) ~~(B)~~ who plays a role in emergency preparedness, response, or recovery; and

(2) an emergency management coordinator designated under Section 418.1015(c) by the emergency management director of a county with a population of 500,000 or more.

(b) Each person described by Subsection (a) shall complete a course of training provided or approved by the division of not less than three hours regarding the responsibilities of state and local governments under this chapter not later than the 180th day after the date the person:

(1) takes the oath of office, if the person is required to take an oath of office to assume the person's duties as a public officer; ~~or~~

(2) otherwise assumes responsibilities as a public officer, if the person is not required to take an oath of office to assume the person's duties; or

(3) is designated as an emergency management coordinator under Section 418.1015(c).

(c) The division shall develop and provide a training course related to the emergency management responsibilities of state-level officers and a training course related to the emergency management responsibilities of officers and emergency management coordinators of political subdivisions. The division shall ensure that the training courses satisfy the requirements of Subsection (b).

(e) The division or other entity providing the training shall provide a certificate of course completion to a person ~~[public officers]~~ who completes ~~[complete]~~ the training required by this section. A person ~~[public officer]~~ who completes the training required by this section shall maintain and make available for public inspection the record of the person's ~~[public officer's]~~ completion of the training.

SECTION \_\_\_\_\_. Not later than March 1, 2020, each person who is required to complete a course of training under Section 418.005, Government Code, as amended by this Act, must complete the training.

**Senate Amendment No. 4 (Senate Floor Amendment No. 4)**

Amend **HB 6** by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 33.604, Natural Resources Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) In addition to the money described by Subsection (b), the account consists of money transferred to the account under Section 156.252, Tax Code. This subsection expires September 1, 2031.

SECTION \_\_\_\_\_. Subchapter F, Chapter 156, Tax Code, is amended by adding Section 156.252 to read as follows:

Sec. 156.252. TEMPORARY ALLOCATION OF CERTAIN REVENUE TO BENEFIT COASTAL COUNTIES. (a) In this section, "coastal county" means any county adjacent to:

(1) the Gulf of Mexico; or

(2) Corpus Christi Bay.

(b) Beginning with the state fiscal year beginning September 1, 2021, and except as provided by Subsection (d), the comptroller shall, not later than September 30 of each state fiscal year:

(1) compute the amount of revenue derived from the collection of taxes imposed under this chapter at a rate of two percent and received from hotels located in coastal counties during the preceding state fiscal year; and

(2) transfer that amount to the coastal erosion response account created under Section 33.604, Natural Resources Code.

(c) Revenue transferred under this section may be appropriated only to the General Land Office for a purpose consistent with Subchapter H, Chapter 33, Natural Resources Code, that benefits a coastal county.

(d) Revenue derived from the collection of taxes under this chapter that is placed in a suspense account under Section 151.429(h) or under Section 2303.5055(f), Government Code, is excluded from the computation required by Subsection (b)(1).

(e) This section expires September 1, 2031.

### **HB 2590 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Biedermann called up with senate amendments for consideration at this time,

**HB 2590**, A bill to be entitled An Act relating to the administration, powers, and duties of a municipal utility district.

Representative Biedermann moved to concur in the senate amendments to **HB 2590**.

The motion to concur in the senate amendments to **HB 2590** prevailed by (Record 1900): 89 Yeas, 51 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, C.; Bell, K.; Biedermann; Blanco; Bohac; Bucy; Button; Calanni; Canales; Clardy; Coleman; Collier; Cortez; Davis, Y.; Dean; Deshotel; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Howard; Huberty; Israel; Johnson, J.E.; King, P.; King, T.; Klick; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Middleton; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Oliverson; Ortega; Pacheco; Perez;



Ramos; Raney; Raymond; Rodriguez; Romero; Rosenthal; Schaefer; Sheffield; Sherman; Shine; Stephenson; Swanson; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wu; Zedler; Zwiener.

Nays — Ashby; Bernal; Bonnen; Bowers; Buckley; Burns; Burrows; Cain; Capriglione; Craddick; Cyrier; Dominguez; Frank; Goldman; Harris; Hefner; Hinojosa; Holland; Hunter; Kacal; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Metcalf; Miller; Murr; Noble; Parker; Patterson; Paul; Phelan; Price; Reynolds; Rose; Sanford; Shaheen; Smith; Smithee; Springer; Stickland; Stucky; Thompson, E.; Tinderholt; Toth; Wilson; Wray; Zerwas.

Present, not voting — Mr. Speaker; King, K.; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Paddie.

### STATEMENTS OF VOTE

When Record No. 1900 was taken, I was shown voting yes. I intended to vote no.

Allen

When Record No. 1900 was taken, I was shown voting no. I intended to vote yes.

Craddick

When Record No. 1900 was taken, I was shown voting yes. I intended to vote no.

Frullo

When Record No. 1900 was taken, I was shown voting present, not voting. I intended to vote no.

K. King

When Record No. 1900 was taken, I was shown voting yes. I intended to vote no.

Muñoz

### Senate Committee Substitute

**CSHB 2590**, A bill to be entitled An Act relating to the administration, powers, and duties of water districts.

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

SECTION 1. Sections 42.042(b), (f), (g), and (h), Local Government Code, are amended to read as follows:

(b) If the governing body fails or refuses to give its consent for the creation of the political subdivision, including a water district previously created by an act of the legislature, on mutually agreeable terms within 90 days after the date the governing body [†] receives a written request for the consent, a majority of the qualified voters of the area of the proposed political subdivision and the owners

of at least 50 percent of the land in the proposed political subdivision may petition the governing body to make available to the area the water, sanitary sewer services, or both that would be provided by the political subdivision.

(f) If the municipality fails or refuses to give its consent to the creation of the political subdivision, including a water district previously created by an act of the legislature, or fails or refuses to execute a contract providing for the water or sanitary sewer services requested within the time limits prescribed by this section, the applicant may petition the Texas ~~[Natural Resource Conservation]~~ Commission on Environmental Quality for the creation of the political subdivision or the inclusion of the land in a political subdivision. The commission shall allow creation or confirmation of the creation of the political subdivision or inclusion of the land in a proposed political subdivision on finding that the municipality either does not have the reasonable ability to serve or has failed to make a legally binding commitment with sufficient funds available to provide water and wastewater service adequate to serve the proposed development at a reasonable cost to the landowner. The commitment must provide that construction of the facilities necessary to serve the land will begin within two years and will be substantially completed within 4-1/2 years after the date the petition was filed with the municipality.

(g) On an appeal taken to the district court from the ~~[Texas Natural Resource Conservation Commission's]~~ ruling of the Texas Commission on Environmental Quality, all parties to the commission hearing must be made parties to the appeal. The court shall hear the appeal within 120 days after the date the appeal is filed. If the case is continued or appealed to a higher court beyond the 120-day period, the court shall require the appealing party or party requesting the continuance to post a bond or other adequate security in the amount of damages that may be incurred by any party as a result of the appeal or delay from the commission action. The amount of the bond or other security shall be determined by the court after notice and hearing. On final disposition, a court may award damages, including any damages for delays, attorney's fees, and costs of court to the prevailing party.

(h) A municipality may not unilaterally extend the time limits prescribed by this section through the adoption of preapplication periods or by passage of any rules, resolutions, ordinances, or charter provisions. However, the municipality and the petitioner may jointly petition the Texas ~~[Natural Resource Conservation]~~ Commission on Environmental Quality to request an extension of the time limits.

SECTION 2. Section 49.107(d), Water Code, is amended to read as follows:

(d) The proposition in an operation and maintenance tax election may be for a specific maximum rate or for an unlimited rate. The ballot for an operation and maintenance tax election shall be printed to provide for voting for or against the proposition: "An Operation and Maintenance Tax" and either "Not to exceed

( \$ ) Per One Hundred Dollars (\$100) Valuation of Taxable Property" or "At an Unlimited Rate," as applicable. The ballot may describe the general purpose and state the constitutional authorization of the operation and maintenance tax.

SECTION 3. Section 49.351(a), Water Code, is amended to read as follows:

(a) A district providing potable water or sewer services or facilities ~~[service to household users]~~ may, separately or jointly with another district, municipality, or other political subdivision, establish, operate, and maintain, finance with ad valorem taxes, mandatory fees, or voluntary contributions, and issue bonds for a fire department to perform all fire-fighting services within the district as provided in this subchapter and may provide for the construction and purchase of necessary buildings, facilities, land, and equipment and the provision of an adequate water supply.

SECTION 4. Section 54.022, Water Code, is amended to read as follows:

Sec. 54.022. TEMPORARY DIRECTORS. (a) If the commission grants the petition, it shall appoint five temporary directors to serve until permanent directors are elected.

(b) Except as provided by Subsection (c), a majority of temporary directors appointed under Subsection (a) must be residents of:

- (1) the county in which the district is located;
- (2) a county adjacent to the county described by Subdivision (1); or
- (3) if the district is located in a county that is in a metropolitan statistical area designated by the United States Office of Management and Budget or its successor agency, a county in the same metropolitan statistical area as the county in which the district is located.

(c) The commission may appoint temporary directors who do not meet the requirements of Subsection (b) if the petition or the application accompanying the petition provides that the petitioner made reasonable efforts but failed to identify candidates meeting those requirements who were willing to serve as temporary directors.

SECTION 5. Section 54.030, Water Code, is amended by amending Subsections (b) and (c) and adding Subsections (d) and (e) to read as follows:

(b) The governing body of a district which desires to convert into a district operating under this chapter shall, after providing notice in accordance with Section 54.032, hold a hearing on the question of the conversion of the district ~~[adopt and enter in the minutes of the governing body a resolution declaring that in its judgment, conversion]~~ into a municipal utility district operating under this chapter and under Article XVI, Section 59, of the Texas Constitution.

(c) The governing body of the converting district must present a general description of any litigation that is pending against the district at the hearing under Subsection (b).

(d) After the hearing held under Subsection (b), the governing body of the converting district may adopt and enter in the minutes of the governing body a resolution declaring that in the judgment of the governing body, conversion under this section ~~[.]~~ would serve the best interest of the district and would be a benefit to the land and property included in the district. The resolution shall also request that the commission approve ~~[to hold a hearing on the question of]~~ the conversion of the district.

(e) ~~[(e)]~~ A copy of the resolution under Subsection (d) shall be:

- (1) filed with the commission; and

(2) mailed to each state senator and representative who represents the area in which the district is located.

SECTION 6. Section 54.032(a), Water Code, is amended to read as follows:

(a) The governing body of a district described by Section 54.030(b) shall give notice ~~[Notice]~~ of the conversion hearing ~~[shall be given]~~ by publishing notice in a newspaper with general circulation in ~~[the county or counties in which]~~ the district ~~[is located]~~.

SECTION 7. Section 54.033(a), Water Code, is amended to read as follows:

(a) After receiving a request for the approval of a conversion under Section 54.030(d) [a hearing], if the commission finds that conversion of the district into one operating under this chapter would serve the best interest of the district and would be a benefit to the land and property included in the district, the commission [it] shall enter an order making this finding and the district shall become a district operating under this chapter and no confirmation election is [shall be] required.

SECTION 8. Section 54.234(a), Water Code, is amended to read as follows:

(a) Any district or any petitioner seeking the creation of a district may petition the commission to acquire the power under the authority of Article III, Section 52, Texas Constitution, to design, acquire, construct, finance, issue bonds for, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance, a road ~~[described by Subsection (b)]~~ or any improvement in aid of the road.

SECTION 9. The heading to Section 54.2351, Water Code, is amended to read as follows:

Sec. 54.2351. CONTRACTS WITH OTHER DISTRICTS, [OR] WATER SUPPLY CORPORATIONS, OR OTHER RETAIL PUBLIC UTILITIES.

SECTION 10. Section 54.2351, Water Code, is amended by adding Subsection (i) to read as follows:

(i) In this subsection, "retail public utility" has the meaning assigned by Section 13.002. A district may enter into a contract with a retail public utility for water or sewer service under which the retail public utility may use the district's water or sewer system to serve customers located in the district.

SECTION 11. Section 54.801(a), Water Code, is amended to read as follows:

(a) A district that is composed of at least 1,000 ~~[1,500]~~ acres may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole.

SECTION 12. Section 54.802(b), Water Code, is amended to read as follows:

(b) The board shall file an engineer's report ~~[adopt a proposed plan]~~ for improvements in the defined area or to serve the designated property ~~[in the manner provided by Section 49.106]~~.

SECTION 13. Section 54.805, Water Code, is amended to read as follows:

Sec. 54.805. OBTAINING FUNDS TO CONSTRUCT, ADMINISTER, MAINTAIN, AND OPERATE IMPROVEMENTS AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On adoption of the proposed plan [plans] as provided by this subchapter [Section 54.804 of this code] and voter approval of the imposition of taxes and issuance of bonds [the plans], the district, under the limitations of this subchapter, may apply separately, differently, equitably, and specifically its taxing power and lien authority to the defined area or designated property to provide money to construct, administer, maintain, and operate improvements and facilities that primarily benefit the defined area or designated property.

SECTION 14. Section 54.806(a), Water Code, is amended to read as follows:

(a) Before bonds may be issued or taxes may be imposed for the defined area or designated property, the bonds or taxes [the adopted plans may become effective, they] must be approved by the voters in the defined area or within the boundaries of the designated property. The election shall be conducted as provided by Section 49.106 for an election to authorize the issuance of bonds or Section 49.107 for an election to authorize the imposition of an operation and maintenance tax.

SECTION 15. Section 54.809, Water Code, is amended to read as follows:

Sec. 54.809. ISSUANCE OF BONDS AND IMPOSITION [LEVY] OF TAX FOR DEFINED AREA OR DESIGNATED PROPERTY. After approval by the voters [the order is recorded], the district may issue [its] bonds and impose taxes to provide the specific plant, works, and facilities included in the engineer's report [plans adopted] for the defined area, or to serve the designated property [and shall provide the plant, works, and facilities].

SECTION 16. Section 54.812(b), Water Code, is amended to read as follows:

(b) The prescribed notice shall be inserted into the general notice after the first sentence and shall read substantially as follows: "The real property described below, which you are about to purchase, may [is] also be located within a defined [designated] area of the district and the [your] land may [will] be subject to defined area taxes in addition to the [a higher tax than] other taxes of [land within] the district. As of this date, the additional [Your] rate of taxes within the defined area is [will be higher by] \$\_\_\_\_\_ on each \$100 of assessed valuation [than land not within the designated area]."

SECTION 17. Section 6901.061(e), Special District Local Laws Code, is amended to read as follows:

(e) The district may not issue bonds or other obligations secured wholly or partly by ad valorem taxes to finance a project authorized by Subsection (b) unless the issuance is approved by a vote of a two-thirds majority of the voters of the defined area to be benefited by the project as provided by Subchapter J, Chapter 54, Water Code, voting at an election called for that purpose. [The simple majority vote approval required by Section 54.808(a), Water Code, does not apply to an election under this subsection.]

SECTION 18. Section 8130.151(b), Special District Local Laws Code, is amended to read as follows:

(b) The district may not issue bonds or other obligations secured in whole or in part by ad valorem taxation to finance projects authorized by Section 8130.051 unless the issuance is approved by a vote of a two-thirds majority of the voters of the district or of the defined area to be benefited by the project as provided by Subchapter J, Chapter 54, Water Code, voting at an election called for that purpose. ~~[The simple majority vote approval required by Section 54.808(a), Water Code, does not apply to an election under this subsection.]~~

SECTION 19. Section 8176.151(b), Special District Local Laws Code, is amended to read as follows:

(b) The district may not issue bonds or other obligations secured wholly or partly by ad valorem taxation to finance projects authorized by Section 8176.051 unless the issuance is approved by a vote of a two-thirds majority of the voters in the district or of the defined areas to be benefited by the project as provided by Subchapter J, Chapter 54, Water Code, voting at an election called for that purpose. ~~[The simple majority vote approval required by Section 54.808(a), Water Code, does not apply to an election under this subsection.]~~

SECTION 20. Section 8198.151(b), Special District Local Laws Code, is amended to read as follows:

(b) The district may not issue bonds or other obligations secured wholly or partly by ad valorem taxation to finance projects authorized by Section 8198.051 unless the issuance is approved by a vote of a two-thirds majority of the voters in the district or of the defined areas to be benefited by the project as provided by Subchapter J, Chapter 54, Water Code, voting at an election called for that purpose. ~~[The simple majority vote approval required by Section 54.808(a), Water Code, does not apply to an election under this subsection.]~~

SECTION 21. Section 8261.151(b), Special District Local Laws Code, is amended to read as follows:

(b) The district may not issue bonds or other obligations to finance projects authorized by Section 8261.051 unless the issuance is approved by a vote of a two-thirds majority of the district voters, or a two-thirds majority of voters in a defined area that will benefit from the project, as provided by Subchapter J, Chapter 54, Water Code, voting at an election called for that purpose. ~~[The simple majority vote approval required by Section 54.808(a), Water Code, does not apply to an election under this section.]~~

SECTION 22. Section 8413.151(b), Special District Local Laws Code, is amended to read as follows:

(b) The district may not issue bonds or other obligations secured wholly or partly by ad valorem taxation to finance projects authorized by Section 8413.051 unless the issuance is approved by a vote of a two-thirds majority of the voters in the district or of the defined areas to be benefited by the project as provided by Subchapter J, Chapter 54, Water Code, voting at an election called for that purpose. ~~[The simple majority vote approval required by Section 54.808(a), Water Code, does not apply to an election under this subsection.]~~

SECTION 23. Section 8467.151(b), Special District Local Laws Code, is amended to read as follows:

(b) The district may not issue bonds or other obligations secured wholly or partly by ad valorem taxation to finance projects authorized by Section 8467.053 unless the issuance is approved by a vote of a two-thirds majority of the voters in the district or of the defined areas to be benefited by the project as provided by Subchapter J, Chapter 54, Water Code, voting at an election called for that purpose. ~~[The simple majority vote approval required by Section 54.808(a), Water Code, does not apply to an election under this subsection.]~~

SECTION 24. Sections 54.234(b), 54.803, 54.804(a), 54.807, and 54.808, Water Code, are repealed.

SECTION 25. Section 54.022, Water Code, as amended by this Act, does not affect the entitlement of a temporary director serving on the board of directors of a municipal utility district under Chapter 54, Water Code, immediately before the effective date of this Act to continue to serve as a temporary director for the remainder of the director's term.

SECTION 26. The changes in law made by this Act to Chapter 54, Water Code, apply only to a water district's conversion into a municipal utility district operating under Chapter 54, Water Code, occurring on or after the effective date of this Act. A conversion that occurs before the effective date of this Act is governed by the law in effect on the date the conversion occurred, and the former law is continued in effect for that purpose.

SECTION 27. This Act takes effect September 1, 2019.

### **HB 3782 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Harless called up with senate amendments for consideration at this time,

**HB 3782**, A bill to be entitled An Act relating to the right to remove property encroaching on areas owned or controlled by the Harris County Flood Control District.

Representative Harless moved to concur in the senate amendments to **HB 3782**.

The motion to concur in the senate amendments to **HB 3782** prevailed by (Record 1901): 117 Yeas, 24 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bowers; Buckley; Bucy; Burns; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; Klick; Kuempel; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Oliverson; Ortega; Pacheco;

Paddie; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Bonnen; Burrows; Cain; Cyrier; Goldman; Harris; Hefner; Holland; Krause; Landgraf; Lang; Leach; Miller; Murr; Noble; Parker; Patterson; Shaheen; Smith; Springer; Stickland; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — King, T.

### **Senate Committee Substitute**

**CSHB 3782**, A bill to be entitled An Act relating to the right to remove property encroaching on areas owned or controlled by the Harris County Flood Control District.

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

SECTION 1. Chapter 360, Acts of the 45th Legislature, Regular Session, 1937, is amended by adding Section 2A to read as follows:

Sec. 2A. Right to Remove Property. (a) In this section, "district" means the Harris County Flood Control District.

(b) In order to carry out district purposes, the district may remove real or personal property placed on land owned by the district or land subject to an easement held by the district, regardless of when the real or personal property was put in place and without the consent of the owner of the property. The district must send notice by certified mail to the owner of property on which the district intends to act under this section. Not earlier than the 30th day after the date the notice is sent, the district must send a second notice by certified mail. The district may use existing civil lawsuit processes against the owner of the property to recover the cost of removing the property not earlier than the 30th day after the date the second notice was received.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 4310 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Dutton called up with senate amendments for consideration at this time,

**HB 4310**, A bill to be entitled An Act relating to a school district's scope and sequence for subjects in the required curriculum for public school students.

Representative Dutton moved to concur in the senate amendments to **HB 4310**.

The motion to concur in the senate amendments to **HB 4310** prevailed by (Record 1902): 134 Yeas, 8 Nays, 2 Present, not voting.



Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Smith; Smith; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Hefner; Krause; Lang; Oliverson; Patterson; Shaheen; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### STATEMENTS OF VOTE

When Record No. 1902 was taken, my machine malfunctioned and I was shown voting no. I intended to vote yes.

Cain

When Record No. 1902 was taken, I was shown voting yes. I intended to vote no.

Hinojosa

When Record No. 1902 was taken, I was shown voting yes. I intended to vote no.

Swanson

### Senate Committee Substitute

**CSHB 4310**, A bill to be entitled An Act relating to a school district's scope and sequence for subjects in the required curriculum for public school students.

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

SECTION 1. Subchapter A, Chapter 28, Education Code, is amended by adding Section 28.0027 to read as follows:

Sec. 28.0027. DISTRICT CURRICULUM SCOPE AND SEQUENCE. (a) In adopting a recommended or designated scope and sequence for a subject in the required curriculum under Section 28.002(a) in a particular grade level, a school district shall ensure sufficient time is provided for teachers to teach and students to learn the essential knowledge and skills for that subject and grade level.

(b) Except as provided by Subsection (c), a school district may not penalize a teacher who does not follow a recommended or designated scope and sequence for a subject in the required curriculum under Section 28.002(a) in a particular grade level based on the teacher's determination that the teacher's students need more or less time in a specific area to demonstrate proficiency in the essential knowledge and skills for that subject and grade level.

(c) A school district may take appropriate action with respect to a teacher for conduct described by Subsection (b) based on documented evidence of a deficiency in classroom instruction obtained through observation or substantiated and documented third-party information.

SECTION 2. This Act applies beginning with the 2019-2020 school year.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

### **HB 864 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative J. Turner called up with senate amendments for consideration at this time,

**HB 864**, A bill to be entitled An Act relating to pipeline incidents; clarifying changes to related administrative penalties.

Representative J. Turner moved to concur in the senate amendments to **HB 864**.

The motion to concur in the senate amendments to **HB 864** prevailed by (Record 1903): 94 Yeas, 48 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bowers; Bucy; Calanni; Canales; Clardy; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Lambert; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paddie; Perez; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Smithee; Stephenson; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wu; Zwiener.

Nays — Bell, C.; Bonnen; Buckley; Burns; Burrows; Button; Cain; Capriglione; Craddick; Cyrier; Dean; Flynn; Frank; Harless; Harris; Hefner; Holland; King, P.; Krause; Kuempel; Landgraf; Lang; Metcalf; Middleton; Miller; Morrison; Murr; Noble; Oliverson; Parker; Patterson; Paul; Phelan; Price; Sanford; Schaefer; Shaheen; Smith; Springer; Stickland; Stucky; Swanson; Tinderholt; Toth; Wilson; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### STATEMENTS OF VOTE

When Record No. 1903 was taken, I was shown voting yes. I intended to vote no.

Ashby

When Record No. 1903 was taken, I was shown voting yes. I intended to vote no.

Hunter

### Senate Committee Substitute

**CSHB 864**, A bill to be entitled An Act relating to pipeline incidents; clarifying changes to related administrative penalties.

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

SECTION 1. Sections 121.206(a) and (d), Utilities Code, are amended to read as follows:

(a) The railroad commission may assess an administrative penalty against a person who violates Section 121.201 or a safety standard or other rule prescribed or adopted under this subchapter ~~[that section]~~.

(d) The railroad commission by rule shall adopt guidelines to be used in determining the amount of a penalty under this subchapter. The guidelines shall include a penalty calculation worksheet that specifies the typical penalty for certain violations, circumstances justifying enhancement of a penalty and the amount of the enhancement, and circumstances justifying a reduction in a penalty and the amount of the reduction. The guidelines shall take into account:

(1) the person's history of previous violations of Section 121.201 or a safety standard or other rule prescribed or adopted under this subchapter ~~[that section]~~, including the number of previous violations;

(2) the seriousness of the violation and of any pollution resulting from the violation;

(3) any hazard to the health or safety of the public;

(4) the degree of culpability;

(5) the demonstrated good faith of the person charged; and

(6) any other factor the commission considers relevant.

SECTION 2. Subchapter E, Chapter 121, Utilities Code, is amended by adding Section 121.214 to read as follows:

Sec. 121.214. PIPELINE INCIDENT REPORTING AND RECORDS. (a) In this section:

(1) "Distribution gas pipeline facility" means a pipeline facility that distributes natural gas directly to end use customers.

(2) "Pipeline incident" means an event involving a release of gas from a pipeline that:

(A) under federal regulations, gives rise to a duty of a distribution gas pipeline facility operator to report the event to a federal agency; or

- (B) results in one or more of the following consequences:
- (i) a death or a personal injury necessitating in-patient hospitalization;
- (ii) estimated property damage greater than or equal to the greater of:
- (a) \$50,000, including loss to the operator, loss to others, or both, but excluding cost of gas lost; or
- (b) an amount under federal regulations that gives rise to the duty of a distribution gas pipeline facility operator to report the event to a federal agency; or
- (iii) unintentional estimated gas loss of three million cubic feet or more.
- (3) "State record" has the meaning assigned by Section 441.180, Government Code.
- (b) The railroad commission by rule shall require a distribution gas pipeline facility operator, after a pipeline incident involving the operator's pipelines, to:
- (1) notify the commission of the incident before the expiration of one hour following the operator's discovery of the incident;
- (2) provide the following information to the commission before the expiration of one hour following the operator's discovery of the incident:
- (A) the pipeline operator's name and telephone number;
- (B) the location of the incident;
- (C) the time of the incident; and
- (D) the telephone number of the operator's on-site person; and
- (3) provide the following information to the commission when the information is known by the operator:
- (A) the fatalities and personal injuries caused by the incident;
- (B) the cost of gas lost;
- (C) estimated property damage to the operator and others;
- (D) any other significant facts relevant to the incident, including facts related to ignition, explosion, rerouting of traffic, evacuation of a building, and media interest; and
- (E) other information required under federal regulations to be provided to the Pipeline and Hazardous Materials Safety Administration or a successor agency after a pipeline incident or similar incident.
- (c) The railroad commission shall retain state records of the railroad commission regarding a pipeline incident perpetually.

SECTION 3. The Railroad Commission of Texas shall adopt the rules required by Section 121.214, Utilities Code, as added by this Act, not later than December 31, 2019.

SECTION 4. This Act takes effect September 1, 2019.

#### **HB 4653 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Larson called up with senate amendments for consideration at this time,

**HB 4653**, A bill to be entitled An Act relating to the creation of Tarkington Management District No. 1 of Liberty County; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

Representative Larson moved to concur in the senate amendments to **HB 4653**.

The motion to concur in the senate amendments to **HB 4653** prevailed by (Record 1904): 97 Yeas, 43 Nays, 2 Present, not voting.

Yeas — Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Biedermann; Blanco; Bowers; Bucy; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paddie; Perez; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Stephenson; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wu; Zerwas; Zwiener.

Nays — Allen; Bell, K.; Bohac; Bonnen; Buckley; Burns; Burrows; Button; Cain; Cyrier; Dean; Frank; Goldman; Harris; Hefner; Holland; Krause; Landgraf; Lang; Leach; Metcalf; Middleton; Miller; Murr; Noble; Oliverson; Parker; Patterson; Paul; Phelan; Shaheen; Smith; Smithee; Springer; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Toth; Wilson; Wray; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Bernal; Hunter.

### STATEMENT OF VOTE

When Record No. 1904 was taken, I was in the house but away from my desk. I would have voted no.

Hunter

### Senate Committee Substitute

**CSHB 4653**, A bill to be entitled An Act relating to the creation of Tarkington Management District No. 1 of Liberty County; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3973 to read as follows:

CHAPTER 3973. TARKINGTON MANAGEMENT DISTRICT NO. 1 OF  
LIBERTY COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3973.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "County" means Liberty County.

(3) "Director" means a board member.

(4) "District" means the Tarkington Management District No. 1 of Liberty County.

Sec. 3973.0102. NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3973.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the county and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(c) This chapter and the creation of the district may not be interpreted to relieve the county from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant county services provided in the district.

Sec. 3973.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

(1) developing and diversifying the economy of the state;

(2) eliminating unemployment and underemployment; and

(3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, drainage, road, transportation, and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3973.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 3973.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code; or

(4) an industrial district created under Chapter 42, Local Government Code.

Sec. 3973.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3973.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Sec. 3973.0109. CONFLICTS OF LAW. This chapter prevails over any provision of general law, including a provision of Chapter 375, Local Government Code, or Chapter 49, Water Code, that is in conflict or inconsistent with this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3973.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors elected or appointed as provided by this chapter and Subchapter D, Chapter 49, Water Code.

(b) Except as provided by Section 3973.0204, directors serve staggered four-year terms.

Sec. 3973.0202. QUORUM. For purposes of determining the requirements for a quorum of the board, the following are not counted:

(1) a board position vacant for any reason, including death, resignation, or disqualification; or

(2) a director who is abstaining from participation in a vote because of a conflict of interest.

Sec. 3973.0203. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 3973.0204. TEMPORARY DIRECTORS. (a) The temporary board consists of:

(1) Gready Hunter;

(2) Kevin Loeffler;

(3) Rusty Campbell;

(4) Greg Eknoyan; and

(5) Gordan Richardson.

(b) The temporary or successor temporary directors shall hold an election to elect five permanent directors as provided by Section 49.102, Water Code.

(c) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Subsection (b); or

(2) the fourth anniversary of the effective date of the Act creating this chapter.

(d) If permanent directors have not been elected under Subsection (b) and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (e) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Subsection (b); or

(2) the fourth anniversary of the date of the appointment or reappointment.

(e) If Subsection (d) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3973.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3973.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using money available to the district, or contract with a governmental or private entity to provide, design,



construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or under Chapter 375, Local Government Code.

(b) An improvement project described by Subsection (a) may be located inside or outside the district.

Sec. 3973.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may own, operate, maintain, design, acquire, construct, finance, issue bonds, notes, or other obligations for, improve, and convey to this state, a county, or a municipality for ownership, operation, and maintenance macadamized, graveled, or paved roads or improvements, including storm drainage, in aid of those roads.

Sec. 3973.0304. CONVEYANCE AND APPROVAL OF ROAD PROJECT. (a) The district may convey a road project authorized by Section 3973.0303 to:

(1) a municipality or county that will operate and maintain the road if the municipality or county has approved the plans and specifications of the road project; or

(2) the state if the state will operate and maintain the road and the Texas Transportation Commission has approved the plans and specifications of the road project.

(b) Except as provided by Subsection (c), the district shall operate and maintain a road project authorized by Section 3973.0303 that the district implements and does not convey to a municipality, a county, or this state under Subsection (a).

(c) The district may agree in writing with a municipality, a county, or this state to assign operation and maintenance duties to the district, the municipality, the county, or this state in a manner other than the manner described in Subsections (a) and (b).

Sec. 3973.0305. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 3973.0306. AGREEMENTS; GRANTS. (a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.

(b) The implementation of a project is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3973.0307. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the county, to provide law enforcement services in the district.

Sec. 3973.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3973.0309. ECONOMIC DEVELOPMENT. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

- (1) make loans and grants of public money; and
- (2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:

- (1) Chapter 380, Local Government Code; and
- (2) Subchapter A, Chapter 1509, Government Code.

Sec. 3973.0310. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3973.0311. NO TOLL ROADS. The district may not construct, acquire, maintain, or operate a toll road.

Sec. 3973.0312. RAIL FACILITIES. The district may construct, acquire, improve, maintain, and operate rail facilities and improvements in aid of those facilities.

Sec. 3973.0313. ANNEXATION OR EXCLUSION OF LAND. (a) The district may annex land as provided by Subchapter J, Chapter 49, Water Code.

(b) The district may exclude land as provided by Subchapter J, Chapter 49, Water Code. Section 375.044(b), Local Government Code, does not apply to the district.

Sec. 3973.0314. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

- (1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(c) Any new district created by the division of the district may, at the time the new district is created, contain only:

(1) land within the area described by Section 2 of the Act enacting this chapter; or

(2) any land adjacent to the area described by Section 2 of the Act enacting this chapter if that adjacent land is:

(A) not within the extraterritorial jurisdiction of a city; or

(B) within the extraterritorial jurisdiction of a city and that adjacent land has been approved for inclusion in the district under an ordinance or resolution adopted by the city consenting to the inclusion.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 3973.0204 to elect the district's permanent directors.

(f) An order dividing the district must:

(1) name each new district;

(2) include the metes and bounds description of the territory of each new district;

(3) appoint temporary directors for each new district; and

(4) provide for the division of assets and liabilities between or among the new districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the Texas Commission on Environmental Quality and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a permanent directors' election as required by Section 3973.0204.

(i) Municipal consent by a city is not required for the creation of any new district created under this section.

(j) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes or sales and use taxes.

(k) If the voters of a new district do not confirm the creation of the new district, the assets, obligations, territory, and governance of the new district revert to that of the original district.

Sec. 3973.0315. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTSSec. 3973.0401. DISBURSEMENTS AND TRANSFERS OF MONEY.

The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3973.0402. MONEY USED FOR IMPROVEMENTS OR SERVICES.

The district may acquire, construct, finance, operate, or maintain any improvement or service authorized under this chapter or Chapter 375, Local Government Code, using any money available to the district.

Sec. 3973.0403. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3973.0404. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

Sec. 3973.0405. RESIDENTIAL PROPERTY NOT EXEMPT. Section 375.161, Local Government Code, does not apply to a tax authorized or approved by the voters of the district or a required payment for a service provided by the district, including water and sewer services.

Sec. 3973.0406. TAX AND ASSESSMENT ABATEMENTS. The district may designate reinvestment zones and may grant abatements of district taxes or assessments on property in the zones.

SUBCHAPTER E. TAXES AND BONDS

Sec. 3973.0501. ELECTIONS REGARDING TAXES AND BONDS. (a) The district may issue, without an election, bonds, notes, and other obligations secured by:

(1) revenue other than ad valorem taxes or sales and use taxes; or

(2) contract payments described by Section 3973.0503.

(b) The district must hold an election in the manner provided by Subchapter L, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) Section 375.243, Local Government Code, does not apply to the district.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. 3973.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election held in accordance with Section 3973.0501, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code, for any district purpose, including to:

(1) maintain and operate the district;

(2) construct or acquire improvements; or

(3) provide a service.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

Sec. 3973.0503. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

Sec. 3973.0504. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board. Section 375.205, Local Government Code, does not apply to a loan, line of credit, or other borrowing from a bank or financial institution secured by revenue other than ad valorem taxes.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

Sec. 3973.0505. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 3973.0506. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

#### SUBCHAPTER F. SALES AND USE TAX

Sec. 3973.0601. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition, computation, administration, enforcement, and collection of the sales and use tax authorized by this subchapter except to the extent Chapter 321, Tax Code, is inconsistent with this chapter.

(b) A reference in Chapter 321, Tax Code, to a municipality or the governing body of a municipality is a reference to the district or the board, respectively.

Sec. 3973.0602. ELECTION; ADOPTION OF TAX. (a) The district may adopt a sales and use tax if authorized by a majority of the voters of the district voting at an election held for that purpose.

(b) The board by order may call an election to authorize the adoption of the sales and use tax. The election may be held on any uniform election date and in conjunction with any other district election.

(c) The ballot shall be printed to provide for voting for or against the proposition: "Authorization of a sales and use tax in the Tarkington Management District No. 1 of Liberty County at a rate not to exceed \_\_\_\_\_ percent" (insert rate of one or more increments of one-eighth of one percent).

Sec. 3973.0603. SALES AND USE TAX RATE. (a) On or after the date the results are declared of an election held under Section 3973.0602, at which the voters approved imposition of the tax authorized by this subchapter, the board shall determine and adopt by resolution or order the initial rate of the tax, which must be in one or more increments of one-eighth of one percent.

(b) After the election held under Section 3973.0602, the board may increase or decrease the rate of the tax by one or more increments of one-eighth of one percent.

(c) The initial rate of the tax or any rate resulting from subsequent increases or decreases may not exceed the lesser of:

(1) the maximum rate authorized by the district voters at the election held under Section 3973.0602; or

(2) a rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district, would result in the maximum combined rate prescribed by Section 321.101(f), Tax Code, at any location in the district.

Sec. 3973.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This section applies to the district after a municipality annexes part of the territory in the district and imposes the municipality's sales and use tax in the annexed territory.

(b) If at the time of annexation the district has outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, Section 321.102(g), Tax Code, applies to the district.

(c) If at the time of annexation the district does not have outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, the district may exclude the annexed territory from the district, if the district has no outstanding debt or other obligations payable from any source.

Sec. 3973.0605. NOTIFICATION OF RATE CHANGE. The board shall notify the comptroller of any changes made to the tax rate under this subchapter in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

Sec. 3973.0606. USE OF REVENUE. Revenue from the sales and use tax imposed under this subchapter is for the use and benefit of the district and may be used for any district purpose. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations, and that pledge of revenue may be in combination with other revenue, including tax revenue, available to the district.

Sec. 3973.0607. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter without an election.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

(c) If the board abolishes the tax, the board shall notify the comptroller of that action in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

(d) If the board abolishes the tax or decreases the tax rate to zero, a new election to authorize a sales and use tax must be held under Section 3973.0602 before the district may subsequently impose the tax.

#### SUBCHAPTER G. DEFINED AREAS

Sec. 3973.0701. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY. The district may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole.

Sec. 3973.0702. PROCEDURE FOR ELECTION. (a) Before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes of the defined area or designated property, the board shall hold an election in the defined area or in the designated property only.

(b) The board may submit the issues to the voters on the same ballot to be used in another election.

Sec. 3973.0703. DECLARING RESULT AND ISSUING ORDER. (a) If a majority of the voters voting at the election approve the proposition or propositions, the board shall declare the results and, by order, shall establish the defined area and describe it by metes and bounds or designate the specific property.

(b) A court may not review the board's order except on the ground of fraud, palpable error, or arbitrary and confiscatory abuse of discretion.

Sec. 3973.0704. TAXES FOR SERVICES, IMPROVEMENTS, AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter approval and adoption of the order described by Section 3973.0703, the district may apply separately, differently, equitably, and specifically its taxing power and lien authority to the defined area or designated property to provide money to construct, administer, maintain, and operate services, improvements, and facilities that primarily benefit the defined area or designated property.

Sec. 3973.0705. ISSUANCE OF BONDS FOR DEFINED AREA OR DESIGNATED PROPERTY. After the order under Section 3973.0703 is adopted, the district may issue bonds to provide for any land, improvements, facilities, plants, equipment, and appliances for the defined area or designated property.

Sec. 3973.0706. ADDITION OR EXCLUSION OF LAND IN DEFINED AREA. The district may add or exclude land from the defined areas in the same manner the district may add or exclude land from the district.

SECTION 2. The Tarkington Management District No. 1 of Liberty County initially includes all territory contained in the following area:

807.65 acres of land, situated in the Hugh Means Survey, Abstract 78, Liberty County, Texas, and being a part of that certain 1846.69 acre tract described in a Deed from Southland Timberlands V, L.P. to Tarkington Realty, Ltd., recorded in Liberty County Clerk's File 2006008680, said 807.65 acres being more particularly described as follows:

BEGINNING at a 3 inch by 3 inch concrete monument stamped "Kirby NWc Hugh Means" found for the Northwest corner of the herein described tract at the Northwest corner of the Hugh Means Survey, Abstract 78, and the Northwest corner of said 1846.69 acre tract;

THENCE North 88 deg. 01 min. 32 sec. East, along the North line of the Means Survey, being the North line of said 1846.69 acre tract, a distance of 33.30 feet to a 6 inch by 6 inch concrete monument found at the Southwest corner of the I. L. Hanson Survey, Abstract 282;

THENCE North 87 deg. 28 min. 03 sec. East, along the common line of the Means Survey and the Hanson Survey, being the North line of said 1846.69 acre tract and the South line of the Alvin David Stetson tract recorded in Clerk's File 2015023380, a distance of 3442.50 feet to a concrete monument stamped "Kirby 3-166" found at the Southeast corner of the Hanson Survey and the Southwest corner of the John R. Faulk Survey, Abstract 34;

THENCE North 86 deg. 55 min. 34 sec. East, along the common lines of the Means Survey and the Faulk Survey, being the North line of said 1846.69 acre tract and the South line of the Jorge Lopez tract described in Clerk's File 2007014457, a distance of 1787.22 feet to a 3/4 inch iron rod found for the



Northeast corner of the herein described tract at the Northeast corner of said 1846.69 acre tract, said point being in the West right of way line of State Highway 321 (100.0 feet wide at this point);

THENCE South 22 deg. 01 min. 29 sec. East, along the West right-of-way line of State Highway 321 and the East line of said 1846.69 acre tract, a distance of 2084.38 feet to a concrete monument found at the P.C. of a curve to the left;

THENCE along the West right-of-way line of State Highway 321 (right-of-way varies) and the East line of said 1846.69 acre tract, following said curve to the left having a Radius of 5779.59 feet, Central Angle of a 01 deg. 35 min. 23 sec., Chord Bearing and Distance of South 22 deg. 51 min. 20 sec. East - 160.35 feet, for an arc distance of 160.36 feet to a concrete monument found at the P.T. of said curve;

THENCE South 18 deg. 29 min. East, along the West right-of-way line of State Highway 321 and the East line of said 1846.69 acre tract, a distance of 101.28 feet to a concrete monument found at the P.C. of a curve left;

THENCE along the West right-of-way line of State Highway 21 (right-of-way varies) and the East line of said 1846.69 acre tract, following said curve to the left having a Radius of 5789.59 feet, Central Angle of 10 deg. 49 min. 44 sec., Chord Bearing and a Distance of South 30 deg. 03 min. 47 sec. East - 1092.60 feet, for an arc distance of 1094.23 feet to a concrete monument found at the P.T. of said curve;

THENCE South 35 deg. 28 min. 53 sec. East, along the West right-of-way line of State Highway 321 (right-of-way 110.0 feet wide at this point) and the East line of said 1846.69 acre tract, a distance of 2708.35 feet to a 1/2 inch iron rod found for the Southeast corner of the herein described tract at the upper Southeast corner of said 1846.69 acre tract, the Northeast corner of a 6.87 acre Save and Except Tract described in the a deed to Southland Timberlands V, L.P. recorded in Clerk's File 2003009246;

THENCE South 87 deg. 23 min. 32 sec. West, along the North line of said 6.87 acre Save and Except Tract, a distance of 3334.49 feet to a fence post found at the Northwest corner of said 6.87 acre tract and the upper Northeast corner of a 638.36 acre tract described in a deed to Roli Holdings, L.P. recorded in Clerk's File 2013010569;

THENCE South 87 deg. 23 min. 05 sec. West, along the North line of said 638.36 acre tract, at 4683.36 feet pass a 5/8 inch iron rod capped "RPLS 5815" found, and continue for a total distance of 4684.17 feet to a point marking the Southwest corner of the herein described tract at the Northwest corner of said 638.36 acre tract, said point being in the West line of the Means Survey, the East line of the H.& T.C. R.R. Company Survey No. 150, Abstract 833, the West line of said 1846.69 acre tract, and the East line of the Joseph H. Ceaser, Jr. tract describe in Clerk's File 2007008678;

THENCE North 03 deg. 40 min. 53 sec. West, along the common line of the Means Survey and the H.&T.C. R.R. Company Survey No. 150, being the West line of said 1846.69 acre tract and the East line of the Ceaser tract, a distance of 1305.65 feet to a 3 inch by 3 inch concrete monument stamped "Kirby SEC H&TC WL H Means" found at the Northeast corner of the

H.&T.C. R.R. Company Survey No. 150, the Southeast corner of the H.&T.C. R.R. Company Survey No. 149, Abstract 232, the Northeast corner of the Ceaser tract, and the Southeast corner of the William B. Krizak tract described in Clerk's File 2009017836;

THENCE North 02 deg. 11 min. 16 sec. West, along the common line of the Means Survey and the H.&T.C. R.R. Company Survey No. 149, being the West line of said 1846.69 acre tract and the East line of the Krizak tract, the Heriberto Cisneros tract described in Clerk's File 2009009858, The Heriberto Cisneros tract described in Clerk's File 2017006032, and the Johnnie Hooper tract described in Clerk's File 2016002265, at 2138.84 feet pass a 1/2 inch iron rod found at the Northeast corner of the Hooper tract and the Southeast corner of a tract described in Clerk's File 2018001388, and continue along the East line of said tract and tracts described in Clerk's File 2014013993, Clerk's File 2013003296, Clerk's File 2013010371, Clerk's File 2012002326; Clerk's File 2016007673; Clerk's File 2015007509; Clerk's File 2012012985; Clerk's File 2009007977, and Clerk's File 2010011389 for a total distance of 4143.56 feet to the PLACE OF BEGINNING and containing 807.65 acres of land.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) The general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.

(e) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. 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, 2019.

#### **HB 4661 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Larson called up with senate amendments for consideration at this time,

**HB 4661**, A bill to be entitled An Act relating to the creation of Plum Creek Management District No. 1 of Liberty County; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

Representative Larson moved to concur in the senate amendments to **HB 4661**.

The motion to concur in the senate amendments to **HB 4661** prevailed by (Record 1905): 95 Yeas, 46 Nays, 2 Present, not voting.

Yeas — Allison; Anchia; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Bucy; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Paddie; Perez; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Stephenson; Talarico; Thierry; Thompson, S.; Turner, C.; Walle; White; Wu; Zedler; Zerwas; Zwiener.

Nays — Allen; Anderson; Bohac; Bonnen; Buckley; Burns; Burrows; Button; Cain; Cyrier; Dean; Frank; Goldman; Harless; Harris; Hefner; Holland; Hunter; Krause; Landgraf; Lang; Leach; Metcalf; Middleton; Miller; Murr; Noble; Oliverson; Parker; Patterson; Paul; Phelan; Price; Shaheen; Smith; Smithee; Springer; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Toth; VanDeaver; Wilson; Wray.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Turner, J.

### **Senate Committee Substitute**

**CSHB 4661**, A bill to be entitled An Act relating to the creation of Plum Creek Management District No. 1 of Liberty County; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3982 to read as follows:

#### CHAPTER 3982. PLUM CREEK MANAGEMENT DISTRICT NO. 1 OF LIBERTY COUNTY

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3982.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "County" means Liberty County.

(3) "Director" means a board member.

(4) "District" means the Plum Creek Management District No. 1 of Liberty County.

Sec. 3982.0102. NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3982.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the county and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(c) This chapter and the creation of the district may not be interpreted to relieve the county from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant county services provided in the district.

Sec. 3982.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

- (1) developing and diversifying the economy of the state;
- (2) eliminating unemployment and underemployment; and
- (3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, drainage, road, transportation, and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3982.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 3982.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code; or

(4) an industrial district created under Chapter 42, Local Government Code.

Sec. 3982.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3982.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Sec. 3982.0109. CONFLICTS OF LAW. This chapter prevails over any provision of general law, including a provision of Chapter 375, Local Government Code, or Chapter 49, Water Code, that is in conflict or inconsistent with this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3982.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors elected or appointed as provided by this chapter and Subchapter D, Chapter 49, Water Code.

(b) Except as provided by Section 3982.0204, directors serve staggered four-year terms.

Sec. 3982.0202. QUORUM. For purposes of determining the requirements for a quorum of the board, the following are not counted:

(1) a board position vacant for any reason, including death, resignation, or disqualification; or

(2) a director who is abstaining from participation in a vote because of a conflict of interest.

Sec. 3982.0203. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 3982.0204. TEMPORARY DIRECTORS. (a) The temporary board consists of:

- (1) Alison Henderson;
- (2) Emily Lewis;
- (3) Vanessa Loftus;
- (4) Courtney Lundquist; and
- (5) Elizabeth Canfield.

(b) The temporary or successor temporary directors shall hold an election to elect five permanent directors as provided by Section 49.102, Water Code.

(c) Temporary directors serve until the earlier of:

- (1) the date permanent directors are elected under Subsection (b); or
- (2) the fourth anniversary of the effective date of the Act enacting this

chapter.

(d) If permanent directors have not been elected under Subsection (b) and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (e) to serve terms that expire on the earlier of:

- (1) the date permanent directors are elected under Subsection (b); or
- (2) the fourth anniversary of the date of the appointment or

reappointment.

(e) If Subsection (d) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3982.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3982.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using money available to the district, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or under Chapter 375, Local Government Code.

(b) An improvement project described by Subsection (a) may be located inside or outside the district.

Sec. 3982.0303. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may own, operate, maintain, design, acquire, construct, finance, issue bonds, notes, or other obligations for,

improve, and convey to this state, a county, or a municipality for ownership, operation, and maintenance macadamized, graveled, or paved roads or improvements, including storm drainage, in aid of those roads.

Sec. 3982.0304. CONVEYANCE AND APPROVAL OF ROAD PROJECT. (a) The district may convey a road project authorized by Section 3982.0303 to:

(1) a municipality or county that will operate and maintain the road if the municipality or county has approved the plans and specifications of the road project; or

(2) the state if the state will operate and maintain the road and the Texas Transportation Commission has approved the plans and specifications of the road project.

(b) Except as provided by Subsection (c), the district shall operate and maintain a road project authorized by Section 3982.0303 that the district implements and does not convey to a municipality, a county, or this state under Subsection (a).

(c) The district may agree in writing with a municipality, a county, or this state to assign operation and maintenance duties to the district, the municipality, the county, or this state in a manner other than the manner described in Subsections (a) and (b).

Sec. 3982.0305. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 3982.0306. AGREEMENTS; GRANTS. (a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.

(b) The implementation of a project is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3982.0307. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the county, to provide law enforcement services in the district.

Sec. 3982.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3982.0309. ECONOMIC DEVELOPMENT. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:

(1) Chapter 380, Local Government Code; and

(2) Subchapter A, Chapter 1509, Government Code.

Sec. 3982.0310. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3982.0311. NO TOLL ROADS. The district may not construct, acquire, maintain, or operate a toll road.

Sec. 3982.0312. RAIL FACILITIES. The district may construct, acquire, improve, maintain, and operate rail facilities and improvements in aid of those facilities.

Sec. 3982.0313. ANNEXATION OR EXCLUSION OF LAND. (a) The district may annex land as provided by Subchapter J, Chapter 49, Water Code.

(b) The district may exclude land as provided by Subchapter J, Chapter 49, Water Code. Section 375.044(b), Local Government Code, does not apply to the district.

Sec. 3982.0314. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

(1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(c) Any new district created by the division of the district may, at the time the new district is created, contain only:

(1) land within the area described by Section 2 of the Act enacting this chapter; or

(2) any land adjacent to the area described by Section 2 of the Act enacting this chapter if that adjacent land is:



(A) not within the extraterritorial jurisdiction of a municipality; or

(B) within the extraterritorial jurisdiction of a municipality and that adjacent land has been approved for inclusion in the district under an ordinance or resolution adopted by the municipality consenting to the inclusion.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 3982.0204 to elect the district's permanent directors.

(f) An order dividing the district must:

(1) name each new district;

(2) include the metes and bounds description of the territory of each new district;

(3) appoint temporary directors for each new district; and

(4) provide for the division of assets and liabilities between or among the new districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the Texas Commission on Environmental Quality and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a permanent directors' election as required by Section 3982.0204.

(i) Municipal consent by a municipality is not required for the creation of any new district created under this section.

(j) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes or sales and use taxes.

(k) If the voters of a new district do not confirm the creation of the new district, the assets, obligations, territory, and governance of the new district revert to that of the original district.

Sec. 3982.0315. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3982.0401. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3982.0402. MONEY USED FOR IMPROVEMENTS OR SERVICES. The district may acquire, construct, finance, operate, or maintain any improvement or service authorized under this chapter or Chapter 375, Local Government Code, using any money available to the district.

Sec. 3982.0403. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3982.0404. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

Sec. 3982.0405. RESIDENTIAL PROPERTY NOT EXEMPT. Section 375.161, Local Government Code, does not apply to a tax authorized or approved by the voters of the district or a required payment for a service provided by the district, including water and sewer services.

Sec. 3982.0406. TAX AND ASSESSMENT ABATEMENTS. The district may designate reinvestment zones and may grant abatements of district taxes or assessments on property in the zones.

#### SUBCHAPTER E. TAXES AND BONDS

Sec. 3982.0501. ELECTIONS REGARDING TAXES AND BONDS. (a) The district may issue, without an election, bonds, notes, and other obligations secured by:

(1) revenue other than ad valorem taxes or sales and use taxes; or

(2) contract payments described by Section 3982.0503.

(b) The district must hold an election in the manner provided by Subchapter L, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) Section 375.243, Local Government Code, does not apply to the district.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. 3982.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election held in accordance with Section 3982.0501, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code, for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or
- (3) provide a service.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

Sec. 3982.0503. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

Sec. 3982.0504. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board. Section 375.205, Local Government Code, does not apply to a loan, line of credit, or other borrowing from a bank or financial institution secured by revenue other than ad valorem taxes.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

Sec. 3982.0505. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 3982.0506. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

#### SUBCHAPTER F. SALES AND USE TAX

Sec. 3982.0601. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition, computation, administration, enforcement, and collection of the sales and use tax authorized by this subchapter except to the extent Chapter 321, Tax Code, is inconsistent with this chapter.

(b) A reference in Chapter 321, Tax Code, to a municipality or the governing body of a municipality is a reference to the district or the board, respectively.

Sec. 3982.0602. ELECTION; ADOPTION OF TAX. (a) The district may adopt a sales and use tax if authorized by a majority of the voters of the district voting at an election held for that purpose.

(b) The board by order may call an election to authorize the adoption of the sales and use tax. The election may be held on any uniform election date and in conjunction with any other district election.

(c) The ballot shall be printed to provide for voting for or against the proposition: "Authorization of a sales and use tax in the Plum Creek Management District No. 1 of Liberty County at a rate not to exceed \_\_\_\_\_ percent" (insert rate of one or more increments of one-eighth of one percent).

Sec. 3982.0603. SALES AND USE TAX RATE. (a) On or after the date the results are declared of an election held under Section 3982.0602, at which the voters approved imposition of the tax authorized by this subchapter, the board shall determine and adopt by resolution or order the initial rate of the tax, which must be in one or more increments of one-eighth of one percent.

(b) After the election held under Section 3982.0602, the board may increase or decrease the rate of the tax by one or more increments of one-eighth of one percent.

(c) The initial rate of the tax or any rate resulting from subsequent increases or decreases may not exceed the lesser of:

(1) the maximum rate authorized by the district voters at the election held under Section 3982.0602; or

(2) a rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district, would result in the maximum combined rate prescribed by Section 321.101(f), Tax Code, at any location in the district.

Sec. 3982.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This section applies to the district after a municipality annexes part of the territory in the district and imposes the municipality's sales and use tax in the annexed territory.

(b) If at the time of annexation the district has outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, Section 321.102(g), Tax Code, applies to the district.

(c) If at the time of annexation the district does not have outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, the district may exclude the annexed territory from the district, if the district has no outstanding debt or other obligations payable from any source.

Sec. 3982.0605. NOTIFICATION OF RATE CHANGE. The board shall notify the comptroller of any changes made to the tax rate under this subchapter in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

Sec. 3982.0606. USE OF REVENUE. Revenue from the sales and use tax imposed under this subchapter is for the use and benefit of the district and may be used for any district purpose. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations, and that pledge of revenue may be in combination with other revenue, including tax revenue, available to the district.

Sec. 3982.0607. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter without an election.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

(c) If the board abolishes the tax, the board shall notify the comptroller of that action in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

(d) If the board abolishes the tax or decreases the tax rate to zero, a new election to authorize a sales and use tax must be held under Section 3982.0602 before the district may subsequently impose the tax.

#### SUBCHAPTER G. DEFINED AREAS

Sec. 3982.0701. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY. The district may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole.

Sec. 3982.0702. PROCEDURE FOR ELECTION. (a) Before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes of the defined area or designated property, the board shall hold an election in the defined area or in the designated property only.

(b) The board may submit the issues to the voters on the same ballot to be used in another election.

Sec. 3982.0703. DECLARING RESULT AND ISSUING ORDER. (a) If a majority of the voters voting at the election approve the proposition or propositions, the board shall declare the results and, by order, shall establish the defined area and describe it by metes and bounds or designate the specific property.

(b) A court may not review the board's order except on the ground of fraud, palpable error, or arbitrary and confiscatory abuse of discretion.

Sec. 3982.0704. TAXES FOR SERVICES, IMPROVEMENTS, AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter approval and adoption of the order described by Section 3982.0703, the district may apply separately, differently, equitably, and specifically its taxing power and lien authority to the defined area or designated property to provide money to construct, administer, maintain, and operate services, improvements, and facilities that primarily benefit the defined area or designated property.

Sec. 3982.0705. ISSUANCE OF BONDS FOR DEFINED AREA OR DESIGNATED PROPERTY. After the order under Section 3982.0703 is adopted, the district may issue bonds to provide for any land, improvements, facilities, plants, equipment, and appliances for the defined area or designated property.

Sec. 3982.0706. ADDITION OR EXCLUSION OF LAND IN DEFINED AREA. The district may add or exclude land from the defined areas in the same manner the district may add or exclude land from the district.

SECTION 2. The Plum Creek Management District No. 1 of Liberty County initially includes all territory contained in the following area:

Being 2,774.31 acres of land situated in the James T. Dunman Survey, Abstract 167, the Willis McWilkinson Survey, Abstract 318, the H.T. & B. R.R. Co. Survey, Section 15, Abstract, the H.T. & B. R.R. Co. Survey, Section 14-1/2 also known as the W.R. Searcy Survey, Abstract 792, the H.T. & B. R.R. Co. Survey, Section 13-1/2, Abstract 635, the W. McWilkinson Survey, Abstract 317, the Charles Smith Survey, Abstract 350, the B.B.B. & C. Survey, Abstract 152, the James Darwin Survey, Abstract 176, the William H.B. Witham Survey, Abstract 395 and the Edward King Survey, Abstract 56 of Liberty County, Texas; being part of a called 7,750.32 acre tract conveyed to HF Houston Green Land, L.P. by Special Warranty Deed recorded under Clerk's File No. 2006-008098 of the Liberty County Official Public Records of Real Property; said 2,774.31 acres being part of a called 8,673.34 acre tract described in Certificate for Order Adding Land and Redefining Boundaries, document of which is recorded in Clerk's File No. 2009-115395 of the Montgomery County Official Public Records of Real Property and in Clerk's File No. 2009018027 of the Official Public Records of Liberty County, Texas; said 2,774.31 acres being comprised of three separate tracts, and more particularly described by the following metes and bounds, with all bearings being based on the calls of said 8,673.34 acre tract;

Tract 1 - 1,578.64 Acres

COMMENCING at the most northerly northwest corner of a called 1,122.98 acre parcel conveyed to HF Houston Green Land, L.P. by Special Warranty Deed recorded under Clerk's File No. 2006-119940 of the Montgomery County Official Public Records of Real Property, same being the most northerly northwest corner of said 8,673.34 acre parcel;

THENCE, North 87 degrees 33 minutes 40 seconds East, 451.90 feet along a northerly line of said 1,122.98 acre tract to an angle point in the northerly line of said 1,122.98 acre parcel;

THENCE, North 87 degrees 05 minutes 50 seconds East, 2613.76 feet along a northerly line of said 1,122.98 acre tract, to an angle point in the northerly line of said 1,122.98 acre parcel;

THENCE, North 87 degrees 09 minutes 40 seconds East, 399.30 feet along the north line of said 1,122.98 acre parcel and continuing along the north line of said 7,550.32 acre tract to a point for the northwest corner of a called 4,394.368 acre tract described in Special Warranty Deed recorded in Clerk's File No. 2016013974 of the Official Public Records of Liberty County, Texas;

THENCE, along the common line of the remainder of said 7,550.32 acre parcel and said adjoining 4,394.368 acre parcel, the following nine (9) courses and distances:

1. South 05 degrees 07 minutes 37 seconds East, a distance of 85.52 feet to an angle point;

2. South 06 degrees 55 minutes 52 seconds East, a distance of 1,062.76 feet to an angle point;

3. South 16 degrees 56 minutes 21 seconds East, a distance of 421.03 feet to an angle point;

4. South 25 degrees 57 minutes 46 seconds East, a distance of 451.32 feet to a point, beginning a curve to the right;

5. With said curve to the right, having a central angle of 43 degrees 59 minutes 15 seconds, an arc length of 383.86 feet, a radius of 500.00 feet, and a chord bearing South 03 degrees 58 minutes 09 seconds East, 374.51 feet to a point;

6. South 18 degrees 01 minute 29 seconds West, a distance of 800.07 feet;

7. South 20 degrees 09 minutes 01 second East, a distance of 1,051.41 feet to the POINT OF BEGINNING and northwest corner of the herein described parcel, same being the westerly southwest corner of said adjoining 4,394.368 acre parcel;

8. South 77 degrees 48 Minutes 38 seconds East, a distance of 12,787.72 feet to a point for the northeast corner of the herein described tract;

9. South 10 degrees 28 minutes 05 seconds East, a distance of 6,647.77 feet to a point for the southeast corner of the herein described parcel and the remainder of said 7,550.32 acre parcel, same being the southwest corner of said adjoining 4,394.368 acre parcel;

THENCE, South 87 degrees 49 minutes 10 seconds West along the south line of the herein described parcel and said 7,550.32 acre parcel, a distance of 2,580.31 feet to an angle point on said line;

THENCE, South 87 degrees 28 minutes 44 seconds West continuing along the south line of the herein described parcel and said 7,550.32 acre parcel, a distance of 2,049.32 feet to a point for the lower southwest corner of the herein described parcel, being a point on the extraterritorial jurisdiction line of the City of Houston, said extraterritorial jurisdiction line being at this location an arc with a radius of 26,400 feet measured from a point on the west line of the John R. Rhea Survey, Abstract 62 of Harris County, located a distance of 2,500 feet north of the southwest corner of said John R. Rhea Survey, as described in City of Houston Ordinance No. 65-1905-A passed December 31, 1965 (Area No. 9), beginning a curve to the left;

THENCE, with said curve to the left in said extraterritorial jurisdiction line, having a central angle of 05 degrees 16 minutes 12 seconds, an arc length of 2,428.19 feet, a radius of 26,400.00 feet, and a chord bearing North 69 degrees 04 minutes 40 seconds West, 2,427.33 feet to a point for corner in a west line of said 7,550.32 acre parcel;

THENCE, North 02 degrees 50 minutes 12 seconds West along the lower west line of the herein described parcel and said 7,550.32 acre parcel, a distance of 2,539.52 feet to an angle point on said line;

THENCE, North 02 degrees 38 minutes 21 seconds West continuing along the lower west line of the herein described parcel and said 7,550.32 acre parcel, a distance of 1,209.38 feet to a reentry point of the herein described parcel;

THENCE, South 87 degrees 44 minutes 33 seconds West along a southerly line of the herein described parcel and said 7,550.32 acre parcel, a distance of 4,800.59 feet to a point for corner on the common line of Liberty County and Harris County, as described on a map titled "A Resurvey of the Liberty-Montgomery, Liberty Harris and Montgomery-Harris County Lines" filed for record in Volume 7, Page 341 of the Montgomery County Deed Records;

THENCE, North 20 degrees 09 minutes 01 seconds West along said common County Line, a distance of 5,329.52 feet to the POINT OF BEGINNING, CONTAINING 1,578.64 acres of land, more or less.

Tract 2 - 138.36 Acres

COMMENCING at the most northerly northwest corner of said 1,122.98 acre parcel, same being the most northerly northwest corner of said 8,673.34 acre parcel;

THENCE, South 71 degrees 45 minutes 13 seconds East, a distance of 33,168.33 feet to a point for the southeast corner and POINT OF BEGINNING of the herein described parcel, said point also being the easternmost southeast corner of a said 7,550.32 acre parcel;

THENCE, South 87 degrees 51 minutes 07 seconds West along the lower south line of the herein described parcel, same being the easternmost upper south line of said 7,550.32 acre parcel, a distance of 2,339.90 feet to a point for the lower southwest corner of the herein described tract and the easternmost southwest corner of said 7,550.32 acre parcel;

THENCE, North 01 degree 59 minutes 09 seconds West along the west line of the herein described parcel, same being the easternmost west line of said 7,550.32, a distance of 1,325.35 feet to a point for reentry corner of the herein described tract;

THENCE, North 77 degrees 54 minutes 20 seconds West along the upper south line of the herein described tract, same being a southerly line of said 7,550.32 acre parcel, a distance of 219.24 feet to an angle point on said line;

THENCE, North 83 degrees 12 minutes 30 seconds West continuing along the upper south line of the herein described tract and said southerly line of said 7,550.32 acre parcel, a distance of 422.76 feet to a point in the northerly high bank of Luce Bayou, for the upper southwest corner of the herein described parcel, said point also being in the southeast line of the aforementioned adjoining 4,394.368 acre parcel;

THENCE, along the northerly bank of Luce Bayou, being the northwest line of the herein described parcel, same being the southeast line of said adjoining 4,394.368 acre parcel to points at the following twenty three (23) courses and distances:

1. North 29 degrees 13 minutes 18 seconds East, a distance of 288.16 feet;



2. North 22 degrees 54 minutes 55 seconds West, a distance of 25.58 feet;
3. North 44 degrees 22 minutes 41 seconds West, a distance of 219.92 feet;
4. North 40 degrees 51 minutes 59 seconds East, a distance of 265.77 feet;
5. North 60 degrees 15 minutes 23 seconds East, a distance of 589.74 feet;
6. North 76 degrees 20 minutes 59 seconds East, a distance of 207.09 feet;
7. South 62 degrees 58 minutes 05 seconds East, a distance of 263.50 feet;
8. South 85 degrees 04 minutes 58 seconds East, a distance of 129.39 feet;
9. North 39 degrees 15 minutes 32 seconds East, a distance of 269.90 feet;
10. South 44 degrees 12 minutes 23 seconds East, a distance of 367.63 feet;
11. North 77 degrees 18 minutes 00 seconds East, a distance of 128.41 feet;
12. South 15 degrees 35 minutes 40 seconds West, a distance of 42.57 feet;
13. North 57 degrees 07 minutes 53 seconds East, a distance of 157.37 feet;
14. South 62 degrees 07 minutes 28 seconds East, a distance of 105.88 feet;
15. South 86 degrees 07 minutes 23 seconds East, a distance of 56.96 feet;
16. North 08 degrees 28 minutes 03 seconds East, a distance of 165.00 feet;
17. North 15 degrees 57 minutes 33 seconds East, a distance of 180.33 feet;
18. North 81 degrees 29 minutes 31 seconds East, a distance of 92.83 feet;
19. South 66 degrees 31 minutes 19 seconds East, a distance of 305.88 feet;
20. North 71 degrees 59 minutes 48 seconds East, a distance of 90.95 feet;
21. North 15 degrees 03 minutes 20 seconds East, a distance of 283.46 feet;
22. North 38 degrees 50 minutes 41 seconds East, a distance of 262.89 feet;
23. South 78 degrees 51 minutes 42 seconds East, a distance of 94.27 feet

to a point for the northeast corner of the herein described parcel, being the easternmost northeast corner of the remainder of said 7,550.32 acre parcel, and also being the southeast corner of the aforementioned adjoining 4,394.368 acre parcel;

THENCE, South 02 degrees 04 minutes 15 seconds East along the east line of the herein parcel, same being the east line of said 7,550.32 acre parcel, a distance of 2,860.01 feet to the POINT OF BEGINNING, CONTAINING 138.36 acres of land, more or less.

Tract 3 - 1,057.31 Acres

COMMENCING at the most northerly northwest corner of said 1,122.98 acre parcel, same being the most northerly northwest corner of said 8,673.34 acre parcel;

THENCE, South 52 degrees 20 minutes 22 seconds East, a distance of 32,311.35 feet to a point for the lower southeast corner and POINT OF BEGINNING of the herein described parcel, said point also being the southernmost southeast corner of said 7,550.32 acre parcel;

THENCE, South 87 degrees 56 minutes 51 seconds West along the south line of the herein described parcel, being the lower south line of said 7,550.32 acre parcel, a distance of 3,371.57 feet to a point for the lower southwest corner of the herein described parcel, being a point on the extraterritorial jurisdiction line of the City of Houston, said extraterritorial jurisdiction line being at this location an arc with a radius of 26,400 feet measured from a point on the west line of the John R. Rhea Survey, Abstract 62 of Harris County, said point located a distance of 2,500 feet north of the

southwest corner of said John R. Rhea Survey, as described in City of Houston Ordinance No. 65-1905-A passed December 31, 1965 (Area No. 9), beginning a curve to the left;

THENCE, with said curve to the left in said extraterritorial jurisdiction line, having a central angle of 06 degrees 17 minutes 49 seconds, an arc length of 2,901.41 feet, a radius of 26,400.00 feet, and a chord bearing North 45 degrees 08 minutes 20 seconds West, 2,289.95 feet to a point for corner in a west line of said 7,550.32 acre parcel;

THENCE, North 01 degree 25 minutes 03 seconds West continuing along the west line of the herein described parcel and the lower west line of said 7,550.32 acre parcel, a distance of 4,042.73 feet to a point in the northerly high bank of Luce Bayou for the northwest corner of the herein described parcel, said point being the lower northwest corner of the remainder of said 7,550.32 acre parcel, and also being the south corner of the aforementioned adjoining 4,394.368 acre parcel;

THENCE, along the northerly bank of Luce Bayou, being the northwest line of the herein described parcel and the lower northwest line of the remainder of said 7,550.32 acre parcel, same being the southeast line of said adjoining 4,394.368 acre parcel to points at the following sixty (60) courses and distances:

1. North 61 degrees 21 minutes 26 seconds East, a distance of 55.62 feet;
2. North 50 degrees 37 minutes 28 seconds East, a distance of 91.94 feet;
3. North 35 degrees 59 minutes 28 seconds East, a distance of 90.11 feet;
4. North 81 degrees 37 minutes 54 seconds East, a distance of 99.10 feet;
5. North 57 degrees 51 minutes 37 seconds East, a distance of 158.16 feet;
6. South 56 degrees 59 minutes 24 seconds East, a distance of 107.50 feet;
7. South 36 degrees 14 minutes 37 seconds East, a distance of 159.52 feet;
8. North 54 degrees 34 minutes 28 seconds East, a distance of 191.37 feet;
9. South 77 degrees 54 minutes 48 seconds East, a distance of 173.87 feet;
10. North 54 degrees 26 minutes 02 seconds East, a distance of 146.38 feet;
11. North 62 degrees 41 minutes 22 seconds East, a distance of 232.93 feet;
12. South 19 degrees 51 minutes 51 seconds East, a distance of 112.24 feet;
13. North 82 degrees 24 minutes 12 seconds East, a distance of 94.78 feet;
14. North 51 degrees 03 minutes 36 seconds East, a distance of 200.86 feet;
15. North 66 degrees 08 minutes 09 seconds East, a distance of 169.04 feet;
16. South 62 degrees 28 minutes 14 seconds East, a distance of 153.91 feet;
17. North 38 degrees 34 minutes 21 seconds East, a distance of 106.95 feet;
18. North 02 degrees 48 minutes 55 seconds East, a distance of 326.69 feet;
19. South 45 degrees 23 minutes 50 seconds East, a distance of 219.28 feet;
20. North 24 degrees 43 minutes 53 seconds East, a distance of 142.40 feet;
21. North 62 degrees 19 minutes 52 seconds East, a distance of 252.61 feet;
22. North 34 degrees 38 minutes 47 seconds East, a distance of 226.60 feet;
23. North 42 degrees 20 minutes 23 seconds East, a distance of 357.69 feet;
24. North 81 degrees 41 minutes 35 seconds East, a distance of 167.94 feet;
25. North 32 degrees 37 minutes 57 seconds East, a distance of 401.87 feet;
26. North 62 degrees 21 minutes 03 seconds East, a distance of 139.87 feet;
27. South 52 degrees 41 minutes 51 seconds East, a distance of 149.90 feet;

28. North 07 degrees 49 minutes 17 seconds East, a distance of 138.14 feet;
29. North 11 degrees 25 minutes 11 seconds West, a distance of 282.21 feet;
30. North 80 degrees 25 minutes 55 seconds East, a distance of 195.83 feet;
31. North 57 degrees 50 minutes 39 seconds East, a distance of 119.95 feet;
32. North 18 degrees 31 minutes 30 seconds East, a distance of 202.53 feet;
33. North 41 degrees 32 minutes 27 seconds East, a distance of 107.50 feet;
34. South 80 degrees 31 minutes 33 seconds East, a distance of 185.98 feet;
35. South 03 degrees 41 minutes 25 seconds West, a distance of 146.64 feet;
36. South 31 degrees 39 minutes 32 seconds East, a distance of 47.04 feet;
37. North 80 degrees 27 minutes 52 seconds East, a distance of 49.59 feet;
38. North 52 degrees 41 minutes 31 seconds East, a distance of 204.57 feet;
39. North 43 degrees 52 minutes 42 seconds East, a distance of 154.18 feet;
40. North 78 degrees 29 minutes 58 seconds East, a distance of 229.58 feet;
41. South 38 degrees 31 minutes 15 seconds East, a distance of 139.79 feet;
42. South 78 degrees 40 minutes 34 seconds East, a distance of 165.26 feet;
43. North 18 degrees 05 minutes 01 second West, a distance of 120.75 feet;
44. North 45 degrees 34 minutes 26 seconds East, a distance of 292.64 feet;
45. North 24 degrees 08 minutes 01 second East, a distance of 235.02 feet;
46. North 61 degrees 06 minutes 54 seconds East, a distance of 124.69 feet;
47. North 27 degrees 51 minutes 51 seconds East, a distance of 181.98 feet;
48. North 47 degrees 04 minutes 47 seconds East, a distance of 801.66 feet;
49. South 01 degree 26 minutes 20 seconds East, a distance of 179.11 feet;
50. South 07 degrees 16 minutes 18 seconds East, a distance of 40.74 feet;
51. North 44 degrees 46 minutes 28 seconds East, a distance of 505.22 feet;
52. North 59 degrees 29 minutes 52 seconds East, a distance of 639.36 feet;
53. North 70 degrees 16 minutes 34 seconds East, a distance of 631.52 feet;
54. South 26 degrees 38 minutes 58 seconds West, a distance of 119.89 feet;
55. South 46 degrees 41 minutes 57 seconds East, a distance of 275.51 feet;
56. North 29 degrees 00 minutes 30 seconds East, a distance of 443.82 feet;
57. North 54 degrees 58 minutes 07 seconds East, a distance of 189.36 feet;
58. South 63 degrees 53 minutes 28 seconds East, a distance of 100.65 feet;
59. South 23 degrees 10 minutes 28 seconds East, a distance of 213.82 feet;
60. North 65 degrees 05 minutes 26 seconds East, a distance of 76.57 feet to a point for the northeast corner of the herein described parcel, being the southernmost northeast corner of said 7,550.32 acre parcel, and being in an eastern line of the aforementioned adjoining 4,394.368 acre parcel;

THENCE, South 02 degrees 42 minutes 29 seconds East along the upper east line of the herein described parcel, being an east line of said 7,550.32 acre parcel, a distance of 3,277.76 feet to a point for the upper southeast corner of the herein described parcel, being a southeast corner of said 7,220.32 acre parcel;

THENCE, South 87 degrees 37 minutes 48 seconds West along the upper south line of the herein described parcel, being a south line of said 7,550.32 acre parcel, a distance of 2,884.02 feet to a point for reentry corner of the herein described parcel and said 7,550.32 acre parcel;

THENCE, South 02 degrees 20 minutes 58 seconds East along the lower east line of the herein described parcel, being the southernmost east line of said 7,550.32 acre parcel, a distance of 5,376.03 feet to an angle point on said line;

THENCE, South 00 degrees 27 minutes 55 seconds West continuing along the lower east line of the herein described parcel and the southernmost east line of said 7,550.32 acre parcel, a distance of 1,540.65 feet to the POINT OF BEGINNING, CONTAINING 1,057.31 acres of land, for a total of 2,774.31 acres in Liberty County, Texas as shown on drawing No. 12934 in the offices of Jones & Carter, Inc., Bellaire, Texas.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) The general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.

(e) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. 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, 2019.

### **HB 3668 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Walle called up with senate amendments for consideration at this time,

**HB 3668**, A bill to be entitled An Act relating to grants for disaster response by nonprofit food banks.

Representative Walle moved to concur in the senate amendments to **HB 3668**.

The motion to concur in the senate amendments to **HB 3668** prevailed by (Record 1906): 116 Yeas, 25 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren;

Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zerwas; Zwiener.

Nays — Bell, K.; Biedermann; Cain; Craddick; Dean; Frank; Harris; Hefner; Holland; Krause; Landgraf; Lang; Middleton; Murr; Oliverson; Parker; Patterson; Schaefer; Shaheen; Smith; Stickland; Swanson; Tinderholt; Wilson; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Springer.

### STATEMENT OF VOTE

When Record No. 1906 was taken, I was in the house but away from my desk. I would have voted yes.

Springer

### Senate Committee Substitute

**CSHB 3668**, A bill to be entitled An Act relating to grants for disaster response by nonprofit food banks.

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

SECTION 1. Subchapter B, Chapter 418, Government Code, is amended by adding Section 418.026 to read as follows:

Sec. 418.026. GRANTS FOR DISASTER RESPONSE BY NONPROFIT FOOD BANKS. (a) In this section, "nonprofit food bank" means a nonprofit organization that solicits, warehouses, and redistributes edible food to agencies that feed needy families and individuals.

(b) Using money available for the purpose, the office of the governor shall establish a program to provide grants to nonprofit organizations in this state for distribution to nonprofit food banks to build the capacity of the nonprofit food banks to respond to disasters.

(c) To be eligible to receive a grant under this section, a nonprofit organization must:

(1) have at least five years of experience coordinating a statewide network of nonprofit food banks and charitable organizations that distribute food to needy or low income individuals during disasters; and

(2) be a member of the Texas Voluntary Organizations Active in Disaster.

(d) Grant money awarded under this section may be used only to reimburse a nonprofit food bank for all or part of the costs incurred by the nonprofit food bank as a result of:

(1) maintaining an inventory of emergency food boxes in preparation for a disaster;

(2) purchasing, storing, and transporting food for distribution during a disaster; and

(3) purchasing capital equipment necessary to operate during a disaster, including back-up generators, mobile food pantries, trucks, meal preparation units, forklifts, technology, and other equipment.

(e) The office of the governor shall establish procedures to administer the grant program, including a procedure for the submission of a proposal and a procedure to be used by the office to evaluate a proposal.

(f) The office of the governor shall enter into a contract that includes performance requirements with each grant recipient. The office shall monitor and enforce the terms of the contract. The contract must authorize the office to recoup grant money from a grant recipient for failure of the grant recipient to comply with the terms of the contract.

(g) The office of the governor may solicit and accept gifts, grants, and donations from any source for the purpose of awarding grants under this section.

SECTION 2. The office of the governor is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the office may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 3. This Act takes effect September 1, 2019.

### **HB 3875 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Capriglione called up with senate amendments for consideration at this time,

**HB 3875**, A bill to be entitled An Act relating to cloud compatibility of certain state agency information technology purchases.

Representative Capriglione moved to concur in the senate amendments to **HB 3875**.

The motion to concur in the senate amendments to **HB 3875** prevailed by (Record 1907): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause;

Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Nevárez.

### Senate Committee Substitute

**CSHB 3875**, A bill to be entitled An Act relating to cloud compatibility of certain state agency information technology purchases.

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

SECTION 1. The heading to Section 2157.007, Government Code, is amended to read as follows:

Sec. 2157.007. [~~CONSIDERATION OF~~] CLOUD COMPUTING SERVICE [~~PURCHASE~~].

SECTION 2. Section 2157.007, Government Code, is amended by amending Subsections (a) and (b) and adding Subsections (b-1) and (b-2) to read as follows:

(a) In this section:

(1) "Cloud computing service" has the meaning assigned by Special Publication 800-145 issued by the United States Department of Commerce National Institute of Standards and Technology, as the definition existed on January 1, 2015.

(2) "Major information resources project" has the meaning assigned by Section 2054.003.

(b) Except as provided by Subsection (b-1), a [A] state agency shall ensure [consider cloud computing service options, including any security benefits and cost savings associated with purchasing those service options from a cloud computing service provider and from a statewide technology center established by the department], when making purchases for an automated information system or a major information resources project, that the system or project is capable of being deployed and run on cloud computing services [under Section 2054.118].

(b-1) When making a purchase for an automated information system or a major information resources project, a state agency may determine that, due to integration limitations with legacy systems, security risks, or costs, the agency is unable to purchase a system or project capable of being deployed and run on cloud computing services.

(b-2) At least 14 days before the date a state agency solicits bids, proposals, offers, or other applicable expressions of interest for a purchase described by Subsection (b-1), the agency shall submit to the Legislative Budget Board for the purchase of an automated information system or to the quality assurance team as defined by Section 2054.003 for the purchase of a major information resources project a report that describes the purchase and the agency's reasoning for making the purchase.

SECTION 3. Section 2157.007, Government Code, as amended by this Act, applies only with respect to a purchase made by a state agency on or after the effective date of this Act. A purchase made before the effective date of this Act is governed by the law in effect on the date the purchase was made, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2019.

### **HB 3834 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Capriglione called up with senate amendments for consideration at this time,

**HB 3834**, A bill to be entitled An Act relating to the requirement that certain state and local government employees and state contractors complete a cybersecurity training program certified by the Department of Information Resources.

Representative Capriglione moved to concur in the senate amendments to **HB 3834**.

The motion to concur in the senate amendments to **HB 3834** prevailed by (Record 1908): 140 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).



Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Longoria; Raney.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 3834** (senate committee printing) in SECTION 3 of the bill as follows:

(1) In added Section 2054.519(b), Government Code (page 2, lines 12-13), strike "include activities, case studies, hypothetical situations, and other methods that".

(2) In added Section 2054.519, Government Code (page 2, between lines 17 and 18), add the following appropriately lettered subsection, reletter subsequent subsections of the section accordingly, and conform any cross-references to those provisions:

( ) The department may identify and certify under Subsection (a) training programs provided by state agencies and local governments that satisfy the training requirements described by Subsection (b).

(3) Strike added Sections 2054.5191(a) and (a-1), Government Code (page 2, lines 29-37), and substitute the following:

(a) Each state agency shall identify state employees who use a computer to complete at least 25 percent of the employee's required duties. At least once each year, an employee identified by the state agency and each elected or appointed officer of the agency shall complete a cybersecurity training program certified under Section 2054.519.

(a-1) At least once each year, a local government shall identify local government employees who have access to a local government computer system or database and require those employees and elected officials of the local government to complete a cybersecurity training program certified under Section 2054.519 or offered under Section 2054.519(e).

(4) In added Section 2054.5191(d), Government Code (page 2, lines 54-55), strike "audit the agency to ensure compliance with this section and send the results to the department" and substitute "require an internal review of the agency to ensure compliance with this section".

(5) In added Section 2054.5192(e), Government Code (page 3, lines 2-3), strike "agency's contract manager" and substitute "person who oversees contract management for the agency".

(6) In added Section 2054.5192(e)(2), Government Code (page 3, line 6), strike "conduct periodic audits" and substitute "periodically review agency contracts".

### **HCR 185 - ADOPTED (by Martinez)**

The following privileged resolution was laid before the house:

### **HCR 185**

WHEREAS, **HB 109** has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains a technical error that should be corrected; now, therefore, be it

RESOLVED by the 86th Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to make the following correction:

In the SECTION of the bill amending Section 12A.004(a)(1), Education Code, as added by Floor Amendment No. 1 by Hinojosa, between "25.081(f)" and the semicolon, insert ", as added by Chapter 1144 (**HB 441**), Acts of the 85th Legislature, Regular Session, 2017".

**HCR 185** was adopted by (Record 1909): 141 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Hefner.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **HB 3980 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Hunter called up with senate amendments for consideration at this time,

**HB 3980**, A bill to be entitled An Act relating to a requirement that the Statewide Behavioral Health Coordinating Council prepare a report regarding suicide rates in this state and state efforts to prevent suicides.

Representative Hunter moved to concur in the senate amendments to **HB 3980**.

The motion to concur in the senate amendments to **HB 3980** prevailed by (Record 1910): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Klick.

### **Senate Committee Substitute**

**CSHB 3980**, A bill to be entitled An Act relating to a requirement that the Statewide Behavioral Health Coordinating Council prepare a report regarding suicide rates in this state and state efforts to prevent suicides.

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

SECTION 1. LEGISLATIVE FINDINGS; PURPOSE. The legislature finds that:

(1) suicide is a public health crisis that affects residents of all ages in every region of this state; and

(2) policymakers need a better understanding of the issue to determine the appropriate state and regional efforts necessary to decrease suicide rates in this state across different ages, places, and groups and to address the patchwork of state laws, policies, programs, and efforts that are currently being used to address suicide.

SECTION 2. DEFINITIONS. In this Act:

(1) "Council" means the Statewide Behavioral Health Coordinating Council.

(2) "Postvention" includes activities that promote healing necessary to reduce the risk of suicide by a person affected by the suicide of another.

SECTION 3. SUMMARY REPORT. (a) The Health and Human Services Commission, in conjunction with the Department of State Health Services, shall prepare a summary report on the prevalence of suicide in this state and state policies and programs adopted across state systems and agencies to prevent suicides. The summary report must:

(1) include available statewide and regional data on the prevalence rates of suicide-related events, including suicidal thoughts, suicide attempts, and deaths caused by suicide, that to the extent practicable, is presented in a form that:

(A) is disaggregated by county and recognized categories of risk;

and

(B) is longitudinal to identify changes in suicide prevalence rates since 2000;

(2) identify the highest categories of risk with correlational data;

(3) list state statutes, agency rules, and policies related to suicide and suicide prevention, intervention, and postvention; and

(4) describe state agency initiatives since 2000 to address suicide and include the following information relating to each initiative:

(A) the administering state agency;

(B) the funding sources, including whether the funding was provided by:

(i) a federal block grant;

(ii) a federal discretionary grant; or

(iii) state appropriations;

(C) the years of operation; and

(D) whether the initiative is an example of a community-based effort to address suicide.

(b) To the extent practicable, in preparing the summary report, the Health and Human Services Commission shall include in the statewide and regional data provided under Subsection (a)(1) of this section information that indicates the prevalence of suicide-related events, including the following characteristics:

(1) the age of the individual;

(2) the gender of the individual; and

(3) whether at the time of the event the individual:

(A) was active duty in a branch of the armed forces of the United States; or

(B) was a military veteran.

(c) Each state agency or institution of higher education that is a member of the council shall provide to the Health and Human Services Commission the information described by Subsection (a) of this section, to the extent that information pertains to the respective work of each agency or institution.

(d) In preparing the summary report required by this Act, the Health and Human Services Commission and the Department of State Health Services shall consult, and may seek assistance from, a nonprofit group that:

(1) coordinates a multisector network of state and community-based suicide prevention groups; and

(2) has experience in the development, implementation, and monitoring of a statewide community-based suicide prevention plan.

(e) Not later than May 1, 2020, the Health and Human Services Commission shall provide a copy of the summary report to the council, the governor, the lieutenant governor, the speaker of the house of representatives, and each standing legislative committee with primary jurisdiction over health and mental health.

SECTION 4. LEGISLATIVE REPORT. (a) Using the summary report on suicide prepared under Section 3 of this Act and with input from the stakeholder workgroup established under Subsection (b) of this section, the council shall prepare a legislative report on suicide in this state that identifies opportunities and makes recommendations, including those that require legislative action, for state agencies to:

(1) improve statewide and regional data collection on suicide-related events;

(2) use data to guide and inform decisions and policy development relating to suicide prevention; and

(3) decrease suicide in this state while targeting the highest categories of risk.

(b) The council shall establish a stakeholder workgroup to assist member agencies in preparing the report that includes:

(1) a representative of a nonprofit group that:

(A) coordinates a multisector network of state and community-based suicide prevention groups; and

(B) assists with the development, implementation, and monitoring of a statewide community-based suicide prevention plan;

(2) a representative of a local mental health authority with experience in suicide prevention and postvention activities;

(3) representatives of groups with experience in suicide prevention and postvention activities:

(A) in a rural community, a suburban community, and an urban community;

(B) with military and veteran service members and their families; and

(C) in adult and juvenile justice settings;

(4) persons involved in suicide prevention and postvention activities who have lived through the experience of surviving a suicide attempt or have lost a family member to suicide; and

(5) a representative of any other group identified by the council.

(c) The chief administrator of each state agency represented on the council is entitled to a copy of the legislative report prepared under this section.

(d) Not later than November 1, 2020, the council shall submit a copy of the legislative report to the governor, the lieutenant governor, the speaker of the house of representatives, and each standing legislative committee with primary jurisdiction over health and mental health.

SECTION 5. EXPIRATION. This Act expires December 1, 2020.

SECTION 6. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

### **HB 4742 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Bowers called up with senate amendments for consideration at this time,

**HB 4742**, A bill to be entitled An Act relating to the creation of the SoGood Cedars Municipal Management District; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Representative Bowers moved to concur in the senate amendments to **HB 4742**.

The motion to concur in the senate amendments to **HB 4742** prevailed by (Record 1911): 103 Yeas, 39 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bernal; Blanco; Bowers; Buckley; Bucy; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Ortega; Pacheco; Parker; Perez; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Talarico; Thierry; Thompson, S.; Turner, C.; Turner, J.; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Bell, K.; Biedermann; Bohac; Bonnen; Burns; Burrows; Cain; Dean; Goldman; Harless; Harris; Hefner; Holland; Hunter; Krause; Landgraf; Lang; Leach; Metcalf; Middleton; Miller; Murr; Noble; Oliverson; Paddie; Patterson; Paul; Phelan; Sanford; Shaheen; Smith; Springer; Stickland; Swanson; Thompson, E.; Tinderholt; Toth; VanDeaver; Wilson.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **STATEMENTS OF VOTE**

When Record No. 1911 was taken, I was shown voting yes. I intended to vote no.

Stucky

When Record No. 1911 was taken, I was shown voting yes. I intended to vote no.

Zedler

### Senate Committee Substitute

**CSHB 4742**, A bill to be entitled An Act relating to the creation of the SoGood Cedars Municipal Management District; providing authority to issue bonds; providing authority to impose assessments and fees.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3963 to read as follows:

#### CHAPTER 3963. SOGOOD CEDARS MUNICIPAL MANAGEMENT DISTRICT

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3963.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the City of Dallas.

(3) "Director" means a board member.

(4) "District" means the SoGood Cedars Municipal Management

District.

(5) "Exempt property" means property owned by a governmental entity, including the city.

Sec. 3963.0102. NATURE OF DISTRICT. The SoGood Cedars Municipal Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3963.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

(b) By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(d) This chapter and the creation of the district may not be interpreted to relieve the city from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant city services provided in the district.

Sec. 3963.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(b) The district is created to serve a public use and benefit.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

- (1) developing and diversifying the economy of the state;
- (2) eliminating unemployment and underemployment; and
- (3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, drainage, road, and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3963.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

- (1) organization, existence, or validity;
- (2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;
- (3) right to impose or collect an assessment; or
- (4) legality or operation.

Sec. 3963.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

- (1) a tax increment reinvestment zone created under Chapter 311, Tax Code; or
- (2) a tax abatement reinvestment zone created under Chapter 312, Tax Code.

Sec. 3963.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.



Sec. 3963.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3963.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors who serve staggered terms of four years.

(b) Directors are elected in the manner provided by Subchapter D, Chapter 49, Water Code.

(c) The board may not create an executive committee to exercise the powers of the board.

Sec. 3963.0202. EX OFFICIO DIRECTORS. (a) The city manager, city auditor, and city attorney serve as nonvoting ex officio directors.

(b) The city manager, city auditor, or city attorney may appoint a designee to serve as an ex officio director in place of that person.

(c) An ex officio director is entitled to speak on any matter before the board.

(d) An ex officio director is not counted as a director for purposes of establishing a quorum.

Sec. 3963.0203. MEETINGS; NOTICE. (a) The board shall hold meetings at a place accessible to the public.

(b) The board must post notice of each meeting with the city secretary not later than 72 hours before the scheduled time of the meeting.

Sec. 3963.0204. COMPENSATION; EXPENSES. (a) The district may compensate each voting director in an amount not to exceed \$150 for each board meeting. The total amount of compensation for each director in one year may not exceed \$7,200.

(b) An ex officio director is not entitled to receive compensation from the district.

(c) A voting director or an ex officio director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

Sec. 3963.0205. INITIAL DIRECTORS. (a) The initial board consists of the following directors:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>Harrison Blair</u>
<u>2</u>	<u>Jason Brown</u>
<u>3</u>	<u>Stephen Wohr</u>
<u>4</u>	<u>Caitlin Simmons</u>
<u>5</u>	<u>Taylor McDonald</u>

(b) Of the initial directors, the terms of directors appointed for positions one through three expire June 1, 2021, and the terms of directors appointed for positions four and five expire June 1, 2023.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3963.0301. GENERAL POWERS AND DUTIES. (a) The district has the powers and duties necessary to accomplish the purposes for which the district is created.

(b) The board may not take any action or exercise any power granted under this chapter other than to hold an initial organizational meeting until the development agreement described by Section 3963.0302 is approved by the city and executed by the parties to the agreement.

Sec. 3963.0302. DEVELOPMENT AGREEMENT. (a) The city, the district, and any other entities the city determines are necessary to the agreement may execute a development agreement if approved by the city.

(b) This chapter expires on the fourth anniversary of the effective date of the Act enacting this chapter if the development agreement under Subsection (a) is not executed before that date.

Sec. 3963.0303. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

(b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).

(c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

(d) A district improvement project or service must comply with:

(1) the city charter and any city zoning and subdivision requirements;  
and

(2) city codes and ordinances.

(e) The district may not provide, conduct, or authorize an improvement project on any street, highway, right-of-way, or easement owned or controlled by the city unless the governing body of the city by resolution consents to the improvement.

Sec. 3963.0304. NONPROFIT CORPORATION. (a) The board by resolution may, with the consent of the governing body of the city by resolution, authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

(d) The board of the nonprofit corporation shall hold meetings at a place accessible to the public.

(e) The board of the nonprofit corporation must post notice of each meeting with the city secretary not later than 72 hours before the scheduled time of the meeting.

Sec. 3963.0305. LAW ENFORCEMENT SERVICES. To protect the public interest, with the consent of the governing body of the city by resolution, the district may contract with a qualified party, including the city, to provide law enforcement services in the district for a fee.

Sec. 3963.0306. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district, with the consent of the governing body of the city by resolution, may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3963.0307. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district, with the consent of the governing body of the city by resolution, may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:

(1) Chapter 380, Local Government Code; and

(2) Subchapter A, Chapter 1509, Government Code.

Sec. 3963.0308. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3963.0309. ADDING OR EXCLUDING LAND. With the consent of the governing body of the city by resolution, the district may add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

Sec. 3963.0310. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3963.0311. EXEMPT PROPERTY. The district may not impose an assessment, fee, tax, or other charge on an exempt property.

Sec. 3963.0312. CERTAIN RESIDENTIAL PROPERTY. (a) Section 375.161, Local Government Code, does not apply to the district.

(b) Notwithstanding Subsection (a), the district may not impose an assessment on property if the owner qualifies the property for a homestead exemption under Section 11.13, Tax Code:

(1) for the tax year in which the Act enacting this chapter takes effect;  
or

(2) for the tax year in which the assessment is imposed.

Sec. 3963.0313. NO AD VALOREM TAX. The district may not impose an ad valorem tax.

Sec. 3963.0314. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

#### SUBCHAPTER D. ASSESSMENTS

Sec. 3963.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3963.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than:

(A) a lien or claim for county, school district, or municipal ad valorem taxes; or

(B) a lien filed by the city or securing an obligation owed to the city; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that a taxing unit, as that term is defined by Section 1.04, Tax Code, may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

#### SUBCHAPTER E. BONDS

Sec. 3963.0501. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

Sec. 3963.0502. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

- (1) revenue, including contract revenues; or
- (2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Sec. 3963.0503. BONDS AND OTHER OBLIGATIONS FOR IMPROVEMENT UNDER AGREEMENT. If the improvements financed by an obligation will be conveyed to or operated and maintained by a municipality or retail utility provider pursuant to an agreement between the district and the municipality or retail utility provider entered into before the issuance of the obligation, the obligation may be in the form of bonds, notes, or other obligations payable wholly or partly from assessments, issued by public or private sale, in the manner provided by Subchapter A, Chapter 372, Local Government Code.

Sec. 3963.0504. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not issue bonds until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

- (b) This section applies only to the district's first issuance of bonds.

#### SUBCHAPTER I. DISSOLUTION

Sec. 3963.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

- (1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

- (b) The board by majority vote may dissolve the district at any time.

- (c) The city by resolution may dissolve the district at any time if:

(1) the development agreement has been executed; and  
(2) the district's performance under the agreement has been fulfilled, including any right or obligation the district has to reimburse a developer or owner for the costs of an improvement project.

(d) If the district is dissolved, the board shall transfer ownership of all district property to the city.

(e) The district may not be dissolved under Subsection (a), (b), or (c) if the district:

(1) has any outstanding debt until that debt has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the debt;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership and operation or maintenance of the public works, facilities, or improvements.

(f) Subchapter M, Chapter 375, Local Government Code, does not apply to the district.

SECTION 2. The SoGood Cedars Municipal Management District initially includes all territory contained in the following area:

TRACT 1:

Being a 57,225 square foot tract or parcel of land in the M. Main Survey, Abstract No. 995, situated in the City of Dallas, Dallas County, Texas, and being part of Lot 5 and Lots 13 through 17, all of lots 1 through 4, and all of an abandoned alley located in Block A/873 of HUGHES BROTHERS SUBDIVISION, an addition to the City of Dallas according to the plat thereof recorded in Volume 93, Page 43, Map Records, Dallas County, Texas, said 57,225 square foot tract of land being the same property as described in that certain tract of land described in a warranty deed to Pilgrim's Pride Corporation and recorded in Volume 2000163, Page 5582, Deed Records, Dallas County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for corner in the north right of way of Clarence Street (a 50 foot right of way) and the east right of way line of S. Cesar Chavez Boulevard (at this point a 95-foot right of way) said corner also being the southwest corner of Lot 17, Block A/873 of the aforementioned subdivision.

THENCE North 36 degrees 00 minutes 00 seconds West, along, said easterly right of way line of said S. Cesar Chavez Boulevard, distance of 250.00 feet to a found 1/2 inch iron rod in the south right of way line of Coombs Street, and being the northwest corner of Lot 13, Block A/873, for the northwest corner of the herein described tract;

THENCE North 53 degrees 43 minutes 56 seconds East, departing said Chavez Boulevard and along the southerly right of way line of Coombs Street, a distance of 228.57 to a 1/2 inch iron rod found for the northeast corner of the herein described tract and the west line of a 100-foot right-of-way-line of the T. & N.O. Railroad right-of-way (formerly the H. & T.C. Railroad).

THENCE South 35 Degrees 58 minutes 46 seconds East, departing the south right-of-way line of Coombs Street a distance of 208.74 feet to a 1/2 inch iron rod found for corner in the said west right of way line of said Railroad.

THENCE South 16 degrees 33 minutes 42 seconds East, departing said Railroad right of way line and along the westerly right of way line of Interstate Highway 45, a distance of 47,74 feet to a found 1/2 inch iron rod in the aforementioned northerly right of way line of said Clarence Street, for the southeast corner of the herein described tract;

THENCE South 54 degrees 43 minutes 27 seconds West, along the northerly right of way line of said Clarence Street, a distance of 212.62 to the POINT of BEGINNING and containing 57,225 square feet or 1.314 acres of land.

TRACT 2:

BEING a 385,249 square feet or 8.848 acre tract of land situated in the John Grigsby Survey, Abstract No. 495, City of Dallas, Dallas County, Texas, said tract being all of Lot 1B of Block A/472 of Pilgrim's Prepared Foods Addition, an addition to the City of Dallas, Dallas County, Texas according to the Map thereof recorded in Volume 97045, Page 2998, Deed Records of Dallas County, Texas, all of Lots 23, 24, 25, 26 & 27, Block 466 of Ferris Park Addition, an addition to the City of Dallas, Dallas County, Texas according to the Map thereof recorded in Volume 239, Page 72, Deed Records of Dallas County, Texas, a 1.198 acre tract and a 1.670 acre tract of land and a 0.294 acre tract of land in Block 466, said Lot 1B conveyed to Pilgrim's Pride Corporation by deeds recorded in Volume 88172, Page 2136 and Volume 91041, Page 5004, Deed Records of Dallas, Texas, said Lots 23-27, Block 466 conveyed to Pilgrim's Pride Corporation by deed recorded in Volume 97088, Page 2738, Deed Records of Dallas County, Texas, said 1.198 acre tract in Block 466 conveyed to Pilgrim's Pride Corporation by deed recorded in Volume 95250, Page 3603 Deed Records of Dallas County, Texas, and said 1.670 acre tract and 0.294 acre tract in Block 466 conveyed to Pilgrim's Pride Corporation by deed recorded in Instrument Number 200600105781, Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a set "x" in concrete for a corner at the intersection of the southeast line of Hickory Street (a 50 foot right of way) and the southwest line of S. Good Latimer Expressway (a 90 foot right of way), said point being the north corner of said Lot 1B;

THENCE, S 36°18'00" E, with the southwest line of S. Good Latimer Expressway, a distance of 477.87 feet to a set 5/8 iron rod for a corner at the intersection of the southwest line of S. Good Latimer Expressway with the northwest line of a variable width Alley right of way;

THENCE, S 53°21'15" W, departing S. Good Latimer Expressway and with the southeast line of Pilgrim's Prepared Food Addition and the northwest line of the said Alley right of way, a distance of 439.94 feet to a set 5/8 iron rod for a corner, said point being in the northeast line of the said 1.198 acre tract;

THENCE, the following courses and distances with the northeast, southeast and southwest line of the said 1.198 acre tract;

- S 36°18'00" E, a distance of 10.00 feet to a set 5/8 inch iron rod for a corner;

- S 53°21'15" W, a distance of 64.89 feet to a set 5/8 inch iron rod for a corner;

- S 30°15'00" E, a distance of 90.38 feet to a set 5/8 inch iron rod for a corner,

- S 53°08'53" W, a distance of 25.59 feet to a set 5/8 inch iron rod for a corner on the southeast line of Corinth Street (a 40 feet right of way), said point being the north corner of a 1.39 acre tract conveyed to Gustava Alvarado by deed records in Instrument Number 201300058241, Official Public Records of Dallas County, Texas;

- N 36°17'26" W, with the northeast line of Corinth Street, a distance of 40.00 feet to a set 5/8 inch iron rod for a corner, said point being the southeast corner of the said 0.294 acre tract and the north corner of Corinth Street;  
THENCE, S 53°17'04" W, with the northwest line of Corinth Street, a distance of 211.57 feet to a found 1 inch iron rod at the intersection of the northwest line of Corinth Street and the northeast line of Cesar Chavez Boulevard (Central Expressway a variable width right of way) for a corner;  
THENCE, N 36°18'00" W, with the northeast line of Cesar Chavez Boulevard, a distance of 582.00 feet to a set "x" in concrete for a corner at the intersection of the northeast line of Cesar Chavez Boulevard with Hickory Street, said point being the west corner of said Lot 23, Block 466;  
THENCE, the following courses and distances with the southeast line of Hickory Street;

- N 53°07'43" E, a distance of 211.57 feet to a set mag nail at the beginning of a non-tangent curve to the right with a central angle of 52°42'31", a radius of 62.50 feet, a chord bearing of N 79°23'57" E and a chord distance of 55.49 feet, said point being the north corner of said Lot 23, Block 466 and the west corner of the said 1.198 acre tract;

- Northeasterly, along said curve, an arc distance of 57.50 feet to a set mag nail at the beginning of a non-tangent curve to the left with a central angle of 53°07'49", a radius of 62.50 feet, a chord bearing of N 80°15'54" E and a chord distance of 55.90 feet, said point being the west corner of said Lot 1B, Block A/472;

THENCE, the following courses and distances with the southeast line of Hickory Street and the northwest line of said Lot 1B, A/472;

- Northeasterly, along said curve, an arc distance of 57.96 feet to a set mag nail for a corner;

- N 52°43'10" E, a distance of 50.35 feet to a set mag nail for a corner;
- S 36°18'00" E, a distance of 3.00 feet to a set mag nail for a corner;
- N 52°43'10" E, a distance of 149.36 feet to a set mag nail for a corner;
- N 36°18'00" W, a distance of 3.00 feet to a set mag nail for a corner;
- N 52°43'10" E, a distance of 240.29 feet to the Point of Beginning.

#### TRACT 3:

BEING a 13,298 square feet or 0.305 acre tract of land situated in the John Grigsby Survey, Abstract No. 495, City of Dallas, Dallas County, Texas said tract being all of Lot 2 and a part of Lot 3 of Block B/473 of Middleton Brothers Central Avenue Addition, an addition to the City of Dallas, Dallas County, Texas according to the map thereof recorded in Volume 96, Page 476, Deed Records of Dallas County, Texas, said tract conveyed to Pilgrim's Pride Corporation by deed recorded in Volume 95099, Page 840, Deed Records of Dallas County, Texas and being more particularly described as follows:

BEGINNING at a found 100D nail in the northwest line of Hickory Street (a 50 foot right of way), said point being the south corner of said Lot 2 and the east corner of Lot 1 of Block B/473 of the said Middleton Brothers Central Avenue Addition;



THENCE, N 36°24'15" W, departing said northwest line of Hickory Street and with the common line of said Lot 1 and Lot 2, a distance of 140.00 feet to a set 5/8 inch iron rod for a corner in the southeast line of a 20 foot Alley right of way, said point being the west corner of said Lot 2;

THENCE, N 52°43'10" E, with the southeast line of the said Alley right of way, a distance of 95.00 feet to a set 5/8 inch iron rod for a corner;

THENCE, S 36°24'15" E, departing the southeast line of the said Alley right of way, a distance of 140.00 feet to a set 5/8 inch iron rod for a corner in the northwest line of Hickory Street;

THENCE, S 52°43'10" W, with the northwest line of Hickory Street a distance of 95.00 feet to the Point of Beginning.

TRACT 4:

BEING a 19,498 square feet or 0.448 acre tract of land situated in the John Grigsby Survey, Abstract No. 495, City of Dallas, Dallas County, Texas, said tract being all of Lots 5, 6, and 7 of Block C/181 of Middleton Brothers Central Avenue Addition, an addition to the City of Dallas, Dallas County, Texas according to the map thereof recorded in Volume 96, Page 476, Deed Records of Dallas County, Texas, said tract conveyed to Pilgrim Industries, Inc. by deed recorded in Volume 81185, Page 3346, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a set 5/8 inch iron rod at the intersection of the southwest line of Lincoln Street (a 50 foot right of way) and the southeast line of Dawson Street (a 50 foot right of way), said point being the north corner a Lot 7 of Block C/181 of the said Middleton Brothers Central Avenue Addition;

THENCE, S 36°24'15" E, with the southwest line of Lincoln Street, a distance of 150.00 feet to a set 5/8 inch iron rod for a corner, said point being the east corner of Lot 5 and the north corner of Lot 4, Block C/181 of the said Middleton Brothers Central Avenue Addition;

THENCE, S 52°43'10" W, departing the southwest line of Lincoln Street and with the common line of said Lot 4 and Lot 5, a distance of 130.00 feet to a set 5/8 inch iron rod for a corner, said point being the south corner of Lot 5, said corner also being in the northeast line of a tract of land conveyed to Dallas Area Rapid Transit (DART) by deed recorded in Volume 88083, Page 4905, Deed Records of Dallas County, Texas;

THENCE, N 36°24'15" W, with the southwest line of Block C/181 and the northeast line of DART, a distance of 150.00 feet to a 5/8 inch iron rod in the southeast line of Dawson Street, said point also be the west corner of Lot 7;

THENCE, N 52°43'10" E, with the southeast line of Dawson Street .a distance of 130.00 feet to the Point of Beginning.

TRACT 5:

BEING a 19,498 square feet or 0.448 acre tract of land situated in the John Grigsby Survey, Abstract No. 495, City of Dallas, Dallas County, Texas, said tract being all of Lots 7, 8, and 9 of Block B/473 of Middleton Brothers Central Avenue Addition, an addition to the City of Dallas, Dallas County, Texas according to the map thereof recorded in Volume 96, Page 476, Deed Records of Dallas County, Texas, said tract conveyed to Pilgrim Pride Corporation by deeds

recorded in Volume 95099, Page 840 and Volume 97074, Page 1537, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a found monument in the northeast line of Lincoln Street (a 50 foot right of way), said point also being the west corner of Lot 9 of Block B/473 and the south corner of said Lot 10, Block B/473 of said Middleton Brothers Central Avenue Addition;

THENCE, N 52°43'10" E, departing the northeast line of Lincoln Street and along the common line of said Lot 9 and Lot 10, a distance of 130.00 feet to a set 5/8 inch iron rod for a corner, said point being the north corner of Lot 9 and the west corner of Lot 12, Block B/473 of the said Middleton Brothers Central Avenue Addition;

THENCE, S 36°24'15" E, with the common line of said Lot 9 and Lot 12, passing at a distance of 50.0 feet the west corner of Lot 13A, Block B/473 of Unique Electric Addition as recorded in Instrument Number 20070460539, Official Public Records of Dallas County, Texas, passing at a distance of 111.0 feet the south corner of said Lot 13A and in the southwest line of Lot 124, Block B/473 of the said Middleton Brothers Central Avenue Addition, continuing in all a distance of 150.00 to a set 5/8 iron rod for a corner, said point being the east corner of Lot 7 and the north corner of Lot 6, Block B/473 of the said Middleton Brothers Central Avenue Addition;

THENCE, S 52°43'10" W, with the common line of Lot 6 and Lot 7, a distance of 130.00 feet to a set 5/8 inch iron rod in the northeast line of Lincoln Street, said point also being the south corner of said Lot 7;

THENCE, N 36°24'15" W, with the northeast line of Lincoln Street, a distance of 150.00 feet to the Point of Beginning.

TRACT 6:

BEING a 33,796 square feet or 0.776 acre tract of land situated in the John Grigsby Survey, Abstract No. 495, City of Dallas, Dallas County, Texas, said tract being all of Lots 1, 2, 3 and 4 of Block C/181 of Middleton Brothers Central Avenue Addition, an addition to the City of Dallas, Dallas County, Texas according to the map thereof recorded in Volume 96, Page 476, Deed Records of Dallas County, Texas, said tract conveyed to Pilgrim Industries, Inc. by deed recorded in Volume 81185, Page 3346, Deed Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a point for a corner at the intersection of the southwest line of Lincoln Street (a 50 foot right of way) with the northwest line of Hickory Street (a 50 foot right of way), said point being the east corner of said Lot 2 of Block C/181 of the said Middleton Brothers Central Avenue Addition;

THENCE, S 52°43'10" W, with the northwest line of Hickory Street, a distance of 130.00 feet to a point for a corner, said point being the south corner of said Lot 1, Block C/181 of the said Middleton Brothers Central Avenue Addition and said point at the intersection of the northwest line of Hickory Street with the northeast line of a tract of land conveyed to DART by deed recorded in volume 88083. Page 4905, Deed Records of Dallas County, Texas;

THENCE, N 36°24'15" W, departing the northwest line of Hickory Street and with the northeast line of DART, a distance of 260.00 feet to a set 5/8 inch iron rod for a corner, said point being the common corner of said Lot 4 and Lot 5, Block C/181 of the said Middleton Brothers Central Avenue Addition;

THENCE, N 52°43'10"E, departing the northeast line of DART and with the common line of Lot 4 and Lot 5, a distance of 130.00 feet to a 5/8 inch iron rod in the southwest line of Lincoln Street;

THENCE, S 36°24'15" E, with the southwest line of Lincoln Street a distance of 260.00 feet to the Point of Beginning.

TRACT 7:

Being situated in the John Grigsby Survey, Abstract No. 495, Dallas County, Texas, and being part of City of Dallas Block No. 471 and Block No. 160, and being a resurvey of a called 2.0230 acre tract of land described by a deed to W&D Holden 1 Family Limited Partnership of record in Volume 99249, Page 5930, Deed Records of Dallas County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a concrete monument found for corner at the intersection of the southeast right-of-way line of R.L. Thornton Freeway (a variable width right-of-way) with the northeast right-of-way line of South Central Expressway (a variable width right-of-way), said point being the most western corner of said 2.0230 acre tract;

THENCE North 46°45'00" east along the southeast right-of-way line of said R.L. Thornton Freeway, a distance of 258.36 feet to a 1/2 iron rod found for corner at the most northern corner of said 2.0230 acre tract;

THENCE South 36°04'04" east along a northeast line of said 2.0230 acre tract, a distance of 55.77 feet to a 1/2 iron rod found for corner at an interior corner thereof;

THENCE North 51°59'25" east along a northwest line of said 2.0230 acre tract, a distance of 43.18 feet to a 1/2" iron rod found for corner at a northern corner thereof and being in the southwest right-of-way line of T. & N. O. Railroad (a variable width right-of-way);

THENCE South 36°17'33" East along the southwest right-of-way line of said T. & N. O. Railroad, a distance of 407.22 feet to a 1/2" iron rod found for corner at the most eastern corner of said 2.0230 acre tract and being in the northerly right-of-way line of Bluebell Street (a variable width right-of-way);

THENCE South 84°17'19" West along the northerly right-of-way line of said Bluebell Street, a distance of 13.15 feet to a 1/2" iron rod found for corner;

THENCE North 77°09'39" West continuing along the northerly right-of-way line of said Bluebell Street, a distance of 100.09 feet to a 1/2" iron rod found for corner;

THENCE North 74°09'26" West continuing along the northerly right-of-way line of said Bluebell Street, a distance of 37.18 feet to a 1/2" iron rod found for corner at the beginning of a non-tangent curve to the left having a radius of 102.00 feet, a central angle of 80°52'26", and a chord which bears South 76°21'04" West, a distance of 103.34 feet;

THENCE in a westerly direction along the curving north right-of-way line of said Bluebell Street, an arc distance of 108.37 feet to a 1/2" iron rod found for corner; THENCE South 45°55'00" West along the northwest right-of-way line of said Bluebell Street, a distance of 42.11 feet to a chainlink fence post found for corner at the most southern corner of said 2.0230 acre tract and being in the northeast right-of-way line of said South Central Expressway, said point also being the beginning of a non-tangent curve to the left having a radius of 2339.33 feet, a central angle of 06°25'54" and a chord which bears north 45°22'36" West, a distance of 202.46 feet;

THENCE in a northwesterly direction along the curving northeast right-of-way line of said South Central Expressway, an arc distance of 262.60 feet to a 1/2" iron rod found for corner;

THENCE North 51°43'12" West continuing along the northeast right-of-way line of said South Central Expressway, a distance of 28.99 feet to the PLACE OF BEGINNING and containing 88,017 square feet or 2.021 acres of land.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. 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, 2019.

### **HB 3630 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Meyer called up with senate amendments for consideration at this time,

**HB 3630**, A bill to be entitled An Act relating to prohibiting the use of aversive techniques on students enrolled in public school who receive special education services.

Representative Meyer moved to concur in the senate amendments to **HB 3630**.

The motion to concur in the senate amendments to **HB 3630** prevailed by (Record 1912): 139 Yeas, 0 Nays, 3 Present, not voting.

Yeas — Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Harless; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Allen; Wu.

### STATEMENT OF VOTE

When Record No. 1912 was taken, I was in the house but away from my desk. I would have voted yes.

Allen

### Senate Committee Substitute

**CSHB 3630**, A bill to be entitled An Act relating to prohibiting the use of certain aversive techniques on students enrolled in public schools.

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

SECTION 1. Subchapter A, Chapter 37, Education Code, is amended by adding Section 37.0023 to read as follows:

Sec. 37.0023. PROHIBITED AVERSIVE TECHNIQUES. (a) In this section, "aversive technique" means a technique or intervention that is intended to reduce the likelihood of a behavior reoccurring by intentionally inflicting on a student significant physical or emotional discomfort or pain. The term includes a technique or intervention that:

(1) is designed to or likely to cause physical pain, other than an intervention or technique permitted under Section 37.0011;

(2) notwithstanding Section 37.0011, is designed to or likely to cause physical pain through the use of electric shock or any procedure that involves the use of pressure points or joint locks;

(3) involves the directed release of a noxious, toxic, or otherwise unpleasant spray, mist, or substance near the student's face;

(4) denies adequate sleep, air, food, water, shelter, bedding, physical comfort, supervision, or access to a restroom facility;

(5) ridicules or demeans the student in a manner that adversely affects or endangers the learning or mental health of the student or constitutes verbal abuse;

(6) employs a device, material, or object that simultaneously immobilizes all four extremities, including any procedure that results in such immobilization known as prone or supine floor restraint;

(7) impairs the student's breathing, including any procedure that involves:

(A) applying pressure to the student's torso or neck; or

(B) obstructing the student's airway, including placing an object in, on, or over the student's mouth or nose or placing a bag, cover, or mask over the student's face;

(8) restricts the student's circulation;

(9) secures the student to a stationary object while the student is in a sitting or standing position;

(10) inhibits, reduces, or hinders the student's ability to communicate;

(11) involves the use of a chemical restraint;

(12) constitutes a use of timeout that precludes the student from being able to be involved in and progress appropriately in the required curriculum and, if applicable, toward the annual goals included in the student's individualized education program, including isolating the student by the use of physical barriers;  
or

(13) except as provided by Subsection (c), deprives the student of the use of one or more of the student's senses.

(b) A school district or school district employee or volunteer or an independent contractor of a school district may not apply an aversive technique, or by authorization, order, or consent, cause an aversive technique to be applied, to a student.

(c) Notwithstanding Subsection (a)(13), an aversive technique described by Subsection (a)(13) may be used if the technique is executed in a manner that:

(1) does not cause the student pain or discomfort; or

(2) complies with the student's individualized education program or behavior intervention plan.

(d) Nothing in this section may be construed to prohibit a teacher from removing a student from class under Section 37.002.

(e) In adopting procedures under this section, the commissioner shall provide guidance to school district employees, volunteers, and independent contractors of school districts in avoiding a violation of Subsection (b).

SECTION 2. This Act applies beginning with the 2019-2020 school year.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

**MESSAGE FROM THE SENATE**

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 2).

**HB 4676 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Stephenson called up with senate amendments for consideration at this time,

**HB 4676**, A bill to be entitled An Act relating to the creation of the Fort Bend County Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Representative Stephenson moved to concur in the senate amendments to **HB 4676**.

The motion to concur in the senate amendments to **HB 4676** prevailed by (Record 1913): 106 Yeas, 34 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bowers; Bucy; Burns; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Cyrier; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Ortega; Pacheco; Paddie; Parker; Perez; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Stephenson; Talarico; Thierry; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Ashby; Bohac; Bonnen; Buckley; Burrows; Button; Cain; Dean; Frank; Goldman; Harless; Harris; Hefner; Holland; Hunter; Krause; Lang; Metcalf; Middleton; Noble; Oliverson; Patterson; Paul; Phelan; Shaheen; Smith; Smithee; Springer; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Wilson.

Present, not voting — Mr. Speaker; Leach; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Craddick.

**STATEMENT OF VOTE**

When Record No. 1913 was taken, my vote failed to register. I would have voted yes.

Craddick

**Senate Committee Substitute**

**CSHB 4676**, A bill to be entitled An Act relating to the creation of the Fort Bend County Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3984 to read as follows:

**CHAPTER 3984. FORT BEND COUNTY MANAGEMENT DISTRICT NO. 3**

**SUBCHAPTER A. GENERAL PROVISIONS**

Sec. 3984.0101. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "County" means Fort Bend County.

(3) "Director" means a board member.

(4) "District" means the Fort Bend County Management District No. 3.

Sec. 3984.0102. CREATION AND NATURE OF DISTRICT; IMMUNITY.

(a) The Fort Bend County Management District No. 3 is a special district created under Section 59, Article XVI, Texas Constitution.

(b) The district is a governmental unit, as provided by Section 375.004, Local Government Code.

(c) This chapter does not waive any governmental or sovereign immunity from suit, liability, or judgment that would otherwise apply to the district.

Sec. 3984.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

(b) By creating the district, the legislature has established a program to accomplish the public purposes set out in Sections 52 and 52-a, Article III, Texas Constitution.

(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

(d) This chapter and the creation of the district may not be interpreted to relieve the county or a municipality from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant county or municipal services provided in the district.

Sec. 3984.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(b) The district is created to serve a public use and benefit.

(c) The creation of the district is in the public interest and is essential to further the public purposes of:

(1) developing and diversifying the economy of the state;



(2) eliminating unemployment and underemployment; and

(3) developing or expanding transportation and commerce.

(d) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways, transit facilities, parking facilities, rail facilities, and public art objects, and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and

(4) provide for water, wastewater, drainage, road, and recreational facilities for the district.

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3984.0105. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 3984.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;

(3) an enterprise zone created under Chapter 2303, Government Code;

or  
(4) an industrial district created under Chapter 42, Local Government Code.

Sec. 3984.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3984.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Sec. 3984.0109. CONFLICTS OF LAW. This chapter prevails over any provision of general law, including a provision of Chapter 375, Local Government Code, or Chapter 49, Water Code, that is in conflict or inconsistent with this chapter.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3984.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors elected or appointed as provided by this chapter and Subchapter D, Chapter 49, Water Code.

(b) Except as provided by Section 3984.0203, directors serve staggered four-year terms.

Sec. 3984.0202. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

Sec. 3984.0203. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act creating this chapter, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) The temporary or successor temporary directors shall hold an election to elect five permanent directors as provided by Section 49.102, Water Code.

(c) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Subsection (b); or

(2) the fourth anniversary of the effective date of the Act creating this chapter.

(d) If permanent directors have not been elected under Subsection (b) and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (c) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Subsection (b); or

(2) the fourth anniversary of the date of the appointment or reappointment.

(e) If Subsection (d) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal roll for the county may submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint

as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

Sec. 3984.0204. DISQUALIFICATION OF DIRECTORS. Section 49.052, Water Code, applies to the members of the board.

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3984.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3984.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

(b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).

(c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3984.0303. RECREATIONAL FACILITIES. The district may develop or finance recreational facilities as authorized by Chapter 375, Local Government Code, Sections 52 and 52-a, Article III, Texas Constitution, Section 59, Article XVI, Texas Constitution, and any other law that applies to the district.

Sec. 3984.0304. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may own, operate, maintain, design, acquire, construct, finance, issue bonds, notes, or other obligations for, improve, and convey to this state, a county, or a municipality for ownership, operation, and maintenance macadamized, graveled, or paved roads or improvements, including storm drainage, in aid of those roads.

Sec. 3984.0305. CONVEYANCE AND APPROVAL OF ROAD PROJECT. (a) The district may convey a road project authorized by Section 3984.0304 to:

(1) a municipality or county that will operate and maintain the road if the municipality or county has approved the plans and specifications of the road project; or

(2) the state if the state will operate and maintain the road and the Texas Transportation Commission has approved the plans and specifications of the road project.

(b) Except as provided by Subsection (c), the district shall operate and maintain a road project authorized by Section 3984.0304 that the district implements and does not convey to a municipality, a county, or this state under Subsection (a).

(c) The district may agree in writing with a municipality, a county, or this state to assign operation and maintenance duties to the district, the municipality, the county, or this state in a manner other than the manner described in Subsections (a) and (b).

Sec. 3984.0306. RAIL FACILITIES. In addition to the powers granted under Section 375.0921(b), Local Government Code, the district may construct, acquire, improve, maintain, finance, and operate rail facilities and improvements in aid of those facilities for the transport of freight and other cargo.

Sec. 3984.0307. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 3984.0308. LAW ENFORCEMENT SERVICES. Section 49.216, Water Code, applies to the district.

Sec. 3984.0309. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3984.0310. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district may engage in activities that accomplish the economic development purposes of the district.

(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:

(1) make loans and grants of public money; and

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:

(1) Chapter 380, Local Government Code; and

(2) Subchapter A, Chapter 1509, Government Code.

Sec. 3984.0311. STRATEGIC PARTNERSHIP AGREEMENT. The district may negotiate and enter into a written strategic partnership agreement with a municipality under Section 43.0751, Local Government Code.

Sec. 3984.0312. REGIONAL PARTICIPATION AGREEMENT. The district may negotiate and enter into a written regional participation agreement with a municipality under Section 43.0754, Local Government Code.

Sec. 3984.0313. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.

(b) The district's parking facilities serve the public purposes of the district and are owned, used, and held for a public purpose even if leased or operated by a private entity for a term of years.

(c) The district's parking facilities are parts of and necessary components of a street and are considered to be a street or road improvement.

(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3984.0314. ADDING OR EXCLUDING LAND. (a) The district may add land in the manner provided by Subchapter J, Chapter 49, Water Code.

(b) The district may exclude land in the manner provided by Subchapter J, Chapter 49, Water Code. Section 375.044(b), Local Government Code, does not apply to the district.

(c) The district may include and exclude land as provided by Sections 54.739-54.747, Water Code. A reference in those sections to a "tax" means an ad valorem tax for the purposes of this subsection.

(d) If the district adopts a sales and use tax authorized at an election held under Section 3984.0602 and subsequently includes new territory in the district under this section, the district:

(1) is not required to hold another election to approve the imposition of the sales and use tax in the included territory; and

(2) shall impose the sales and use tax in the included territory as provided by Chapter 321, Tax Code.

(e) If the district adopts a sales and use tax authorized at an election held under Section 3984.0602 and subsequently excludes territory in the district under this section, the sales and use tax is inapplicable to the excluded territory, as provided by Chapter 321, Tax Code, but is applicable to the territory remaining in the district.

Sec. 3984.0315. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3984.0316. AUDIT EXEMPTION. (a) The district may elect to complete an annual financial report in lieu of an annual audit under Section 375.096(a)(6), Local Government Code, if:

(1) the district had no bonds or other long-term (more than one year) liabilities outstanding during the fiscal period;

(2) the district did not have gross receipts from operations, loans, taxes, assessments, or contributions in excess of \$250,000 during the fiscal period; and

(3) the district's cash and temporary investments were not in excess of \$250,000 during the fiscal period.

(b) Each annual financial report prepared in accordance with this section must be open to public inspection and accompanied by an affidavit signed by a duly authorized representative of the district attesting to the accuracy and authenticity of the financial report.

(c) The annual financial report and affidavit shall be substantially similar in form to the annual financial report and affidavit forms prescribed by the executive director of the Texas Commission on Environmental Quality under Section 49.198, Water Code.

Sec. 3984.0317. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

#### SUBCHAPTER D. ASSESSMENTS

Sec. 3984.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3984.0402. METHOD OF NOTICE FOR HEARING. The district may mail the notice required by Section 375.115(c), Local Government Code, by certified or first class United States mail. The board shall determine the method of notice.

Sec. 3984.0403. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

SUBCHAPTER E. TAXES AND BONDS

Sec. 3984.0501. TAX ELECTION REQUIRED. The district must hold an election in the manner provided by Chapter 49, Water Code, or, if applicable, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax.

Sec. 3984.0502. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election under Section 3984.0501, the district may impose an operation and maintenance tax on taxable property in the district in the manner provided by Section 49.107, Water Code, for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or
- (3) provide a service.

(b) The board shall determine the operation and maintenance tax rate. The rate may not exceed the rate approved at the election.

(c) Section 49.107(h), Water Code, does not apply to the district.

Sec. 3984.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may, by competitive bid or negotiated sale, issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

(c) The limitation on the outstanding principal amount of bonds, notes, or other obligations provided by Section 49.4645, Water Code, does not apply to the district.

Sec. 3984.0504. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

- (1) revenue other than ad valorem taxes, including contract revenues; or
- (2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Sec. 3984.0505. BONDS SECURED BY AD VALOREM TAXES; ELECTIONS. (a) If authorized at an election under Section 3984.0501, the district may issue bonds payable from ad valorem taxes.

(b) Section 375.243, Local Government Code, does not apply to the district.

(c) At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

(d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Sec. 3984.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not hold an election under Section 3984.0501, issue bonds, or incur any debt until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

(b) This section applies only to the district's first issuance of bonds payable from ad valorem taxes.

#### SUBCHAPTER F. SALES AND USE TAX

Sec. 3984.0601. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition, computation, administration, enforcement, and collection of the sales and use tax authorized by this subchapter except to the extent Chapter 321, Tax Code, is inconsistent with this chapter.

(b) A reference in Chapter 321, Tax Code, to a municipality or the governing body of a municipality is a reference to the district or the board, respectively.

Sec. 3984.0602. ELECTION; ADOPTION OF TAX. (a) The district may adopt a sales and use tax if authorized by a majority of the voters of the district voting at an election held for that purpose.

(b) The board by order may call an election to authorize the adoption of the sales and use tax. The election may be held on any uniform election date and in conjunction with any other district election.

(c) The ballot shall be printed to provide for voting for or against the proposition: "Authorization of a sales and use tax in the Fort Bend County Management District No. 3 at a rate not to exceed \_\_\_\_\_ percent" (insert rate of one or more increments of one-eighth of one percent).

Sec. 3984.0603. SALES AND USE TAX RATE. (a) On or after the date the results are declared of an election held under Section 3984.0602, at which the voters approved imposition of the tax authorized by this subchapter, the board shall determine and adopt by resolution or order the initial rate of the tax, which must be in one or more increments of one-eighth of one percent.

(b) After the election held under Section 3984.0602, the board may increase or decrease the rate of the tax by one or more increments of one-eighth of one percent.

(c) The initial rate of the tax or any rate resulting from subsequent increases or decreases may not exceed the lesser of:

(1) the maximum rate authorized by the district voters at the election held under Section 3984.0602; or

(2) a rate that, when added to the rates of all sales and use taxes imposed by other political subdivisions with territory in the district, would result in the maximum combined rate prescribed by Section 321.101(f), Tax Code, at any location in the district.

Sec. 3984.0604. TAX AFTER MUNICIPAL ANNEXATION. (a) This section applies to the district after a municipality annexes part of the territory in the district and imposes the municipality's sales and use tax in the annexed territory.



(b) If at the time of annexation the district has outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, Section 321.102(g), Tax Code, applies to the district.

(c) If at the time of annexation the district does not have outstanding debt or other obligations payable wholly or partly from district sales and use tax revenue, the district may:

(1) exclude the annexed territory from the district, if the district has no outstanding debt or other obligations payable from any source; or

(2) reduce the sales and use tax in the annexed territory by resolution or order of the board to a rate that, when added to the sales and use tax rate imposed by the municipality in the annexed territory, is equal to the sales and use tax rate imposed by the district in the district territory that was not annexed by the municipality.

Sec. 3984.0605. NOTIFICATION OF RATE CHANGE. The board shall notify the comptroller of any changes made to the tax rate under this subchapter in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

Sec. 3984.0606. USE OF REVENUE. Revenue from the sales and use tax imposed under this subchapter is for the use and benefit of the district and may be used for any district purpose. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations, and that pledge of revenue may be in combination with other revenue, including tax revenue, available to the district.

Sec. 3984.0607. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter without an election.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

(c) If the board abolishes the tax, the board shall notify the comptroller of that action in the same manner the municipal secretary provides notice to the comptroller under Section 321.405(b), Tax Code.

(d) If the board abolishes the tax or decreases the tax rate to zero, a new election to authorize a sales and use tax must be held under Section 3984.0602 before the district may subsequently impose the tax.

(e) This section does not apply to a decrease in the sales and use tax authorized under Section 3984.0604(c)(2).

#### SUBCHAPTER G. HOTEL OCCUPANCY TAX

Sec. 3984.0701. DEFINITION. In this subchapter, "hotel" has the meaning assigned by Section 156.001, Tax Code.

Sec. 3984.0702. APPLICABILITY OF CERTAIN TAX CODE PROVISIONS. (a) For purposes of this subchapter:

(1) a reference in Subchapter A, Chapter 352, Tax Code, to a county is a reference to the district; and

(2) a reference in Subchapter A, Chapter 352, Tax Code, to the commissioners court is a reference to the board.

(b) Except as inconsistent with this subchapter, Subchapter A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized by this subchapter, including the collection of the tax, subject to the limitations prescribed by Sections 352.002(b) and (c), Tax Code.

Sec. 3984.0703. TAX AUTHORIZED; USE OF REVENUE. The district may impose a hotel occupancy tax for any purpose described by Section 351.101 or 352.101, Tax Code.

Sec. 3984.0704. TAX RATE. (a) The amount of the hotel occupancy tax may not exceed the lesser of:

- (1) the maximum rate prescribed by Section 352.003(a), Tax Code; or
- (2) a rate that, when added to the rates of all hotel occupancy taxes imposed by other political subdivisions with territory in the district and by this state, does not exceed the sum of the rate prescribed by Section 351.0025(b), Tax Code, plus two percent.

(b) The district tax is in addition to a tax imposed by a municipality under Chapter 351, Tax Code, or by the county under Chapter 352, Tax Code.

Sec. 3984.0705. INFORMATION. The district may examine and receive information related to the imposition of hotel occupancy taxes to the same extent as if the district were a county.

Sec. 3984.0706. USE OF REVENUE. The district may use revenue from the hotel occupancy tax for any district purpose that is an authorized use of hotel occupancy tax revenue under Chapter 351 or 352, Tax Code. The district may pledge all or part of the revenue to the payment of bonds, notes, or other obligations and that pledge of revenue may be in combination with other revenue available to the district.

Sec. 3984.0707. ABOLITION OF TAX. (a) Except as provided by Subsection (b), the board may abolish the tax imposed under this subchapter.

(b) The board may not abolish the tax imposed under this subchapter if the district has outstanding debt secured by the tax, and repayment of the debt would be impaired by the abolition of the tax.

#### SUBCHAPTER I. DISSOLUTION

Sec. 3984.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

(b) The board by majority vote may dissolve the district at any time.

(c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:

(1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.

(d) Sections 375.261, 375.262, and 375.264, Local Government Code, do not apply to the district.

SECTION 2. The Fort Bend County Management District No. 3 initially includes all the territory contained in the following area:

Being approximately 763.4 acres located in the John Jones Survey, Abstract 41, the Wiley Martin League, Abstract 56, the Peter Teal Survey, Abstract 337, and the M. M. Ryon Survey, Abstract 368, and located in extraterritorial jurisdiction of the Town of Thompsons, Fort Bend County, Texas, more particularly described by metes and bounds as follows, (all bearings referenced to the Texas Coordinate System, South Central Zone, NAD83):

Commencing for reference at the southeast corner of the Abner Kuykendall League, Abstract 48, said corner being in the northeast line of said John Jones Survey;

Thence, North  $67^{\circ} 34' 45''$  West, 1,111.11 feet along the northeast line of said John Jones Survey to the north corner of the said John Jones Survey and east corner of said Wiley Martin League;

Thence, South  $52^{\circ} 25' 15''$  West, 6,921.88 feet to the POINT OF BEGINNING of the herein described tract, said point being at the intersection of the west right-of-way line of State Farm to Market Road No. 762 (called 80 feet wide) and the southeast line of said Wiley Martin League and northwest line of said John Jones Survey;

Thence, Southerly along the west right-of-way line of said State Farm to Market Road No. 762 with the following eleven (11) courses and distances:

1. South  $08^{\circ} 51' 57''$  East, 1,050.20 feet, more or less, to point, the beginning of a curve;

2. 194.68 feet, more or less, along the arc of a tangent curve to the left, having a radius of 5,212.24 feet, a central angle of  $02^{\circ} 08' 24''$ , and a chord which bears South  $09^{\circ} 56' 09''$  East, 194.67 feet to a point for corner;

3. South  $11^{\circ} 00' 23''$  East, 117.20 feet, more or less, to a point;

4. South  $07^{\circ} 11' 32''$  East, 150.33 feet, more or less, to a point;

5. South  $11^{\circ} 00' 23''$  East, 450.00 feet, more or less, to a point;

6. South  $16^{\circ} 43' 01''$  East, 100.50 feet, more or less, to a point;

7. South  $11^{\circ} 00' 23''$  East, 340.80 feet, more or less, to point, the beginning of a curve;

8. 402.80 feet, more or less, along the arc of a tangent curve to the right, having a radius of 685.50 feet, a central angle of  $33^{\circ} 40' 00''$ , and a chord which bears South  $05^{\circ} 49' 37''$  West, 397.03 feet to a point for corner;

9. South  $22^{\circ} 24' 43''$  West, at 248.71 feet pass a point in the North line of the Entrance Road, in all 330.91 feet, more or less, to a point in the South line of said Entrance Road to George Park;

10. South  $22^{\circ} 50' 06''$  West, 568.79 feet, more or less, to an angle point;

11. South  $22^{\circ} 29' 40''$  West, 1,570.38 feet, more or less, to the southeast corner of this tract;

Thence, North  $67^{\circ} 30' 40''$  West, departing the west right-of-way line of said State Farm to Market Road No. 762, 2,249.84 feet, more or less, to the southwest corner of this tract, said point being in the centerline of a farm road;

Thence, North  $25^{\circ} 06' 53''$  East, along the centerline of a farm road, 843.77 feet, more or less, to a point for corner in the northwesterly line of the aforementioned M. M. Ryon Survey and the southeasterly line of the aforementioned Peter Teal Survey;

Thence, South  $42^{\circ} 04' 42''$  West, with the common survey line of said M. M. Ryon and Peter Teal Surveys, 3,389.92 feet, more or less, to a point for the common east corner of said Peter Teal Survey and the William Byrne Survey, Abstract 112, Fort Bend County Texas;

Thence, North  $47^{\circ} 55' 18''$  West, with the common survey line of said Peter Teal and said William Byrne Survey, 4,536.11 feet, more or less, to a point for the common west corner of said Peter Teal and William Byrne Surveys, same being in the southeasterly line of the Henry Wilcox Survey, Abstract 342, Fort Bend County, Texas;

Thence, North  $42^{\circ} 04' 42''$  East, with the common survey line of said Peter Teal Survey and said Henry Wilcox Survey, 1,661.11 feet, more or less, to a point for the common north corner of said Peter Teal and Henry Wilcox Surveys, same being on the southwesterly line of the aforementioned Wiley Martin League;

Thence, South  $67^{\circ} 54' 35''$  East, with the common line of said Peter Teal and Wiley Martin Leagues, 3,158.33 feet, more or less, to an angle point for corner;

Thence, North  $52^{\circ} 04' 42''$  East, continuing with said common line, 1,929.30 feet, more or less, to a point for corner;

Thence, departing the northeasterly line of said Peter Teal Survey and the southerly line of said Wiley Martin League, westerly and northerly along the centerline of a farm road the following eleven (11) courses and distances:

1. North  $15^{\circ} 05' 08''$  East, 224.85 feet, more or less, to a point for corner;
2. North  $45^{\circ} 58' 21''$  West, 1,101.01 feet, more or less, to a point for corner;
3. North  $39^{\circ} 47' 43''$  West, 109.50 feet, more or less, to a point for corner;
4. North  $16^{\circ} 57' 20''$  West, 99.03 feet, more or less, to a point for corner;
5. North  $13^{\circ} 29' 08''$  West, 438.57 feet, more or less, to a point for corner;
6. North  $13^{\circ} 38' 07''$  West, 1,498.84 feet, more or less, to a point for corner;
7. North  $18^{\circ} 59' 40''$  West, 80.30 feet, more or less, to a point for corner;
8. North  $42^{\circ} 20' 03''$  West, 62.14 feet, more or less, to a point for corner;
9. North  $60^{\circ} 52' 39''$  West, 236.49 feet, more or less, to a point for corner;
10. North  $00^{\circ} 52' 17''$  West, 160.45 feet, more or less, to a point for corner on a bridge at the centerline of Dry Creek for angle point;

11. North  $00^{\circ} 38' 30''$  West, 174.07 feet, more or less, to the northwest corner of this tract;

Thence, North  $66^{\circ} 38' 04''$  East, departing said road, 278.20 feet, more or less, to a point for corner;

Thence, South  $86^{\circ} 26' 20''$  East, 71.37 feet, more or less, to a point for corner;

Thence, North 48° 36' 58" East, 126.06 feet, more or less, to a point for corner;

Thence, North 88° 02' 53" East, 131.33 feet, more or less, to a point for corner;

Thence, North 68° 30' 10" East, 1,817.67 feet, more or less, to a point for re-entrant corner of this tract;

Thence, North 38° 15' 23" West, 140.20 feet, more or less, to a point for corner;

Thence, North 69° 38' 00" East, 224.50 feet, more or less, to the north corner of this tract, same being on the westerly right-of-way line of the aforementioned State Farm to Market Road No. 762;

Thence, South 38° 09' 57" East, with said westerly right-of-way line, 1,241.87 feet, more or less, to the north corner of a State of Texas 2.2750 acre Tract;

Thence, with the northerly, westerly, and southerly lines of said 2.2750 acre tract the following five (5) courses and distances:

1. South 51° 50' 03" West, 20.00 feet, more or less, to a point for corner;
2. South 38° 09' 57" East, 100.00 feet, more or less, to a point for corner, the beginning of a curve;

3. 1,710.57 feet, more or less, along the arc of a tangent curve to the right, having a radius of 3,345.00 feet, a central angle of 29° 18' 00", and a chord which bears South 23° 30' 57" East, 1,691.99 feet to a point for corner;

4. South 08° 51' 57" East, 100.00 feet, more or less, to a point for corner;

5. North 81° 08' 03" East, 20.00 feet, more or less, to a point for corner in the westerly right-of-way line of said State Farm Market Road No. 762;

Thence, South 08° 51' 57" East, along said westerly right-of-way line, 289.74 feet, more or less, to the POINT OF BEGINNING and containing approximately 763.4 acres of land.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. 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, 2019.

**HB 3312 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative Morrison called up with senate amendments for consideration at this time,

**HB 3312**, A bill to be entitled An Act relating to authorizing a health and wellness center fee at the University of Houston-Victoria.

Representative Morrison moved to concur in the senate amendments to **HB 3312**.

The motion to concur in the senate amendments to **HB 3312** prevailed by (Record 1914): 110 Yeas, 32 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bowers; Bucy; Burns; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Minjarez; Morales; Morrison; Murphy; Murr; Neave; Nevárez; Ortega; Pacheco; Paddie; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Bohac; Bonnen; Buckley; Burrows; Button; Cain; Cyrier; Dean; Harris; Hefner; Holland; Krause; Lang; Leach; Leman; Metcalf; Middleton; Miller; Muñoz; Noble; Oliverson; Parker; Patterson; Sanford; Shaheen; Smith; Springer; Stickland; Tinderholt; Wilson; Wray.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

**STATEMENTS OF VOTE**

When Record No. 1914 was taken, I was shown voting yes. I intended to vote no.

Anderson

When Record No. 1914 was taken, I was shown voting yes. I intended to vote no.

Landgraf

When Record No. 1914 was taken, I was shown voting yes. I intended to vote no.

Murr

When Record No. 1914 was taken, I was shown voting yes. I intended to vote no.

Swanson

### Senate Committee Substitute

**CSHB 3312**, A bill to be entitled An Act relating to authorizing a health and wellness center fee at the University of Houston-Victoria.

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

SECTION 1. Subchapter E, Chapter 54, Education Code, is amended by adding Section 54.5406 to read as follows:

Sec. 54.5406. HEALTH AND WELLNESS CENTER FEE; UNIVERSITY OF HOUSTON-VICTORIA. (a) The board of regents of the University of Houston System may charge each student enrolled at the University of Houston-Victoria a health and wellness center fee. The fee may be used only for the purpose of financing, constructing, operating, maintaining, improving, and equipping a health and wellness center at the University of Houston-Victoria. A fee charged under this section is in addition to any use or service fee authorized to be charged under other law.

(b) The health and wellness center fee may not be charged unless the charging of the fee is approved by a majority vote of the students enrolled at the university participating in a general student election held for that purpose.

(c) The amount of a fee charged under this section may not exceed:

(1) \$150 per student for each regular semester;

(2) \$100 per student for each summer session of 10 weeks or longer; or

(3) \$50 per student for each summer session of less than 10 weeks.

(d) Revenue from a fee charged under this section shall be deposited to the credit of an account known as the University of Houston-Victoria Health and Wellness Center Fee Account under the control of the university's student fee advisory committee. Annually, the committee shall submit to the president of the university its recommendation for any change to the amount of the fee and a complete and itemized budget for the health and wellness center together with a complete report of all health and wellness center activities conducted during the past year and all expenditures made in connection with those activities. The president shall submit the budget to the board of regents as part of the university's institutional budget. The board of regents may make changes in the budget that the board determines are necessary.

(e) The board of regents may increase the amount of a fee charged under this section, except that a fee increase by 10 percent or more of the amount of the fee charged during the preceding academic year must be approved by a majority vote of students enrolled at the university participating in a general student election held for that purpose. The ballot proposition for an election under this subsection must clearly state the amount of the proposed fee increase and describe the reason for the proposed fee increase.

(f) The health and wellness center fee is not considered in determining the maximum amount of student services fees that may be charged under Section 54.503.

(g) For purposes of determining whether to waive the imposition of the fee as provided under Section 54.5035, a student is not reasonably able to use the health and wellness center for which a fee is imposed under this section if the student lives more than 50 miles outside the corporate limits of Victoria, Texas.

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, 2019.

### **HB 3642 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Krause called up with senate amendments for consideration at this time,

**HB 3642**, A bill to be entitled An Act relating to the jurisdiction of county courts at law in Tarrant County.

Representative Krause moved to concur in the senate amendments to **HB 3642**.

The motion to concur in the senate amendments to **HB 3642** prevailed by (Record 1915): 141 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Holland.

### **Senate Committee Substitute**

**CSHB 3642**, A bill to be entitled An Act relating to the jurisdiction of a county court at law in Tarrant County.

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



SECTION 1. Section 25.2222(a), Government Code, is amended to read as follows:

(a) A county court at law in Tarrant County has jurisdiction over all causes and proceedings, civil ~~[matters]~~ and criminal ~~[causes]~~, original and appellate, prescribed by law for county courts. ~~[The County Court at Law No. 1 of Tarrant County also has jurisdiction over all criminal matters and causes, original and appellate, prescribed by law for county courts. The County Courts at Law Nos. 2 and 3 of Tarrant County do not have criminal jurisdiction.]~~ Notwithstanding any other provision, a county court at law in Tarrant County has jurisdiction on any appeal from a municipal court of record in Tarrant County that is not an appeal of a criminal law case or proceeding.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 2620 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Martinez called up with senate amendments for consideration at this time,

**HB 2620**, A bill to be entitled An Act relating to the movement of oversize or overweight vehicles, including the enforcement of motor vehicle size and weight limitations; creating a criminal offense.

Representative Martinez moved to concur in the senate amendments to **HB 2620**.

The motion to concur in the senate amendments to **HB 2620** prevailed by (Record 1916): 100 Yeas, 38 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Bailes; Beckley; Bell, C.; Bernal; Blanco; Bohac; Bowers; Buckley; Bucy; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dominguez; Dutton; Farrar; Flynn; Frank; Frullo; Gervin-Hawkins; González, J.; Goodwin; Guerra; Guillen; Gutierrez; Hernandez; Herrero; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, T.; Klick; Kuempel; Lambert; Larson; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Neave; Nevárez; Noble; Ortega; Pacheco; Paddie; Paul; Perez; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sheffield; Sherman; Shine; Smithee; Stephenson; Stucky; Talarico; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; Wu; Zerwas; Zwiener.

Nays — Ashby; Bell, K.; Biedermann; Bonnen; Burns; Burrows; Cain; Craddick; Cyrier; Dean; Geren; Goldman; Harless; Harris; Hefner; King, P.; Krause; Landgraf; Lang; Leach; Metcalf; Murr; Oliverson; Parker; Patterson; Phelan; Sanford; Schaefer; Shaheen; Smith; Springer; Stickland; Swanson; Tinderholt; White; Wilson; Wray; Zedler.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Fierro; González, M.; Holland; Middleton.

**STATEMENTS OF VOTE**

When Record No. 1916 was taken, I was shown voting yes. I intended to vote no.

Hunter

When Record No. 1916 was taken, I was in the house but away from my desk. I would have voted no.

Middleton

**Senate Committee Substitute**

**CSHB 2620**, A bill to be entitled An Act relating to the movement of oversize or overweight vehicles, including the enforcement of motor vehicle size and weight limitations; creating a criminal offense.

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

SECTION 1. Section 541.001, Transportation Code, is amended by amending Subdivision (1) and adding Subdivision (1-a) to read as follows:

(1) "Escort flagger" has the meaning assigned by Section 623.008.

(1-a) "Operator" means, as used in reference to a vehicle, a person who drives or has physical control of a vehicle.

SECTION 2. Section 542.501, Transportation Code, is amended to read as follows:

Sec. 542.501. OBEDIENCE REQUIRED TO POLICE OFFICERS, ~~[AND TO] SCHOOL CROSSING GUARDS, AND ESCORT FLAGGERS.~~ A person may not wilfully fail or refuse to comply with a lawful order or direction of:

(1) a police officer; ~~[or]~~

(2) a school crossing guard who:

(A) is performing crossing guard duties in a school crosswalk to stop and yield to a pedestrian; or

(B) has been trained under Section 600.004 and is directing traffic in a school crossing zone; or

(3) an escort flagger who is directing or controlling the flow of traffic in accordance with a permit issued by the Texas Department of Motor Vehicles under Subtitle E for the movement of an oversize or overweight vehicle.

SECTION 3. Section 544.004(a), Transportation Code, is amended to read as follows:

(a) The operator of a vehicle or streetcar shall comply with an applicable official traffic-control device placed as provided by this subtitle unless the person is:

(1) otherwise directed by a traffic officer, ~~[or]~~ police officer, or escort flagger; or

(2) operating an authorized emergency vehicle and is subject to exceptions under this subtitle.

SECTION 4. The heading to Section 621.503, Transportation Code, is amended to read as follows:

Sec. 621.503. PROHIBITION OF LOADING MORE THAN SIZE OR WEIGHT LIMITATION.

SECTION 5. Sections 621.503(a) and (b), Transportation Code, are amended to read as follows:

(a) A person may not load, or cause to be loaded, a vehicle for operation on a public highway of this state that exceeds the height, width, length, or weight limitations for operation of that vehicle provided by this subtitle [~~Section 621.101~~].

(b) Intent to violate a weight limitation is presumed if the weight of the loaded vehicle is heavier than the applicable axle or gross weight limit by 15 percent or more.

SECTION 6. Subchapter G, Chapter 621, Transportation Code, is amended by adding Section 621.511 to read as follows:

Sec. 621.511. NAME ON PERMIT; OFFENSE. (a) A person commits an offense if:

(1) the person operates or moves on a public highway a vehicle that is issued a permit under this subtitle; and

(2) the person operating or moving the vehicle is not the person named on the permit for the vehicle or an employee of that person.

(b) An offense under this section is a Class C misdemeanor.

(c) It is an exception to the application of this section that:

(1) the vehicle being operated or moved is a combination of a tow truck and a disabled, abandoned, or accident-damaged vehicle or vehicle combination; and

(2) the tow truck is towing the other vehicle or vehicle combination directly to the nearest terminal, vehicle storage facility, or authorized place of repair.

SECTION 7. Subchapter A, Chapter 623, Transportation Code, is amended by adding Sections 623.004, 623.005, 623.006, 623.007, and 623.008 to read as follows:

Sec. 623.004. DENIAL OF PERMIT. (a) The department may deny an application for a permit under this subtitle submitted by an applicant who:

(1) is the subject of an out-of-service order issued by the Federal Motor Carrier Safety Administration; or

(2) the Department of Public Safety has determined has:

(A) an unsatisfactory safety rating under 49 C.F.R. Part 385; or

(B) multiple violations of Chapter 644, a rule adopted under that chapter, or Subtitle C.

(b) A denial of an application for a permit under this section is not required to be preceded by notice and an opportunity for hearing.

(c) An applicant may appeal a denial under this section by filing an appeal with the department not later than the 26th day after the date the department issues notice of the denial to the applicant.

Sec. 623.005. DISPOSITION OF PERMIT FEE IN TEXAS DEPARTMENT OF MOTOR VEHICLES FUND. (a) This section applies only to a permit authorized by the legislature on or after September 1, 2019.

(b) Ten percent of the fee collected for a permit issued by the department under this subtitle shall be deposited to the credit of the Texas Department of Motor Vehicles fund with the remaining fee distribution to be adjusted proportionately, if needed.

(c) Subsection (b) does not apply if a provision of this subtitle expressly requires a different amount of a fee collected to be deposited to the credit of the Texas Department of Motor Vehicles fund.

Sec. 623.006. DISPOSITION AND USE OF PERMIT FEES DUE TO COUNTY OR MUNICIPALITY. Except as otherwise specified by this subtitle:

(1) at least once each fiscal year, the comptroller shall send from fees collected for a permit issued by the department under this chapter any amounts due to a county or municipality;

(2) amounts due to a county must be sent to the county treasurer or office performing the function of that office for deposit to the credit of the county road and bridge fund; and

(3) amounts due to a municipality must be sent to the office performing the function of treasurer for the municipality and may be used by the municipality only to fund commercial motor vehicle enforcement programs or road and bridge maintenance or infrastructure projects.

Sec. 623.007. PERMIT TO BE CARRIED IN VEHICLE. A permit issued by the department under this subtitle must be carried, in a manner prescribed by the department, in the vehicle that is being operated under the permit.

Sec. 623.008. AUTHORITY TO REQUIRE ESCORT FLAG VEHICLES AND ESCORT FLAGGERS. (a) In this section:

(1) "Escort flag vehicle" means a vehicle that precedes or follows an oversize or overweight vehicle operating under a permit issued by the department for the purpose of facilitating the safe movement of the oversize or overweight vehicle over roads.

(2) "Escort flagger" means a person who:

(A) has successfully completed a training program in traffic direction as defined by the basic peace officer course curriculum established by the Texas Commission on Law Enforcement; and

(B) in accordance with a permit issued by the department under this subtitle, operates an escort flag vehicle or directs and controls the flow of traffic using a hand signaling device or an automated flagger assistance device.

(b) In addition to any other specific requirement under this subtitle, the department may require a person operating under a permit issued by the department under this subtitle to use one or more escort flag vehicles and escort flaggers if required:

(1) by the Texas Department of Transportation; or

(2) for the safe movement over roads of an oversize or overweight vehicle and its load.

SECTION 8. Section 623.099, Transportation Code, is amended by adding Subsection (g) to read as follows:

(g) A county or municipality may not require the use of an escort flag vehicle or any other kind of escort for the movement of a manufactured house under a permit issued under this subchapter that is in addition to the escort flag vehicle requirements of this section.

SECTION 9. The heading to Section 623.272, Transportation Code, is amended to read as follows:

Sec. 623.272. ADMINISTRATIVE PENALTY FOR FAILURE TO PROVIDE CERTIFICATE OR FOR FALSE INFORMATION ON CERTIFICATE.

SECTION 10. Section 623.272(a), Transportation Code, is amended to read as follows:

(a) The department may investigate and impose an administrative penalty on a shipper who:

(1) does not provide a shipper's certificate of weight required under Section 623.274(b); or

(2) provides false information on a shipper's certificate of weight that the shipper delivers to a person transporting a shipment.

SECTION 11. Section 623.274, Transportation Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) On the written request of the person transporting the shipment, a [For a shipper's certificate of weight to be valid, the] shipper must:

(1) certify that the information contained on the certificate of weight [form] is accurate; and

(2) deliver the certificate of weight to the person transporting the shipment [motor carrier or other person transporting the shipment before the motor carrier or other person applies for an overweight permit under this chapter].

(c) A person transporting a shipment must provide the department with a copy of the certificate of weight before the issuance of an overweight permit under this chapter if the combined weight of the vehicle or vehicles and load is more than 200,000 pounds.

SECTION 12. Section 623.321(a), Transportation Code, is amended to read as follows:

(a) The department may issue a permit under this subchapter, as an alternative to a permit issued under Section 623.011, authorizing a person to operate a vehicle or combination of vehicles that is being used to transport unrefined timber, wood chips, or woody biomass or equipment used to load timber on a vehicle in a county identified as a timber producing county in the most recent edition of the Texas A&M Forest Service's Harvest Trends Report as of May 15, 2013, at the weight limits prescribed by Subsection (b).

SECTION 13. Section 623.323(f), Transportation Code, is amended to read as follows:

(f) This section does not apply to a vehicle or combination of vehicles that are being used to transport unrefined timber, wood chips, or woody biomass or equipment used to load timber on a vehicle from:

(1) a storage yard to the place of first processing; or

(2) outside this state to a place of first processing in this state.

SECTION 14. The following provisions of the Transportation Code are repealed:

(1) Sections 623.0171(m), 623.081, and 623.324(b);

(2) Section 623.403(c), as added by Chapter 750 (**SB 1383**), Acts of the 85th Legislature, Regular Session, 2017; and

(3) Sections 623.404(b) and (c), as added by Chapter 108 (**SB 1524**), Acts of the 85th Legislature, Regular Session, 2017.

SECTION 15. Section 621.511, Transportation Code, as added by this Act, applies only to a vehicle that is issued a permit under Subtitle E, Title 7, Transportation Code, on or after the effective date of this Act.

SECTION 16. (a) The changes in law made by this Act apply only to an offense or violation committed on or after the effective date of this Act. An offense or violation committed before the effective date of this Act is governed by the law in effect on the date the offense or violation was committed, and the former law is continued in effect for that purpose. For purposes of this subsection, an offense or violation was committed before the effective date of this Act if any element of the offense or violation occurred before that date.

(b) The change in law made by this Act relating to an application filed under Chapter 623, Transportation Code, applies only to an application filed under that chapter on or after the effective date of this Act. An application filed before that date 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.

SECTION 17. To the extent of any conflict, this Act prevails over another Act of the 86th Legislature, Regular Session, 2019, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 18. This Act takes effect September 1, 2019.

### **HB 3317 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Zerwas called up with senate amendments for consideration at this time,

**HB 3317**, A bill to be entitled An Act relating to the creation and re-creation of funds and accounts, the dedication and rededication of revenue and allocation of accrued interest on dedicated revenue, and the exemption of unappropriated money from use for general governmental purposes.

Representative Zerwas moved to concur in the senate amendments to **HB 3317**.

The motion to concur in the senate amendments to **HB 3317** prevailed by (Record 1917): 131 Yeas, 10 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless;

Harris; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Kuempel; Lambert; Landgraf; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Hefner; Krause; Lang; Patterson; Ramos; Shaheen; Stickland; Tinderholt; Toth.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Middleton.

### STATEMENT OF VOTE

When Record No. 1917 was taken, I was in the house but away from my desk. I would have voted no.

Middleton

### Senate Committee Substitute

**CSHB 3317**, A bill to be entitled An Act relating to the creation and re-creation of funds and accounts, the dedication and rededication of revenue and allocation of accrued interest on dedicated revenue, and the exemption of unappropriated money from use for general governmental purposes.

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

SECTION 1. DEFINITION. In any provision of this Act that does not amend current law, "state agency" means an office, institution, or other agency that is in the executive branch or the judicial branch of state government, has authority that is not limited to a geographical portion of the state, and was created by the constitution or a statute of this state. The term does not include an institution of higher education as defined by Section 61.003, Education Code.

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Except as otherwise specifically provided by this Act, all funds and accounts created or re-created by an Act of the 86th Legislature, Regular Session, 2019, that becomes law and all dedications or rededications of revenue collected by a state agency for a particular purpose by an Act of the 86th Legislature, Regular Session, 2019, that becomes law are abolished on the later of August 31, 2019, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND ACCOUNTS. Section 2 of this Act does not apply to:

(1) statutory dedications, funds, and accounts that were enacted before the 86th Legislature convened to comply with requirements of state constitutional or federal law;

(2) dedications, funds, or accounts that remained exempt from former Section 403.094(h), Government Code, at the time dedications, accounts, and funds were abolished under that provision;

(3) increases in fees or in other revenue dedicated as described by this section; or

(4) increases in fees or in other revenue required to be deposited in a fund or account described by this section.

**SECTION 4. FEDERAL FUNDS.** Section 2 of this Act does not apply to funds created under an Act of the 86th Legislature, Regular Session, 2019, for which separate accounting is required by federal law, except that the funds shall be deposited in accounts in the general revenue fund unless otherwise required by federal law.

**SECTION 5. TRUST FUNDS.** Section 2 of this Act does not apply to trust funds or dedicated revenue deposited to trust funds created under an Act of the 86th Legislature, Regular Session, 2019, except that the trust funds shall be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval.

**SECTION 6. BOND FUNDS.** Section 2 of this Act does not apply to bond funds and pledged funds created or affected by an Act of the 86th Legislature, Regular Session, 2019, except that the funds shall be held in the state treasury, with the comptroller in trust, or outside the state treasury with the comptroller's approval.

**SECTION 7. CONSTITUTIONAL FUNDS.** Section 2 of this Act does not apply to funds or accounts that would be created or re-created by the Texas Constitution or revenue that would be dedicated or rededicated by the Texas Constitution under a constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, or to dedicated revenue deposited to funds or accounts that would be so created or re-created, if the constitutional amendment is approved by the voters.

**SECTION 8. ADDITIONAL USES FOR DEDICATED FUNDS OR ACCOUNTS.** Section 2 of this Act does not apply to a newly authorized use of a dedicated fund or dedicated account as provided by an Act of the 86th Legislature, Regular Session, 2019, to the extent:

(1) the fund or account was exempted from abolition by an Act of the legislature that became law before January 1, 2019; and

(2) the newly authorized use is within the scope of the original dedication of the fund or account.

**SECTION 9. COMMERCIAL SEXUAL EXPLOITATION VICTIM FUND; DEDICATION OF REVENUE.** Section 2 of this Act does not apply to the commercial sexual exploitation victim fund, created as a dedicated account in the general revenue fund by Article 102.023, Code of Criminal Procedure, as



added by **HB 3206** or similar legislation of the 86th Legislature, Regular Session, 2019, that becomes law, and does not apply to the dedication of revenue to that account as provided by that legislation.

SECTION 10. TEXAS B-ON-TIME STUDENT LOAN ACCOUNT. (a) Section 56.0092(d), Education Code, is amended to read as follows:

(d) On September 1, 2024 [~~2020~~], the Texas B-On-time student loan account is abolished, and any remaining money in the account may be appropriated only to eligible institutions in the manner provided by Subsection (e).

(b) Section 2 of this Act does not apply to the dedication of money in the Texas B-On-time student loan account as rededicated by this Act.

SECTION 11. ACCOUNTS IN GENERAL REVENUE FUND. Effective on the later of the effective date of the Act creating or re-creating the specified account or August 31, 2019, the following accounts, the revenue deposited to the credit of those accounts, and the revenue dedicated for deposit to the credit of those accounts, are exempt from Section 2 of this Act and the accounts are created or re-created in the general revenue fund, if created or re-created by an Act of the 86th Legislature, Regular Session, 2019, that becomes law:

(1) the identification fee exemption account, created as an account in the general revenue fund by **HB 123** or similar legislation;

(2) the newborn screening preservation account, created as an account in the general revenue fund by **HB 1111**, **SB 748**, or similar legislation;

(3) the cultivated oyster mariculture cleanup subaccount in the game, fish, and water safety account, created as a subaccount by **HB 1300** or similar legislation;

(4) the state hemp production account, created as an account in the general revenue fund by **HB 1325** or similar legislation;

(5) the disaster recovery loan account, created as an account in the general revenue fund by **HB 2300** or similar legislation;

(6) the Texas music incubator account, created as an account in the general revenue fund by **HB 2806** or similar legislation;

(7) the border security infrastructure enhancement fund, created as an account in the general revenue fund by **HB 4306** or similar legislation;

(8) the historic site account, re-created as an account in the general revenue fund by **SB 26** or similar legislation;

(9) the specialty court account, the DNA testing account, and the transportation administrative fee account, created as accounts in the general revenue fund by **SB 346** or similar legislation;

(10) the safety training account, created as an account in the general revenue fund by **SB 568** or similar legislation;

(11) the veterans treatment court account, created as an account in the general revenue fund by **SB 1180** or similar legislation; and

(12) the coastal erosion response account, re-created as an account in the general revenue fund by **SB 1719** or similar legislation.

SECTION 12. SEPARATE FUNDS. Effective on the later of the effective date of the Act creating or re-creating the specified fund or August 31, 2019, the following funds, if created or re-created by an Act of the 86th Legislature, Regular Session, 2019, the revenue deposited to the funds, and the revenue dedicated for deposit to the funds, are exempt from Section 2 of this Act, and the funds are created or re-created as separate funds inside or outside of the state treasury, as specified by the Act creating or re-creating the fund:

(1) the flood infrastructure fund, created as a special fund in the treasury by **HB 13** or similar legislation;

(2) the pesticide disposal fund, created as a special fund in the treasury by **HB 191** or similar legislation;

(3) the disaster reinvestment and infrastructure planning revolving fund, created as a special fund outside of the treasury by **HB 274** or similar legislation;

(4) the cannabis testing and quality control fund, created as provided by **HB 1365** or similar legislation;

(5) the dedicated account in the general revenue fund for proceeds from the sale of certain historic property, created by **HB 1422** or similar legislation;

(6) the Texas-bred incentive fund, created as an escrow account in the treasury by **HB 3366** or similar legislation;

(7) the Texas emissions reduction plan fund, created as a trust fund outside the treasury to be held by the comptroller and administered by the Texas Commission on Environmental Quality as trustee by **HB 3745** or similar legislation;

(8) the Texas innovation fund and state agency technology upgrades account, created as special funds outside of the treasury by **HB 4214** or similar legislation;

(9) the flood infrastructure fund, created as a special fund in the treasury by **SB 7** or similar legislation;

(10) the Texas leverage fund, created as a trust fund held outside the treasury by the comptroller as trustee by **SB 132** or similar legislation;

(11) the jury service fund, created as a fund in the treasury by **SB 346** or similar legislation; and

(12) the charter school liquidation fund, created as provided by **SB 1454** or similar legislation.

SECTION 13. REVENUE DEDICATIONS. Effective on the later of the effective date of the Act dedicating or rededicating the specified revenue or August 31, 2019, the following dedications or rededications of revenue collected for a particular purpose are exempt from Section 2 of this Act, if dedicated or rededicated by an Act of the 86th Legislature, Regular Session, 2019:

(1) the dedication of certain tax revenue to the drug court account provided by **HB 1243** or similar legislation;

(2) the dedication of certain fee revenue to the Texas Department of Motor Vehicles fund provided by **HB 1548** or similar legislation;

(3) the dedication of revenue to the state highway fund provided by **HB 1649** or similar legislation;

(4) the dedication of certain fee revenue to the Texas Department of Motor Vehicles fund provided by **HB 1711** or similar legislation;

(5) the dedication of certain administrative penalty revenue to the sexual assault program fund provided by **HB 1735** or similar legislation;

(6) the dedication of revenue to the state lottery account provided by **HB 1790** or similar legislation;

(7) the dedication of certain assessment revenue to the account with the Texas Treasury Safekeeping Trust Company provided by **HB 1880** or similar legislation;

(8) the dedication of certain revenue to the Texas Racing Commission account in the general revenue fund provided by **HB 1995** or similar legislation;

(9) the dedication of certain administrative penalty revenue to the freestanding emergency medical care facility licensing fund provided by **HB 2041** or similar legislation;

(10) the dedication of grants or donations to the state highway fund provided by **HB 2043** or similar legislation;

(11) the dedication of certain revenue to the designated trauma facility and emergency medical services account provided by **HB 2048** or similar legislation;

(12) the dedication of fee revenue to the Texas mobility fund provided by **HB 2478** or similar legislation;

(13) the dedication of revenue provided by **HB 2587** or similar legislation;

(14) the dedication of certain fee revenue to the Texas Department of Motor Vehicles fund provided by **HB 2620** or similar legislation;

(15) the dedication of revenue to the Texas water resources fund provided by **HB 4116** or similar legislation;

(16) the dedication of revenue to the foundation school fund provided by **HB 4306** or similar legislation;

(17) the dedication of revenue provided by **SB 7** or similar legislation;

(18) the dedication of revenue provided by **SB 26** or similar legislation;

(19) the dedication of administrative penalty revenue to the sexual assault program fund provided by **SB 212** or similar legislation;

(20) the dedication of gifts, grants, and donations to the motorcycle education fund account provided by **SB 616** or similar legislation;

(21) the dedication of fee revenue to the game, fish, and water safety account provided by **SB 733** or similar legislation; and

(22) the dedication of fee revenue to the food and drug retail fee account provided by **SB 932** or similar legislation.

SECTION 14. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. Effective September 1, 2019, Section 403.0956, Government Code, is reenacted to read as follows:

Sec. 403.0956. REALLOCATION OF INTEREST ACCRUED ON CERTAIN DEDICATED REVENUE. Notwithstanding any other law, all interest or other earnings that accrue on all revenue held in an account in the general revenue fund any part of which Section 403.095 makes available for certification

under Section 403.121 are available for any general governmental purpose, and the comptroller shall deposit the interest and earnings to the credit of the general revenue fund. This section does not apply to:

(1) interest or earnings on revenue deposited in accordance with Section 51.008, Education Code;

(2) an account that accrues interest or other earnings on deposits of state or federal money the diversion of which is specifically excluded by federal law;

(3) the lifetime license endowment account;

(4) the game, fish, and water safety account;

(5) the coastal protection account;

(6) the Alamo complex account; or

(7) the artificial reef account.

SECTION 15. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE. Effective September 1, 2019, Sections 403.095(b), (d), and (f), Government Code, are amended to read as follows:

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues that on August 31, 2021 ~~[2019]~~, are estimated to exceed the amount appropriated by the General Appropriations Act or other laws enacted by the 86th ~~[85th]~~ Legislature are available for general governmental purposes and are considered available for the purpose of certification under Section 403.121.

(d) Following certification of the General Appropriations Act and other appropriations measures enacted by the 86th ~~[85th]~~ Legislature, the comptroller shall reduce each dedicated account as directed by the legislature by an amount that may not exceed the amount by which estimated revenues and unobligated balances exceed appropriations. The reductions may be made in the amounts and at the times necessary for cash flow considerations to allow all the dedicated accounts to maintain adequate cash balances to transact routine business. The legislature may authorize, in the General Appropriations Act, the temporary delay of the excess balance reduction required under this subsection. This subsection does not apply to revenues or balances in:

(1) funds outside the treasury;

(2) trust funds, which for purposes of this section include funds that may or are required to be used in whole or in part for the acquisition, development, construction, or maintenance of state and local government infrastructures, recreational facilities, or natural resource conservation facilities;

(3) funds created by the constitution or a court; or

(4) funds for which separate accounting is required by federal law.

(f) This section expires September 1, 2021 ~~[2019]~~.

SECTION 16. AMENDMENT OF SECTION 504.6012, TRANSPORTATION CODE. Effective September 1, 2019, Section 504.6012, Transportation Code, is amended to read as follows:

Sec. 504.6012. ELIMINATION OF DEDICATED REVENUE ACCOUNTS; REVENUES IN TRUST. (a) Notwithstanding any other law, not later than September 30, 2019 ~~[2015]~~, the comptroller shall eliminate all

dedicated accounts established for specialty license plates and shall set aside the balances of those dedicated accounts so that the balances may be appropriated only for the purposes intended as provided by the dedications.

(b) On and after September 1, 2019 ~~[2015]~~, the portion of a fee payable that is designated for deposit to a dedicated account shall be paid instead to the credit of an account in a trust fund created by the comptroller outside the general revenue fund. The comptroller shall administer the trust fund and accounts and may allocate the corpus and earnings on each account only in accordance with the dedications of the revenue deposited to the trust fund accounts.

SECTION 17. STRATEGIC MAPPING ACCOUNT. (a) Section 16.023, Water Code, as added by Section 2.13, Chapter 1430 (**SB 3**), Acts of the 80th Legislature, Regular Session, 2007, is reenacted to read as follows:

Sec. 16.023. STRATEGIC MAPPING ACCOUNT. (a) The strategic mapping account is an account in the general revenue fund. The account consists of:

- (1) money directly appropriated to the board;
  - (2) money transferred by the board from other funds available to the board;
  - (3) money from gifts or grants from the United States government, state, regional, or local governments, educational institutions, private sources, or other sources;
  - (4) proceeds from the sale of maps, data, publications, and other items;
  - and
  - (5) interest earned on the investment of money in the account and depository interest allocable to the account.
- (b) The account may be appropriated only to the board to:
- (1) develop, administer, and implement the strategic mapping program;
  - (2) provide grants to political subdivisions for projects related to the development, use, and dissemination of digital, geospatial information; and
  - (3) administer, implement, and operate other programs of the Texas Natural Resources Information System, including:
    - (A) the operation of a Texas-Mexico border region information center for the purpose of implementing Section 16.021(e)(5);
    - (B) the acquisition, storage, and distribution of historical maps, photographs, and paper map products;
    - (C) the maintenance and enhancement of information technology;
  - and
  - (D) the production, storage, and distribution of other digital base maps, as determined by the executive administrator.

(c) The board may invest, reinvest, and direct the investment of any available money in the fund as provided by law for the investment of money under Section 404.024, Government Code.

(b) The strategic mapping account is re-created by this Act as an account in the general revenue fund, and all revenue dedicated for deposit to the credit of the strategic mapping account is rededicated by this Act for that purpose. Section 2 of this Act does not apply to the account as re-created by this Act or a dedication of revenue to the account as rededicated by this Act.

SECTION 18. EFFECT OF ACT. (a) This Act prevails over any other Act of the 86th Legislature, Regular Session, 2019, regardless of the relative dates of enactment, that purports to create or re-create a special fund or account or to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former Section 403.094, Government Code.

(b) An exemption from the application of Section 403.095, Government Code, contained in another Act of the 86th Legislature, Regular Session, 2019, that is exempted from the application of Section 2 of this Act has no effect.

(c) Revenue that, under the terms of another Act of the 86th Legislature, Regular Session, 2019, would be deposited to the credit of a special account or fund shall be deposited to the credit of the undedicated portion of the general revenue fund unless the fund, account, or dedication is exempted under this Act.

SECTION 19. EFFECTIVE DATE. Except as otherwise provided by this Act:

(1) this Act takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution; and

(2) if this Act does not receive the vote necessary for immediate effect, this Act takes effect on the 91st day after the last day of the legislative session.

#### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 3317** (senate committee printing) as follows:

(1) Strike SECTION 9 of the bill (page 2, lines 32-39) and renumber subsequent SECTIONS of the bill accordingly.

(2) In SECTION 11 of the bill (page 2, line 49), add the following appropriately numbered subdivision to that SECTION and renumber the subsequent subdivisions of that SECTION accordingly:

(\_\_\_\_) the dedicated account in the general revenue fund for proceeds from the sale of certain historic property, created by **HB 1422** or similar legislation;

(3) In SECTION 12 of the bill, strike Subdivision (1) of that SECTION (page 3, lines 33-35) and renumber the subsequent subdivisions of that SECTION accordingly.

(4) In SECTION 12 of the bill, strike Subdivision (5) of that SECTION (page 3, lines 43-45) and renumber the subsequent subdivisions of that SECTION accordingly.

(5) In SECTION 12 of the bill (page 3, line 24), add the following appropriately numbered subdivisions to that SECTION and renumber the subsequent subdivisions of that SECTION accordingly:

(\_\_\_\_) the Texas infrastructure resiliency fund, created as a special fund in the treasury by **SB 7** or similar legislation;

( ) the tax reduction and excellence in education fund, created as a special fund in the treasury by **HB 3** or similar legislation;

(6) In SECTION 13 of the bill (page 3, line 66), add the following appropriately numbered subdivision to that SECTION and renumber the subsequent subdivisions of that SECTION accordingly:

( ) the dedication of the proceeds from the sale, lease, or other disposition of certain state property to the Texas capital trust fund provided by **HB 4541** or similar legislation;

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

SECTION \_\_\_\_\_. COMMERCIAL GULF SHRIMP UNLOADING LICENSING FEE; DEDICATION OF REVENUE. (a) Section 77.034(d), Parks and Wildlife Code, is amended to read as follows:

(d) The fee for a commercial gulf shrimp unloading license is \$1,485, or an amount set by the commission, whichever amount is more. Revenue from the fee shall be deposited to the credit of the game, fish, and water safety account established under Section 11.032.

(b) Section 2 of this Act does not apply to money dedicated to the game, fish, and water safety account by Section 77.034(d), Parks and Wildlife Code, as amended by this Act.

SECTION \_\_\_\_\_. CLEAN AIR ACCOUNT; DEDICATION OF REVENUE. (a) Section 382.05155(d), Health and Safety Code, is amended to read as follows:

(d) The commission by rule may add a surcharge to an application fee assessed under this chapter for an expedited application in an amount sufficient to cover the expenses incurred by the expediting, including overtime, contract labor, and other costs. The surcharge is considered part of the application fee and shall be deposited with the fee to the credit of the clean air account established under Section 382.0622(b).

(b) Section 2 of this Act does not apply to the dedication of money made by Subsection (a) of this section.

SECTION \_\_\_\_\_. WATER RESOURCE MANAGEMENT ACCOUNT; DEDICATION OF REVENUE. (a) Section 28A.101(c), Water Code, is reenacted to read as follows:

(c) Registration fees collected under this section shall be deposited in the water resource management account and may be used only to implement this chapter.

(b) Money dedicated by Section 28A.101(c), Water Code, as added by Chapter 107 (**HB 571**), Acts of the 82nd Legislature, Regular Session, 2011, to the water resource management account for the purposes described by Section 28A.101(c) is rededicated by this Act, and Section 2 of this Act does not apply to the rededication of that money.

### **HB 3867 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Springer called up with senate amendments for consideration at this time,

**HB 3867**, A bill to be entitled An Act relating to the authority of the Public Utility Commission of Texas to retain assistance for regional proceedings affecting certain electric utilities and consumers.

Representative Springer moved to concur in the senate amendments to **HB 3867**.

The motion to concur in the senate amendments to **HB 3867** prevailed by (Record 1918): 138 Yeas, 0 Nays, 3 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Moody(C); Stickland.

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Beckley; Cain; Morrison.

### **Senate Committee Substitute**

**CSHB 3867**, A bill to be entitled An Act relating to the authority of the Public Utility Commission of Texas to retain assistance for regional proceedings affecting certain electric utilities and consumers.

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

SECTION 1. Subchapter A, Chapter 39, Utilities Code, is amended by adding Section 39.004 to read as follows:

Sec. 39.004. HIRING ASSISTANCE FOR REGIONAL PROCEEDINGS.

(a) The commission may retain any consultant, accountant, auditor, engineer, or attorney the commission considers necessary to represent the commission in a proceeding before a regional transmission organization, or before a court reviewing proceedings of a regional transmission organization, related to:

(1) the relationship of an electric utility to a power region, regional transmission organization, or independent system operator;



(2) the approval of an agreement among an electric utility and the electric utility's affiliates concerning the coordination of the operations of the electric utility and the electric utility's affiliates; or

(3) other matters related to an electric utility that may affect the ultimate rates paid by retail customers in this state.

(b) Notwithstanding Sections 39.402(a), 39.452(d), and 39.502(b), this section applies to an electric utility to which Subchapter I, J, or K applies.

(c) Assistance for which a consultant, accountant, auditor, engineer, or attorney may be retained under Subsection (a) may include:

(1) conducting a study;

(2) conducting an investigation;

(3) presenting evidence;

(4) advising the commission; or

(5) representing the commission.

(d) The electric utility that is the subject of the proceeding shall pay timely the reasonable costs of the services of a person retained under Subsection (a), as determined by the commission. The total costs an electric utility is required to pay under this subsection may not exceed \$1.5 million in a 12-month period.

(e) The commission shall allow an electric utility to recover both the total costs the electric utility paid under Subsection (d) and the carrying charges for those costs through a rider established annually to recover the costs paid and carrying charges incurred during the preceding calendar year. The rider may not be implemented before the rider is reviewed and approved by the commission.

(f) The commission shall consult the attorney general before the commission retains a consultant, accountant, auditor, or engineer under Subsection (a). The retention of an attorney under Subsection (a) is subject to the approval of the attorney general under Section 402.0212, Government Code.

(g) The commission shall be precluded from engaging any individual who is required to register under Section 305.003, Government Code.

(h) This section expires September 1, 2023.

SECTION 2. This Act takes effect September 1, 2019.

### **HB 1669 - WITH SENATE AMENDMENTS RETURNED TO SENATE**

Representative Guillen called up with senate amendments for consideration at this time,

**HB 1669**, A bill to be entitled An Act relating to a comprehensive plan for increasing and improving the workforce in this state that serves persons with mental health and substance use issues.

### **HB 1669 - POINT OF ORDER**

Representative Stickland raised a point of order against further consideration of **HB 1669** under Rule 11, Section 2, of the House Rules. The point of order was sustained and the speaker submitted the following ruling:

**RULING BY THE SPEAKER**

on House Bill 1669

Announced in the House on May 24, 2019

(Speaker pro tempore in the chair)

Representative Stickland raises a point of order against further consideration of the Senate amendments to **HB 1669** under Rule 11, Section 2, of the House Rules on the grounds that the amendments are not germane.

As the bill left the House, it related solely to requiring the Health and Human Services Commission to develop a comprehensive workplace plan for mental health and substance abuse. Among other things, Senate Floor Amendment No. 2 by Lucio contains provisions relating to public health laboratory capabilities that are significantly beyond the scope of the House engrossment. The Senate amendments are plainly not on the same subject as the House engrossment.

Accordingly, the point of order is well-taken and sustained.

**HB 1669** was returned to the senate.

**HB 3222 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

Representative K. King called up with senate amendments for consideration at this time,

**HB 3222**, A bill to be entitled An Act relating to the creation of a nonresident brewer's or nonresident manufacturer's agent's permit; authorizing a fee.

Representative K. King moved to concur in the senate amendments to **HB 3222**.

The motion to concur in the senate amendments to **HB 3222** prevailed by (Record 1919): 138 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland;

Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Noble.

Present, not voting — Mr. Speaker; Moody(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Canales; Meza.

### STATEMENTS OF VOTE

When Record No. 1919 was taken, I was shown voting yes. I intended to vote no.

Schaefer

When Record No. 1919 was taken, I was shown voting yes. I intended to vote no.

Tinderholt

### Senate Committee Substitute

**CSHB 3222**, A bill to be entitled An Act relating to the creation of a nonresident brewer's or nonresident manufacturer's agent's permit; authorizing a fee.

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

SECTION 1. Subtitle A, Title 3, Alcoholic Beverage Code, is amended by adding Chapter 57 to read as follows:

#### CHAPTER 57. NONRESIDENT BREWER'S OR NONRESIDENT

#### MANUFACTURER'S AGENT'S PERMIT

Sec. 57.001. AUTHORIZED ACTIVITIES. The holder of a nonresident brewer's or nonresident manufacturer's agent's permit may:

(1) represent one or more:

(A) nonresident brewers; and

(B) nonresident manufacturers; and

(2) on behalf of a nonresident brewer or nonresident manufacturer whom the permit holder represents:

(A) perform any activity the nonresident brewer or nonresident manufacturer whom the permit holder represents could perform in this state; and

(B) apply for a permit, license, or other authorization required by the commission.

Sec. 57.002. FEE. The annual state fee for a nonresident brewer's or nonresident manufacturer's agent's permit is \$2,500.

Sec. 57.003. ELIGIBILITY. A nonresident brewer's or nonresident manufacturer's agent's permit may be issued only to a person who holds a nonresident seller's permit under Chapter 37.

Sec. 57.004. RESTRICTION AS TO REPRESENTATION. (a) A holder of a nonresident brewer's or nonresident manufacturer's agent's permit may not represent a nonresident brewer or a nonresident manufacturer unless the permit holder is the primary American source of supply for a product produced by the nonresident brewer or nonresident manufacturer.

(b) In this section, "primary American source of supply" means the nonresident brewer or nonresident manufacturer or the exclusive agent of the nonresident brewer or nonresident manufacturer. To be the "primary American source of supply" the nonresident brewer's or nonresident manufacturer's agent must be the first source, that is, the brewer or manufacturer or the source closest to the brewer or manufacturer, in the channel of commerce from whom the product can be secured by Texas wholesalers and distributors.

Sec. 57.005. AUTHORIZATION BY NONRESIDENT BREWER OR NONRESIDENT MANUFACTURER REQUIRED. A nonresident brewer's or nonresident manufacturer's agent's permit may not be issued to a person unless the person shows to the satisfaction of the commission that the person has been authorized to act as the agent of a nonresident brewer or nonresident manufacturer the person proposes to represent.

Sec. 57.006. TERRITORIAL AGREEMENT NOT AFFECTED. Nothing in this chapter affects a territorial agreement entered into under Subchapter C, Chapter 102.

Sec. 57.007. RESPONSIBILITY FOR AGENT'S ACTIONS. A nonresident brewer or nonresident manufacturer is responsible for any action taken by a nonresident brewer's or nonresident manufacturer's agent in the course of the agent's representation of the nonresident brewer or nonresident manufacturer under this chapter to the same extent and in the same manner as if the action had been taken by the nonresident brewer or nonresident manufacturer.

SECTION 2. This Act takes effect September 1, 2019.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 3222** (senate committee printing) by striking SECTION 2 of the bill (page 2, line 19), and substituting the following:

SECTION 2. (a) Subtitle A, Title 3, Alcoholic Beverage Code, is amended by adding Chapter 57 to read as follows:

#### CHAPTER 57. NONRESIDENT BREWER'S OR NONRESIDENT MANUFACTURER'S AGENT

Sec. 57.001. AUTHORIZED ACTIVITIES. A nonresident brewer's or nonresident manufacturer's agent may:

(1) represent one or more:

(A) nonresident brewers; and

(B) nonresident manufacturers; and

(2) on behalf of a nonresident brewer or nonresident manufacturer whom the agent represents:

(A) perform any activity the nonresident brewer or nonresident manufacturer whom the agent represents could perform in this state; and

(B) apply for a permit, license, or other authorization required by the commission.

Sec. 57.002. RESTRICTION AS TO REPRESENTATION. (a) A nonresident brewer's or nonresident manufacturer's agent may not represent a nonresident brewer or a nonresident manufacturer unless the agent is the primary American source of supply for a product produced by the nonresident brewer or nonresident manufacturer.

(b) In this section, "primary American source of supply" means the nonresident brewer or nonresident manufacturer or the exclusive agent of the nonresident brewer or nonresident manufacturer. To be the "primary American source of supply" the nonresident brewer's or nonresident manufacturer's agent must be the first source, that is, the brewer or manufacturer or the source closest to the brewer or manufacturer, in the channel of commerce from whom the product can be secured by Texas wholesalers and distributors.

Sec. 57.003. AUTHORIZATION BY NONRESIDENT BREWER OR NONRESIDENT MANUFACTURER REQUIRED. A nonresident brewer's or nonresident manufacturer's agent must be authorized to act as the agent of a nonresident brewer or nonresident manufacturer the person proposes to represent.

Sec. 57.004. TERRITORIAL AGREEMENT NOT AFFECTED. Nothing in this chapter affects a territorial agreement entered into under Subchapter C, Chapter 102.

Sec. 57.005. RESPONSIBILITY FOR AGENT'S ACTIONS. A nonresident brewer or nonresident manufacturer is responsible for any action taken by a nonresident brewer's or nonresident manufacturer's agent in the course of the agent's representation of the nonresident brewer or nonresident manufacturer under this chapter to the same extent and in the same manner as if the action had been taken by the nonresident brewer or nonresident manufacturer.

(b) Effective September 1, 2021, Subtitle A, Title 3, Alcoholic Beverage Code, is amended by adding Chapter 57 to read as follows:

CHAPTER 57. NONRESIDENT BREWER'S AGENT

Sec. 57.001. AUTHORIZED ACTIVITIES. A nonresident brewer's agent may:

(1) represent one or more nonresident brewers; and

(2) on behalf of a nonresident brewer whom the agent represents:

(A) perform any activity the nonresident brewer whom the agent represents could perform in this state; and

(B) apply for a permit, license, or other authorization required by the commission.

Sec. 57.002. RESTRICTION AS TO REPRESENTATION. (a) A nonresident brewer's agent may not represent a nonresident brewer unless the agent is the primary American source of supply for a product produced by the nonresident brewer.

(b) In this section, "primary American source of supply" means the nonresident brewer or the exclusive agent of the nonresident brewer. To be the "primary American source of supply" the nonresident brewer's agent must be the first source, that is, the brewer or the source closest to the brewer, in the channel of commerce from whom the product can be secured by Texas distributors.

Sec. 57.003. AUTHORIZATION BY NONRESIDENT BREWER REQUIRED. A nonresident brewer's agent must be authorized to act as the agent of a nonresident brewer the person proposes to represent.

Sec. 57.004. TERRITORIAL AGREEMENT NOT AFFECTED. Nothing in this chapter affects a territorial agreement entered into under Subchapter C, Chapter 102.

Sec. 57.005. RESPONSIBILITY FOR AGENT'S ACTIONS. A nonresident brewer is responsible for any action taken by a nonresident brewer's agent in the course of the agent's representation of the nonresident brewer under this chapter to the same extent and in the same manner as if the action had been taken by the nonresident brewer.

SECTION 3. (a) Except as otherwise provided by this Act, this Act takes effect September 1, 2019.

(b) Section 1 of this Act takes effect only if **HB 1545** or **SB 623**, Acts of the 86th Legislature, Regular Session, 2019, or similar legislation of the 86th Legislature, Regular Session, 2019, relating to the continuation and functions of the Texas Alcoholic Beverage Commission is not enacted or does not become law. If **HB 1545** or **SB 623**, Acts of the 86th Legislature, Regular Session, 2019, or similar legislation of the 86th Legislature, Regular Session, 2019, relating to the continuation and functions of the Texas Alcoholic Beverage Commission is enacted and becomes law, Section 1 of this Act has no effect.

(c) Section 2 of this Act takes effect only if **HB 1545** or **SB 623**, Acts of the 86th Legislature, Regular Session, 2019, or similar legislation of the 86th Legislature, Regular Session, 2019, relating to the continuation and functions of the Texas Alcoholic Beverage Commission is enacted and becomes law. If **HB 1545** or **SB 623**, Acts of the 86th Legislature, Regular Session, 2019, or similar legislation of the 86th Legislature, Regular Session, 2019, relating to the continuation and functions of the Texas Alcoholic Beverage Commission is not enacted or does not become law, Section 2 of this Act has no effect.

(Speaker in the chair)

### **REMARKS ORDERED PRINTED**

Representative Murphy moved to print remarks by Representative Harris on **HB 2363**.

The motion prevailed.

### **HB 1215 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Swanson called up with senate amendments for consideration at this time,

**HB 1215**, A bill to be entitled An Act relating to the allocation of low income housing tax credits.

Representative Swanson moved to concur in the senate amendments to **HB 1215**.

The motion to concur in the senate amendments to **HB 1215** prevailed by (Record 1920): 139 Yeas, 4 Nays, 1 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Biedermann; Cain; Ramos; Stickland.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

### **Senate Committee Substitute**

**CSHB 1215**, A bill to be entitled An Act relating to the allocation of low income housing tax credits.

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

SECTION 1. Section 2306.67022, Government Code, is amended to read as follows:

Sec. 2306.67022. **QUALIFIED ALLOCATION PLAN; MANUAL.** (a) At least biennially, the board shall adopt a qualified allocation plan and a corresponding manual to provide information regarding the administration of and eligibility for the low income housing tax credit program. The board may adopt the plan and manual annually, as considered appropriate by the board.

(b) The department may require as part of the threshold criteria under a qualified allocation plan that a proposed development satisfy certain criteria relating to educational quality, as specified by the department in that plan.

(c) The department may not adopt a qualified allocation plan that uses a scoring system that awards points to an application based on criteria relating to the educational quality applicable to a proposed development site.

(d) This subsection and Subsections (b) and (c) expire September 1, 2021.

SECTION 2. (a) The Texas Department of Housing and Community Affairs shall conduct a study of the effects that the implementation of 2306.67022(b) and (c), Government Code, as added by this Act, has on the allocation of low income housing tax credits in this state.

(b) Not later than January 1, 2021, the Texas Department of Housing and Community Affairs shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and each standing committee of the legislature with jurisdiction over affordable housing a report regarding the study required by Subsection (a) of this section.

SECTION 3. The change in law made by this Act applies only to an application for low income housing tax credits that is submitted to the Texas Department of Housing and Community Affairs during an application cycle that is based on the 2020 qualified allocation plan or a subsequent plan adopted by the governing board of the department under Section 2306.67022, Government Code, as amended by this Act. An application that is submitted during an application cycle that is based on an earlier qualified allocation plan is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2019.

### **HB 4388 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Murphy called up with senate amendments for consideration at this time,

**HB 4388**, A bill to be entitled An Act relating to the management of the permanent school fund by the School Land Board and the State Board of Education.

Representative Murphy moved to concur in the senate amendments to **HB 4388**.

The motion to concur in the senate amendments to **HB 4388** prevailed by (Record 1921): 141 Yeas, 0 Nays, 1 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, K.; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker(C).



Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Bell, C.; Bernal.

### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **HB 4388** (senate committee printing), in SECTION 1 of the bill, in added Section 43.0052, Education Code, as follows:

(1) On page 1, line 33, strike "and".

(2) On page 1, line 34, between "performances" and the underlined period, insert the following:

; and

(4) costs of implementing and administering the permanent school fund liquid account under Section 51.414, Natural Resources Code, including costs associated with contracts for:

(A) professional investment management;

(B) investment advisory services; and

(C) custodial services for the account

### **Senate Amendment No. 2 (Senate Floor Amendment No. 2)**

Amend **HB 4388** (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) The legislature finds that the periodic examination of distributions made from the permanent school fund to the available school fund is necessary for the effective management of permanent school fund investments.

(b) The Texas Education Agency, in consultation with the General Land Office, shall conduct a study regarding distributions from the permanent school fund to the available school fund. The study must:

(1) examine historical patterns in the real value of distributions made from all assets and revenues of the permanent school fund and historical patterns in the real value of permanent school fund assets relative to the number of students enrolled in the public education system;

(2) analyze the impact of underlying data and methodological assumptions on actual and projected distributions from the permanent school fund;

(3) seek input from state government officials involved in public education policy or in the appropriation of state funds to support the public education system;

(4) examine current and alternative approaches to balance the needs and interests of present and future beneficiaries of the permanent school fund and the available school fund;

(5) develop options to maximize available revenue distributions for the education of students enrolled in the public education system while preserving the permanent school fund for future generations; and

(6) consider any other subjects relevant to the purpose of the study.

(c) The Texas Education Agency may contract for investment management expertise for the purpose of implementing this section.

(d) Not later than June 1, 2020, the Texas Education Agency shall prepare and submit a report regarding the results of the study to the governor, the State Board of Education, the Legislative Budget Board, the lieutenant governor, the speaker of the house of representatives, and each legislative standing committee with primary jurisdiction over public education.

(e) This section expires January 1, 2021.

(Goldman in the chair)

### **HB 1545 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

Representative Paddie called up with senate amendments for consideration at this time,

**HB 1545**, A bill to be entitled An Act relating to the continuation and functions of the Texas Alcoholic Beverage Commission, including the consolidation, repeal, and creation of certain licenses and permits; changing fees.

Representative Paddie moved to concur in the senate amendments to **HB 1545**.

The motion to concur in the senate amendments to **HB 1545** prevailed by (Record 1922): 140 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Cain; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Metcalf; Meyer; Meza; Middleton; Miller; Minjarez; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Ramos; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wu; Zedler; Zerwas; Zwiener.

Present, not voting — Mr. Speaker; Goldman(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Moody; Wray.

### **STATEMENTS OF VOTE**

When Record No. 1922 was taken, I was in the house but away from my desk. I would have voted yes.

Moody

When Record No. 1922 was taken, I was in the house but away from my desk. I would have voted yes.

Wray

### Senate Committee Substitute

**CSHB 1545**, A bill to be entitled An Act relating to the continuation and functions of the Texas Alcoholic Beverage Commission, including the consolidation, repeal, and creation of certain licenses and permits; changing fees.

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

SECTION 1. Sections 1.04(5), (7), (13), (14), (15), (17), (18), and (27), Alcoholic Beverage Code, are amended to read as follows:

(5) "Liquor" means any alcoholic beverage, other than a malt beverage, containing alcohol in excess of five ~~four~~ percent by volume ~~weight~~, unless otherwise indicated. Proof that an alcoholic beverage is alcohol, spirits of wine, whiskey, liquor, wine, brandy, gin, rum, ~~ale, malt liquor,~~ tequila, mescal, habanero, or barreteago, is prima facie evidence that it is liquor.

(7) "Wine and vinous liquor" means the product obtained from the alcoholic fermentation of juice of sound ripe grapes, fruits, berries, or honey, and includes wine coolers and saké.

(13) "Mixed beverage" means one or more servings of a beverage composed in whole or part of an alcoholic beverage in a sealed or unsealed container of any legal size for consumption on the premises where served or sold by the holder of a mixed beverage permit, the holder of certain nonprofit entity temporary event permits ~~[a daily temporary mixed beverage permit, the holder of a caterer's permit, the holder of a mixed beverage late hours permit]~~, the holder of a private club registration permit, or the holder of certain retailer late hours certificates ~~[a private club late hours permit]~~.

(14) "Barrel" means, as a standard of measure, a quantity of malt beverages ~~beer~~ equal to 31 standard gallons.

(15) "Malt beverage" ~~["Beer"]~~ means a fermented ~~malt~~ beverage of any name or description containing one-half of one percent or more of alcohol by volume, brewed or produced from malt, in whole or in part, or from any malt substitute ~~[and not more than four percent of alcohol by weight]~~.

(17) "Brewer ~~Manufacturer~~" means a person engaged in the ~~[manufacture or]~~ brewing of malt beverages ~~beer~~, whether located inside or outside the state.

(18) "Original package," as applied to malt beverages ~~beer~~, means a container holding malt beverages ~~beer~~ in bulk, or any box, crate, carton, or other device used in packing malt beverages ~~beer~~ that is contained in bottles or other containers.

(27) "Contract brewing arrangement" means an arrangement in which two breweries, each of which has a separate facility, contract for one brewery to brew ~~manufacture~~ malt beverages on behalf of the other brewery due to the limited capacity or other reasonable business necessity of one party to the arrangement.

SECTION 2. Effective December 31, 2020, Section 1.04(9), Alcoholic Beverage Code, is amended to read as follows:

(9) "Applicant" means a person who submits or files an original or renewal application with the ~~[county judge,]~~ commission~~[-, or administrator]~~ for a license or permit.

SECTION 3. Chapter 1, Alcoholic Beverage Code, is amended by adding Sections 1.08 and 1.09 to read as follows:

Sec. 1.08. PREVENTION OF HUMAN TRAFFICKING. It is the intent of the legislature to prevent human trafficking at all permitted and licensed premises, and all provisions of this code shall be liberally construed to carry out this intent, and it shall be a duty and priority of the commission to adhere to a zero tolerance policy of preventing human trafficking and related practices.

Sec. 1.09. REFERENCES TO CERTAIN TERMS. A reference in this code to:

(1) "Ale," "beer," or "malt liquor" means a malt beverage.

(2) "Brewer's permit" or "manufacturer's license" means a brewer's license.

(3) "Nonresident brewer's permit" or "nonresident manufacturer's license" means a nonresident brewer's license.

(4) "Wine and beer retailer's off-premise permit" means a wine and malt beverage retailer's off-premise permit.

(5) "Wine and beer retailer's permit" means a wine and malt beverage retailer's permit.

SECTION 4. Effective September 1, 2019, Section 5.01(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The Texas Alcoholic Beverage Commission is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished and Subchapter A, Chapter 5, expires September 1, 2031 ~~[2019]~~.

SECTION 5. Effective September 1, 2019, Section 5.02(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission is composed of five ~~[three]~~ members, who are appointed by the governor with the advice and consent of the senate.

SECTION 6. Effective September 1, 2019, Section 5.022, Alcoholic Beverage Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

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

(1) the law governing [legislation that created the] commission operations;

(2) [and] the [commission's] programs, functions, rules, and budget of the commission;

(3) the scope of and limitations on the rulemaking authority of the commission;

(4) ~~(2)~~ the results of the most recent formal audit of the commission;

(5) ~~(3)~~ the requirements of;

(A) laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest; and

(B) other laws applicable to members of a state policymaking body in performing their duties; and

(6) ~~(4)~~ any applicable ethics policies adopted by the commission or the Texas Ethics Commission.

(d) The administrator of the commission shall create a training manual that includes the information required by Subsection (b). The administrator shall distribute a copy of the training manual annually to each member of the commission. Each member of the commission shall sign and submit to the administrator a statement acknowledging that the member received and has reviewed the training manual.

SECTION 7. Effective September 1, 2019, Section 5.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 5.03. TERMS OF OFFICE. The members of the commission hold office for staggered terms of six years, with the term of one or two members ~~[member]~~ expiring every two years. Each member holds office until the member's [his] successor is appointed and has qualified. The governor may appoint a [A] member to serve consecutive terms ~~[may be appointed to succeed himself]~~.

SECTION 8. Effective September 1, 2019, Section 5.05, Alcoholic Beverage Code, is amended by amending Subsections (a), (a-1), and (a-2) and adding Subsection (a-3) to read as follows:

(a) A [No] person may not be appointed to or serve on the commission, or hold an office under the commission, or be employed by the commission, if the person is employed by or [who:

(1) has a [any] financial interest [connection with a person engaged] in an alcoholic beverage business. For purposes of this subsection, a person has a financial interest[;

(2) holds stocks or bonds] in an alcoholic beverage business if:

(1) the person owns or controls, directly or indirectly, an ownership[; or

(3) has a pecuniary] interest of:

(A) at least five percent in a single [an] alcoholic beverage business, including the right to share in profits, proceeds, or capital gains; or

(B) at least five percent cumulative interest, including the right to share in profits, proceeds, or capital gains, in multiple alcoholic beverage businesses; or

(2) the person's spouse or child has an ownership interest described by Subdivision (1).

(a-1) A financial interest prohibited by Subsection (a) does not include an ownership interest under a retirement plan, a blind trust, or insurance coverage, or an ownership interest of less than five percent in a corporation.

(a-2) Notwithstanding any other law, a child of a commission employee may be employed by the holder of a license or permit issued under this code.

(a-3) [(a-2)] The commission shall establish an agency policy requiring employees to disclose information regarding their children's employment by a holder of a license or permit issued under this code.

SECTION 9. Effective September 1, 2019, Subchapter A, Chapter 5, Alcoholic Beverage Code, is amended by adding Section 5.21 to read as follows:

Sec. 5.21. ADVISORY COMMITTEES. (a) The commission, by rule, may establish advisory committees it considers necessary to accomplish the purposes of this code.

(b) Chapter 2110, Government Code, applies to an advisory committee created by the commission.

SECTION 10. Effective September 1, 2019, the heading to Section 5.361, Alcoholic Beverage Code, is amended to read as follows:

Sec. 5.361. ENFORCEMENT; INSPECTIONS.

SECTION 11. Effective September 1, 2019, Section 5.361, Alcoholic Beverage Code, is amended by adding Subsections (a-1) and (a-2) to read as follows:

(a-1) As part of the commission's enforcement activities under this section, the commission by rule shall develop a plan for inspecting permittees and licensees using a risk-based approach that prioritizes public safety. The inspection plan may provide for a virtual inspection of the permittee or licensee that may include a review of the permittee's or licensee's records or it may also require a physical inspection of the permittee's or licensee's premises.

(a-2) The inspection plan must:

(1) establish a timeline for the inspection of each permittee and licensee that ensures that high-risk permittees and licensees are prioritized; and

(2) require the commission to physically inspect the premises of each permittee and licensee within a reasonable time as set by rule.

SECTION 12. Effective September 1, 2019, Subchapter B, Chapter 5, Alcoholic Beverage Code, is amended by adding Sections 5.363 and 5.364 to read as follows:

Sec. 5.363. DISCIPLINARY AUTHORITY OF ADMINISTRATOR AND COMMISSION. (a) The commission by rule may delegate to the administrator the authority to take disciplinary and enforcement actions against a person subject to the commission's regulation under this code, including the authority to enter into an agreed settlement of a disciplinary action. In the rules adopted under this subsection, the commission shall specify a threshold for the types of disciplinary and enforcement actions that are delegated to the administrator.

(b) The commission shall make the final decision in any disciplinary action in a contested case that has had an administrative hearing.

Sec. 5.364. RECEIPT AND USE OF MARKET DATA. (a) The commission may receive market data that is voluntarily provided by a licensee or permittee under this code.

(b) The commission may only use the market data received under Subsection (a) for the commission's law enforcement purposes. The commission may not use the data to create a database of information containing individually identifying information.

SECTION 13. Section 5.40, Alcoholic Beverage Code, is amended to read as follows:

Sec. 5.40. REGULATION OF MALT BEVERAGE ~~[BEER]~~ CONTAINER DEPOSITS. If the commission finds it necessary to effectuate the purposes of this code, it may adopt rules to provide a schedule of deposits required to be obtained on malt beverage ~~[beer]~~ containers delivered by a licensee.

SECTION 14. Effective December 31, 2020, Section 5.43, Alcoholic Beverage Code, is amended to read as follows:

Sec. 5.43. WHO MAY HOLD HEARING; RULES OF EVIDENCE. (a) Except ~~[as provided by Subsection (b)]~~ for a hearing ~~[held under Section 61.32 of this code, a hearing]~~ on the adoption of commission rules~~[-]~~ or a hearing on an employment matter, the commission designates the State Office of Administrative Hearings to conduct and make a record of any hearing authorized by this code. If the commission or administrator declares a hearing to be an emergency, the State Office of Administrative Hearings shall assign an administrative law judge or may contract with a qualified individual within five days and set a hearing as soon as possible.

(b) The commission ~~[or administrator]~~ may render a decision on the basis of the record or the proposal for decision if one is required under the administrative procedure law, Chapter 2001, Government Code, as if the ~~[administrator or entire]~~ commission had conducted the hearing. The commission may prescribe its rules of procedure for cases not heard by the State Office of Administrative Hearings.

SECTION 15. Section 5.50, Alcoholic Beverage Code, is amended to read as follows:

Sec. 5.50. ESTABLISHMENT OF CERTAIN FEES. (a) The commission by rule may establish reasonable fees for tasks and services performed by the commission in carrying out the provisions of this code, including fees for ~~[incidental to]~~ the issuance of certificates, licenses, and permits under Title 3 ~~[of this code]~~.

(b) The commission may not increase or decrease a fee set by this code, but if a statute is enacted creating a certificate, permit, or license and there is no fee established, the commission by rule may set a fee. The commission by rule shall assess a fee ~~[surcharges]~~ on all applicants for an original or renewal certificate, permit, or license issued by the commission ~~[in addition to any fee set by this code]~~ and collect the fee ~~[surcharges]~~ at the time of application.

(b-1) The commission shall develop a process for setting fees that ensures the amount of the fees for an original or renewal certificate, permit, or license is sufficient to cover the costs incurred by the commission in administering this code. The process must:

(1) allow the commission to:

(A) consider relevant information including the type of business being regulated and the level of regulatory activities associated with each certificate, permit, or license; and

(B) set different fees for the same original or renewal certificate, permit, or license if the commission determines the level of regulatory activities associated with a certificate, permit, or license varies; and

(2) ensure that ~~[In assessing a surcharge,]~~ the commission does ~~[may]~~ not overly penalize any segment of the alcoholic beverage industry or impose an undue hardship on small businesses.

(b-2) The commission shall periodically review the amount of each fee collected under this code and adjust the amount of each fee to ensure that the commission's regulatory costs are fairly allocated among all certificate, permit, and license holders.

(c) The commission shall post on the commission's Internet website the maximum amount of the fee for each permit and license that a local governmental entity may levy and collect under ~~[Insofar as they relate to the levying and collection of a local fee,]~~ Sections 11.38 and 61.36 ~~[of this code do not apply to fees set by rule of the commission].~~

(d) Revenues ~~[and surcharges]~~ from fees collected by the commission under this section shall be deposited in the general revenue fund.

SECTION 16. Section 5.51, Alcoholic Beverage Code, is amended to read as follows:

Sec. 5.51. BOOKKEEPING RECORDS. A permittee who holds a permit issued under Chapter ~~[Chapters]~~ 28, 30, or 32 ~~[through 33 of this code]~~ may elect to keep all records required under this code on a machine bookkeeping system. A permittee who desires to use such a system must submit a written application for commission approval of the system before implementing the system. The commission may authorize a permittee to centralize the permittee's records.

SECTION 17. Effective September 1, 2019, Section 5.56(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission in accordance with this subsection may recover the amount transferred under Subsection (a) by imposing a surcharge on licenses and permits ~~[, other than an agent's permit or an agent's beer license,]~~ issued or renewed by the commission each fiscal year. The surcharge shall be an amount equal to the amount transferred under Subsection (a) divided by the number of licenses and permits the commission anticipates issuing during that year, rounded down to the next lowest whole dollar.

SECTION 18. Section 5.57(c), Alcoholic Beverage Code, is amended to read as follows:

(c) The commission shall make a reasonable attempt to meet with alcoholic beverage industry representatives from:

(1) the manufacturing, distribution, and retail tiers of the industry; and

(2) the liquor, malt beverage ~~[beer]~~, and wine segments of the industry.

SECTION 19. Effective September 1, 2019, Subchapter B, Chapter 5, Alcoholic Beverage Code, is amended by adding Section 5.581 to read as follows:

Sec. 5.581. DISCLOSURE OF PERSONNEL RECORDS OF COMMISSIONED PEACE OFFICERS. (a) In this section, "personnel record" includes any letter, memorandum, or document maintained by the commission



that relates to a commissioned peace officer of the commission, including background investigations, employment applications, employment contracts, service and training records, requests for off-duty employment, birth records, reference letters, letters of recommendation, performance evaluations and counseling records, results of physical tests, polygraph questionnaires and results, proficiency tests, the results of health examinations and other medical records, workers' compensation files, the results of psychological examinations, leave requests, requests for transfers of shift or duty assignments, commendations, promotional processes, demotions, complaints and investigations, employment-related grievances, and school transcripts.

(b) Except as provided by Subsection (c), the personnel records of a commissioned peace officer of the commission may not be disclosed under Chapter 552, Government Code, or otherwise made available to the public while there is a pending internal investigation for alleged employee misconduct.

(c) The commission may release any personnel record of a commissioned peace officer:

(1) pursuant to a subpoena or court order, including a discovery order;  
(2) for use by the commission in an administrative hearing; or  
(3) with the written authorization of the officer who is the subject of the record, as long as release of the information does not interfere with the investigation of alleged misconduct by the commissioned peace officer.

(d) A release of information under Subsection (c) does not waive the right to assert in the future that the information is excepted from required disclosure under this section or other law.

SECTION 20. Sections 6.03(g) and (k), Alcoholic Beverage Code, are amended to read as follows:

(g) To accommodate the interests of the consuming public, the expansion of popular nationwide businesses, and the increasing state interest in tourism, and at the same time to guard against the threats of organized crime, unfair competition, and decreased opportunities for small businesses, the legislature finds that there is no longer need for the three-year residency requirements with regard to those segments of the industry that sell alcoholic beverages to the ultimate consumer only. The legislature finds that it is desirable to retain a one-year residency requirement for businesses that sell to the consumer packaged liquor and fortified wine capable of being used to supply legal or illegal bars and clubs. The legislature also finds it reasonable, desirable, and in the best interests of the state to provide a one-year residency requirement for businesses engaged in the wholesale distribution of ~~beer,~~ malt beverages ~~[liquor,~~ or wine or in the manufacture and distribution of distilled spirits and fortified wines at both the wholesale and the retail levels where those beverages, in unopened containers, are sold to mixed beverage permittees and private club registration permittees as well as to the general public. Adequate protection is deemed to be provided by controlling those sources of supply for distilled spirits and fortified wines.

(k) A requirement under this code that 51 percent or more of the stock of a corporation be owned by a person or persons who were citizens of this state for a one-year period preceding the date of the filing of an application for a license or

permit does not apply to a corporation organized under the laws of this state that applies for a license or permit under Chapters 25, 26, 28, 30, 32, 48, 50, 69, 71, and ~~[25-34, Chapter 44, Chapters 48-51, Chapters 69-72, or Chapter] 74 [of this code]~~ if:

(1) all of the officers and a majority of directors of the applicant corporation have resided within the state for a one-year period preceding the date of the application and each officer or director possesses the qualifications required of other applicants for permits and licenses;

(2) the applicant corporation and the applicant's shareholders have no direct or indirect ownership or other prohibited relationship with others engaged in the alcoholic beverage industry at different levels as provided by Chapter 102 ~~[of this code]~~ and other provisions of this code;

(3) the applicant corporation is not precluded by law, rule, charter, or corporate bylaw from disclosing the applicant's shareholders to the commission; and

(4) the applicant corporation maintains its books and records relating to its alcoholic beverage operations in the state at its registered office or at a location in the state approved in writing by the commission.

SECTION 21. Effective September 1, 2019, Section 11.01(c), Alcoholic Beverage Code, is amended to read as follows:

(c) A right or privilege granted by this section as an exception to prohibitions contained elsewhere in this code may be exercised only in the manner provided. ~~[An act done by a person which is not permitted by this code is unlawful.]~~

SECTION 22. Effective December 31, 2020, Section 11.015, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.015. HEARING LOCATION. Notwithstanding any other provision of this code, ~~[except for a hearing required to be conducted by a county judge,]~~ a hearing related to the issuance, renewal, cancellation, or suspension of a permit under this subtitle may be conducted:

(1) in the county in which the premises is located;

(2) at the nearest permanent hearing office of the State Office of Administrative Hearings; or

(3) at any location agreed to by the parties.

SECTION 23. Sections 11.09(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) A permit issued under this code expires on the second anniversary of the date it is issued, except as provided by Subsections (d) and (e) or another provision of this code. ~~[Notwithstanding Section 5.50(b), the commission shall double the amount of fees and surcharges otherwise applicable under this code for a permit with a two year term.]~~

(b) A secondary permit which requires the holder of the permit to first obtain another permit, including a retailer late hours certificate ~~[permit or temporary permit]~~, expires on the same date the basic or primary permit

expires. The commission may not prorate or refund any part of the fee for the secondary permit if the application of this section results in the expiration of the permit in less than two years.

SECTION 24. Section 11.13(a), Alcoholic Beverage Code, is amended to read as follows:

(a) This section applies only to a license or permit held in connection with an establishment located in a county with a population of 1.4 million or more for which a license or permit has been issued under Chapter 25 or 69 for the on-premises consumption of malt beverages ~~[beer]~~ exclusively or malt beverages ~~[beer]~~ and wine exclusively, other than a license or permit for an establishment holding a food and beverage certificate whose primary business being operated on the premises is food service.

SECTION 25. Effective September 1, 2019, Section 11.31, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.31. APPLICATION FOR PERMIT. All permits shall be applied for and obtained from the commission. ~~[This section does not apply to wine and beer retailer's permits, except those for railway cars or excursion boats, or to wine and beer retailer's off-premise permits.]~~

SECTION 26. Section 11.321(b), Alcoholic Beverage Code, is amended to read as follows:

(b) In addition to any other applicable civil or criminal penalty, the commission may impose an administrative penalty not to exceed \$4,000 on a licensee or permittee who makes a false or misleading statement in an original or renewal application, either in the formal application itself or in any written instrument relating to the application submitted to the commission or its officers or employees, in connection with an establishment that is licensed or permitted under Chapter 25 or 69 for the on-premises consumption of malt beverages ~~[beer]~~ exclusively or malt beverages ~~[beer]~~ and wine exclusively, other than an establishment holding a food and beverage certificate whose primary business being operated on the premises is food service.

SECTION 27. Section 11.34, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.34. CONSOLIDATED APPLICATION. (a) An applicant for a wholesaler's, class B wholesaler's, distiller's and rectifier's, ~~[brewer's]~~ or winery permit may consolidate in a single application the ~~[his]~~ application for that permit and an ~~[his]~~ application for:-

- ~~[(1) private storage;~~
- ~~[(2) storage in a public bonded warehouse;~~
- ~~[(3) a private carrier's permit; and~~
- ~~[(4)]~~ any other permit the applicant ~~[he]~~ is qualified to receive.

(b) An applicant who files a consolidated application must pay the fee required by commission rule ~~[prescribed in this code]~~ for each permit included in the application.

SECTION 28. Effective September 1, 2019, Sections 11.37(a), (b), and (d), Alcoholic Beverage Code, are amended to read as follows:

(a) Not later than the 30th day after the date a prospective applicant for a permit issued by the commission requests certification, the [The] county clerk of the county in which the request [an application for a permit] is made shall certify whether the location or address given in the request [application] is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order of the commissioners court.

(b) Not later than the 30th day after the date a prospective applicant for a permit issued by the commission requests certification, the [The] city secretary or clerk of the city in which the request [an application for a permit] is made shall certify whether the location or address given in the request [application] is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance.

(d) Notwithstanding any other provision of this code, if the county clerk, city secretary, or city clerk certifies that the location or address given in the request [application] is not in a wet area or refuses to issue the certification required by this section, the prospective applicant is entitled to a hearing before the county judge to contest the certification or refusal to certify. The prospective applicant must submit a written request to the county judge for a hearing under this subsection. The county judge shall conduct a hearing required by this subsection not later than the 30th day after the date the county judge receives the written request.

SECTION 29. Sections 11.38(a) and (d), Alcoholic Beverage Code, are amended to read as follows:

(a) The governing body of a city or town may levy and collect a fee ~~[not to exceed one-half the state fee]~~ for each permit issued for premises located within the city or town. The commissioners court of a county may levy and collect a fee ~~[equal to one-half of the state fee]~~ for each permit issued for premises located within the county. The fees authorized by this subsection may not exceed one-half the statutory fee provided in this code as of August 31, 2021, for the permit issued. Those authorities may not levy or collect any other fee or tax from the permittee except general ad valorem taxes, the hotel occupancy tax levied under Chapter 351, Tax Code, and the local sales and use tax levied under Chapter 321, Tax Code.

(d) The following are exempt from the fee authorized in this section:

(1) ~~[agent's, airline beverage,] passenger transportation [train beverage, passenger bus beverage, industrial], carrier [carrier's, private carrier's], private club registration, and local cartage[, storage, and temporary wine and beer retailer's] permits;~~

~~[(2) a wine and beer retailer's permit issued for a dining, buffet, or club car;] and~~

(2) [(3)] a mixed beverage permit during the three-year period following the issuance of the permit.

SECTION 30. Effective December 31, 2020, Section 11.38(e), Alcoholic Beverage Code, is amended to read as follows:

(e) The commission or administrator may cancel or the commission may deny a permit for the retail sale or service of alcoholic beverages, including a permit held by the holder of a food and beverage certificate, if it finds that the permit holder or applicant has not paid delinquent ad valorem taxes due on that permitted premises or due from a business operated on that premises to any taxing authority in the county of the premises. For purposes of this subsection, a permit holder or applicant is presumed delinquent in the payment of taxes due if the permit holder or applicant:

(1) is placed on a delinquent tax roll prepared under Section 33.03, Tax Code;

(2) has received a notice of delinquency under Section 33.04, Tax Code; and

(3) has not made a payment required under Section 42.08, Tax Code.

SECTION 31. Sections 11.39(a) and (d), Alcoholic Beverage Code, are amended to read as follows:

(a) Every applicant for a [~~brewer's,~~] distiller's and rectifier's, mixed beverage, private club registration, winery, wholesaler's, class B wholesaler's, [~~wine bottler's,~~] or package store permit shall give notice of the application by publication at the applicant's [~~his~~] own expense in two consecutive issues of a newspaper of general circulation published in the city or town in which the applicant's [~~his~~] place of business is located. If no newspaper is published in the city or town, the notice shall be published in a newspaper of general circulation published in the county where the applicant's business is located. If no newspaper is published in the county, the notice shall be published in a qualified newspaper published in the closest neighboring county and circulated in the county of the applicant's residence.

(d) This section does not apply to:

(1) an applicant for a nonprofit entity [~~daily~~] temporary event [~~mixed beverage~~] permit; or

(2) commission authorization required to sell alcoholic beverages under Section 28.19 [~~or a caterer's permit~~].

SECTION 32. Section 11.391(c), Alcoholic Beverage Code, is amended to read as follows:

(c) This section does not apply to an applicant for a permit issued under Chapter 16, 19, 20, [~~21,~~] 22, 23, or 24[~~, or 52~~].

SECTION 33. Section 11.392(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission shall give notice of an application for a permit or renewal of a permit issued under Chapter 32, an application for a permit issued under Section 30.09, or an application for a certificate or renewal of a certificate issued to the holder of a private club registration permit under Chapter 29 [~~or 33~~] to:

(1) the state senator and the state representative who represent the district in which the premises are located;

(2) the municipal governing body, if the premises are located in an incorporated area, and the commissioners court of the county in which the premises are located; and

(3) the chief of police of the municipality, if the premises are located in an incorporated area, and the sheriff of the county in which the premises are located.

SECTION 34. (a) Effective December 31, 2020, Subchapter B, Chapter 11, Alcoholic Beverage Code, is amended by amending Section 11.43 and adding Sections 11.431 and 11.432 to read as follows:

Sec. 11.43. APPLICATION REVIEW PROCESS ~~[DISCRETION TO GRANT OR REFUSE PERMIT]~~. (a) The commission has ~~[and administrator have]~~ discretionary authority ~~[to grant or refuse]~~ to issue an original or renewal permit or deny an application for an original or renewal permit under the provisions of this subchapter or any other applicable provision of this code.

(b) On receipt of an application for a permit under this code, the administrator shall evaluate the application. If a protest against the application has been filed, the administrator shall first evaluate the protest.

(c) If the administrator determines that no reasonable grounds exist for the protest, or if no protest has been filed, the administrator shall evaluate the permit application.

(d) If after evaluating the permit application under Subsection (c) the administrator finds that all facts stated in the application are true and no legal ground to deny the application exists, the administrator shall issue a permit if the commission has delegated authority to issue permits to the administrator. If the commission has not delegated authority to issue permits to the administrator, the administrator shall recommend to the commission that the application be approved and the commission may issue the permit. If the commission does not issue the permit, the administrator shall refer the application for a hearing as provided by Subsection (h).

(e) If after the evaluation of a permit application the administrator finds a legal ground to deny the permit application, the administrator shall recommend to the commission that the application be denied. If the administrator recommends denial of the application, the applicant may request a hearing as provided by Subsection (h).

(f) If the administrator finds that reasonable grounds exist for the protest, the administrator shall evaluate the application in light of the protest. If, but for the protest, the administrator would approve the application, the administrator shall refer the protested application for a hearing. In a hearing on a protested application, the State Office of Administrative Hearings may request any information from the commission the office determines relevant.

(g) If after evaluating the application with the protest the administrator finds a legal ground to deny the permit application, the administrator shall recommend to the commission that the application be denied. If the administrator recommends denial of the application, the applicant may request a hearing as provided by Subsection (h).

(h) A hearing under this section shall be conducted by the State Office of Administrative Hearings in a location authorized by Section 11.015. Chapter 2001, Government Code, applies to a hearing under this section. After a hearing the administrative law judge shall make findings of fact and conclusions of law and promptly issue to the commission a proposal for a decision on the application. Based on the findings of fact, conclusions of law, and proposal for a decision, the commission shall issue a final decision denying the application or issuing the permit.

(i) If the commission denies a permit application, the applicant may, after exhausting all administrative remedies, appeal the commission's decision to a Travis County district court.

(j) The commission shall adopt rules to implement the application review and protest process including reasonable timelines, identifying the roles and responsibilities of all parties involved in the process and identifying potential avenues for mediation or informal dispute resolution.

Sec. 11.431. PROTEST BY MEMBER OF THE PUBLIC. (a) A member of the public may protest an application for:

(1) ~~[Notwithstanding any other provision of this code that authorizes the commission or administrator to refuse to issue a permit without a hearing, the commission or administrator shall hold a hearing before granting or refusing to issue]~~ an original mixed beverage permit, private club registration permit, or wine and beer retailer's permit~~[-, or retail dealer's on-premise license]~~ if a sexually oriented business is to be operated on the premises to be covered by the permit;

(2) ~~[or license]~~.

~~[(c) A hearing shall be held on]~~ any renewal ~~[application]~~ of a mixed beverage permit, private club registration permit, or wine and beer retailer's permit~~[-, or retail dealer's on-premise license]~~ if a sexually oriented business is to be operated on the premises to be covered by the permit ~~[or license]~~ and a petition is presented to the commission requesting a hearing which is signed by 50 percent of the residents who reside within 300 feet of any property line of the affected premises;

(3) a private club registration permit or a permit authorizing the retail sale of alcoholic beverages for on-premises consumption if the person resides within 300 feet of any property line of the premises for which the permit is sought; and

(4) a mixed beverage permit or a wine and beer retailer's permit in a municipality with a population of 1,500,000 or more if:

(A) any point of the property line of the premise is less than 300 feet from the nearest point on a property line of a residence, church, school, hospital, day-care facility, or social service facility, as measured in a straight line; and

(B) 75 percent or more of the permittee's actual or anticipated gross revenue is from the sale of alcoholic beverages.

(b) In addition to the situations described by Subsection (a), the commission by rule may authorize a member of the public to protest other permit applications the commission considers appropriate.

(c) ~~(d)~~ A protest made under this section ~~[request for a hearing made under Subsection (b) or (c) of this section]~~ must include an allegation of grounds on which the original or renewal application, as applicable, should be denied.

Sec. 11.432. PROTEST BY GOVERNMENT OFFICIAL. (a) The following persons may protest an application for an alcoholic beverage permit:

(1) a state senator, state representative, county commissioner, or city council member who represents the area in which the premises sought to be permitted are located;

(2) the commissioners court of the county in which the premises sought to be permitted are located;

(3) the county judge of the county in which the premises sought to be permitted are located;

(4) the sheriff or county or district attorney of the county in which the premises sought to be permitted are located;

(5) the mayor of the city or town in which the premises sought to be permitted are located; and

(6) the chief of police, city marshal, or city attorney of the city or town in which the premises sought to be permitted are located.

(b) The commission may give due consideration to the recommendations of a person listed under Subsection (a) when evaluating an application for a permit under this code.

(b) Effective September 1, 2021, Subchapter B, Chapter 11, Alcoholic Beverage Code, is amended by amending Section 11.43 and adding Section 11.431 to read as follows:

Sec. 11.43. APPLICATION REVIEW PROCESS ~~[DISCRETION TO GRANT OR REFUSE PERMIT]~~. (a) The commission ~~has~~ has ~~[and administrator have]~~ discretionary authority ~~[to grant or refuse]~~ to issue an original or renewal permit or deny an application for an original or renewal permit under the provisions of this subchapter or any other applicable provision of this code.

(b) On receipt of an application for a permit under this code, the administrator shall evaluate the application. If a protest against the application has been filed, the administrator shall first evaluate the protest.

(c) If the administrator determines that no reasonable grounds exist for the protest, or if no protest has been filed, the administrator shall evaluate the permit application.

(d) If after evaluating the permit application under Subsection (c) the administrator finds that all facts stated in the application are true and no legal ground to deny the application exists, the administrator shall issue a permit if the commission has delegated authority to issue permits to the administrator. If the commission has not delegated authority to issue permits to the administrator, the administrator shall recommend to the commission that the application be approved and the commission may issue the permit. If the commission does not issue the permit, the administrator shall refer the application for a hearing as provided by Subsection (h).



(e) If after the evaluation of a permit application the administrator finds a legal ground to deny the permit application, the administrator shall recommend to the commission that the application be denied. If the administrator recommends denial of the application, the applicant may request a hearing as provided by Subsection (h).

(f) If the administrator finds that reasonable grounds exist for the protest, the administrator shall evaluate the application in light of the protest. If, but for the protest, the administrator would approve the application, the administrator shall refer the protested application for a hearing. In a hearing on a protested application, the State Office of Administrative Hearings may request any information from the commission the office determines relevant.

(g) If after evaluating the application with the protest the administrator finds a legal ground to deny the permit application, the administrator shall recommend to the commission that the application be denied. If the administrator recommends denial of the application, the applicant may request a hearing as provided by Subsection (h).

(h) A hearing under this section shall be conducted by the State Office of Administrative Hearings in a location authorized by Section 11.015. Chapter 2001, Government Code, applies to a hearing under this section. After a hearing the administrative law judge shall make findings of fact and conclusions of law and promptly issue to the commission a proposal for a decision on the application. Based on the findings of fact, conclusions of law, and proposal for a decision, the commission shall issue a final decision denying the application or issuing the permit.

(i) If the commission denies a permit application, the applicant may, after exhausting all administrative remedies, appeal the commission's decision to a Travis County district court.

(j) The commission shall adopt rules to implement the application review and protest process including reasonable timelines, identifying the roles and responsibilities of all parties involved in the process and identifying potential avenues for mediation or informal dispute resolution.

Sec. 11.431. PROTEST BY MEMBER OF THE PUBLIC. (a) A member of the public may protest an application for:

(1) ~~Notwithstanding any other provision of this code that authorizes the commission or administrator to refuse to issue a permit without a hearing, the commission or administrator shall hold a hearing before granting or refusing to issue~~ an original mixed beverage permit, private club registration permit, or wine and malt beverage ~~beer~~ retailer's permit~~, or retail dealer's on-premise license~~ if a sexually oriented business is to be operated on the premises to be covered by the permit;

(2) ~~or license.~~

(e) ~~A hearing shall be held on~~ any renewal ~~[application]~~ of a mixed beverage permit, private club registration permit, or wine and malt beverage ~~beer~~ retailer's permit~~, or retail dealer's on-premise license~~ if a sexually oriented business is to be operated on the premises to be covered by the permit

~~[or license]~~ and a petition is presented to the commission requesting a hearing which is signed by 50 percent of the residents who reside within 300 feet of any property line of the affected premises;

(3) a private club registration permit or a permit authorizing the retail sale of alcoholic beverages for on-premises consumption if the person resides within 300 feet of any property line of the premises for which the permit is sought; and

(4) a mixed beverage permit or a wine and malt beverage retailer's permit in a municipality with a population of 1,500,000 or more if:

(A) any point of the property line of the premise is less than 300 feet from the nearest point on a property line of a residence, church, school, hospital, day-care facility, or social service facility, as measured in a straight line; and

(B) 75 percent or more of the permittee's actual or anticipated gross revenue is from the sale of alcoholic beverages.

(b) In addition to the situations described by Subsection (a), the commission by rule may authorize a member of the public to protest other permit applications the commission considers appropriate.

(c) ~~(d)~~ A protest made under this section ~~[request for a hearing made under Subsection (b) or (c) of this section]~~ must include an allegation of grounds on which the original or renewal application, as applicable, should be denied.

SECTION 35. Effective December 31, 2020, Section 11.44(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission ~~[or administrator]~~ shall deny an application ~~[refuse to issue]~~ for ~~[a period of three years]~~ a permit or license for any location of ~~[to]~~ an applicant who submitted a prior application that expired or was voluntarily surrendered before the hearing on the application was held on a protest involving allegations of prostitution, a shooting, stabbing, or other violent act, or an offense involving drugs or trafficking of persons before the third anniversary of ~~[-The three-year period commences on]~~ the date the prior application expired or was voluntarily surrendered.

SECTION 36. (a) Effective September 1, 2019, Section 11.46(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission or administrator may refuse to issue an original or renewal permit with or without a hearing if it has reasonable grounds to believe and finds that any of the following circumstances exists:

(1) the applicant has been convicted in a court of competent jurisdiction of the violation of any provision of this code during the two years immediately preceding the filing of the ~~[his]~~ application;

(2) five years have not elapsed since the termination, by pardon or otherwise, of a sentence imposed on the applicant for the conviction of a felony;

(3) within the six-month period immediately preceding the ~~[his]~~ application the applicant violated or caused to be violated a provision of this code or a rule or regulation of the commission which involves moral turpitude, as distinguished from a technical violation of this code or of the rule;

(4) the applicant failed to answer or falsely or incorrectly answered a question in an original or renewal application;

(5) the applicant is indebted to the state for any taxes, fees, or payment of penalty imposed by this code or by rule of the commission;

(6) the applicant is not of good moral character or the applicant's [his] reputation for being a peaceable, law-abiding citizen in the community where the applicant [he] resides is bad;

(7) the applicant is a minor;

(8) the place or manner in which the applicant may conduct the applicant's [his] business warrants the denial [refusal] of the application for a permit based on the general welfare, health, peace, morals, and safety of the people and on the public sense of decency;

(9) the applicant has developed an incapacity that prevents or could prevent the applicant from conducting the applicant's business with reasonable skill, competence, and safety to the public [is in the habit of using alcoholic beverages to excess or is physically or mentally incapacitated];

(10) the applicant will sell liquor unlawfully in a dry area or in a manner contrary to law or will knowingly permit an agent, servant, or employee to do so;

(11) the applicant is not a United States citizen or has not been a citizen of Texas for a period of one year immediately preceding the filing of the applicant's [his] application, unless the applicant [he] was issued a permit or renewal permit on or before September 1, 1948, and has at some time been a United States citizen;

(12) the applicant does not provide an adequate building available at the address for which the permit is sought before conducting any activity authorized by the permit;

(13) the applicant is residentially domiciled with a person whose permit or license has been cancelled for cause within the 12 months immediately preceding the date of the applicant's [his] present application;

(14) the applicant has failed or refused to furnish a true copy of the applicant's [his] application to the commission's district office in the district in which the premises for which the permit is sought are located; or

(15) during the six months immediately preceding the filing of the application the premises for which the permit is sought have been operated, used, or frequented for a purpose or in a manner that is lewd, immoral, or offensive to public decency.

(b) Effective December 31, 2020, Section 11.46, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.46. GENERAL GROUNDS FOR DENIAL [REFUSAL]. (a) The commission [or administrator] may deny an application for [refuse to issue] an original or renewal permit [with or without a hearing] if it has reasonable grounds to believe and finds that any of the following circumstances exists:

(1) the applicant has been convicted in a court of competent jurisdiction of the violation of any provision of this code during the two years immediately preceding the filing of the [his] application;

(2) five years have not elapsed since the termination, by pardon or otherwise, of a sentence imposed on the applicant for the conviction of a felony;

(3) within the six-month period immediately preceding the ~~the~~ [his] application the applicant violated or caused to be violated a provision of this code or a rule or regulation of the commission which involves moral turpitude, as distinguished from a technical violation of this code or of the rule;

(4) the applicant failed to answer or falsely or incorrectly answered a question in an original or renewal application;

(5) the applicant is indebted to the state for any taxes, fees, or payment of penalty imposed by this code or by rule of the commission;

(6) the applicant is not of good moral character or the applicant's ~~[his]~~ [he] reputation for being a peaceable, law-abiding citizen in the community where the applicant ~~[he]~~ resides is bad;

(7) the applicant is a minor;

(8) the place or manner in which the applicant may conduct the applicant's ~~[his]~~ business warrants the denial ~~[refusal]~~ of the application for a permit based on the general welfare, health, peace, morals, and safety of the people and on the public sense of decency;

(9) the applicant has developed an incapacity that prevents or could prevent the applicant from conducting the applicant's business with reasonable skill, competence, and safety to the public ~~[is in the habit of using alcoholic beverages to excess or is physically or mentally incapacitated]~~;

(10) the applicant will sell liquor unlawfully in a dry area or in a manner contrary to law or will knowingly permit an agent, servant, or employee to do so;

(11) the applicant is not a United States citizen or has not been a citizen of Texas for a period of one year immediately preceding the filing of the applicant's ~~[his]~~ application, unless the applicant ~~[he]~~ was issued a permit or renewal permit on or before September 1, 1948, and has at some time been a United States citizen;

(12) the applicant does not provide an adequate building available at the address for which the permit is sought before conducting any activity authorized by the permit;

(13) the applicant is residentially domiciled with a person whose permit or license has been cancelled for cause within the 12 months immediately preceding the date of the applicant's ~~[his]~~ present application;

(14) the applicant has failed or refused to furnish a true copy of the applicant's ~~[his]~~ application to the commission's district office in the district in which the premises for which the permit is sought are located; or

(15) during the six months immediately preceding the filing of the application the premises for which the permit is sought have been operated, used, or frequented for a purpose or in a manner that is lewd, immoral, or offensive to public decency.

(b) The commission ~~[or administrator]~~ shall deny an application for ~~[refuse to issue]~~ an original permit authorizing the retail sale of alcoholic beverages unless the applicant for the permit files with the application a certificate issued by

the comptroller of public accounts stating that the applicant holds, or has applied for and satisfies all legal requirements for the issuance of, a sales tax permit, if required, for the place of business for which the alcoholic beverage permit is sought.

(c) The commission ~~[or administrator]~~ shall deny ~~[refuse to issue]~~ for a period of one year after cancellation an application for a mixed beverage permit or private club registration permit for a premises where a license or permit has been canceled during the preceding 12 months as a result of a shooting, stabbing, or other violent act, or as a result of an offense involving drugs, prostitution, or trafficking of persons.

(d) The commission ~~[or administrator]~~ shall deny an application for ~~[refuse to issue]~~ an original permit of ~~[to]~~ a person convicted of an offense under Section 101.76 for a period of five years from the date of the conviction.

SECTION 37. (a) Effective December 31, 2020, Section 11.47, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.47. DENIAL ~~[REFUSAL]~~ OF PERMIT: INTEREST IN BEER ESTABLISHMENT. The commission ~~[or administrator]~~ may deny an application for ~~[refuse to issue]~~ an original or renewal permit ~~[with or without a hearing]~~ if it has reasonable grounds to believe and finds that the applicant or a person with whom the applicant ~~[he]~~ is residentially domiciled has a financial interest in a permit or license authorizing the sale of beer at retail, except as is authorized by Section 22.06, 24.05, or 102.05 ~~[of this code]~~. This section does not apply to an applicant for a permit which authorizes the sale of mixed beverages.

(b) Effective September 1, 2021, Section 11.47, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.47. DENIAL ~~[REFUSAL]~~ OF PERMIT: INTEREST IN MALT BEVERAGE ~~[BEER]~~ ESTABLISHMENT. The commission ~~[or administrator]~~ may deny an application for ~~[refuse to issue]~~ an original or renewal permit ~~[with or without a hearing]~~ if it has reasonable grounds to believe and finds that the applicant or a person with whom the applicant ~~[he]~~ is residentially domiciled has a financial interest in a permit or license authorizing the sale of malt beverages ~~[beer]~~ at retail, except as is authorized by Section 22.06, 24.05, or 102.05 ~~[of this code]~~. This section does not apply to an applicant for a permit which authorizes the sale of mixed beverages.

SECTION 38. Effective December 31, 2020, Section 11.48, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.48. DENIAL ~~[REFUSAL]~~ OF PACKAGE STORE OR MIXED BEVERAGE PERMIT. (a) The commission ~~[or administrator]~~ may deny an application for ~~[refuse to issue]~~ an original or renewal mixed beverage permit ~~[with or without a hearing]~~ if it has reasonable grounds to believe and finds that the applicant, directly or indirectly, or through a subsidiary, affiliate, agent, or employee, or through an officer, director, or firm member, owns an interest of any kind in the premises, business, or permit of a package store.

(b) The commission ~~[or administrator]~~ may deny an application for ~~[refuse to issue]~~ an original or renewal package store permit ~~[with or without a hearing]~~ if it has reasonable grounds to believe and finds that the applicant, directly or

indirectly, through a subsidiary, affiliate, agent, or employee, or through an officer, director, or firm member, owns an interest of any kind in the premises, business, or permit of a mixed beverage establishment.

(c) This section does not apply to anything permitted by Section 102.05 ~~[of this code]~~.

SECTION 39. Effective December 31, 2020, Section 11.481(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission ~~[or administrator]~~ shall deny an application for ~~[refuse to issue]~~ an original or renewal permit authorizing on-premises consumption of alcoholic beverages~~[, with or without a hearing,]~~ if the commission ~~[or administrator]~~ has reasonable grounds to believe and finds that, during the three years preceding the date the permit application was filed, a license or permit previously held under this code by the applicant, a person who owns the premises for which the permit is sought, or an officer of a person who owns the premises for which the permit is sought was canceled or not renewed as a result of a shooting, stabbing, or other violent act.

SECTION 40. Section 11.481(c), Alcoholic Beverage Code, is amended to read as follows:

(c) This section does not apply to the issuance of an original or renewal permit authorizing on-premises consumption for a location that also holds a food and beverage certificate but does not hold a retailer late hours certificate ~~[permit]~~.

SECTION 41. (a) Effective December 31, 2020, Section 11.49, Alcoholic Beverage Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b)~~[(1)]~~ Subject to the approval of the commission ~~[or the administrator,]~~ and except as provided in Subsection (c) ~~[of this section]~~, an applicant for a permit or license may designate a portion of the grounds, buildings, vehicles, and appurtenances to be excluded from the licensed premises.

(b-1) [(2)] If ~~[such]~~ a designation under Subsection (b) has been made and approved as to the holder of a license or permit authorizing the sale of alcoholic beverages at retail or as to a private club registration permit, the sharing of space, employees, business facilities, and services with another business entity (including the permittee's lessor, which, if a corporation, may be a domestic or foreign corporation, but excluding a business entity holding any type of winery permit, a manufacturer's license, or a general~~[, local,]~~ or branch distributor's license), does not constitute a subterfuge or surrender of exclusive control in violation of Section 109.53 or the use or display of the license for the benefit of another in violation of Section 61.71(a)(14). This subsection and Subsection (b) do ~~[shall]~~ not apply to original or renewal package store permits, wine only package store permits, local distributor's permits, or any type of wholesaler's permit ~~[permits]~~.

(b) Effective September 1, 2021, Section 11.49, Alcoholic Beverage Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b)(1) Subject to the approval of the commission ~~[or the administrator]~~, and except as provided in Subsection (c) ~~[of this section]~~, an applicant for a permit or license may designate a portion of the grounds, buildings, vehicles, and appurtenances to be excluded from the licensed premises.

(b-1) ~~(2)~~ If ~~[such]~~ a designation under Subsection (b) has been made and approved as to the holder of a license or permit authorizing the sale of alcoholic beverages at retail or as to a private club registration permit, the sharing of space, employees, business facilities, and services with another business entity (including the permittee's lessor, which, if a corporation, may be a domestic or foreign corporation, but excluding a business entity holding any type of winery permit, a brewer's ~~[manufacturer's]~~ license, or a general~~[-local]~~ or branch distributor's license), does not constitute a subterfuge or surrender of exclusive control in violation of Section 109.53 or the use or display of the license for the benefit of another in violation of Section 61.71(a)(14). This subsection and Subsection (b) do ~~[shall]~~ not apply to original or renewal package store permits, wine only package store permits, local distributor's permits, or any type of wholesaler's permit ~~[permits]~~.

SECTION 42. Effective September 1, 2021, Sections 11.49(d) and (e), Alcoholic Beverage Code, are amended to read as follows:

(d) Any package store, wine only package store, wholesaler's, or local distributor's permittee who is injured in the permittee's ~~[his]~~ business or property by another person (other than a person in the person's ~~[his]~~ capacity as the holder of a wine and malt beverage ~~[beer]~~ retailer's permit, wine and malt beverage ~~[beer]~~ retailer's off-premise permit, private club registration permit, or mixed beverage permit or any person in the capacity of lessor of the holder of such a permit) by reason of anything prohibited in this section or Section 109.53 ~~[of this code]~~ is entitled to the same remedies available to a package store permittee under Section 109.53 ~~[of this code]~~. Except for actions brought against a person in the person's ~~[his]~~ capacity as the holder of or as the lessor of the holder of a wine and malt beverage ~~[beer]~~ retailer's permit, wine and malt beverage ~~[beer]~~ retailer's off-premise permit, mixed beverage permit, or private club registration permit, the statute of limitations for any action brought under this section or Section 109.53 ~~[of this code]~~ for any cause of action arising after the effective date of this Act is four years unless a false affidavit has been filed with the commission in which event the statute of limitations is 10 years for all purposes.

(e) When a designation under Subsection (b) ~~[of this section]~~ is made by a wine and malt beverage ~~[beer]~~ retailer or a malt beverage ~~[beer]~~ retailer, selling primarily for off-premise consumption, or by a wine and malt beverage ~~[beer]~~ retailer's off-premise permittee, no more than 20 percent of the retail floor and display space of the entire premises may be included in the licensed premises, and all the retail floor and display space in the licensed premises must be compact and contiguous and may not be gerrymandered. However, the retail floor and display space included in the licensed premises may be in two separate locations within the retail premises if the total retail floor and display space included in the licensed premises does not exceed 20 percent of the floor and display space of the entire premises and each of the two portions of floor and display space included

in the licensed premises is itself compact and contiguous and not gerrymandered. In addition to the one or two separate locations of retail floor and display space on the premises, the licensed premises may include the cash register and check-out portions of the premises provided that (1) no alcoholic beverages are displayed in the check-out or cash register portion of the premises, and (2) the area of the check-out and cash register portions of the premises are counted towards the total of 20 percent of the retail floor and display space that may be dedicated to the sale and display of wine and malt beverages ~~[beer]~~. A storage area that is not accessible or visible to the public may be included in the licensed premises but shall not be considered retail floor and display space for purposes of this section. The commission or administrator shall adopt rules to implement this subsection and to prevent gerrymandering.

SECTION 43. Sections 11.492(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) A holder of a wine and malt beverage ~~[beer]~~ retailer's permit may change the permit to a wine and malt beverage ~~[beer]~~ retailer's off-premise permit, and a holder of a retail dealer's on-premise license may change the license to a retail dealer's off-premise license, in the manner provided by this section.

(b) Any time before the expiration of a wine and malt beverage ~~[beer]~~ retailer's permit or a retail dealer's on-premise license the permittee or licensee may file an application for a change of permit or license under Subsection (a) ~~[of this section]~~. The applicant must make the application on a form provided by the commission and the application must be accompanied by the appropriate fee for the permit or license sought.

SECTION 44. (a) Effective December 31, 2020, Section 11.52, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.52. RESTRICTIONS ON LOCATION IN CERTAIN MUNICIPALITIES. (a) In a municipality with a population of 1,500,000 or more, an applicant for an original or renewal ~~[on the assertion by any person of any justiciable grounds for a suspension, denial, cancellation, or refusal of a]~~ mixed beverage permit or ~~[a]~~ wine and beer retailer's permit~~[, the commission or county judge, as applicable,]~~ shall provide the notice required by Subsection (b) ~~[hold a hearing]~~ if:

(1) any point of the property line of the premise is less than 300 feet from the nearest point on a property line of a residence, church, school, hospital, day-care facility, or social service facility, as measured in a straight line; and

(2) 75 percent or more of the permittee's ~~[or licensee's]~~ actual or anticipated gross revenue is from the sale of alcoholic beverages.

(b) An applicant for an original or renewal permit shall give notice to all tenants or property owners affected in the area described by Subsection (a) ~~[of this section]~~ that an application has been made within five days after the application is first filed for an original application and at least 30 days prior to the expiration date of a permit in the case of a renewal application.

(b) Effective September 1, 2021, Section 11.52(a), Alcoholic Beverage Code, is amended to read as follows:



(a) In a municipality with a population of 1,500,000 or more, an applicant for an original or renewal ~~[on the assertion by any person of any justifiable grounds for a suspension, denial, cancellation, or refusal of a]~~ mixed beverage permit or ~~[a]~~ wine and malt beverage ~~[beer]~~ retailer's permit~~[, the commission or county judge, as applicable,]~~ shall provide the notice required by Subsection (b) ~~[hold a hearing]~~ if:

(1) any point of the property line of the premise is less than 300 feet from the nearest point on a property line of a residence, church, school, hospital, day-care facility, or social service facility, as measured in a straight line; and

(2) 75 percent or more of the permittee's ~~[or licensee's]~~ actual or anticipated gross revenue is from the sale of alcoholic beverages.

SECTION 45. (a) Effective September 1, 2019, Section 11.61(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal permit if it is found, after notice and hearing, that any of the following is true:

(1) the permittee has been finally convicted of a violation of this code;

(2) the permittee violated a provision of this code or a rule of the commission;

(3) the permittee was finally convicted of a felony while holding an original or renewal permit;

(4) the permittee made a false or misleading statement in connection with the permittee's ~~[his]~~ original or renewal application, either in the formal application itself or in any other written instrument relating to the application submitted to the commission, its officers, or employees;

(5) the permittee is indebted to the state for taxes, fees, or payment of penalties imposed by this code, by a rule of the commission, or by Chapter 183, Tax Code;

(6) the permittee is not of good moral character or the permittee's ~~[his]~~ reputation for being a peaceable and law-abiding citizen in the community where the permittee ~~[he]~~ resides is bad;

(7) the place or manner in which the permittee conducts the permittee's ~~[his]~~ business warrants the cancellation or suspension of the permit based on the general welfare, health, peace, morals, and safety of the people and on the public sense of decency;

(8) the permittee is not maintaining an acceptable bond;

(9) the permittee maintains a noisy, lewd, disorderly, or unsanitary establishment or has supplied impure or otherwise deleterious beverages;

(10) the permittee is insolvent or has developed an incapacity that prevents or could prevent the permittee from carrying on the management of the permittee's establishment with reasonable skill, competence, and safety to the public ~~[mentally or physically unable to carry on the management of his establishment]~~;

(11) the permittee is in the habit of using alcoholic beverages to excess;

(12) the permittee knowingly misrepresented to a customer or the public any liquor sold by the permittee ~~[him]~~;

- (13) the permittee was intoxicated on the licensed premises;
  - (14) the permittee sold or delivered an alcoholic beverage to an intoxicated person;
  - (15) the permittee possessed on the licensed premises an alcoholic beverage that the permittee ~~[he]~~ was not authorized under the ~~[by his]~~ permit to purchase and sell;
  - (16) a package store or wine only package store permittee transported or shipped liquor, or caused it to be transported or shipped, into a dry state or a dry area within this state;
  - (17) the permittee is residentially domiciled with a person who has a financial interest in an establishment engaged in the business of selling beer at retail, other than a mixed beverage establishment, except as authorized by Section 22.06, 24.05, or 102.05 ~~[of this code]~~;
  - (18) the permittee is residentially domiciled with a person whose permit or license was cancelled for cause within the 12-month period preceding the permittee's ~~[his]~~ own application;
  - (19) the permittee is not a citizen of the United States or has not been a citizen of Texas for a period of one year immediately preceding the filing of the permittee's ~~[his]~~ application, unless the permittee ~~[he]~~ was issued an original or renewal permit on or before September 1, 1948, and has been a United States citizen at some time;
  - (20) the permittee permitted a person to open a container of alcoholic beverage or possess an open container of alcoholic beverage on the licensed premises unless a mixed beverage permit has been issued for the premises;
  - (21) the permittee failed to promptly report to the commission a breach of the peace occurring on the permittee's licensed premises;
  - (22) the permittee consumed an alcoholic beverage or permitted one to be consumed on the licensed premises at a time when the consumption of alcoholic beverages is prohibited by this code; or
  - (23) the permittee sold, served, or delivered an alcoholic beverage at a time when its sale is prohibited.
- (b) Effective September 1, 2021, Section 11.61(b), Alcoholic Beverage Code, is amended to read as follows:
- (b) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal permit if it is found, after notice and hearing, that any of the following is true:
- (1) the permittee has been finally convicted of a violation of this code;
  - (2) the permittee violated a provision of this code or a rule of the commission;
  - (3) the permittee was finally convicted of a felony while holding an original or renewal permit;
  - (4) the permittee made a false or misleading statement in connection with the permittee's ~~[his]~~ original or renewal application, either in the formal application itself or in any other written instrument relating to the application submitted to the commission, its officers, or employees;

(5) the permittee is indebted to the state for taxes, fees, or payment of penalties imposed by this code, by a rule of the commission, or by Chapter 183, Tax Code;

(6) the permittee is not of good moral character or the permittee's [his] reputation for being a peaceable and law-abiding citizen in the community where the permittee [he] resides is bad;

(7) the place or manner in which the permittee conducts the permittee's [his] business warrants the cancellation or suspension of the permit based on the general welfare, health, peace, morals, and safety of the people and on the public sense of decency;

(8) the permittee is not maintaining an acceptable bond;

(9) the permittee maintains a noisy, lewd, disorderly, or unsanitary establishment or has supplied impure or otherwise deleterious beverages;

(10) the permittee is insolvent or has developed an incapacity that prevents or could prevent the permittee from carrying on the management of the permittee's establishment with reasonable skill, competence, and safety to the public ~~[mentally or physically unable to carry on the management of his establishment];~~

(11) the permittee is in the habit of using alcoholic beverages to excess;

(12) the permittee knowingly misrepresented to a customer or the public any liquor sold by the permittee [him];

(13) the permittee was intoxicated on the licensed premises;

(14) the permittee sold or delivered an alcoholic beverage to an intoxicated person;

(15) the permittee possessed on the licensed premises an alcoholic beverage that the permittee [he] was not authorized under the ~~[by his]~~ permit to purchase and sell;

(16) a package store or wine only package store permittee transported or shipped liquor, or caused it to be transported or shipped, into a dry state or a dry area within this state;

(17) the permittee is residentially domiciled with a person who has a financial interest in an establishment engaged in the business of selling malt beverages [beer] at retail, other than a mixed beverage establishment, except as authorized by Section 22.06, 24.05, or 102.05 ~~[of this code]~~;

(18) the permittee is residentially domiciled with a person whose permit or license was cancelled for cause within the 12-month period preceding the permittee's [his] own application;

(19) the permittee is not a citizen of the United States or has not been a citizen of Texas for a period of one year immediately preceding the filing of the permittee's [his] application, unless the permittee [he] was issued an original or renewal permit on or before September 1, 1948, and has been a United States citizen at some time;

(20) the permittee permitted a person to open a container of alcoholic beverage or possess an open container of alcoholic beverage on the licensed premises unless a mixed beverage permit has been issued for the premises;

(21) the permittee failed to promptly report to the commission a breach of the peace occurring on the permittee's licensed premises;

(22) the permittee consumed an alcoholic beverage or permitted one to be consumed on the licensed premises at a time when the consumption of alcoholic beverages is prohibited by this code; or

(23) the permittee sold, served, or delivered an alcoholic beverage at a time when its sale is prohibited.

SECTION 46. Sections 11.61(b-1), (d), and (j), Alcoholic Beverage Code, are amended to read as follows:

(b-1) Notwithstanding Section 204.01 and any other provision of this code, a person applying for a license or permit under Chapter 25 or 69 for the on-premises consumption of malt beverages ~~[beer]~~ exclusively or malt beverages ~~[beer]~~ and wine exclusively, other than a license or permit for an establishment holding a food and beverage certificate whose primary business being operated on the premises is food service, must file with the commission a surety bond, in an amount to be determined by the commission, conditioned on the licensee's or permittee's conformance with the alcoholic beverage law. The bond is forfeited to the commission on the suspension of the license or permit for the first time under this section or Section 61.71. Before the suspended license or permit may be reinstated, the licensee or permittee must furnish a second surety bond, similarly conditioned, in an amount greater than the initial surety bond, the amount to be determined by the commission. If the same license or permit is suspended under this section or Section 61.71 a second time, the bond is again forfeited to the commission. Before the suspended license or permit may be reinstated, the licensee or permittee shall furnish a third surety bond, similarly conditioned, in an amount greater than the second surety bond, the amount to be determined by the commission. If the same license or permit is suspended under this section or Section 61.71 a third time, the bond is again forfeited to the commission and the license or permit shall be canceled by the commission. This subsection applies only to a license or permit held in connection with an establishment located in a county with a population of 1.4 million or more.

(d) The commission or administrator without a hearing may for investigative purposes summarily suspend a mixed beverage permit or a wine and malt beverage ~~[beer]~~ retailer's permit for not more than seven days if the commission or administrator finds that a shooting, stabbing, or murder has occurred on the licensed premises which is likely to result in a subsequent act of violence. Notice of the order suspending the permit shall be given to the permittee personally within 24 hours of the time the violent act occurs. If the permittee cannot be located, notice shall be provided by posting a copy of the order on the front door of the licensed premises.

(j) A hearing under Subsection (b) must be concluded not later than the 60th day after notice is provided under that subsection. Neither the permittee nor the commission may waive the provisions of this subsection. This subsection applies only to a hearing in connection with a wine and malt beverage ~~[beer]~~ retailer's permit, other than a permit held with a food and beverage certificate, for premises located in a county with a population of 1.4 million or more.

SECTION 47. (a) Effective December 31, 2020, Section 11.612(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission or administrator may cancel an original or a renewal permit issued under Chapter 32 or 33 and the commission may deny an application for ~~[refuse to issue]~~ any new alcoholic beverage permit for the same premises for one year after the date of cancellation if:

(1) the chief of police of the municipality, if the premises are located in an incorporated area, or the sheriff of the county in which the premises are located has submitted a sworn statement to the commission stating specific allegations that the place or manner in which the permittee conducts its business endangers the general welfare, health, peace, morals, or safety of the community; and

(2) the commission or administrator finds, after notice and hearing within the county where the premises are located, that the place or manner in which the permittee conducts its business does in fact endanger the general welfare, health, peace, morals, or safety of the community.

(b) Effective September 1, 2021, Section 11.612(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission or administrator may cancel an original or a renewal certificate ~~[permit]~~ issued under Chapter 29 to the holder of a private club registration permit or a permit issued under Chapter 32 ~~[or 33]~~ and the commission may deny an application for ~~[refuse to issue]~~ any new alcoholic beverage permit for the same premises for one year after the date of cancellation if:

(1) the chief of police of the municipality, if the premises are located in an incorporated area, or the sheriff of the county in which the premises are located has submitted a sworn statement to the commission stating specific allegations that the place or manner in which the permittee conducts its business endangers the general welfare, health, peace, morals, or safety of the community; and

(2) the commission or administrator finds, after notice and hearing within the county where the premises are located, that the place or manner in which the permittee conducts its business does in fact endanger the general welfare, health, peace, morals, or safety of the community.

SECTION 48. Section 11.613, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.613. SUMMARY SUSPENSION OF PRIVATE CLUB PERMIT. The commission or administrator without a hearing may for investigative purposes summarily suspend a certificate ~~[permit]~~ issued under Chapter 29 to the holder of a private club registration permit or a permit issued under Chapter 32 ~~[or 33]~~ for not more than seven days if the commission or administrator finds that a shooting, stabbing, or murder has occurred on the licensed premises that is likely to result in a subsequent act of violence. Notice of the order suspending the permit shall be given to the permittee personally within 72 hours of the time the violent act occurs. If the permittee cannot be located, notice shall be provided by posting a copy of the order on the front door of the licensed premises.

SECTION 49. Effective September 1, 2019, Subchapter C, Chapter 11, Alcoholic Beverage Code, is amended by adding Sections 11.614 and 11.615 to read as follows:

Sec. 11.614. ORDER SUSPENDING PERMIT OR LICENSE. (a) If the commission or administrator determines that the continued operation of a permitted or licensed business would constitute a continuing threat to the public welfare, the commission or administrator may issue an emergency order, without a hearing, suspending the permit or license for not more than 90 days.

(b) An order suspending a permit or license under this section must state the length of the suspension in the order.

(c) If an emergency order is issued without a hearing under this section, the commission or administrator shall set the time and place for a hearing to be conducted not later than the 10th day after the date the order was issued. A hearing under this section to affirm, modify, or set aside the emergency order shall be conducted by the State Office of Administrative Hearings at a location authorized by Section 11.015. The order shall be affirmed to the extent that reasonable cause existed to issue the order.

(d) The commission by rule may prescribe procedures for the determination and appeal of an emergency order issued under this section, including a rule allowing the commission to affirm, modify, or set aside a decision made by the State Office of Administrative Hearings under Subsection (c).

(e) A proceeding under this section is a contested case under Chapter 2001, Government Code.

Sec. 11.615. DISCIPLINARY ACTION FOR VIOLATION OF ORDER. The commission may deny an application for an original or renewal permit or license or take other disciplinary action against a permit or license holder who violates an order of the commission or administrator.

SECTION 50. Effective December 31, 2020, Section 11.63, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.63. NOTICE OF HEARING. At least 10 days' notice shall be given when a hearing is provided by this code. A notice of hearing for the denial ~~refusal~~, cancellation, or suspension of a license or permit may be served personally by a representative of the commission or sent by registered or certified mail addressed to the licensee or permittee.

SECTION 51. Effective September 1, 2019, Sections 11.641(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) The amount of the civil penalty under Section 11.64 must be appropriate for the nature and seriousness of the violation. In determining the amount of the civil penalty, the commission or administrator shall consider:

- (1) the type of license or permit held;
- (2) the type of violation;
- (3) any aggravating or ameliorating circumstances concerning the violation, including those enumerated in Section 11.64(c); ~~and~~
- (4) the permittee's or licensee's previous violations; and

(5) if the commission or administrator determines the permittee or licensee has previously violated this code, whether the permittee or licensee profited from the violation, and if so the amount of the permittee's or licensee's profit.

(b) Except as provided by Subsection (a), the ~~[The]~~ amount of the civil penalty may not be based on:

- (1) the volume of alcoholic beverages sold;
- (2) the receipts of the business;
- (3) the taxes paid; or
- (4) the financial condition of the permittee or licensee.

SECTION 52. Effective December 31, 2020, the heading to Section 11.67, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.67. APPEAL FROM CANCELLATION, SUSPENSION, OR DENIAL [REFUSAL] OF LICENSE OR PERMIT.

SECTION 53. Effective December 31, 2020, Sections 11.67(a), (c), and (d), Alcoholic Beverage Code, are amended to read as follows:

(a) An appeal from an order of the commission or administrator ~~[refusing,]~~ cancelling~~[-]~~ or suspending a permit or license may be taken to the district court of the county in which the ~~[applicant,]~~ licensee~~[-]~~ or permittee resides or in which the owner of involved real or personal property resides.

(c) A local official~~[-]~~ on record as protesting the issuance or renewal of a permit or license ~~[at a hearing provided by this code,]~~ is entitled to notice of the appeal. If other persons are on record as protesting the issuance or renewal of a permit or license ~~[at a hearing provided by this code]~~, the first three persons to be on record are entitled to notice of the appeal. The appellant is responsible for causing the notice to be given. The notice shall be given by sending, on or before the third day after the date on which the appeal is filed, a copy of the petition by registered or certified mail to the persons entitled to receive the notice.

(d) If the appeal is from an order denying an application for an original ~~[refusing the issuance]~~ or renewal ~~[of a]~~ permit or license for a business that is sexually oriented, any person may appear on appeal against the issuance or renewal of the license or permit. However, the court may grant a motion to strike the person's appearance on a showing that the person does not have a justiciable or administratively cognizable interest in the proceeding.

SECTION 54. Effective September 1, 2019, Section 11.72, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.72. DISCIPLINE FOR ACTIONS OF AGENT; RECORDS RETENTION. (a) The commission or administrator may suspend or revoke the permit of a person who is represented by ~~[the holder of]~~ an agent ~~[agent's permit]~~ under Section 15.01, 35.01, or 36.01 or otherwise discipline the person based on an act or omission of the person's agent ~~[holder of the agent's permit]~~ only if an individual employed by the person in a supervisory position:

- (1) was directly involved in the act or omission of the agent ~~[holder of the agent's permit];~~
- (2) had notice or knowledge of the act or omission; or
- (3) failed to take reasonable steps to prevent the act or omission.

(b) The holder of a permit who is represented by an agent shall maintain records relating to the agent's activities, including any representation agreement, employment records, or similar documents, for not less than four years from the date the record is created.

SECTION 55. Effective September 1, 2019, Section 11.73, Alcoholic Beverage Code, is amended to read as follows:

Sec. 11.73. AFFIRMATION OF COMPLIANCE. A person who holds a permit under Chapter 19, 20, ~~21~~, or 23 may not be subject to an administrative sanction for selling or delivering an alcoholic beverage to a retailer not authorized to purchase and receive the alcoholic beverage if the permit holder:

(1) reasonably believes that the retailer is authorized to purchase and receive that type of alcoholic beverage; and

(2) obtains from the retailer at the time of delivery a written affirmation, which may be printed or stamped on a sales invoice evidencing the sale or delivery of alcoholic beverages by the permit holder, that the retailer is authorized to purchase and receive the type of alcoholic beverage sold and delivered by the permit holder.

SECTION 56. (a) Effective September 1, 2019, Chapter 12, Alcoholic Beverage Code, is amended by adding Section 12.015 to read as follows:

Sec. 12.015. IMPORTATION OF ALE AND MALT LIQUOR FOR MANUFACTURE. (a) The holder of a brewer's permit may:

(1) import ale and malt liquor for manufacturing purposes from a holder of a nonresident brewer's permit; and

(2) mix and blend ale and malt liquor imported under Subdivision (1) and bottle and sell the resultant product.

(b) The state tax on ale and malt liquor imported for manufacturing purposes does not accrue until:

(1) the ale or malt liquor has been used for manufacturing purposes; and

(2) the resultant product has been placed in containers for sale.

(b) If a conflict exists between this Act and **SB 928**, Acts of the 86th Legislature, Regular Session, 2019, this Act controls without regard to the relative dates of enactment.

SECTION 57. Effective September 1, 2019, Section 14.01(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The holder of a distiller's and rectifier's permit may:

(1) manufacture distilled spirits;

(2) rectify, purify, and refine distilled spirits and wines;

(3) mix wines, distilled spirits, or other liquors;

(4) bottle, label, and package the permit holder's finished products;

(5) sell the finished products in this state to holders of wholesaler's permits and to qualified persons outside the state;

(6) purchase distilled spirits, to be used only for manufacturing or rectification purposes, from holders of nonresident seller's permits or distiller's and rectifier's permits;



(7) dispense free distilled spirits for consumption on the permitted premises under Section 14.04;

(8) sell bulk alcohol produced by the permit holder for purposes described by Section 38.01 ~~[to holders of industrial permits in this state]~~; and

(9) sell distilled spirits to ultimate consumers under Section 14.04 or 14.05.

SECTION 58. Effective September 1, 2019, Section 14.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 14.06. REPORT OF CERTAIN SALES. A holder of a distiller's and rectifier's permit who sells distilled spirits ~~[to a holder of an industrial permit]~~ under Section 14.01(a)(8) shall keep records of those sales in a manner prescribed by the commission or administrator.

SECTION 59. Chapter 14, Alcoholic Beverage Code, is amended by adding Section 14.07 to read as follows:

Sec. 14.07. TRANSPORTING LIQUOR. (a) The holder of a distiller's and rectifier's permit may transport liquor, if the transportation is for a lawful purpose, from:

(1) the place of purchase to the holder's place of business; and

(2) the place of sale or distribution to the purchaser.

(b) The holder of a distiller's and rectifier's permit may transport liquor from one wet area to another wet area across a dry area if that course of transportation is necessary or convenient.

(c) The holder of a distiller's and rectifier's permit transporting liquor under this section shall provide to the commission:

(1) a full description of each motor vehicle used by the permit holder for transporting liquor; and

(2) any other information the commission requires.

(d) The holder of a distiller's and rectifier's permit may transport liquor only in a vehicle that is:

(1) described by Subsection (c)(1);

(2) owned or leased in good faith by the permit holder or by the permit holder's agent; and

(3) printed or painted with the designation required by the commission.

SECTION 60. Chapter 14, Alcoholic Beverage Code, is amended by adding Section 14.08 to read as follows:

Sec. 14.08. STORAGE. (a) The holder of a distiller's and rectifier's permit may store liquor:

(1) on the permit holder's premises; or

(2) inside the county in which the permit holder's business is located in

a:

(A) public bonded warehouse authorized to store liquor under Chapter 46; or

(B) private warehouse that is:

(i) owned or leased by the permit holder; and

(ii) operated by the permit holder.

(b) The holder of a distiller's and rectifier's permit may not store liquor in a dry area.

SECTION 61. Effective September 1, 2019, the heading to Chapter 15, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 15. DISTILLER'S AGENT ~~[AGENT'S PERMIT]~~

SECTION 62. Effective September 1, 2019, Section 15.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 15.01. AUTHORIZED ACTIVITIES. (a) A ~~[The holder of a]~~ distiller's agent ~~[agent's permit]~~ may:

- (1) represent the holder of a distiller's and rectifier's permit;
- (2) solicit and take orders from a holder of a wholesaler's permit for the sale of distilled spirits manufactured by the permit holder represented by the agent; and
- (3) conduct free distilled spirits tastings for consumers on the premises of the holder of a package store permit.

(b) A person acting as an agent may only represent one permitted or licensed business at a time while soliciting or taking orders.

SECTION 63. Effective September 1, 2019, Section 15.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 15.04. SOLICITATION FROM HOLDER OF MIXED BEVERAGE OR PRIVATE CLUB PERMIT. A ~~[holder of a]~~ distiller's agent ~~[agent's permit]~~ may not solicit business directly or indirectly from a holder of a mixed beverage permit or a private club registration permit unless the distiller's agent is accompanied by the holder of a wholesaler's permit or the wholesaler's agent.

SECTION 64. Effective September 1, 2019, Section 15.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 15.05. UNAUTHORIZED REPRESENTATION. A ~~[holder of a]~~ distiller's agent ~~[agent's permit]~~ in soliciting or taking orders for the sale of liquor may not represent that the agent ~~[permit holder]~~ is an agent of any person other than the person who employs the agent or who has authorized the agent to represent the person ~~[designated in the permit holder's application]~~.

SECTION 65. Effective September 1, 2019, Section 16.01(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Except as provided by Section 16.011, the holder of a winery permit may:

- (1) manufacture, bottle, label, and package wine containing not more than 24 percent alcohol by volume;
- (2) manufacture fruit brandy and:
  - (A) use that brandy on the winery permit holder's permitted premises for fortifying purposes only; or
  - (B) sell that brandy to other winery permit holders;
- (3) import or buy fruit brandy from a permit holder authorized to manufacture fruit brandy and use that brandy on the winery permit holder's permitted premises for fortifying purposes only;

(4) sell wine in this state to or buy wine from permit holders authorized to purchase and sell wine, including holders of wholesaler's permits and winery permits ~~and wine bottler's permits~~;

(5) sell wine to ultimate consumers:

(A) for consumption on the winery premises; or

(B) in unbroken packages for off-premises consumption in an amount not to exceed 35,000 gallons annually;

(6) sell the wine outside this state to qualified persons;

(7) blend wines;

(8) dispense free wine for consumption on the winery premises; and

(9) purchase and import wine from the holder of a nonresident seller's permit.

SECTION 66. Effective September 1, 2019, Section 16.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 16.04. FEDERAL PERMIT REQUIRED. A winery permit may be granted only on presentation of an appropriate ~~a winemaker's and blender's basic permit of the~~ federal wine permit ~~[alcohol tax unit]~~.

SECTION 67. Section 16.08(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The holder of a winery permit may sell wine to the holder of a wine and malt beverage retailer's permit, mixed beverage permit, private club permit, or nonprofit entity temporary event permit ~~issued under Chapter 27, 30, or 33~~ for an event that is approved by the commission and organized to celebrate and promote the wine industry in this state.

SECTION 68. Chapter 16, Alcoholic Beverage Code, is amended by adding Section 16.10 to read as follows:

Sec. 16.10. TRANSPORTING WINE. (a) The holder of a winery permit may transport wine, if the transportation is for a lawful purpose, from:

(1) the place of purchase to the holder's place of business; and

(2) the place of sale or distribution to the purchaser.

(b) The holder of a winery permit may transport wine from one wet area to another wet area across a dry area if that course of transportation is necessary or convenient.

(c) The holder of a winery permit may transport wine only in a vehicle that is owned or leased in good faith by the permit holder or by the permit holder's agent.

SECTION 69. Chapter 16, Alcoholic Beverage Code, is amended by adding Section 16.11 to read as follows:

Sec. 16.11. STORAGE. (a) The holder of a winery permit may store wine:

(1) on the permit holder's premises; or

(2) inside or outside the county in which the permit holder's business is located in a:

(A) public bonded warehouse that is authorized to store liquor under Chapter 46; or

(B) private warehouse that is:

(i) owned or leased by the permit holder; and

(ii) operated by the permit holder.

(b) The holder of a winery permit whose winery is located in a county all or part of which is in a dry area may store the winery's product in a dry area of that county if the product to be stored is owned by the permit holder and remains in the permit holder's possession.

SECTION 70. Chapter 16, Alcoholic Beverage Code, is amended by adding Section 16.12 to read as follows:

Sec. 16.12. SALES AT TEMPORARY LOCATION. (a) The holder of a winery permit may sell wine at a civic or wine festival, farmers' market, celebration, or similar event.

(b) The holder of a winery permit may not offer wine for sale under this section on more than four consecutive days at the same location.

(c) The commission shall adopt rules to implement this section, including rules that:

(1) require the permit holder to notify the commission of the dates on which and location where the permit holder will temporarily offer wine for sale under this section;

(2) establish a procedure to verify the wet or dry status of the location where the permit holder intends to temporarily sell wine under this section;

(3) detail the circumstances when a permit holder may temporarily sell wine under this section with just a notification to the commission and the circumstances that require the commission's preapproval before a permit holder may temporarily sell wine under this section; and

(4) require the permit holder to provide any other information the commission determines necessary.

(d) The provisions of this code applicable to the sale of wine on the permitted premises of the holder of a winery permit apply to the sale of wine under this section.

SECTION 71. (a) Effective September 1, 2019, Section 19.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 19.01. AUTHORIZED ACTIVITIES. The holder of a wholesaler's permit may:

(1) purchase and import liquor from distillers, brewers, wineries, ~~[wine bottlers,]~~ rectifiers, and manufacturers who are holders of nonresident seller's permits or from their agents ~~[who hold manufacturer's agents permits];~~

(2) purchase liquor from other wholesalers in the state;

(3) sell liquor in the original containers in which it is received to retailers and wholesalers in this state authorized to sell the liquor;

(4) sell liquor to qualified persons outside the state; and

(5) sell ale and malt liquor to a holder of a private club registration permit.

(b) Effective September 1, 2021, Section 19.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 19.01. AUTHORIZED ACTIVITIES. The holder of a wholesaler's permit may:

(1) purchase and import liquor from distillers, ~~[brewers,]~~ wineries, and ~~[wine bottlers,]~~ rectifiers~~[- and manufacturers]~~ who are holders of nonresident seller's permits or from their agents ~~[who hold manufacturer's agents permits];~~

(2) purchase liquor from other wholesalers in the state;

(3) sell liquor in the original containers in which it is received to retailers and wholesalers in this state authorized to sell the liquor; and

(4) sell liquor to qualified persons outside the state~~[- and~~

~~(5) sell ale and malt liquor to a holder of a private club registration permit].~~

SECTION 72. Section 19.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 19.03. PROMOTIONAL ACTIVITIES. The holder of a wholesaler's permit or the permittee's [his] agent may enter the licensed premises of a mixed beverage permittee or private club registration permittee to determine the brands offered for sale and suggest or promote the sale of other brands, to the extent authorized by Section 102.07 ~~[of this code]~~. The holder of a wholesaler's permit or the permittee's [his] agent may not accept a direct order from a mixed beverage permittee except for wine ~~[or malt liquor]~~.

SECTION 73. Section 19.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 19.04. MINIATURE CONTAINERS. In addition to other authorized containers, a wholesaler's permittee may import, sell, offer for sale, and possess for the purpose of resale distilled spirits, wine, and vinous liquors in containers of not less than one ounce nor more than two ounces. Liquor in containers of that size may be sold to:

(1) package store permittees for resale to certain passenger transportation ~~[airline beverage]~~ permittees, as provided in Section 48.03 ~~[34.05 of this code]~~; and

(2) local distributor's permittees.

SECTION 74. Chapter 19, Alcoholic Beverage Code, is amended by adding Section 19.06 to read as follows:

Sec. 19.06. TRANSPORTING LIQUOR. (a) The holder of a wholesaler's permit may transport liquor, if the transportation is for a lawful purpose, from:

(1) the place of purchase to the holder's place of business; and

(2) the place of sale or distribution to the purchaser.

(b) The holder of a wholesaler's permit may transport liquor from one wet area to another wet area across a dry area if that course of transportation is necessary or convenient.

(c) The holder of a wholesaler's permit transporting liquor under this section shall provide to the commission:

(1) a full description of each motor vehicle used by the permit holder for transporting liquor; and

(2) any other information the commission requires.

(d) The holder of a wholesaler's permit may transport liquor only in a vehicle that is:

(1) described by Subsection (c)(1);

(2) owned or leased in good faith by the permit holder or by the permit holder's agent; and

(3) printed or painted with the designation required by the commission.

SECTION 75. Chapter 19, Alcoholic Beverage Code, is amended by adding Section 19.07 to read as follows:

Sec. 19.07. STORAGE. (a) The holder of a wholesaler's permit may store liquor:

(1) on the permit holder's premises; or

(2) inside the county in which the permit holder's business is located in

a:

(A) public bonded warehouse authorized to store liquor under Chapter 46; or

(B) private warehouse that is:

(i) owned or leased by the permit holder; and

(ii) operated by the permit holder.

(b) The holder of a wholesaler's permit may not store liquor in a dry area.

SECTION 76. (a) Effective September 1, 2019, Section 20.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 20.01. AUTHORIZED ACTIVITIES. The holder of a general class B wholesaler's permit may:

(1) purchase and import malt and vinous liquors from brewers, wineries, rectifiers, and wine manufacturers ~~[and wine bottlers]~~ who are the holders of nonresident seller's permits or their agents ~~[who are holders of manufacturer's agent permits];~~

(2) purchase malt and vinous liquors from holders of brewer's permits, holders of brewpub licenses, or other wholesalers in the state;

(3) sell the malt and vinous liquors in the original containers in which they are received to retailers and wholesalers authorized to sell them in this state, including holders of local distributor's permits, mixed beverage permits, and daily temporary mixed beverage permits;

(4) sell the malt and vinous liquors to qualified persons outside the state; and

(5) sell ale and malt liquor to a holder of a private club registration permit.

(b) Effective September 1, 2021, Section 20.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 20.01. AUTHORIZED ACTIVITIES. The holder of a general class B wholesaler's permit may:

(1) purchase and import ~~[malt and]~~ vinous liquors from ~~[brewers,]~~ wineries, rectifiers, and wine manufacturers ~~[and wine bottlers]~~ who are the holders of nonresident seller's permits or their agents ~~[who are holders of manufacturer's agent permits];~~

(2) purchase ~~[malt and]~~ vinous liquors from ~~[holders of brewer's permits, holders of brewpub licenses, or other]~~ wholesalers in the state;

(3) sell the ~~[malt and]~~ vinous liquors in the original containers in which they are received to retailers and wholesalers authorized to sell them in this state, including holders of local distributor's permits, mixed beverage permits, and certain nonprofit entity [daily] temporary event [mixed beverage] permits; and

(4) sell the ~~[malt and]~~ vinous liquors to qualified persons outside the state~~[-and~~

~~[(5) sell ale and malt liquor to a holder of a private club registration permit].~~

SECTION 77. Chapter 20, Alcoholic Beverage Code, is amended by adding Section 20.04 to read as follows:

Sec. 20.04. TRANSPORTING LIQUOR. (a) The holder of a general class B wholesaler's permit may transport liquor, if the transportation is for a lawful purpose, from:

(1) the place of purchase to the holder's place of business; and

(2) the place of sale or distribution to the purchaser.

(b) The holder of a general class B wholesaler's permit may transport liquor from one wet area to another wet area across a dry area if that course of transportation is necessary or convenient.

(c) The holder of a general class B wholesaler's permit transporting liquor under this section shall provide to the commission:

(1) a full description of each motor vehicle used by the permit holder for transporting liquor; and

(2) any other information the commission requires.

(d) The holder of a general class B wholesaler's permit may transport liquor only in a vehicle that is:

(1) described by Subsection (c)(1);

(2) owned or leased in good faith by the permit holder or by the permit holder's agent; and

(3) printed or painted with the designation required by the commission.

SECTION 78. Chapter 20, Alcoholic Beverage Code, is amended by adding Section 20.05 to read as follows:

Sec. 20.05. STORAGE. (a) The holder of a general class B wholesaler's permit may store liquor:

(1) on the permitted premises; or

(2) inside the county in which the permittee's business is located in a:

(A) public bonded warehouse authorized to store liquor under Chapter 46; or

(B) private warehouse that is:

(i) owned or leased by the permit holder; and

(ii) operated by the permit holder.

(b) The holder of a general class B wholesaler's permit may not store liquor in a dry area.

SECTION 79. Section 22.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 22.01. AUTHORIZED ACTIVITIES. The holder of a package store permit may:

(1) purchase liquor in this state from the holder of a winery, wholesaler's, or class B wholesaler's ~~[-or wine bottler's]~~ permit;

(2) purchase malt beverages in this state from the holder of a general or branch distributor's license;

(3) sell liquor and malt beverages in unbroken original containers on or from the holder's ~~[his]~~ licensed premises at retail to consumers for off-premises consumption only and not for the purpose of resale, except that if the permittee is a hotel, the permittee may deliver unbroken packages of liquor and malt beverages to bona fide guests of the hotel in their rooms for consumption in their rooms;

(4) ~~[(3)]~~ sell ~~[malt and]~~ vinous liquors in original containers of not less than six ounces; and

(5) ~~[(4)]~~ sell liquor to holders of passenger transportation ~~[airline beverage]~~ permits as provided in Section 48.03 ~~[34.05 of this code]~~.

SECTION 80. Section 22.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 22.03. DELIVERIES TO CUSTOMERS. (a) The holder of a package store permit or wine only package store permit issued for a location within a city or town or within two miles of the corporate limits of a city or town ~~[-who also holds a local cartage permit,]~~ may make deliveries of and collections for alcoholic beverages off the premises in areas where the sale of the beverages is legal. The permittee must travel by the most direct route and may make deliveries and collections only within the county or the city or town or within two miles of its corporate limits, and only in response to bona fide orders placed by the customer, either in person at the premises, in writing, by mail, or by telegraph or telephone. This section shall not be construed as preventing a holder of a package store permit or wine only package store permit from delivering alcoholic beverages to the holder of a carrier's permit for transportation to persons who have placed bona fide orders and who are located in an area that the holder of a package store permit or wine only package store permit ~~[-who also holds a local cartage permit,]~~ is authorized to directly deliver to under this section. The holder of a package store permit or wine only package store permit may also deliver alcoholic beverages to the holder of a carrier's permit for transportation outside of this state in response to bona fide orders placed by persons authorized to purchase the beverages.

(b) The holder of a package store permit ~~[who also holds a local cartage permit]~~ may transport alcoholic beverages to a commercial airline in a regional airport located all or partly in an adjoining county if the airport is governed by a board, commission, or authority, some of whose members reside in the county where the package store is located.

SECTION 81. Section 22.06(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Except as otherwise provided in Section 102.05 ~~[of this code and in Subsection (b) of this section]~~, no person who holds a package store permit or owns an interest in a package store may have a direct or indirect interest in any of the following:



(1) a brewer's ~~[manufacturer's]~~, retail dealer's on-premise, or general ~~or[-] branch[-, or local]~~ distributor's license;

(2) a wine and malt beverage ~~[beer]~~ retailer's, wine and malt beverage ~~[beer]~~ retailer's off-premise, or mixed beverage permit; or

(3) the business of any of the permits or licenses listed in Subdivisions (1) and (2) of this subsection.

SECTION 82. Section 22.08, Alcoholic Beverage Code, is amended to read as follows:

Sec. 22.08. TRANSFER OF BEVERAGES. (a) The owner of more than one package store ~~[who is also the holder of a local cartage permit]~~ may transfer alcoholic beverages between any of the owner's ~~[his]~~ licensed premises in the same county between the hours of 7 a.m. and 9 p.m. on any day when the sale of those beverages is legal, subject to rules prescribed by the commission.

(b) The holder of a package store permit may not transport alcoholic beverages under Subsection (a) unless:

(1) the permit holder provides the commission with a description, as required by the commission, of each motor vehicle used by the permit holder to transport alcoholic beverages; and

(2) each motor vehicle is plainly marked or lettered to indicate that it is being used by the permit holder to transport alcoholic beverages.

(c) When transporting alcoholic beverages under this section, the holder of a package store permit may not violate the motor carrier laws of this state.

SECTION 83. Section 22.10, Alcoholic Beverage Code, is amended to read as follows:

Sec. 22.10. OPENING CONTAINERS PROHIBITED. Except as authorized under Section 22.18 ~~[52.01 of this code]~~, a ~~[no]~~ person may not break or open a container containing liquor or a malt beverage ~~[beer]~~ or possess an opened container of liquor or a malt beverage ~~[beer]~~ on the premises of a package store.

SECTION 84. Section 22.11, Alcoholic Beverage Code, is amended to read as follows:

Sec. 22.11. CONSUMPTION ON PREMISES PROHIBITED. Except as authorized under Section 22.18 ~~[52.01]~~, a ~~[no]~~ person may not sell, barter, exchange, deliver, or give away any drink or drinks of alcoholic beverages from a container that has been opened or broken on the premises of a package store.

SECTION 85. Chapter 22, Alcoholic Beverage Code, is amended by adding Section 22.18 to read as follows:

Sec. 22.18. TASTINGS. (a) The holder of a package store permit may conduct product tastings of distilled spirits, wine, malt beverages, or spirit-based coolers on the permitted premises during regular business hours as provided by this section.

(b) Written notification of a product tasting must be posted on the premises of the package store permit holder not later than 48 hours before the tasting event. The notification shall clearly state:

(1) the type and brand of alcoholic beverage to be tasted;

(2) the date and hours the tasting is to take place; and

- (3) the address of the premises where the tasting is to occur.
- (c) A copy of the notification shall be kept on file and available for inspection on the premises during all tasting hours.
- (d) Sample portions at a product tasting shall be limited to not more than:
- (1) one-half ounce for distilled spirits;
  - (2) one ounce for wine; and
  - (3) one ounce for malt beverages and coolers.
- (e) Not more than 20 different products may be made available for tasting at any one time.
- (f) No charge of any sort may be made for a sample serving.
- (g) A person may be served more than one sample. Samples may not be served to a minor or to an obviously intoxicated person. A sample may not be removed from the permitted premises.
- (h) During the tasting, not more than two containers of each brand or type of product being tasted may be open on the premises at one time.
- (i) At the conclusion of the tasting, all empty or open containers of alcoholic beverages used in the tasting shall be removed from the premises or stored in a locked, secure area on the permitted premises.
- (j) A tasting event authorized by this section may not be advertised except by on-site communications, by direct mail, by electronic mail, or on the permit holder's Internet website.
- (k) Except as provided by Subsection (l) or elsewhere in this code, a person other than the package store permittee or the permittee's agent or employee may not dispense or participate in the dispensing of alcoholic beverages under this section.
- (l) The holder of a distiller's or rectifier's permit or nonresident seller's permit or that permit holder's agent or employee may participate in and conduct product tastings of alcoholic beverages at a retailer's premises and may open, touch, or pour alcoholic beverages, make a presentation, or answer questions at the tasting. Any alcoholic beverage tasted under this subsection must be purchased from the package store permit holder on whose premises the tasting is held. The permit holder may not require the purchase of more alcoholic beverages than are necessary for the tasting. This section does not authorize the holder of a distiller's or rectifier's permit or nonresident seller's permit or that permit holder's agent or employee to withdraw or purchase an alcoholic beverage from the holder of a wholesaler's permit or provide an alcoholic beverage for tasting on a retailer's premises that is not purchased from the retailer.
- (m) For the purposes of this code and any other law or ordinance:
- (1) a package store permit does not authorize the sale of alcoholic beverages for on-premise consumption; and
  - (2) none of the permit holder's income may be considered to be income from the sale of alcoholic beverages for on-premise consumption.

SECTION 86. Section 23.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 23.01. AUTHORIZED ACTIVITIES. (a) The holder of a local distributor's permit may:

(1) purchase alcoholic beverages, including malt beverages, from wholesalers and distributors authorized to sell them for resale, but may purchase only those brands available for general distribution to all local distributor's permittees;

(2) sell and distribute the alcoholic beverages, including malt beverages, to mixed beverage and private club registration permittees; ~~and~~

(3) sell and distribute distilled spirits to the holder of a nonprofit entity temporary event permit; and

(4) rent or sell to mixed beverage and private club registration permittees any equipment, fixtures, or supplies used in the selling or dispensing of distilled spirits.

(b) A local distributor's permittee may purchase liquor only from a wholesaler's[;] or general class B wholesaler's[; ~~or local class B wholesaler's~~] permittee and may purchase only the types of liquor the particular wholesaler is authorized by the wholesaler's [his] permit to sell.

SECTION 87. Section 23.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 23.04. MAY TRANSFER BEVERAGES. (a) The ~~If the~~ holder of a local distributor's permit ~~also holds a local cartage permit, he~~ may transfer alcoholic beverages:

(1) to any place where the sale of alcoholic beverages is legal in the city or county where the permit holder's [his] premises are located; and

(2) to a regional airport located all or partly in an adjoining county if the airport is governed by a board, commission, or authority, some of whose members reside in the county where the local distributor's premises are located.

(b) The holder of a local distributor's permit may not transport alcoholic beverages under Subsection (a) unless:

(1) the permit holder provides the commission with a description, as required by the commission, of each motor vehicle used by the permit holder to transport alcoholic beverages; and

(2) each motor vehicle is plainly marked or lettered to indicate that it is being used by the permit holder to transport alcoholic beverages.

(c) When transporting alcoholic beverages under this section, the holder of a local distributor's permit may not violate the motor carrier laws of this state.

SECTION 88. Section 24.01(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The holder of a wine only package store permit may:

(1) purchase ~~ale,~~ wine[;] and vinous liquors in this state from the holder of a winery, ~~wine bottler's,~~ wholesaler's, or class B wholesaler's permit; ~~and~~

(2) purchase malt beverages from the holder of a general or branch distributor's license; and

(3) sell those beverages to consumers at retail on or from the licensed premises in unbroken original containers of not less than six ounces for off-premises consumption only and not for the purpose of resale.

SECTION 89. Section 24.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 24.04. DESIGNATION OF PLACE OF STORAGE; TRANSPORT OF BEVERAGES. (a) The owner of more than one wine only package store ~~[who is also the holder of a local cartage permit]~~ may designate one of the permit holder's ~~[his]~~ places of business as a place of storage. The permit holder ~~[He]~~ may transfer alcoholic beverages to and from ~~the~~ ~~[his]~~ place of storage and the permit holder's ~~[his]~~ other stores in the same county, subject to rules prescribed by the commission.

(b) A wine only package store permit holder may not transport alcoholic beverages under Subsection (a) unless:

(1) the permit holder provides the commission with a description, as required by the commission, of each motor vehicle used by the permit holder to transport alcoholic beverages; and

(2) each motor vehicle is plainly marked or lettered to indicate that it is being used by the permit holder to transport alcoholic beverages.

(c) When transporting alcoholic beverages under this section, the holder of a wine only package store permit may not violate the motor carrier laws of this state.

SECTION 90. Section 24.05(c), Alcoholic Beverage Code, is amended to read as follows:

(c) A person may not hold a wine and malt beverage ~~[beer]~~ retailer's or wine and malt beverage ~~[beer]~~ retailer's off-premise permit at the same location where the person holds a wine only package store permit.

SECTION 91. Section 24.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 24.07. ~~[WHEN LICENSE ALSO HELD:]~~ HOURS OF SALE~~[, ETC.]~~. A holder of a wine only package store permit ~~[who also holds a retail dealer's off-premise license for the same location]~~ may remain open and sell malt beverages ~~[ale]~~, wine, and vinous liquors, ~~[and beer,]~~ for off-premises consumption only, on any day and during the same hours that the holder of a wine and malt beverage ~~[beer]~~ retailer's permit may sell malt beverages ~~[ale, beer,]~~ and wine, except that the permittee ~~[he]~~ may not sell wine or vinous liquor containing more than 17 percent alcohol by volume on a Sunday or after 10 p.m. on any day.

SECTION 92. Section 24.09, Alcoholic Beverage Code, is amended to read as follows:

Sec. 24.09. OPENING CONTAINERS PROHIBITED. Except as provided by Section 24.12 ~~[52.04]~~, a person may not break or open a container of liquor or malt beverages ~~[beer]~~ or possess an opened container of liquor or malt beverages ~~[beer]~~ on the premises of a wine only package store.

SECTION 93. Section 24.10, Alcoholic Beverage Code, is amended to read as follows:

Sec. 24.10. BEVERAGE FROM OPENED CONTAINER. Except as provided by Section 24.12 [~~52.04~~], a person may not sell, barter, exchange, deliver, or give away a drink of alcoholic beverage from a container that has been opened or broken on the premises of a wine only package store.

SECTION 94. Section 24.12, Alcoholic Beverage Code, is amended to read as follows:

Sec. 24.12. WINE AND MALT BEVERAGES [~~ALL~~] SAMPLING. (a) The holder of a wine only package store permit may conduct free product samplings of wine or malt beverages [~~ale~~] on the permit holder's premises during regular business hours as provided by this section.

(b) An agent or employee of the holder of a wine only package store permit may open, touch, or pour wine or malt beverages [~~ale~~], make a presentation, or answer questions at a sampling event.

(c) For the purposes of this code and any other law or ordinance:

(1) a wine only package store permit does not authorize the sale of alcoholic beverages for on-premise consumption; and

(2) none of the permit holder's income may be considered to be income from the sale of alcoholic beverages for on-premise consumption.

(d) Any wine or malt beverages [~~ale~~] used in a sampling event under this section must be purchased from or provided by the retailer on whose premises the sampling event is held. The retailer may not require the purchase of more alcoholic beverages than are necessary for the tasting. This section does not authorize the holder of a nonresident seller's permit or that permit holder's agent or employee to withdraw or purchase an alcoholic beverage from the holder of a wholesaler's permit or provide an alcoholic beverage for tasting on a retailer's premises that is not purchased from the retailer.

(e) When a sampling event under this section is held on the premises of a wine only package store permit located in an area which is wet for the sale of wine but which is not wet for the sale of higher alcohol content wines that may be sold under an unrestricted wine only package store permit, the only wines that may be sampled are wines which may be legally sold by the wine only package store permittee as restricted under Section 251.81.

(f) Written notification of a product tasting must be posted on the premises of the wine only package store permit holder not later than 48 hours before the tasting event. The notification shall clearly state:

(1) the type and brand of alcoholic beverage to be tasted;

(2) the date and hours the tasting is to take place; and

(3) the address of the premises where the tasting is to occur.

(g) A copy of the notification shall be kept on file and available for inspection on the premises during all tasting hours.

(h) Sample portions at a product tasting shall be limited to no more than:

(1) one ounce for wine; and

(2) one ounce for malt beverages and coolers.

(i) Not more than 20 different products may be made available for tasting at any one time.

(j) No charge of any sort may be made for a sample serving.

(k) A person may be served more than one sample. Samples may not be served to a minor or to an obviously intoxicated person. A sample may not be removed from the permitted premises.

(l) During the tasting, not more than two containers of each brand or type of product being tasted may be open on the premises at one time.

(m) At the conclusion of the tasting, all empty or open containers of alcoholic beverages used in the tasting shall be removed from the premises or stored in a locked, secure area on the permitted premises.

(n) A tasting event authorized by this section may not be advertised except by on-site communications, by direct mail, by electronic mail, or on the permit holder's Internet website.

(o) Except as provided by Subsection (p) or elsewhere in this code, a person other than the wine only package store permittee or the permittee's agent or employee may not dispense or participate in the dispensing of alcoholic beverages under this section.

(p) The holder of a nonresident seller's permit or that permit holder's agent or employee may participate in and conduct product tastings of alcoholic beverages at a retailer's premises and may open, touch, or pour alcoholic beverages, make a presentation, or answer questions at the tasting.

SECTION 95. The heading to Chapter 25, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 25. WINE AND MALT BEVERAGE ~~[BEER]~~ RETAILER'S  
PERMIT

SECTION 96. Section 25.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 25.01. AUTHORIZED ACTIVITIES. The holder of a wine and malt beverage ~~[beer]~~ retailer's permit may sell:

(1) for consumption on or off the premises where sold, but not for resale, wine~~[-beer]~~ and malt beverages ~~[liquors]~~ containing alcohol in excess of one-half of one percent by volume and not more than 17 percent by volume; and

(2) for consumption on the premises traditional port or sherry containing alcohol in excess of one-half of one percent by volume and not more than 24 percent by volume.

SECTION 97. Effective September 1, 2019, the heading to Section 25.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 25.03. ~~[RAILWAY CARS AND]~~ EXCURSION BOATS: PERMITS, FEES.

SECTION 98. Effective September 1, 2019, Sections 25.03(c) and (d), Alcoholic Beverage Code, are amended to read as follows:

(c) Application for a permit for ~~[a railway car or]~~ an excursion boat and payment of the required fee shall be made directly to the commission.

(d) A permit for ~~[a railway car or]~~ an excursion boat is inoperative in a dry area.

SECTION 99. (a) Effective December 31, 2020, Section 25.04(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A wine and beer retailer's permit is issued by the commission [~~or administrator~~]. The qualification of applicants and the application for and issuance of the permit are governed by the same provisions which apply to the application for and issuance of a retail dealer's on-premise license.

(b) Effective September 1, 2021, Section 25.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 25.04. ISSUANCE, CANCELLATION, AND SUSPENSION OF PERMIT. (a) A wine and malt beverage [~~beer~~] retailer's permit is issued by the commission [~~or administrator~~]. The qualification of applicants and the application for and issuance of the permit are governed by the same provisions which apply to the application for and issuance of a retail dealer's on-premise license.

(b) The provisions of this code applicable to the cancellation and suspension of a retail dealer's on-premise license also apply to the cancellation and suspension of a wine and malt beverage [~~beer~~] retailer's permit.

SECTION 100. (a) Effective December 31, 2020, Section 25.05(a), Alcoholic Beverage Code, is amended to read as follows:

(a) On receipt of an original application for a wine and beer retailer's permit, the commission [~~county judge~~] shall give notice of all hearings before the commission [~~him~~] concerning the application to [~~the commission,~~] the sheriff[;] and the chief of police of the incorporated city in which, or nearest which, the premises for which the permit is sought are located.

(b) Effective September 1, 2021, Section 25.05(a), Alcoholic Beverage Code, is amended to read as follows:

(a) On receipt of an original application for a wine and malt beverage [~~beer~~] retailer's permit, the commission [~~county judge~~] shall give notice of all hearings before the commission [~~him~~] concerning the application to [~~the commission,~~] the sheriff[;] and the chief of police of the incorporated city in which, or nearest which, the premises for which the permit is sought are located.

SECTION 101. (a) Effective December 31, 2020, Sections 25.06(a), (b), and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) The commission [~~county judge~~] shall deny an original application for a wine and beer retailer's permit if the commission [~~he~~] finds that the applicant, or the applicant's spouse, during the five years immediately preceding the application, was finally convicted of a felony or one of the following offenses:

- (1) prostitution;
- (2) a vagrancy offense involving moral turpitude;
- (3) bookmaking;
- (4) gambling or gaming;
- (5) an offense involving controlled substances as defined in Chapter 481, Health and Safety Code, or other dangerous drugs;
- (6) a violation of this code resulting in the cancellation of a license or permit, or a fine of not less than \$500;
- (7) more than three violations of this code relating to minors;
- (8) bootlegging; or
- (9) an offense involving firearms or a deadly weapon.

(b) The commission ~~[county judge]~~ shall also deny an original application for a permit if ~~the commission~~ ~~[he]~~ finds that five years have not elapsed since the termination of a sentence, parole, or probation served by the applicant or the applicant's spouse because of a felony conviction or conviction of any of the offenses described in Subsection (a) ~~[of this section]~~.

(c) The commission shall deny an application for ~~[refuse to issue]~~ a renewal of a wine and ~~[or]~~ beer retailer's permit if the commission ~~[it]~~ finds:

(1) that the applicant, or the applicant's spouse, has been convicted of a felony or one of the offenses listed in Subsection (a) ~~[of this section]~~ at any time during the five years immediately preceding the filing of the application for renewal; or

(2) that five years have not elapsed since the termination of a sentence, parole, or probation served by the applicant, or the applicant's spouse, of a felony conviction or conviction of any of the offenses described in Subsection (a) ~~[of this section]~~.

(b) Effective September 1, 2021, Sections 25.06(a) and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) The commission ~~[county judge]~~ shall deny an original application for a wine and malt beverage ~~[beer]~~ retailer's permit if ~~the commission~~ ~~[he]~~ finds that the applicant, or the applicant's spouse, during the five years immediately preceding the application, was finally convicted of a felony or one of the following offenses:

- (1) prostitution;
- (2) a vagrancy offense involving moral turpitude;
- (3) bookmaking;
- (4) gambling or gaming;
- (5) an offense involving controlled substances as defined in Chapter 481, Health and Safety Code, or other dangerous drugs;
- (6) a violation of this code resulting in the cancellation of a license or permit, or a fine of not less than \$500;
- (7) more than three violations of this code relating to minors;
- (8) bootlegging; or
- (9) an offense involving firearms or a deadly weapon.

(c) The commission shall deny an application for ~~[refuse to issue]~~ a renewal of a wine and malt beverage ~~[or beer]~~ retailer's permit if ~~the commission~~ ~~[it]~~ finds:

(1) that the applicant, or the applicant's spouse, has been convicted of a felony or one of the offenses listed in Subsection (a) ~~[of this section]~~ at any time during the five years immediately preceding the filing of the application for renewal; or

(2) that five years have not elapsed since the termination of a sentence, parole, or probation served by the applicant, or the applicant's spouse, of a felony conviction or conviction of any of the offenses described in Subsection (a) ~~[of this section]~~.

SECTION 102. Section 25.09, Alcoholic Beverage Code, is amended to read as follows:



Sec. 25.09. POSSESSION OF CERTAIN BEVERAGES PROHIBITED.

(a) Except as provided by this section, a wine and malt beverage ~~[beer]~~ retailer's permittee or an officer of the permittee may not possess distilled spirits or liquor containing alcohol in excess of 17 percent by volume on the licensed premises.

(b) The commission by rule may allow a wine and malt beverage ~~[beer]~~ retailer's permittee or the permittee's officer to possess and use alcoholic beverages in excess of 17 percent by volume on the licensed premises for cooking purposes.

SECTION 103. Section 25.10, Alcoholic Beverage Code, is amended to read as follows:

Sec. 25.10. APPLICATION OF OTHER CODE PROVISIONS. Sections 61.78, 61.81, 61.82, and 61.84 ~~[of this code]~~ also apply to a wine and malt beverage ~~[beer]~~ retailer's permit. The restrictions in this code relating to malt beverages ~~[beer]~~ as to the application of local restrictions, sales to minors and intoxicated persons, age of employees, and the use of blinds or barriers apply to the sale of alcoholic beverages by a wine and malt beverage ~~[beer]~~ retailer's permittee.

SECTION 104. Section 25.11, Alcoholic Beverage Code, is amended to read as follows:

Sec. 25.11. SEATING AREA REQUIRED. A wine and malt beverage ~~[beer]~~ retailer's permittee must have an area designated on the premises for the permittee's customers to sit if they wish to consume beverages sold by the permittee on the premises.

SECTION 105. Section 25.12(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Notwithstanding any provision of this code to the contrary, the premises of a wine and malt beverage ~~[beer]~~ retailer's permittee who leases space in a food court includes the seating area that the permittee shares with the other lessees that occupy the food court.

SECTION 106. Sections 25.13(a), (a-1), and (d), Alcoholic Beverage Code, are amended to read as follows:

(a) In this section, "location" means the designated physical address of the wine and malt beverage ~~[beer]~~ retailer's permit and includes all areas at the address where the permit holder may sell or deliver alcoholic beverages for immediate consumption regardless of whether some of those areas are occupied by other businesses.

(a-1) A holder of a wine and malt beverage ~~[beer]~~ retailer's permit may be issued a food and beverage certificate by the commission if the commission finds that the receipts from the sale of alcoholic beverages by the permit holder at the location are 60 percent or less of the total receipts from the location.

(d) A certificate issued under this section expires on the expiration of the primary wine and malt beverage ~~[beer]~~ retailer's permit. A certificate may be canceled at any time, and the renewal of a certificate may be denied, if the commission finds that the holder of the certificate is in violation of Subsection (a-1) or (b) or a rule adopted under Subsection (b-1). On finding that the permittee knowingly operated under a food and beverage certificate while not

complying with this section or a rule adopted under Subsection (b-1), the commission may cancel or deny the renewal of the permittee's wine and malt beverage [beer] retailer's permit. The holder of a wine and malt beverage [beer] retailer's permit whose certificate has been canceled or who is denied renewal of a certificate under this subsection may not apply for a new certificate until the day after the first anniversary of the date the certificate was canceled or the renewal of the certificate was denied.

SECTION 107. Section 25.14(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Notwithstanding any other provision of this code, a permit under this chapter may be issued for a premises in an area in which the voters have approved the following alcoholic beverage ballot issues in a local option election:

(1) "The legal sale of malt beverages [beer] and wine for off-premise consumption only."; and

(2) either:

(A) "The legal sale of mixed beverages."; or

(B) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."

SECTION 108. Chapter 25, Alcoholic Beverage Code, is amended by adding Section 25.15 to read as follows:

Sec. 25.15. SALES AT TEMPORARY LOCATION. (a) The holder of a wine and malt beverage retailer's permit may temporarily at a location other than the permit holder's premises sell for consumption on or off the premises where sold, but not for resale, wine and malt beverages containing alcohol in excess of one-half of one percent by volume but not more than 17 percent by volume at a picnic, celebration, or similar event.

(b) The holder of a wine and malt beverage retailer's permit may temporarily sell wine and malt beverages for not more than four consecutive days at the same location under Subsection (a) and not more than five consecutive days at an event under Subsection (d) or six days if necessary to accommodate the postponement of scheduled racing events due to an act of nature.

(c) The commission shall adopt rules to implement this section, including rules that:

(1) require the permit holder to notify the commission of the dates on which and location where the permit holder will temporarily offer wine and malt beverages for sale under this section;

(2) establish a procedure to verify the wet or dry status of the location where the permit holder intends to temporarily sell wine and malt beverages under this section;

(3) detail the circumstances when a permit holder may temporarily sell wine and malt beverages under this section with only a notification to the commission and the circumstances that require the commission's preapproval before a permit holder may temporarily sell wine and malt beverages under this section;

(4) establish the length of time a permit holder may sell wine and malt beverages under this section at the same location; and

(5) require the permit holder to provide any other information the commission determines necessary.

(d) The holder of a wine and malt beverage retailer's permit may temporarily sell wine and malt beverages in an area of a facility with a seating capacity of more than 150,000 that is open to the public and not otherwise covered by a license or permit during a motor vehicle racing event sponsored by a professional motor racing association.

(e) The holder of a wine and malt beverage retailer's permit who temporarily sells wine and malt beverages under Subsection (d) may not:

(1) sell under this section at the facility more than four times in a calendar year;

(2) sell alcoholic beverages in factory-sealed containers;

(3) sell more than two drinks to a single consumer at one time;

(4) sell alcoholic beverages at more than 50 percent of the food and beverage concession stands that are open for business at any one time; and

(5) sell alcoholic beverages after:

(A) 75 percent of the feature race is complete on the day that race is held; and

(B) one hour before the scheduled completion of the last spectator event on a day other than the feature race day.

(f) A holder of a wine and malt beverage retailer's permit that sells wine or malt beverages under that permit in a county other than the county in which the premises covered by the permit is located must:

(1) purchase the beverages from a distributor or wholesaler authorized under this code to sell the beverages in the county in which the permit holder sells the beverages under this section; and

(2) report to the commission, in the manner prescribed by the commission by rule, the amount of beverages purchased and sold under this section, by type.

SECTION 109. The heading to Chapter 26, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 26. WINE AND MALT BEVERAGE ~~[BEER]~~ RETAILER'S  
OFF-PREMISE PERMIT

SECTION 110. Section 26.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 26.01. AUTHORIZED ACTIVITIES. (a) The holder of a wine and malt beverage ~~[beer]~~ retailer's off-premise permit may sell for off-premises consumption only, in unbroken original containers, but not for resale, wine~~[-beer]~~ and malt beverages ~~[liquors]~~ containing alcohol in excess of one-half of one percent by volume but not more than 17 percent by volume.

(b) The holder of a wine and malt beverage ~~[beer]~~ retailer's off-premise permit may conduct free product samplings of wine~~[-beer]~~ and malt beverages ~~[liquor]~~ containing alcohol in excess of one-half of one percent by volume but not more than 17 percent by volume on the permit holder's premises during regular business hours as provided by Section 26.08.

SECTION 111. (a) Effective December 31, 2020, Section 26.03(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A wine and beer retailer's off-premise permit is issued by the commission ~~[or administrator]~~. The qualifications of applicants and the application for and issuance of the permit are governed by the same provisions which apply to the application for and issuance of a retail dealer's off-premise license.

(b) Effective September 1, 2021, Section 26.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 26.03. ISSUANCE, CANCELLATION, AND SUSPENSION OF PERMIT. (a) A wine and malt beverage ~~[beer]~~ retailer's off-premise permit is issued by the commission ~~[or administrator]~~. The qualifications of applicants and the application for and issuance of the permit are governed by the same provisions which apply to the application for and issuance of a retail dealer's off-premise license.

(b) The provisions of this code applicable to the cancellation and suspension of a retail dealer's off-premise license also apply to the cancellation and suspension of a wine and malt beverage ~~[beer]~~ retailer's off-premise permit.

SECTION 112. Section 26.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 26.04. APPLICATION OF OTHER CODE PROVISIONS. Sections 61.78, 61.81, 61.82, and 61.84 ~~[of this code]~~ also apply to a wine and malt beverage ~~[beer]~~ retailer's off-premise permit. The restrictions in this code relating to malt beverages ~~[beer]~~ as to the application of local restrictions, sales to minors and intoxicated persons, and age of employees apply to the sale of alcoholic beverages by a wine and malt beverage ~~[beer]~~ retailer's off-premise permittee.

SECTION 113. Section 26.05(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Each holder of a wine and malt beverage ~~[beer]~~ retailer's off-premise permit shall display in a prominent place on the permittee's ~~[his]~~ premises a sign stating in letters at least two inches high: IT IS A CRIME (MISDEMEANOR) TO CONSUME LIQUOR OR MALT BEVERAGES ~~[BEER]~~ ON THESE PREMISES. The commission or administrator may require the holder of the permit to also display the sign in a language other than English if it can be observed or determined that a substantial portion of the expected customers speak the other language as their familiar language.

SECTION 114. Section 26.08, Alcoholic Beverage Code, is amended to read as follows:

Sec. 26.08. SAMPLING EVENT. (a) An employee of the holder of a wine and malt beverage ~~[beer]~~ retailer's off-premise permit may open, touch, or pour wine~~[-beer,]~~ or malt ~~beverages~~ ~~[liquor]~~, make a presentation, or answer questions at a sampling event.

(b) For purposes of this code and any other law or ordinance:

(1) a wine and malt beverage ~~[beer]~~ retailer's off-premise permit does not authorize the sale of alcoholic beverages for on-premises consumption; and

(2) none of the permit holder's income may be considered to be income from the sale of alcoholic beverages for on-premises consumption.

(c) Any wine~~[-beer]~~ or malt beverages ~~[liquor]~~ used in a sampling event under this section must be purchased from or provided by the retailer on whose premises the sampling event is held. This section does not authorize the holder of a wine and malt beverage ~~[beer]~~ retailer's off-premise permit to withdraw or purchase alcoholic beverages from the holder of a wholesaler's permit or a distributor's license or provide alcoholic beverages for a sampling on a retailer's premises that is not purchased from the retailer. The amount of alcoholic beverages purchased from the retailer may not exceed the amount of alcoholic beverages used in the sampling event.

SECTION 115. Sections 28.01(b) and (c), Alcoholic Beverage Code, are amended to read as follows:

(b) The holder of a mixed beverage permit for an establishment in a hotel may deliver mixed beverages, including wine and malt beverages ~~[beer]~~, to individual rooms of the hotel or to any other location in the hotel building or grounds, except a parking area or the licensed premises of another alcoholic beverage establishment, without regard to whether the place of delivery is part of the licensed premises. A permittee in a hotel may allow a patron or visitor to enter or leave the licensed premises, even though the patron or visitor possesses an alcoholic beverage, if the beverage is in an open container and appears to be possessed for present consumption.

(c) The holder of a mixed beverage permit may also:

(1) purchase wine~~[-beer, ale]~~ and malt beverages ~~[liquor]~~ containing alcohol of not more than 21 percent by volume in containers of any legal size from any permittee or licensee authorized to sell those beverages for resale; and

(2) sell the wine~~[-beer, ale]~~ and malt beverages ~~[liquor]~~ for consumption on the licensed premises.

SECTION 116. Section 28.07, Alcoholic Beverage Code, is amended by amending Subsections (b) and (c) and adding Subsection (d) to read as follows:

(b) If a holder of a mixed beverage permit is in a county where there are no local distributors, the permit holder [he] may purchase alcoholic beverages in the nearest county where local distributors are located and may transport them to the permit holder's [his] premises [provided that he is also a holder of a beverage cartage permit]. The transporter may acquire the alcoholic beverages only on the written order of the holder of the mixed beverage permit. The alcoholic beverages must be accompanied by a written statement furnished and signed by the local distributor showing the name and address of the consignee and consignor, the origin and destination of the shipment, and any other information required by the commission or administrator. The person in charge of the alcoholic beverages while they are being transported shall exhibit the written statement to any representative of the commission or any peace officer on demand, and the statement shall be accepted by the representative or officer as prima facie evidence of the lawful right to transport the alcoholic beverages.

(c) If a mixed beverage permittee's ~~[permittee holds a beverage cartage permit and his]~~ premises are located in a regional airport governed by a board, commission, or authority composed of members from two or more counties, and there is no local distributor at the airport, the mixed beverage permittee may purchase alcoholic beverages from any local distributor in a trade area served by the airport and transport the alcoholic beverages [them] to the permit holder's [his] licensed premises. The transportation of the beverages must be in accordance with Subsection (b) ~~[of this section].~~

(d) The holder of a mixed beverage permit may transfer alcoholic beverages from the place of purchase to the permitted premises as provided in this code.

SECTION 117. Section 28.10(b), Alcoholic Beverage Code, is amended to read as follows:

(b) A mixed beverage permittee may not permit any person to take any alcoholic beverage purchased on the licensed premises from the premises where sold, except that:

(1) a person who orders wine with food and has a portion of the open container remaining may remove the open container of wine from the premises; and

(2) a mixed beverage permittee who also holds a brewpub license may sell or offer without charge on the premises of the brewpub, to an ultimate consumer for consumption on or off the premises, malt beverages ~~[liquor, ale, or beer]~~ produced by the permittee, in or from a lawful container in an amount that does not exceed one-half barrel, provided that the aggregate amount of malt beverages ~~[liquor, ale, and beer]~~ removed from the premises under this subdivision does not exceed 1,000 barrels annually.

SECTION 118. Chapter 28, Alcoholic Beverage Code, is amended by adding Section 28.19 to read as follows:

Sec. 28.19. SALES AT TEMPORARY LOCATION. (a) The holder of a mixed beverage permit may temporarily sell authorized alcoholic beverages at:

(1) a picnic, celebration, or similar event; or

(2) a place other than the premises for which the holder's mixed beverage permit is issued only in:

(A) an area where the sale of mixed beverages has been authorized by a local option election; or

(B) an area that:

(i) is adjacent to a county with a home-rule municipality with a population of more than 350,000;

(a) that has in its charter a provision allowing for limited purpose annexation for zoning;

(b) that has previously disannexed territory annexed for limited purposes; and

(c) that allows the sale of mixed beverages;

(ii) does not comprise an entire county; and

(iii) is not within the corporate limits of a municipality.

(b) Distilled spirits sold at a temporary location under this section must be purchased from the holder of a local distributor's permit.

(c) The commission shall adopt rules to implement this section, including rules that:

(1) require the permit holder to notify the commission of the dates on which and location where the permit holder will temporarily offer alcoholic beverages for sale under this section;

(2) establish a procedure to verify the wet or dry status of the location where the permit holder intends to temporarily sell alcoholic beverages under this section;

(3) detail the circumstances when a permit holder may temporarily sell alcoholic beverages under this section with only a notification to the commission and the circumstances that require the commission's preapproval before a permit holder may temporarily sell alcoholic beverages under this section;

(4) establish the length of time a permit holder may sell alcoholic beverages under this section at the same location; and

(5) require the permit holder to provide any other information the commission determines necessary.

(d) Notwithstanding any other law, the temporary sale of alcoholic beverages by a mixed beverage permit holder under this section in an area located on property owned by a municipality that contains a municipally owned conference center and that borders a lake may permit a patron to leave the area, even though the patron possesses an alcoholic beverage, if:

(1) the beverage is in an open container and appears to be possessed for present consumption; and

(2) the public consumption of alcoholic beverages or possession of an open container of an alcoholic beverage is not prohibited on the municipally owned property where the area is located.

(e) Subsection (d) applies only to a mixed beverage permit holder operating under this section in an area in a municipality that:

(1) has a population of less than 15,000;

(2) is located in a county with a population of less than 65,000; and

(3) contains a historic preservation district that borders a lake.

(f) Subsection (d) does not affect the prohibition against possessing an open container in a passenger area of a motor vehicle under Section 49.031, Penal Code.

SECTION 119. Chapter 29, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 29. RETAILER ~~[MIXED BEVERAGE]~~ LATE HOURS  
CERTIFICATE ~~[PERMIT]~~

Sec. 29.01. ELIGIBLE PERMIT AND LICENSE HOLDERS. A retailer late hours certificate may be issued to the holder of a mixed beverage permit, private club registration permit, or retail dealer's on-premise license.

Sec. 29.02. AUTHORIZED ACTIVITIES. The holder of a retailer late hours certificate ~~[mixed beverage late hours permit]~~ may sell or serve the alcoholic beverages the holder is authorized to sell or serve under its primary permit or license ~~[mixed beverages]~~ on Sunday between the hours of 1:00 a.m. and 2 a.m. and on any other day between the hours of 12 midnight and

2 a.m. if the premises covered by the license or permit are in an area where the sale or service of those alcoholic ~~[mixed]~~ beverages during those hours is authorized by this code.

~~[Sec. 29.02. FEE. The annual state fee for a mixed beverage late hours permit is \$150.]~~

Sec. 29.03. ISSUANCE OF CERTIFICATE AUTHORIZED FOR CERTAIN AREAS. (a) Notwithstanding any other provision of this code, a retailer late hours certificate may be issued to the holder of a retail dealer's on-premise license in an area in which the voters have approved the following alcoholic beverage ballot issues in a local option election:

(1) either:

(A) "The legal sale of beer and wine for off-premise consumption only."; or

(B) "The legal sale of malt beverages and wine for off-premise consumption only."; and

(2) either:

(A) "The legal sale of mixed beverages."; or

(B) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."

(b) A premises that qualifies for a certificate under this chapter because it is located in an area that approved the ballot issue described by Subsection (a)(2)(B) may be issued a certificate under this chapter only if the premises is issued a food and beverage certificate ~~[APPLICATION OF PROVISIONS REGULATING MIXED BEVERAGE PERMITS. All provisions of this code which apply to a mixed beverage permit also apply to a mixed beverage late hours permit].~~

SECTION 120. Chapter 30, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 30. NONPROFIT ENTITY ~~[DAILY]~~ TEMPORARY EVENT  
~~[MIXED BEVERAGE]~~ PERMIT

Sec. 30.01. DEFINITION. In this chapter, "nonprofit entity" means:

(1) a nonprofit corporation;

(2) a nonprofit charitable, civic, or religious organization;

(3) a political party or political association supporting a candidate for public office or a proposed amendment to the Texas Constitution or other ballot measure;

(4) a fraternal organization with a regular membership that has been in continuous existence for more than five years; or

(5) a person or group of persons who are subject to recordkeeping requirements under Chapter 254, Election Code.

Sec. 30.02. AUTHORIZED ACTIVITIES. The holder of a nonprofit entity ~~[daily]~~ temporary event ~~[mixed beverage]~~ permit may sell ~~[mixed beverages]~~ for consumption on the premises for which the permit is issued any alcoholic beverage that is authorized to be sold where the event is held.

Sec. 30.03. ~~[Sec. 30.02. FEE. The state fee for a daily temporary mixed beverage permit is \$50 per day.]~~



~~[Sec. 30.03.] ISSUANCE OF PERMIT. (a) The commission may~~~~[, in its discretion,]~~ ~~issue~~ ~~on~~ a nonprofit entity temporary event ~~[basis a daily temporary mixed beverage]~~ permit to a nonprofit entity for the sale of alcoholic beverages at an event sponsored by the permit holder including ~~[, A daily temporary mixed beverage permit may be issued only to a holder of a mixed beverage permit for the temporary sale of authorized alcoholic beverages at]~~ picnics, celebrations, or similar events ~~[, or to a political party or political association supporting a candidate for public office or a proposed amendment to the Texas Constitution or other ballot measure, to an organization formed for a specific charitable or civic purpose, to a fraternal organization in existence for over five years with a regular membership, or to a religious organization. The commission shall not issue more than 10 temporary mixed beverage permits in each calendar year to a person who does not also hold a mixed beverage permit].~~

~~[(b) The provisions of this code which apply to the application for and issuance of other permits do not apply to the application and issuance of a daily temporary mixed beverage permit.]~~

Sec. 30.04. NOTATION OF DATES PERMIT IS VALID. When issuing a nonprofit entity temporary event permit under this chapter, the commission shall, on the face of the permit, indicate the dates on which the permit is valid.

Sec. 30.05. PURCHASE OF DISTILLED SPIRITS. Distilled spirits sold by the holder of a nonprofit entity ~~[under a daily]~~ temporary event ~~[mixed beverage]~~ permit must be purchased from the holder of a local distributor's permit.

Sec. 30.06 ~~[30.05]. AUCTION OF ALCOHOLIC BEVERAGES.~~ (a) The holder of a nonprofit entity temporary event permit may auction alcoholic beverages, for consumption off premises, to raise money to support the stated purpose of the permit holder.

(b) The proceeds from an auction authorized by this section shall be deposited to the account of the holder of a nonprofit entity temporary event permit.

(c) The holder of a nonprofit entity temporary event permit may not:  
(1) auction distilled spirits or wine that has not been donated to the organization;

(2) auction alcoholic beverages if any taxes are owed on the beverages;  
or

(3) pay a commission or promotional allowance to a person to:  
(A) arrange or conduct an auction under this section; or  
(B) arrange the donation of alcoholic beverages to be auctioned by the organization ~~[APPLICATION OF PROVISIONS REGULATING MIXED BEVERAGE PERMITS. All provisions of this code applicable to a mixed beverage permit also apply to a daily temporary mixed beverage permit unless there is a special provision to the contrary].~~

Sec. 30.07 ~~[30.06]. APPLICATION OF OTHER LAW.~~ Section 11.39 does not apply to an applicant for a nonprofit entity temporary event permit.

Sec. 30.08. ADOPTION OF RULES. The commission shall ~~[may]~~ adopt rules which it determines to be necessary to implement and administer the provisions of this chapter, including:

(1) limitations on the number of times during any calendar year a nonprofit entity ~~[qualified organization]~~ may be issued a permit under this chapter, which may vary based on the type of entity and other factors the commission determines relevant;

(2) the duration for a permit issued under this chapter which may vary depending on the length of the event for which the permit is being issued; and

(3) penalties for a violation of this code or a rule adopted under this code.

Sec. 30.09. EVENTS IN DRY AREA. (a) The commission may issue a nonprofit entity temporary event permit to a nonprofit corporation for a fund-raising event for the nonprofit corporation that is located in a dry area.

(b) A nonprofit entity temporary event permit under this section may only be issued for an event:

(1) in the county where the nonprofit corporation is located; and

(2) that lasts not longer than eight hours.

(c) A nonprofit corporation may be issued only one nonprofit entity temporary event permit under this section in each calendar year.

(d) The commission by rule shall establish the procedure for obtaining and operating under a nonprofit entity temporary event permit issued under this section.

SECTION 121. Section 32.01(b), Alcoholic Beverage Code, is amended to read as follows:

(b) An applicant for or the holder of a private club registration permit may apply to the commission to have the activities authorized under the permit restricted to the storage and service of wine~~[-beer,]~~ and malt beverages ~~[liquor]~~ for members of the club. Except as otherwise provided by this chapter, an applicant for or the holder of a permit that is restricted under this subsection is subject to all the requirements of this chapter. The commission may adopt rules as necessary to implement this subsection.

SECTION 122. Section 32.08, Alcoholic Beverage Code, is amended by amending Subsections (b) and (c) and adding Subsection (d) to read as follows:

(b) If the club holding the permit is in an area where there are no local distributors, alcoholic beverages may be purchased in any area where local distributors are located and may be transported to the club premises ~~[if the club also holds a beverage cartage permit]~~. The transporter may acquire the alcoholic beverages only on the written order of an officer or manager of the club holding the permit. The alcoholic beverages must be accompanied by a written statement furnished and signed by the local distributor showing the name and address of the consignee and consignor, the origin and destination of the shipment, and any other information required by the commission or administrator. The person in charge of the alcoholic beverages while they are being transported shall exhibit

the written statement to any representative of the commission or any peace officer on demand, and the statement shall be accepted by the representative or officer as prima facie evidence of the lawful right to transport the alcoholic beverages.

(c) If a private club registration permittee's ~~[permittee holds a beverage cartage permit and his]~~ premises are located in a regional airport governed by a board, commission, or authority composed of members from two or more counties, and there is no local distributor at the airport, the private club registration permittee may purchase alcoholic beverages from any local distributor in a trade area served by the airport and transport the alcoholic beverages ~~[them]~~ to the permit holder's ~~[his]~~ licensed premises. The transportation of the beverages must be in accordance with Subsection (b) ~~[of this section]~~.

(d) The holder of a private club registration permit may transfer alcoholic beverages from the place of purchase to the permitted premises as provided in this code.

SECTION 123. Sections 32.17(a) and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) The commission or administrator may cancel or suspend for a period of time not exceeding 60 days, after notice and hearing, an original or renewal private club registration permit on finding that the permittee club has:

(1) sold, offered for sale, purchased, or held title to any alcoholic beverage so as to constitute an open saloon;

(2) refused to allow an authorized agent or representative of the commission or a peace officer to come on the club premises for the purposes of inspecting alcoholic beverages stored on the premises or investigating compliance with the provisions of this code;

(3) refused to furnish the commission or its agent or representative when requested any information pertaining to the storage, possession, serving, or consumption of alcoholic beverages on club premises;

(4) permitted or allowed any alcoholic beverages stored on club premises to be served or consumed at any place other than on the club premises;

(5) failed to maintain an adequate building at the address for which the private club registration permit was issued;

(6) caused, permitted, or allowed any member of a club in a dry area to store any liquor on club premises except under the locker system;

(7) caused, permitted, or allowed any person to consume or be served any alcoholic beverage on the club premises:

(A) at any time on Sunday between the hours of 1:15 a.m. and 10 a.m. or on any other day at any time between the hours of 12:15 a.m. and 7 a.m., if the club does not have a retailer ~~[private club]~~ late hours certificate ~~[permit]~~, except that an alcoholic beverage served to a customer between 10 a.m. and 12 noon on Sunday must be provided during the service of food to the customer; or

(B) at any time on Sunday between the hours of 2 a.m. and 10 a.m. or on any other day at any time between the hours of 2 a.m. and 7 a.m., if the club has a retailer ~~[private club]~~ late hours certificate ~~[permit]~~, except that an alcoholic beverage served to a customer between 10 a.m. and 12 noon on Sunday must be provided during the service of food to the customer; or

(8) violated or assisted, aided or abetted the violation of any provision of this code.

(c) After notice and an opportunity for a hearing, the commission or administrator may cancel or suspend the private club registration permit of a permit holder who has restricted the holder's authorized activities under the permit as provided by Section 32.01(b) ~~[of this code]~~ on a determination that the permit holder is storing or serving alcoholic beverages to club members other than, or in addition to, wine~~[-beer,]~~ and malt beverages ~~[liquor]~~.

SECTION 124. Chapter 32, Alcoholic Beverage Code, is amended by adding Section 32.25 to read as follows:

Sec. 32.25. SALES AT TEMPORARY LOCATION. (a) The holder of a private club registration permit may temporarily serve authorized alcoholic beverages at a picnic, celebration, or similar event:

(1) sponsored by:

(A) a political party or political association supporting a candidate for public office or a proposed amendment to the Texas Constitution or other ballot measure;

(B) a charitable or civic organization;

(C) a fraternal organization with a regular membership that has been in continuous existence for more than five years; or

(D) a religious organization; and

(2) that is located in the county where the private club registration permit is issued.

(b) The holder of a private club registration permit may temporarily serve alcoholic beverages under this section not more than two times in each calendar year for the same party, association, or organization.

(c) Distilled spirits served under this section must be purchased from the holder of a local distributor's permit.

(d) The commission shall adopt rules to implement this section, including rules that:

(1) require the permit holder to notify the commission of the dates on which and location where the permit holder will temporarily offer alcoholic beverages for sale under this section;

(2) establish a procedure to verify the wet or dry status of the location where the permit holder intends to temporarily sell alcoholic beverages under this section;

(3) detail the circumstances when a permit holder may temporarily sell alcoholic beverages under this section with only a notification to the commission and the circumstances that require the commission's preapproval before a permit holder may temporarily sell alcoholic beverages under this section; and

(4) require the permit holder to provide any other information the commission determines necessary.

SECTION 125. Effective September 1, 2019, the heading to Chapter 35, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 35. AGENTS ~~[AGENT'S PERMIT]~~

SECTION 126. Effective September 1, 2019, Section 35.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 35.01. AUTHORIZED ACTIVITIES. (a) An agent ~~[The holder of an agent's permit]~~ may:

(1) represent permittees other than retailers within this state who are authorized to sell liquor to retail dealers in the state; and

(2) solicit and take orders for the sale of liquor from authorized permittees.

(b) A person acting as an agent may only represent one permitted or licensed business at a time while soliciting or taking orders.

SECTION 127. Effective September 1, 2019, Section 35.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 35.05. SAMPLES. An agent ~~[The holder of an agent's permit]~~ may not transport or carry liquor as samples, but may carry or display empty sample containers.

SECTION 128. Effective September 1, 2019, Section 35.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 35.06. INELIGIBILITY TO SERVE AS NONRESIDENT SELLER'S AGENT ~~[FOR MANUFACTURER'S AGENT'S PERMIT]~~. A person acting as an agent under this chapter ~~[holding an agent's permit]~~ may not act as ~~[be issued]~~ a nonresident seller's agent under Chapter 36 ~~[manufacturer's agent's permit]~~.

SECTION 129. Effective September 1, 2019, Section 35.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 35.07. UNAUTHORIZED REPRESENTATION. An agent ~~[A holder of an agent's permit]~~ in soliciting or taking orders for the sale of liquor may not represent that the agent is ~~[himself to be]~~ an agent of any person other than the person who employs the agent or who has authorized the agent to represent the person ~~[designated in his permit application]~~.

SECTION 130. Effective September 1, 2019, the heading to Chapter 36, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 36. NONRESIDENT SELLER'S AGENTS ~~[MANUFACTURER'S AGENT'S PERMIT]~~

SECTION 131. Effective September 1, 2019, Section 36.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 36.01. AUTHORIZED ACTIVITIES. (a) A nonresident seller's agent ~~[The holder of a manufacturer's agent's permit]~~ may:

(1) represent only the holders of nonresident seller's permits; and

(2) solicit and take orders for the sale of liquor from permittees authorized to import liquor for the purpose of resale.

(b) A person acting as a nonresident seller's agent may only represent one permitted or licensed business at a time while soliciting or taking orders.

SECTION 132. Effective September 1, 2019, Section 36.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 36.04. INELIGIBILITY TO SERVE AS AN AGENT ~~[FOR AGENT'S PERMIT]~~. A person acting as [holder of] a nonresident seller's agent [manufacturer's agent's permit] may not act as an agent under Chapter 35 [be issued an agent's permit].

SECTION 133. Effective September 1, 2019, Section 36.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 36.05. SAMPLES. A nonresident seller's agent [The holder of a manufacturer's agent's permit] may not transport or carry liquor as samples, but may carry or display empty sample containers.

SECTION 134. Effective September 1, 2019, Section 36.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 36.06. SOLICITATION FROM HOLDER OF MIXED BEVERAGE OR PRIVATE CLUB PERMIT. A nonresident seller's agent [holder of a manufacturer's agent's permit] may not solicit business directly or indirectly from a holder of a mixed beverage permit or a private club registration permit unless the agent [he] is accompanied by the holder of a wholesaler's permit or the wholesaler's agent.

SECTION 135. Effective September 1, 2019, Section 36.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 36.07. UNAUTHORIZED REPRESENTATION. A nonresident seller's agent [holder of a manufacturer's agent's permit] in soliciting or taking orders for the sale of liquor may not represent that the agent is [himself as] an agent of a person other than the person who employs the agent or who has authorized the agent to represent the person [designated in his permit application].

SECTION 136. Effective September 1, 2019, Section 36.08, Alcoholic Beverage Code, is amended to read as follows:

Sec. 36.08. RESTRICTION AS TO SOURCE OF SUPPLY. A nonresident seller's agent [manufacturer's agent's permittee] may not represent a person with respect to an alcoholic beverage unless the person represented is the primary American source of supply of the beverage as defined in Section 37.10 ~~[of this code]~~.

SECTION 137. Section 37.01(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The holder of a nonresident seller's permit who owns a winery ~~[or brewery]~~ outside of the state may conduct samplings of the kinds of alcoholic beverages the permit holder is authorized to produce, including tastings, at a retailer's premises. An employee of the winery ~~[or brewery]~~ may open, touch, or pour the alcoholic beverages, make a presentation, or answer questions at a sampling event.

SECTION 138. Effective September 1, 2019, Section 37.01(c), Alcoholic Beverage Code, is amended to read as follows:

(c) Any alcoholic beverages used in a sampling event under this section must be purchased from the retailer on whose premises the sampling event is held. This section does not authorize the holder of a nonresident seller's permit or the ~~[manufacturer's agent's]~~ permit holder's agent to withdraw or purchase alcoholic beverages from the holder of a wholesaler's permit or provide alcoholic beverages for a sampling event on a retailer's premises that is not purchased from the retailer. The amount of alcoholic beverages purchased from the retailer may not exceed the amount of alcoholic beverages used in the sampling event.

SECTION 139. Effective September 1, 2019, the heading to Chapter 38, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 38. INDUSTRIAL USE OF ALCOHOL ~~[PERMIT]~~

SECTION 140. Effective September 1, 2019, Section 38.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 38.01. AUTHORIZED ACTIVITIES. (a) In this section, "industrial alcohol" means an alcohol that is produced for industrial purposes only and is not fit for human consumption.

(b) A person may:

- (1) manufacture, rectify, refine, transport, and store industrial alcohol;
- (2) denature industrial alcohol;
- (3) sell denatured or industrial alcohol to qualified persons inside or outside the state; and
- (4) blend industrial alcohol with petroleum distillates and sell or use the resulting product as a motor fuel.

(c) A person ~~[The holder of an industrial permit]~~ may import, transport, and use alcohol or denatured alcohol for the manufacture and sale of any of the following products:

- (1) denatured alcohol;
- (2) patent, proprietary, medicinal, pharmaceutical, antiseptic, and toilet preparations;
- (3) flavoring extracts, syrups, condiments, and food products; and
- (4) scientific, chemical, mechanical, and industrial products, or products used for scientific, chemical, mechanical, industrial, or medicinal purposes.

SECTION 141. Effective September 1, 2019, Section 38.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 38.05. OTHER CODE PROVISIONS INAPPLICABLE. ~~The [No]~~ provisions of this code ~~do not [other than this chapter]~~ apply to alcohol intended for industrial, medicinal, mechanical, or scientific purposes.

SECTION 142. Effective September 1, 2019, Section 38.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 38.06. ACTIVITIES TAX FREE. The taxes imposed by this code do not apply to activities authorized in Section 38.01 ~~[of this code]~~.

SECTION 143. Section 43.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 43.01. AUTHORIZED ACTIVITIES. ~~[(a)]~~ A warehouse or transfer company that holds a local cartage permit may transport liquor for hire inside the corporate limits of any city or town in the state.

~~[(b) A package store, wine only package store, or local distributor's permittee who also holds a local cartage permit may transfer alcoholic beverages in accordance with Sections 22.08, 23.04, and 24.04 of this code.]~~

SECTION 144. Section 43.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 43.04. ELIGIBILITY FOR PERMIT. The commission may issue a local cartage permit to a warehouse or transfer company ~~[or to a holder of a package store, wine only package store, or local distributor's permit].~~

SECTION 145. Chapter 48, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 48. PASSENGER TRANSPORTATION ~~[TRAIN BEVERAGE]~~  
PERMIT

Sec. 48.01. AUTHORIZED ACTIVITIES. A ~~[The holder of a]~~ passenger transportation permit authorizes the ~~[train beverage]~~ permit holder to sell or serve the types ~~[has the same rights with respect to the sale]~~ of alcoholic beverages specifically authorized by this chapter ~~[on a passenger train to which this chapter applies as the holder of an airline beverage permit has with respect to the sale of alcoholic beverages on a commercial passenger airplane under Section 34.01 of this code].~~

Sec. 48.02. PERMIT FOR EXCURSION BOAT. (a) A passenger transportation permit may be issued for:

(1) a regularly scheduled excursion boat which is licensed by the United States Coast Guard to carry passengers on the navigable waters of the state if the boat:

(A) carries at least 45 passengers;

(B) weighs at least 35 gross tons; and

(C) is at least 55 feet long; or

(2) a boat that:

(A) carries at least 350 passengers;

(B) weighs at least 90 gross tons; and

(C) is at least 80 feet long.

(b) The holder of a passenger transportation permit issued under Subsection (a)(1) may sell the same alcoholic beverages as the holder of a mixed beverage permit if:

(1) the home port of the boat is in an area where the sale of mixed beverages is legal or the boat is regularly used for voyages in international waters as provided by Subsection (h); and

(2) the owner or operator of the boat is the sole permit holder for the boat.

(c) The holder of a passenger transportation permit issued under Subsection (a)(1) may sell the same alcoholic beverages as the holder of a wine and malt beverage retailer's permit if the home port of the boat is in an area where the sale of malt beverages and wine is legal.



(d) The holder of a passenger transportation permit issued under Subsection (a)(2) may sell the same alcoholic beverages as the holder of a mixed beverage permit if:

(1) the home port of the boat is in an area where the sale of mixed beverages is legal; or

(2) the boat is regularly used for voyages in international waters as provided by Subsection (h).

(e) A passenger transportation permit issued under this section is inoperative in a dry area.

(f) For purposes of Section 11.38, the home port of the boat is treated as the location of the permitted premises.

(g) The provisions of Section 109.53 that relate to residency requirements and compliance with Texas laws of incorporation do not apply to the holder of a passenger transportation permit under this section.

(h) A passenger transportation permit may be issued under this section to a boat regularly used for voyages in international waters regardless of whether the sale of mixed beverages is lawful in the area of the home port. A person having authority to deliver alcoholic beverages to a passenger transportation permit holder in the county where the permitted premises is located may deliver alcoholic beverages purchased by the permit holder [FEE. The annual fee for a passenger train beverage permit is \$500].

Sec. 48.03. [ELIGIBILITY FOR] PERMIT FOR AIRLINE. (a) A [The commission or administrator may issue a] passenger transportation [train beverage] permit may be issued to any corporation operating a commercial airline in or through the state.

(b) The holder of a passenger transportation permit issued under this section may:

(1) sell or serve alcoholic beverages in or from any size container on a commercial passenger airplane operated in compliance with a valid license, permit, or certificate issued under the authority of the United States or of this state, even though the plane, in the course of its flight, may cross an area in which the sale of alcoholic beverages is prohibited; and

(2) store alcoholic beverages in sealed containers of any size at any airport regularly served by the permittee, in accordance with rules and regulations promulgated by the commission.

(c) Only the holder of a package store permit may sell liquor to the holder of a passenger transportation permit issued under this section. For the purposes of this code, a sale of liquor to a holder of a passenger transportation permit shall be considered as a sale at retail to a consumer.

(d) The holder of a package store permit may sell liquor in any size container authorized by Section 101.46 to holders of a passenger transportation permit issued under this section, and may purchase liquor in any size container for resale from the holders of a wholesaler's permit. A holder of a wholesaler's permit may import, sell, offer for sale, or possess for resale to package store permittees to resell to holders of a passenger transportation permit liquor in any authorized size containers.

(e) The preparation and service of alcoholic beverages by the holder of a passenger transportation permit issued under this section is exempt from a tax imposed by this code and from the tax imposed by Chapter 151, Tax Code.

(f) Section 109.53 does not apply to a passenger transportation permit issued under this section.

Sec. 48.04. PERMIT FOR PASSENGER TRAIN. (a) A passenger transportation permit may be issued to any corporation organized under the Business Organizations Code or former Title 112, Revised Statutes, or under the Rail Passenger Service Act of 1970, as amended (45 U.S.C.A. Section 501 et seq.), operating a commercial passenger train service in or through the state.

(b) The holder of a passenger transportation permit issued under this section may sell or serve alcoholic beverages in or from any size container on a passenger train even though the train, in the course of its travel, may cross an area in which the sale of alcoholic beverages is prohibited [Application and payment of the fee shall be made directly to the commission].

(c) [~~Sec. 48.04. EXEMPTION FROM TAXES.~~] The preparation and service of alcoholic beverages by the holder of a passenger transportation [~~train beverage~~] permit issued under this section is exempt from a tax imposed by this code [~~chapter~~] and from the tax imposed by Chapter 151, Tax Code.

(d) Section 109.53 does not apply to a passenger transportation permit issued under this section.

Sec. 48.05. PERMIT FOR PASSENGER BUS. (a) A [~~INAPPLICABLE PROVISION. Section 109.53 of this code does not apply to a~~] passenger transportation [~~train beverage~~] permit may be issued to any corporation operating a commercial passenger bus service in or through the state using a passenger bus that:

(1) is designed and used for the regularly scheduled intercity transportation of passengers for compensation;

(2) is characterized by integral construction with:

(A) an elevated passenger deck over a baggage compartment;

(B) a passenger seating capacity of at least 16 and not more than

36; and

(C) a separate galley area;

(3) is at least 35 feet in length; and

(4) while transporting passengers for compensation, also transports an attendant who:

(A) is not the operator of the bus; and

(B) has attended a commission-approved seller training program.

(b) The holder of a passenger transportation permit issued under this section may:

(1) sell or serve alcoholic beverages in or from any size container on a passenger bus even though the bus, in the course of its drive, may cross an area in which the sale of alcoholic beverages is prohibited; and

(2) store alcoholic beverages at the permitted location.

(c) The preparation and service of alcoholic beverages by the holder of a passenger transportation permit issued under this section is exempt from a tax imposed by this code and from the tax imposed by Chapter 151, Tax Code.

(d) Section 109.53 does not apply to a passenger transportation permit issued under this section.

(e) Only a holder of a wholesale permit may sell liquor to the holder of a passenger transportation permit issued under this section. A sale of liquor to the holder of a passenger transportation permit issued under this section shall be considered as a sale at retail to a consumer.

SECTION 146. Section 50.001, Alcoholic Beverage Code, is amended to read as follows:

Sec. 50.001. AUTHORIZED ACTIVITIES. The holder of a promotional permit may, on behalf of a distiller, brewer, rectifier, or ~~[manufacturer,]~~ winery~~[- or wine bottler]~~ with whom the promotional permit holder has entered into a contract for the purposes of this chapter, engage in activities to promote and enhance the sale of an alcoholic beverage in this state, including activities that take place on the premises of the holder of a permit or license under this code.

SECTION 147. The heading to Chapter 51, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 51. OPERATION OF MINIBARS ~~[MINIBAR PERMIT]~~

SECTION 148. Section 51.02, Alcoholic Beverage Code, is amended to read as follows:

Sec. 51.02. AUTHORIZED ACTIVITIES. The holder of a mixed beverage ~~[minibar]~~ permit issued for operation in a hotel may sell the following alcoholic beverages out of a minibar:

(1) distilled spirits in containers of not less than one ounce nor more than two ounces;

(2) wine and vinous liquors in containers of not more than 13 fluid ounces; and

(3) ~~[beer, ale, and]~~ malt beverages ~~[liquor]~~ in containers of not more than 12 fluid ounces.

SECTION 149. Section 51.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 51.03. LIMITED ACCESS TO MINIBAR. (a) Minibars shall be of such design as to prevent access to alcoholic beverages to all persons who do not have a minibar key. The minibar key shall be different from the hotel guestroom key, and the mixed beverage permittee may ~~[shall]~~ not provide the minibar key to any person who is not of legal drinking age.

(b) A mixed beverage permittee may not provide a minibar key to any person other than an employee of the permittee or a registered guest of the hotel.

SECTION 150. Sections 51.04(a), (c), and (d), Alcoholic Beverage Code, are amended to read as follows:

(a) All employees handling distilled spirits, wine, ~~[beer, ale,]~~ and malt beverages ~~[liquor]~~ being stocked in the minibar must be at least 18 years of age.

(c) A minibar may only be maintained, serviced, or stocked with alcoholic beverages by a person who is an employee of the holder of a mixed beverage ~~[minibar]~~ permit, and no other person shall be authorized to add alcoholic beverages to a minibar or, with the exception of a registered hotel guest consumer, to remove alcoholic beverages from a minibar.

(d) A mixed beverage permit ~~[The]~~ holder who operates ~~[of]~~ a minibar ~~[permit]~~ shall adhere to standards of quality and purity of alcoholic beverages prescribed by the commission and shall destroy any alcoholic beverages contained in a minibar on the date which is considered by the manufacturer of the alcoholic beverage to be the date the product becomes inappropriate for sale to a consumer.

SECTION 151. Section 51.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 51.06. PROHIBITED INTERESTS. The holder of a mixed beverage permit who operates a minibar ~~[permit]~~ may not have a direct or indirect interest in a package store permit, and a ~~[no]~~ package store may not be located on the premises of a hotel in which a mixed beverage permittee operates ~~[holds]~~ a minibar ~~[permit]~~.

SECTION 152. Section 51.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 51.07. MIXED BEVERAGE PERMIT IS PRIMARY. All purchases made by a holder of a mixed beverage permit who operates a minibar ~~[permittee]~~ shall be made under the authority of and subject to the limitations imposed on the mixed beverage permit held by the permittee. All sales ~~[made by a minibar permittee]~~ shall, for tax purposes, be considered sales under the mixed beverage permit held by the permittee and shall be taxed accordingly. To ensure that the marketing of alcoholic beverages for stocking minibars is not used by suppliers for purposes of inducement or unauthorized or illegal advertising, it is further provided that:

(1) No person who holds a permit or license authorizing sale of any alcoholic beverage to mixed beverage permittees may sell or offer to sell alcoholic beverages to the mixed beverage [a minibar] ~~[a minibar]~~ permittee at a cost less than the seller's laid-in cost plus the customary and normal profit margin applicable to other container sizes. The laid-in cost shall be defined as the manufacturer's or supplier's invoice price, plus all applicable freight, taxes, and duties.

(2) Proof of laid-in cost shall become a part of the permanent records of each permittee or licensee supplying alcoholic beverages to a mixed beverage permittee who operates a minibar ~~[permittees]~~ and be available for a period of two years for inspection by the commission.

(3) No alcoholic beverages offered for use in a minibar may be sold in connection with or conveyed as part of any promotional program providing a discount on the purchase of any other type, size, or brand of alcoholic beverage.

(4) Distilled spirits in containers with a capacity of more than one but less than two fluid ounces must be invoiced separately from any other alcoholic beverage, and the price must be shown on the invoice.

(5) Distilled spirits in containers with a capacity of more than one but less than two fluid ounces may not be returned by the mixed beverage permit holder ~~[of a minibar permit]~~. Neither may the beverages be exchanged by the mixed beverage permit holder ~~[of a minibar permit]~~ or redeemed for any reason other than damage noted at the time of delivery and approved by the commission. Claims for breakage or shortage after delivery to a mixed beverage permit holder who operates a minibar ~~[permittee]~~ shall not be allowed.

(6) No person holding a wholesaler's, local distributor's, or package store permit may participate in the cost of producing any room menu, beverage list, table tent, or any other device or novelty, written or printed, relating to the sale of distilled spirits in containers with a capacity of more than one but less than two fluid ounces. No permittee or licensee authorized to sell alcoholic beverages to a mixed beverage ~~[minibar]~~ permittee who operates a minibar may pay for or contribute to the cost of providing in-house television or radio announcements to be used by any holder of a mixed beverage permit who operates a minibar ~~[permit]~~ to promote the sale of alcoholic beverages.

SECTION 153. Sections 55.01(a), (b), and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) The holder of a manufacturer's agent's warehousing permit may:

(1) receive ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ from the holder of a nonresident brewer's ~~[permit or nonresident manufacturer's]~~ license and store the alcoholic beverages on the permitted premises;

(2) ship, cause to be shipped, sell, and otherwise transfer the ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ to licensed ~~[or permitted]~~ distributors ~~[and wholesalers]~~ in this state and to persons outside this state who are qualified to receive the ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ under the regulatory laws of the state or other jurisdiction in which the ~~[beer, ale, or]~~ malt beverages are ~~[liquor is]~~ received; and

(3) return ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ to the ~~[manufacturer or]~~ brewer from which they were ~~[it was]~~ originally received.

(b) The holder of a manufacturer's agent's warehousing permit may ship only to ~~[wholesalers and]~~ distributors in this state who have been issued a territorial designation by the actual ~~[manufacturer or]~~ brewer of the brand or brands to be shipped. This territorial designation for the sale of malt beverages ~~[beer]~~ must be under and a part of the agreement entered into between the actual brewer ~~[manufacturer]~~ of the brand and the distributor under Subchapters C and D, Chapter 102. This chapter does not affect the requirement that the actual brewer ~~[manufacturer]~~, and the agreement between the actual brewer ~~[manufacturer]~~ and the distributor, comply with Subchapters C and D, Chapter 102.

(c) Malt beverages ~~[Beer, ale, or malt liquor]~~ received at premises permitted under this chapter that are ~~[is]~~ not labeled and approved for sale in this state may be held and stored at the premises and may be shipped from the premises if the malt beverages are ~~[it is]~~ consigned and transported to qualified persons in other states or jurisdictions where their ~~[its]~~ sale is legal.

SECTION 154. Section 55.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 55.03. ELIGIBILITY FOR PERMIT. A manufacturer's agent's warehousing permit may be issued to an entity:

(1) that receives ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ from another entity, or that other entity's immediate successor in interest, that:

(A) is located and chartered in the United Mexican States;

(B) has held, for the two years preceding the date of the application:

(i) a nonresident manufacturer's license, nonresident brewer's permit, and a nonresident seller's permit;

(ii) a nonresident brewer's license and a nonresident seller's permit; or

(iii) a combination of Subparagraph (i) and Subparagraph (ii) [for the two years preceding the date of the application]; and

(C) during each of those two years has shipped or caused to be shipped into this state for ultimate sale to qualified distributors and wholesalers in this state at least one-half million barrels of ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ of the various brands manufactured or brewed by the entity; and

(2) whose employees, located in this state or elsewhere, ~~[hold permits and licenses issued under Chapters 36 and 73 to]~~ perform the activities authorized under Chapters 36 and 73 ~~[those chapters]~~ on behalf of the entity.

SECTION 155. Section 55.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 55.04. LOCATION OF PREMISES. The premises of a permit holder under this chapter must be located in an area that is wet for the sale of ~~[beer, ale, and]~~ malt beverages ~~[liquor]~~.

SECTION 156. Section 55.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 55.05. REPORTING REQUIREMENTS. The commission shall require monthly reports from a permit holder under this chapter showing the brands, types, sizes of containers, and quantities of ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ received at and shipped from the premises to persons authorized to receive them. The reports must conform in all respects to the requirements and forms prescribed by the commission and contain any other information required by the commission.

SECTION 157. Section 56.02, Alcoholic Beverage Code, is amended to read as follows:

Sec. 56.02. QUALIFICATIONS FOR PERMIT; ELIGIBLE PREMISES.

(a) A water park permit may be issued only to a person who:

(1) holds a wine and malt beverage ~~[beer]~~ retailer's permit under Chapter 25; and

(2) operates a public venue that:

(A) involves waterslides, food service, music, and amusement activities; and

(B) is located primarily along the banks of the Comal River.

(b) A person described by Subsection (a) may be issued water park permits for not more than five premises:

(1) for which wine and malt beverage ~~[beer]~~ retailer's permits have been issued under Chapter 25; and

(2) that are located:

(A) in the public venue described in Subsection (a)(2); or

(B) not more than one mile from the boundary of that venue.

SECTION 158. Section 56.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 56.04. APPLICABILITY OF OTHER LAW. Except as otherwise provided in this chapter, the provisions of this code applicable to a wine and malt beverage ~~[beer]~~ retailer's permit apply to a water park permit.

SECTION 159. Section 61.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.01. LICENSE REQUIRED. ~~A~~ ~~[No]~~ person may not ~~[manufacture or]~~ brew malt beverages ~~[beer]~~ for the purpose of sale, import malt beverages ~~[#]~~ into this state, distribute or sell malt beverages ~~[#]~~, or possess malt beverages ~~[#]~~ for the purpose of sale without having first obtained an appropriate license or permit as provided in this code. Each licensee shall display the ~~[his]~~ license at all times in a conspicuous place at the licensed place of business.

SECTION 160. Sections 61.03(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) Except as provided by Subsections (d) and (e) or another provision of this code, any license except a branch~~[- importer's, importer's carrier's, or temporary]~~ license expires on the second anniversary of the date on which it is issued. ~~[Notwithstanding Section 5.50(b), the commission shall require double the amount of fees and surcharges otherwise applicable under this code for a license with a two-year term.]~~

(b) A secondary license or certificate which requires the holder of the license or certificate to first obtain another license, including a retailer late hours certificate ~~[license or temporary license]~~, expires on the same date the basic or primary license expires. The commission may not prorate or refund any part of the fee for the secondary license or certificate if the application of this section results in the expiration of the license in less than two years.

SECTION 161. Section 61.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.05. NAME OF BUSINESS. ~~A~~ ~~[No]~~ person may not conduct a business engaged in the brewing ~~[manufacture]~~, distribution, importation, or sale of malt beverages ~~[beer]~~ as owner or part owner except under the name to which the license covering the person's ~~[his]~~ place of business is issued.

SECTION 162. Section 61.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.06. PRIVILEGES LIMITED TO LICENSED PREMISES; DELIVERIES. ~~A~~ ~~[No]~~ person licensed to sell malt beverages ~~[beer]~~, other than ~~[except]~~ a brewer ~~[manufacturer]~~ or distributor, may not use or display a license or exercise a privilege granted by the license except at the licensed premises.

Deliveries of malt beverages [beer] and collections may be made off the licensed premises in areas where the sale of malt beverages [beer] is legal inside the county where the license is issued, but only in response to orders placed by the customer in person at the licensed premises or by mail or telephone to the licensed premises.

SECTION 163. Section 61.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.07. AGENT FOR SERVICE. Each brewer [manufacturer], distributor, or person shipping or delivering malt beverages [beer] into this state shall file a certificate with the secretary of state designating the name, street address, and business of the person's [his] agent on whom process may be served. If a certificate is not filed, service may be had on the secretary of state in any cause of action arising out of a violation of this code, and the secretary of state shall send any citation served on the secretary [him] by registered mail, return receipt requested, to the person for whom the citation is intended. The receipt is prima facie evidence of service on the person.

SECTION 164. Effective December 31, 2020, Section 61.09, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.09. CHANGE OF LOCATION. If a licensee desires to change the licensee's place of business, the licensee may do so by applying to the commission on a form prescribed by the commission and obtaining the commission's consent. The application may be subject to protest and hearing in the same way as an application for an original license. ~~[In the case of a required protest hearing, the county judge may deny the application for any cause for which an original license application may be denied.]~~ No additional license fee for the unexpired term of the license shall be required in the case of an application for a change of location.

SECTION 165. Section 61.111(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission by rule shall require the holder of a license authorizing the sale of malt beverages [beer] for on-premises consumption to display a warning sign on the door to each restroom on the licensed premises that informs the public of the risks of drinking alcohol during pregnancy.

SECTION 166. Section 61.12, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.12. RESTRICTION ON CONSUMPTION. A [No] licensee other than [except] a holder of a license authorizing on-premises consumption of malt beverages [beer] may not permit malt beverages [beer] to be consumed on the premises where they are [it is] sold.

SECTION 167. (a) Effective December 31, 2020, Section 61.31, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.31. APPLICATION FOR LICENSE. (a) A person may file an application for a license to manufacture, distribute, store, or sell beer with the commission on forms prescribed by the commission.



(b) On receipt of an application for a license under this code, the commission [or administrator] shall follow the procedure under Section 11.43 [determine whether a protest has been filed against the application. If a protest against the application has been filed, the commission or administrator shall investigate the protest. If the commission or administrator finds that no reasonable grounds exist for the protest, or if no protest has been filed, the commission or administrator shall issue a license if the commission or administrator finds that all facts stated in the application are true and no legal ground to refuse a license exists. If the commission or administrator finds that reasonable grounds exist for the protest, the commission or administrator shall reject the protested application and require the applicant to file the application with the county judge of the county in which the applicant desires to conduct business and submit to a hearing].

~~[(b) The county judge shall set a protested application for a hearing to be held not less than 5 nor more than 10 days after the date the county judge receives the protested application.]~~

~~(c) Each applicant for an original license[, other than a branch or temporary license,] shall pay [a hearing fee of \$25 to the county clerk at the time of the hearing. The county clerk shall deposit the fee in the county treasury. The applicant is liable for no other fee except] the annual license fee prescribed by this code.~~

~~(d) A [No] person may not sell beer during the pendency of the person's [his] original license application. An [No] official may not advise a person to the contrary.~~

(b) Effective September 1, 2021, Section 61.31, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.31. APPLICATION FOR LICENSE. (a) A person may file an application for a license to manufacture, distribute, store, or sell malt beverages ~~[beer]~~ with the commission on forms prescribed by the commission.

(b) On receipt of an application for a license under this code, the commission [or administrator] shall follow the procedure under Section 11.43 [determine whether a protest has been filed against the application. If a protest against the application has been filed, the commission or administrator shall investigate the protest. If the commission or administrator finds that no reasonable grounds exist for the protest, or if no protest has been filed, the commission or administrator shall issue a license if the commission or administrator finds that all facts stated in the application are true and no legal ground to refuse a license exists. If the commission or administrator finds that reasonable grounds exist for the protest, the commission or administrator shall reject the protested application and require the applicant to file the application with the county judge of the county in which the applicant desires to conduct business and submit to a hearing].

~~[(b) The county judge shall set a protested application for a hearing to be held not less than 5 nor more than 10 days after the date the county judge receives the protested application.]~~

(c) Each applicant for an original license~~[, other than a branch or temporary license,]~~ shall pay ~~[a hearing fee of \$25 to the county clerk at the time of the hearing. The county clerk shall deposit the fee in the county treasury. The applicant is liable for no other fee except]~~ the ~~[annual]~~ license fee authorized by commission rule [prescribed by this code].

(d) A ~~[No]~~ person may not sell malt beverages ~~[beer]~~ during the pendency of the person's ~~[his]~~ original license application. An ~~[No]~~ official may not advise a person to the contrary.

SECTION 168. Effective December 31, 2020, Subchapter B, Chapter 61, Alcoholic Beverage Code, is amended by adding Sections 61.313 and 61.314 to read as follows:

Sec. 61.313. PROTEST BY MEMBER OF THE PUBLIC. (a) A member of the public may protest an application for:

(1) an original retail dealer's on-premise license if a sexually oriented business is to be operated on the premises to be covered by the license;

(2) any renewal of a retail dealer's on-premise license if a sexually oriented business is to be operated on the premises to be covered by the license and a petition is presented to the commission that is signed by 50 percent of the residents who reside within 300 feet of any property line of the affected premises;  
or

(3) a license authorizing the retail sale of malt beverages for on-premises consumption if the person resides within 300 feet of any property line of the premises for which the license is sought.

(b) In addition to the situations described by Subsection (a), the commission by rule may authorize a member of the public to protest other license applications the commission considers appropriate.

(c) A protest made under this section must include an allegation of grounds on which the original or renewal application, as applicable, should be denied.

Sec. 61.314. PROTEST BY GOVERNMENT OFFICIAL. (a) The following persons may protest an application for an alcoholic beverage license:

(1) the state senator, state representative, county commissioner, and city council member who represent the area in which the premises sought to be licensed are located;

(2) the commissioners court of the county in which the premises sought to be licensed are located;

(3) the county judge of the county in which the premises sought to be licensed are located;

(4) the sheriff or county or district attorney of the county in which the premises sought to be licensed are located;

(5) the mayor of the city or town in which the premises sought to be licensed are located; and

(6) the chief of police, city marshal, or city attorney of the city or town in which the premises sought to be permitted are located.

(b) The commission may give due consideration to the recommendations of a person listed under Subsection (a) when evaluating an application for a license under this code.

SECTION 169. Effective December 31, 2020, Section 61.34(d), Alcoholic Beverage Code, is amended to read as follows:

(d) A person appealing from an order denying a license ~~[under this section]~~ shall give bond for all costs incident to the appeal and shall be required to pay those costs if the judgment on appeal is unfavorable to the applicant, but not otherwise. A ~~No~~ bond is not required on appeals filed on behalf of the state.

SECTION 170. Sections 61.35(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) A separate license fee is required for each place of business that brews ~~[manufactures]~~, imports, or sells malt beverages ~~[beer]~~.

(b) All license fees~~[-except those for temporary licenses,]~~ shall be deposited as provided in Section 205.02. Each license application must be accompanied by a cashier's check, a teller's check, a check drawn on the account of a corporation applying for a license or on the account of a corporation that is an agent for the person applying for a license, a money order, or payment by credit card, charge card, or other electronic form of payment approved by commission rule for the amount of the state fee, payable to the order of the comptroller.

SECTION 171. Section 61.36(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The governing body of an incorporated city or town may levy and collect a fee ~~[not to exceed one half of the state fee]~~ for each license~~[-except a temporary or agent's beer license,]~~ issued for premises located within the city or town. The commissioners court of a county may levy and collect a fee ~~[equal to one half the state fee]~~ for each license~~[-except a temporary or agent's beer license,]~~ issued for premises located within the county. The fees authorized by this subsection may not exceed one-half the statutory fee provided in this code as of August 31, 2021, for the license issued. Those authorities may not levy or collect any other fee or tax from the licensee except general ad valorem taxes, the hotel occupancy tax levied under Chapter 351, Tax Code, and the local sales and use tax levied under Chapter 321, Tax Code.

SECTION 172. Effective December 31, 2020, Section 61.36(d), Alcoholic Beverage Code, is amended to read as follows:

(d) The commission or administrator may cancel or the commission may deny an application for a license for the retail sale of alcoholic beverages, including a license held by the holder of a food and beverage certificate, if it finds that the license holder or applicant has not paid delinquent ad valorem taxes due on that licensed premises or due from a business operated on that premises to any taxing authority in the county of the premises. For purposes of this subsection, a license holder or applicant is presumed delinquent in the payment of taxes due if the license holder or applicant:

(1) is placed on a delinquent tax roll prepared under Section 33.03, Tax Code;

(2) has received a notice of delinquency under Section 33.04, Tax Code; and

(3) has not made a payment required under Section 42.08, Tax Code.

SECTION 173. Effective September 1, 2019, Sections 61.37(a), (b), and (d), Alcoholic Beverage Code, are amended to read as follows:

(a) Not later than the 30th day after the date a prospective applicant for a license issued by the commission requests certification, the ~~[The]~~ county clerk of the county in which the request ~~[an application for a license]~~ is made shall certify whether the location or address given in the request ~~[application]~~ is in a wet area and whether the sale of alcoholic beverages for which the license is sought is prohibited by any valid order of the commissioners court.

(b) Not later than the 30th day after the date a prospective applicant for a license issued by the commission requests certification, the ~~[The]~~ city secretary or clerk of the city in which the request ~~[an application for a license]~~ is made shall certify whether the location or address given in the request ~~[application]~~ is in a wet area and whether the sale of alcoholic beverages for which the license is sought is prohibited by charter or ordinance.

(d) Notwithstanding any other provision of this code, if the county clerk, city secretary, or city clerk certifies that the location or address given in the request ~~[application]~~ is not in a wet area or refuses to issue the certification required by this section, the prospective applicant is entitled to a hearing before the county judge to contest the certification or refusal to certify. The prospective applicant must submit a written request to the county judge for a hearing under this subsection. The county judge shall conduct a hearing required by this subsection not later than the 30th day after the date the county judge receives the written request.

SECTION 174. Section 61.38(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Every original applicant for a license to brew ~~[manufacture]~~, distribute, or sell malt beverages ~~[beer]~~ at retail shall give notice of the application by electronic or nonelectronic publication at the applicant's own expense in two consecutive issues of a newspaper of general circulation published in the city or town in which the applicant's place of business is located. If no newspaper is published in that city or town, the notice must be published in a newspaper of general circulation published in the county where the applicant's business is located. If no newspaper is published in that county, the notice must be published in a qualified newspaper published in the closest neighboring county and circulated in the county where the applicant's business is located.

SECTION 175. Effective September 1, 2019, Section 61.381(c), Alcoholic Beverage Code, is amended to read as follows:

(c) This section does not apply to an applicant for a license issued under Chapter 64, ~~[65]~~ 66, or 71.

SECTION 176. Section 61.382(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Except as provided by Subsection (b), a person who submits an original application for a license authorizing the retail sale of malt beverages ~~[beer]~~ for on-premises consumption shall give written notice of the application to each residential address and established neighborhood association located within 300 feet of any property line of the premises for which the license is sought.

SECTION 177. (a) Effective December 31, 2020, Section 61.41(c), Alcoholic Beverage Code, is amended to read as follows:

(c) If the holder of the existing license has made a declaration required by the commission that the license holder will no longer use the license, the license holder may not manufacture or sell beer or possess it for the purpose of sale until the license has been reinstated. The holder may apply to the commission for the reinstatement of the license in the same manner and according to the same procedure as in the case of an original license application. The ~~[county judge or the]~~ commission ~~[or administrator]~~ may deny reinstatement of the license for any cause for which an original license application may be denied.

(b) Effective September 1, 2021, Sections 61.41(c) and (d), Alcoholic Beverage Code, are amended to read as follows:

(c) If the holder of the existing license has made a declaration required by the commission that the license holder will no longer use the license, the license holder may not brew ~~[manufacture]~~ or sell malt beverages ~~[beer]~~ or possess malt beverages ~~[it]~~ for the purpose of sale until the license has been reinstated. The holder may apply to the commission for the reinstatement of the license in the same manner and according to the same procedure as in the case of an original license application. The ~~[county judge or the]~~ commission ~~[or administrator]~~ may deny reinstatement of the license for any cause for which an original license application may be denied.

(d) Notwithstanding Subsection (a) and Sections 11.49 and 109.53, more than one brewer's ~~[manufacturer's]~~ or nonresident brewer's ~~[manufacturer's]~~ license may be issued for a single premises if the license holder for the premises has contracted with an entity under an alternating brewery proprietorship or contract brewing arrangement.

SECTION 178. (a) Effective September 1, 2019, Section 61.42(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The county judge shall refuse to approve an application for a license as a distributor or retailer if the county judge ~~[he]~~ has reasonable grounds to believe and finds that:

- (1) the applicant is a minor;
- (2) the applicant is indebted to the state for any taxes, fees, or penalties imposed by this code or by rule of the commission;
- (3) the place or manner in which the applicant for a retail dealer's license may conduct the applicant's ~~[his]~~ business warrants a refusal of the application for a license based on the general welfare, health, peace, morals, safety, and sense of decency of the people;
- (4) the applicant has developed an incapacity that prevents or could prevent the applicant from conducting the applicant's business with reasonable skill, competence, and safety to the public ~~[is in the habit of using alcoholic beverages to excess or is mentally or physically incompetent]~~;
- (5) the applicant is not a United States citizen or has not been a citizen of Texas for a period of one year immediately preceding the filing of the applicant's ~~[his]~~ application, unless the applicant ~~[he]~~ was issued an original or renewal license on or before September 1, 1948;

(6) the applicant was finally convicted of a felony during the five years immediately preceding the filing of the applicant's [his] application;

(7) the applicant is not of good moral character or the applicant's [his] reputation for being a peaceable, law-abiding citizen in the community where the applicant [he] resides is bad; or

(8) as to a corporation, it is not incorporated under the laws of this state, or at least 51 percent of the corporate stock is not owned at all times by persons who individually are qualified to obtain a license, except that this subdivision does not apply to a holder of any renewal of a distributor's license which was in effect on January 1, 1953~~[, or to an applicant for a beer retailer's on-premise license for a railway car]~~.

(b) Effective December 31, 2020, Section 61.42, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.42. MANDATORY GROUNDS FOR DENIAL ~~[REFUSAL]~~: DISTRIBUTOR OR RETAILER. (a) The commission [county judge] shall deny ~~[refuse to approve]~~ an application for a license as a distributor or retailer if the commission [he] has reasonable grounds to believe and finds that:

(1) the applicant is a minor;

(2) the applicant is indebted to the state for any taxes, fees, or penalties imposed by this code or by rule of the commission;

(3) the place or manner in which the applicant for a retail dealer's license may conduct the applicant's [his] business warrants a denial ~~[refusal]~~ of the application for a license based on the general welfare, health, peace, morals, safety, and sense of decency of the people;

(4) the applicant has developed an incapacity that prevents or could prevent the applicant from conducting the applicant's business with reasonable skill, competence, and safety to the public ~~[is in the habit of using alcoholic beverages to excess or is mentally or physically incompetent]~~;

(5) the applicant is not a United States citizen or has not been a citizen of Texas for a period of one year immediately preceding the filing of the applicant's [his] application, unless the applicant [he] was issued an original or renewal license on or before September 1, 1948;

(6) the applicant was finally convicted of a felony during the five years immediately preceding the filing of the applicant's [his] application;

(7) the applicant is not of good moral character or the applicant's [his] reputation for being a peaceable, law-abiding citizen in the community where the applicant [he] resides is bad; or

(8) as to a corporation, it is not incorporated under the laws of this state, or at least 51 percent of the corporate stock is not owned at all times by persons who individually are qualified to obtain a license, except that this subdivision does not apply to a holder of any renewal of a distributor's license which was in effect on January 1, 1953~~[, or to an applicant for a beer retailer's on-premise license for a railway car]~~.

(b) The ~~[county judge,]~~ commission~~[, or administrator]~~ shall deny an application for ~~[refuse to approve or issue]~~ an original retail dealer's or retail dealer's on-premise license unless the applicant for the license files with the

application a certificate issued by the comptroller of public accounts stating that the applicant holds, or has applied for and satisfies all legal requirements for the issuance of, a sales tax permit for the place of business for which the license is sought.

(c) The ~~[county judge,]~~ commission~~[, or administrator]~~ shall deny ~~[refuse to approve or issue]~~ for a period of one year an application for a retail dealer's on-premise license or a wine and beer retailer's permit for a premises where a license or permit has been canceled during the preceding 12 months as a result of a shooting, stabbing, or other violent act, or as a result of an offense involving drugs, prostitution, or trafficking of persons.

(d) The ~~[county judge,]~~ commission~~[, or administrator]~~ shall deny an application for ~~[refuse to approve or issue]~~ a license of [to] a person convicted of an offense under Section 101.76 for a period of five years from the date of the conviction.

(c) Effective September 1, 2021, Section 61.42(c), Alcoholic Beverage Code, is amended to read as follows:

(c) The ~~[county judge,]~~ commission~~[, or administrator]~~ shall deny ~~[refuse to approve or issue]~~ for a period of one year an application for a retail dealer's on-premise license or a wine and malt beverage [beer] retailer's permit for a premises where a license or permit has been canceled during the preceding 12 months as a result of a shooting, stabbing, or other violent act, or as a result of an offense involving drugs, prostitution, or trafficking of persons.

SECTION 179. Effective December 31, 2020, the heading to Section 61.421, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.421. DENIAL ~~[REFUSAL]~~ OF LICENSE AUTHORIZING ON-PREMISES CONSUMPTION.

SECTION 180. Effective December 31, 2020, Section 61.421(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission ~~[or administrator, with or without a hearing, or the county judge,]~~ shall deny an application for ~~[refuse to issue or approve]~~ an original or renewal license authorizing on-premises consumption of alcoholic beverages if the commission~~[, administrator, or county judge]~~ has reasonable grounds to believe and finds that, during the three years preceding the date the license application was filed, a license or permit previously held under this code by the applicant, a person who owns the premises for which the license is sought, or an officer of a person who owns the premises for which the license is sought was canceled or not renewed as a result of a shooting, stabbing, or other violent act.

SECTION 181. Section 61.421(c), Alcoholic Beverage Code, is amended to read as follows:

(c) This section does not apply to the issuance of an original or renewal license authorizing on-premises consumption for a location that holds a food and beverage certificate but does not hold a retailer late hours certificate ~~[license]~~.

SECTION 182. Effective December 31, 2020, Section 61.43, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.43. DISCRETIONARY GROUNDS FOR DENIAL ~~[REFUSAL]~~: DISTRIBUTOR OR RETAILER. The commission ~~[county judge]~~ may deny ~~[refuse to approve]~~ an application for a license as a distributor or retailer if the commission ~~[county judge]~~ has reasonable grounds to believe and finds that:

(1) the applicant has been finally convicted in a court of competent jurisdiction for the violation of a provision of this code during the two years immediately preceding the filing of an application;

(2) five years has not elapsed since the termination, by pardon or otherwise, of a sentence imposed for conviction of a felony;

(3) the applicant has violated or caused to be violated a provision of this code or a rule or regulation of the commission, for which a suspension was not imposed, during the 12-month period immediately preceding the filing of an application;

(4) the applicant failed to answer or falsely or incorrectly answered a question in an original or renewal application;

(5) the applicant for a retail dealer's license does not have an adequate building available at the address for which the license is sought before conducting any activity authorized by the license;

(6) the applicant or a person with whom the applicant is residentially domiciled had an interest in a license or permit which was cancelled or revoked within the 12-month period immediately preceding the filing of an application;

(7) the applicant failed or refused to furnish a true copy of the application to the commission's district office in the district in which the premises sought to be licensed are located;

(8) the applicant for a retail dealer's license will conduct business in a manner contrary to law or in a place or manner conducive to a violation of the law; or

(9) the place, building, or premises for which the license is sought was used for selling alcoholic beverages in violation of the law at any time during the six months immediately preceding the filing of the application or was used, operated, or frequented during that time for a purpose or in a manner which was lewd, immoral, offensive to public decency, or contrary to this code.

SECTION 183. (a) Effective December 31, 2020, Section 61.44, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.44. DENIAL ~~[REFUSAL]~~ OF DISTRIBUTOR'S OR RETAILER'S LICENSE: PROHIBITED INTERESTS. (a) The commission ~~[county judge]~~ may deny ~~[refuse to approve]~~ an application for a license as a distributor or retailer if the commission ~~[he]~~ has reasonable grounds to believe and finds that:

(1) the applicant has a financial interest in an establishment authorized to sell distilled spirits, except as authorized in Section 22.06, 24.05, or 102.05 ~~[of this code]~~;



(2) a person engaged in the business of selling distilled spirits has a financial interest in the business to be conducted under the license sought by the applicant, except as authorized in Section 22.06, 24.05, or 102.05 ~~[of this code]~~; or

(3) the applicant is residentially domiciled with a person who has a financial interest in an establishment engaged in the business of selling distilled spirits, except as authorized in Section 22.06, 24.05, or 102.05 ~~[of this code]~~.

(b) The commission ~~[county judge]~~ may deny ~~[refuse to approve]~~ an application for a retail dealer's license if the commission ~~[he]~~ has reasonable grounds to believe and finds that:

(1) the applicant has a real interest in the business or premises of the holder of a manufacturer's or distributor's license; or

(2) the premises sought to be licensed are owned in whole or part by the holder of a manufacturer's or distributor's license.

(b) Effective September 1, 2021, Section 61.44(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission ~~[county judge]~~ may deny ~~[refuse to approve]~~ an application for a retail dealer's license if the commission ~~[he]~~ has reasonable grounds to believe and finds that:

(1) the applicant has a real interest in the business or premises of the holder of a brewer's ~~[manufacturer's]~~ or distributor's license; or

(2) the premises sought to be licensed are owned in whole or part by the holder of a brewer's ~~[manufacturer's]~~ or distributor's license.

SECTION 184. (a) Effective December 31, 2020, Section 61.45, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.45. DENIAL ~~[REFUSAL]~~ OF RETAILER'S OR DISTRIBUTOR'S LICENSE: PROHIBITED INTEREST IN PREMISES. (a) The commission ~~[county judge]~~ may deny ~~[refuse to approve]~~ an application for a retail dealer's license if the commission ~~[he]~~ has reasonable grounds to believe and finds that:

(1) the applicant owns or has an interest in the premises covered by a manufacturer's or distributor's license; or

(2) the holder of a manufacturer's or distributor's license owns or has an interest in the premises sought to be licensed.

(b) The commission ~~[county judge]~~ may deny ~~[refuse to approve]~~ an application for a distributor's license if the commission ~~[he]~~ has reasonable grounds to believe and finds that:

(1) the applicant owns or has an interest in the premises covered by a retail dealer's license; or

(2) a holder of a retail dealer's license owns or has an interest in the premises sought to be licensed.

(b) Effective September 1, 2021, Section 61.45(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission ~~[county judge]~~ may deny ~~[refuse to approve]~~ an application for a retail dealer's license if the commission ~~[he]~~ has reasonable grounds to believe and finds that:

(1) the applicant owns or has an interest in the premises covered by a brewer's ~~[manufacturer's]~~ or distributor's license; or

(2) the holder of a brewer's ~~[manufacturer's]~~ or distributor's license owns or has an interest in the premises sought to be licensed.

SECTION 185. The heading to Section 61.46, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.46. BREWER'S ~~[MANUFACTURER'S]~~ LICENSE: GROUNDS FOR DENIAL ~~[REFUSAL]~~.

SECTION 186. Section 61.46(a), Alcoholic Beverage Code, is amended to read as follows:

(a) This section applies to any applicant for a brewer's ~~[manufacturer's]~~ license, including a domestic corporation or foreign corporation qualified to do business in Texas, administrator or executor, or other person. This section does not apply to a holder of a subsequent renewal of a ~~[manufacturer's]~~ license which was in effect on January 1, 1953, that authorized the license holder to manufacture a type of malt beverage.

SECTION 187. (a) Effective December 31, 2020, Section 61.46(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission ~~[county judge]~~ shall deny ~~[refuse to approve]~~ an application for a manufacturer's license if the commission ~~[he]~~ has reasonable grounds to believe and finds that the applicant has failed to state under oath that it will engage in the business of brewing and packaging beer in this state within three years after the issuance of its original license in sufficient quantities as to make its operation that of a bona fide brewing manufacturer.

(b) Effective September 1, 2021, Section 61.46(b), Alcoholic Beverage Code, is amended to read as follows:

(b) The commission ~~[county judge]~~ shall deny ~~[refuse to approve]~~ an application for a brewer's ~~[manufacturer's]~~ license if the commission ~~[he]~~ has reasonable grounds to believe and finds that the applicant has failed to state under oath that it will engage in the business of brewing and packaging malt beverages ~~[beer]~~ in this state within three years after the issuance of its original license in sufficient quantities as to make its operation that of a bona fide brewer ~~[brewing manufacturer]~~.

SECTION 188. Effective December 31, 2020, Section 61.48, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.48. RENEWAL APPLICATION. An application to renew a license shall be filed with the commission not ~~[no]~~ earlier than the 30th day ~~[30 days]~~ before the date the license expires but not after it expires. The application shall be signed by the applicant and shall contain complete information required by the commission showing that the applicant is not disqualified from holding a license. The application shall be accompanied by the appropriate license fee. An ~~[No]~~ applicant for a renewal may not be required to pay any fee other than license fees and the filing fee ~~[unless the applicant is required by the commission or administrator to submit to a renewal hearing before the county judge].~~

SECTION 189. Effective December 31, 2020, Section 61.49, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.49. ACTION ON RENEWAL APPLICATION BY COMMISSION; REFUND OF FEE. When the renewal application has been filed in accordance with Section 61.48, the commission shall follow the procedure under ~~[or administrator may in its discretion issue a renewal license or if an application for a renewal is protested reject the application and require the applicant to file an application with the county judge and submit to a hearing as is required by]~~ Section 11.43 ~~[61.31]~~.

SECTION 190. Effective December 31, 2020, Section 61.50, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.50. RENEWAL OF RETAIL DEALER'S LICENSE: GROUNDS FOR DENIAL ~~[REFUSAL]~~. The commission ~~[or administrator, without a hearing,]~~ may deny an application for ~~[refuse to issue]~~ a renewal of a retail dealer's license and require the applicant to make an original application if it is found that circumstances exist which would warrant the denial ~~[refusal]~~ of an original application under any pertinent provision of this code.

SECTION 191. (a) Effective September 1, 2019, Section 61.71(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal retail dealer's on- or off-premise license if it is found, after notice and hearing, that the licensee:

(1) violated a provision of this code or a rule of the commission during the existence of the license sought to be cancelled or suspended or during the immediately preceding license period;

(2) was finally convicted for violating a penal provision of this code;

(3) was finally convicted of a felony while holding an original or renewal license;

(4) made a false statement or a misrepresentation in the licensee's original application or a renewal application;

(5) with criminal negligence sold, served, or delivered an alcoholic beverage to a minor;

(6) sold, served, or delivered an alcoholic beverage to an intoxicated person;

(7) sold, served, or delivered an alcoholic beverage at a time when its sale is prohibited;

(8) entered or offered to enter an agreement, condition, or system which would constitute the sale or possession of alcoholic beverages on consignment;

(9) possessed on the licensed premises, or on adjacent premises directly or indirectly under the licensee's control, an alcoholic beverage not authorized to be sold on the licensed premises, or permitted an agent, servant, or employee to do so, except as permitted by Section 22.06, 24.05, or 102.05;

(10) permitted a person on the licensed premises to engage in conduct which is lewd, immoral, or offensive to public decency;

(11) employed a person under 18 years of age to sell, handle, or dispense beer, or to assist in doing so, in an establishment where beer is sold for on-premises consumption;

(12) conspired with a person to violate Section 101.41-101.43, 101.68, 102.11-102.15, 104.04, 108.01, or 108.04-108.06, or a rule promulgated under Section 5.40, or accepted a benefit from an act prohibited by any of these sections or rules;

(13) refused to permit or interfered with an inspection of the licensed premises by an authorized representative of the commission or a peace officer;

(14) permitted the use or display of the licensee's license in the conduct of a business for the benefit of a person not authorized by law to have an interest in the license;

(15) maintained blinds or barriers at the licensee's place of business in violation of this code;

(16) conducted the licensee's business in a place or manner which warrants the cancellation or suspension of the license based on the general welfare, health, peace, morals, safety, and sense of decency of the people;

(17) consumed an alcoholic beverage or permitted one to be consumed on the licensed premises at a time when the consumption of alcoholic beverages is prohibited by this code;

(18) purchased beer for the purpose of resale from a person other than the holder of a manufacturer's or distributor's license;

(19) acquired an alcoholic beverage for the purpose of resale from another retail dealer of alcoholic beverages;

(20) owned an interest of any kind in the business or premises of the holder of a distributor's license;

(21) purchased, sold, offered for sale, distributed, or delivered an alcoholic beverage, or consumed an alcoholic beverage or permitted one to be consumed on the licensed premises while the licensee's license was under suspension;

(22) purchased, possessed, stored, sold, or offered for sale beer in or from an original package bearing a brand or trade name of a manufacturer other than the brand or trade name shown on the container;

(23) has developed an incapacity that prevents or could prevent the license holder from managing the license holder's establishment with reasonable skill, competence, and safety to the public [~~habitually uses alcoholic beverages to excess, is mentally incompetent, or is physically unable to manage the licensee's establishment~~];

(24) imported beer into this state except as authorized by Section 107.07;

(25) occupied premises in which the holder of a manufacturer's or distributor's license had an interest of any kind;

(26) knowingly permitted a person who had an interest in a permit or license which was cancelled for cause to sell, handle, or assist in selling or handling alcoholic beverages on the licensed premises within one year after the cancellation;

(27) was financially interested in a place of business engaged in the selling of distilled spirits or permitted a person having an interest in that type of business to have a financial interest in the business authorized by the licensee's license, except as permitted by Section 22.06, 24.05, or 102.05;

(28) is residentially domiciled with or related to a person engaged in selling distilled spirits, except as permitted by Section 22.06, 24.05, or 102.05, so that there is a community of interests which the commission or administrator finds contrary to the purposes of this code;

(29) is residentially domiciled with or related to a person whose license has been cancelled within the preceding 12 months so that there is a community of interests which the commission or administrator finds contrary to the purposes of this code; or

(30) failed to promptly report to the commission a breach of the peace occurring on the licensee's licensed premises.

(b) Effective September 1, 2021, Section 61.71(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal retail dealer's on- or off-premise license if it is found, after notice and hearing, that the licensee:

(1) violated a provision of this code or a rule of the commission during the existence of the license sought to be cancelled or suspended or during the immediately preceding license period;

(2) was finally convicted for violating a penal provision of this code;

(3) was finally convicted of a felony while holding an original or renewal license;

(4) made a false statement or a misrepresentation in the licensee's original application or a renewal application;

(5) with criminal negligence sold, served, or delivered an alcoholic beverage to a minor;

(6) sold, served, or delivered an alcoholic beverage to an intoxicated person;

(7) sold, served, or delivered an alcoholic beverage at a time when its sale is prohibited;

(8) entered or offered to enter an agreement, condition, or system which would constitute the sale or possession of alcoholic beverages on consignment;

(9) possessed on the licensed premises, or on adjacent premises directly or indirectly under the licensee's control, an alcoholic beverage not authorized to be sold on the licensed premises, or permitted an agent, servant, or employee to do so, except as permitted by Section 22.06, 24.05, or 102.05;

(10) permitted a person on the licensed premises to engage in conduct which is lewd, immoral, or offensive to public decency;

(11) employed a person under 18 years of age to sell, handle, or dispense malt beverages ~~[beer]~~, or to assist in doing so, in an establishment where malt beverages are ~~[beer is]~~ sold for on-premises consumption;

(12) conspired with a person to violate Section 101.41-101.43, 101.68, 102.11-102.15, 104.04, 108.01, or 108.04-108.06, or a rule promulgated under Section 5.40, or accepted a benefit from an act prohibited by any of these sections or rules;

(13) refused to permit or interfered with an inspection of the licensed premises by an authorized representative of the commission or a peace officer;

(14) permitted the use or display of the licensee's license in the conduct of a business for the benefit of a person not authorized by law to have an interest in the license;

(15) maintained blinds or barriers at the licensee's place of business in violation of this code;

(16) conducted the licensee's business in a place or manner which warrants the cancellation or suspension of the license based on the general welfare, health, peace, morals, safety, and sense of decency of the people;

(17) consumed an alcoholic beverage or permitted one to be consumed on the licensed premises at a time when the consumption of alcoholic beverages is prohibited by this code;

(18) purchased malt beverages [~~beer~~] for the purpose of resale from a person other than the holder of a brewer's [~~manufacturer's~~] or distributor's license;

(19) acquired an alcoholic beverage for the purpose of resale from another retail dealer of alcoholic beverages;

(20) owned an interest of any kind in the business or premises of the holder of a distributor's license;

(21) purchased, sold, offered for sale, distributed, or delivered an alcoholic beverage, or consumed an alcoholic beverage or permitted one to be consumed on the licensed premises while the licensee's license was under suspension;

(22) purchased, possessed, stored, sold, or offered for sale malt beverages [~~beer~~] in or from an original package bearing a brand or trade name of a manufacturer other than the brand or trade name shown on the container;

(23) has developed an incapacity that prevents or could prevent the license holder from managing the license holder's establishment with reasonable skill, competence, and safety to the public [~~habitually uses alcoholic beverages to excess, is mentally incompetent, or is physically unable to manage the licensee's establishment~~];

(24) imported malt beverages [~~beer~~] into this state except as authorized by Section 107.07;

(25) occupied premises in which the holder of a brewer's [~~manufacturer's~~] or distributor's license had an interest of any kind;

(26) knowingly permitted a person who had an interest in a permit or license which was cancelled for cause to sell, handle, or assist in selling or handling alcoholic beverages on the licensed premises within one year after the cancellation;

(27) was financially interested in a place of business engaged in the selling of distilled spirits or permitted a person having an interest in that type of business to have a financial interest in the business authorized by the licensee's license, except as permitted by Section 22.06, 24.05, or 102.05;

(28) is residentially domiciled with or related to a person engaged in selling distilled spirits, except as permitted by Section 22.06, 24.05, or 102.05, so that there is a community of interests which the commission or administrator finds contrary to the purposes of this code;

(29) is residentially domiciled with or related to a person whose license has been cancelled within the preceding 12 months so that there is a community of interests which the commission or administrator finds contrary to the purposes of this code; or

(30) failed to promptly report to the commission a breach of the peace occurring on the licensee's licensed premises.

SECTION 192. Effective December 31, 2020, Section 61.712, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.712. GROUNDS FOR CANCELLATION OR SUSPENSION: SALES TAX. The commission ~~[or administrator]~~ may deny an application for a renewal license ~~[refuse to renew]~~ or, after notice and hearing, the commission or administrator may suspend for not more than 60 days or cancel a license if the commission or administrator finds that the licensee:

(1) no longer holds a sales tax permit, if required, for the place of business covered by the license; or

(2) is shown on the records of the comptroller of public accounts as being subject to a final determination of taxes due and payable under the Limited Sales, Excise and Use Tax Act (Chapter 151, Tax Code), or is shown on the records of the comptroller of public accounts as being subject to a final determination of taxes due and payable under Chapter 321, Tax Code.

SECTION 193. (a) Effective December 31, 2020, Section 61.721, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.721. CANCELLATION OF PERMIT OR LICENSE IN CERTAIN MUNICIPALITIES. The commission or administrator may cancel an original or a renewal wine and beer retailer's permit or retail dealer's on-premise license and the commission may deny an application for ~~[refuse to issue]~~ any new alcoholic beverage permit or license for the same premises for one year after the date of cancellation if:

(1) the chief of police of the city or the sheriff of the county in which the premises are located has submitted a sworn statement to the commission stating specific allegations that the place or manner in which the permittee or licensee conducts its business endangers the general welfare, health, peace, morals, or safety of the community and further stating that there is a reasonable likelihood that such conduct would continue at the same location under another licensee or permittee; and

(2) the commission ~~[or administrator]~~ finds, after notice and hearing within the county where the premises are located, that the place or manner in which the permittee or licensee conducts its business does in fact endanger the

general welfare, health, peace, morals, or safety of the community and that there is a reasonable likelihood that such conduct would continue at the same location under another licensee or permittee.

(b) Effective September 1, 2021, Section 61.721, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.721. CANCELLATION OF PERMIT OR LICENSE IN CERTAIN MUNICIPALITIES. The commission or administrator may cancel an original or a renewal wine and malt beverage ~~[beer]~~ retailer's permit or retail dealer's on-premise license and the commission may deny an application for ~~[refuse to issue]~~ any new alcoholic beverage permit or license for the same premises for one year after the date of cancellation if:

(1) the chief of police of the city or the sheriff of the county in which the premises are located has submitted a sworn statement to the commission stating specific allegations that the place or manner in which the permittee or licensee conducts its business endangers the general welfare, health, peace, morals, or safety of the community and further stating that there is a reasonable likelihood that such conduct would continue at the same location under another licensee or permittee; and

(2) the commission ~~[or administrator]~~ finds, after notice and hearing within the county where the premises are located, that the place or manner in which the permittee or licensee conducts its business does in fact endanger the general welfare, health, peace, morals, or safety of the community and that there is a reasonable likelihood that such conduct would continue at the same location under another licensee or permittee.

SECTION 194. Section 61.73, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.73. RETAIL DEALER: CREDIT PURCHASE OR DISHONORED CHECK. (a) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal retail dealer's on- or off-premise license if it is found, after notice and hearing, that the licensee purchased malt beverages ~~[beer]~~ or the containers or original packages in which they are ~~[it is]~~ contained or packaged except by cash payment to the seller on or before delivery. No holder of either type of license may use a maneuver, device, subterfuge, or shift by which credit is accepted, including payment or attempted payment by a postdated check or draft. Credit for the return of unbroken or undamaged containers or original packages previously paid for by the purchaser may be accepted as cash by the seller in an amount not more than the amount originally paid for them by the purchaser.

(b) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal retail dealer's on- or off-premise license if it is found, after notice and hearing, that the licensee gave a check, as maker or endorser, or a draft, as drawer or endorser, as full or partial payment for malt beverages ~~[beer]~~ or the containers or packages in which they are ~~[it is]~~ contained or packaged, which is dishonored when presented for payment.

SECTION 195. (a) Effective September 1, 2019, Section 61.74(a), Alcoholic Beverage Code, is amended to read as follows:



(a) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal general~~[-local,]~~ or branch distributor's license if it is found, after notice and hearing, that the licensee:

(1) violated a provision of this code or a rule of the commission during the existence of the license sought to be cancelled or suspended or during the immediately preceding license period;

(2) was finally convicted for violating a penal provision of this code;

(3) was finally convicted of a felony while holding an original or renewal license;

(4) violated Section 101.41-101.43, 101.68, 102.11-102.15, 104.04, 108.01, or 108.04-108.06 ~~[of this code]~~, or a rule or regulation promulgated under Section 5.40 ~~[of this code]~~;

(5) failed to comply with a requirement of the commission relating to the keeping of records or making of reports;

(6) failed to pay any tax due the state on any beer the licensee ~~[he]~~ sold, stored, or transported;

(7) refused to permit or interfered with an inspection of the licensee's ~~[his licensed]~~ premises, vehicles, books, or records by an authorized representative of the commission;

(8) consummated a sale of beer outside the county or counties in which the licensee ~~[he]~~ was authorized to sell beer under the ~~[by his]~~ license;

(9) purchased, sold, offered for sale, distributed, or delivered beer while the ~~[his]~~ license was under suspension;

(10) permitted the use of the licensee's ~~[his]~~ license in the operation of a business conducted for the benefit of a person not authorized by law to have an interest in the business;

(11) made a false or misleading representation or statement in the licensee's ~~[his]~~ original application or a renewal application;

(12) has developed an incapacity that prevents or could prevent the license holder from managing the license holder's establishment with reasonable skill, competence, and safety to the public ~~[habitually uses alcoholic beverages to excess, is mentally incompetent, or is physically unable to manage his establishment]~~;

(13) misrepresented any beer sold by the licensee ~~[him]~~ to a retailer or to the public;

(14) with criminal negligence sold or delivered beer to a minor; or

(15) purchased, possessed, stored, sold, or offered for sale beer in an original package bearing a brand or trade name of a manufacturer other than the brand or trade name of the manufacturer shown on the container.

(b) Effective September 1, 2021, Section 61.74(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The commission or administrator may suspend for not more than 60 days or cancel an original or renewal general~~[-local,]~~ or branch distributor's license if it is found, after notice and hearing, that the licensee:

(1) violated a provision of this code or a rule of the commission during the existence of the license sought to be cancelled or suspended or during the immediately preceding license period;

(2) was finally convicted for violating a penal provision of this code;

(3) was finally convicted of a felony while holding an original or renewal license;

(4) violated Section 101.41-101.43, 101.68, 102.11-102.15, 104.04, 108.01, or 108.04-108.06 ~~[of this code]~~, or a rule or regulation promulgated under Section 5.40 ~~[of this code]~~;

(5) failed to comply with a requirement of the commission relating to the keeping of records or making of reports;

(6) failed to pay any tax due the state on any malt beverages the licensee ~~[beer he]~~ sold, stored, or transported;

(7) refused to permit or interfered with an inspection of the licensee's ~~[his licensed]~~ premises, vehicles, books, or records by an authorized representative of the commission;

(8) consummated a sale of malt beverages ~~[beer]~~ outside the county or counties in which the licensee ~~[he]~~ was authorized to sell malt beverages under the ~~[beer by his]~~ license;

(9) purchased, sold, offered for sale, distributed, or delivered malt beverages ~~[beer]~~ while the ~~[his]~~ license was under suspension;

(10) permitted the use of the licensee's ~~[his]~~ license in the operation of a business conducted for the benefit of a person not authorized by law to have an interest in the business;

(11) made a false or misleading representation or statement in the licensee's ~~[his]~~ original application or a renewal application;

(12) has developed an incapacity that prevents or could prevent the license holder from managing the license holder's establishment with reasonable skill, competence, and safety to the public ~~[habitually uses alcoholic beverages to excess, is mentally incompetent, or is physically unable to manage his establishment];~~

(13) misrepresented any malt beverages ~~[beer]~~ sold by the licensee ~~[him]~~ to a retailer or to the public;

(14) with criminal negligence sold or delivered malt beverages ~~[beer]~~ to a minor; or

(15) purchased, possessed, stored, sold, or offered for sale malt beverages ~~[beer]~~ in an original package bearing a brand or trade name of a brewer ~~[manufacturer]~~ other than the brand or trade name of the brewer ~~[manufacturer]~~ shown on the container.

SECTION 196. Section 61.75, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.75. SUSPENSION OF BREWER'S ~~[MANUFACTURER'S]~~ LICENSE. If a brewer ~~[manufacturer]~~ violates a provision of this code or a rule of the commission, the commission or administrator may order the brewer ~~[manufacturer]~~ to cease and desist from the violation and may suspend its license, after notice and hearing, until the licensee obeys the order.

SECTION 197. Effective December 31, 2020, Section 61.79, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.79. NOTICE OF HEARING: DENIAL [~~REFUSAL~~], CANCELLATION, OR SUSPENSION OF LICENSE. Section 11.63 applies [~~of this code relates~~] to notice of a hearing for the denial [~~refusal~~], cancellation, or suspension of a license.

SECTION 198. Effective December 31, 2020, Section 61.81, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.81. APPEAL FROM CANCELLATION OR~~;~~ SUSPENSION~~;~~ OR ~~REFUSAL~~ OF LICENSE. Section 11.67 [~~of this code~~] applies to an appeal from a decision or order of the commission or administrator [~~refusing;~~] cancelling~~;~~ or suspending a license.

SECTION 199. Section 61.84(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A ~~No~~ person whose license is cancelled may not sell or offer for sale malt beverages [~~beer~~] for a period of one year immediately following the cancellation, unless the order of cancellation is superseded pending trial or unless the person [~~he~~] prevails in a final judgment rendered on an appeal prosecuted in accordance with this code.

SECTION 200. Section 61.85(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A person whose license is cancelled or forfeited may, within 30 days of the cancellation or forfeiture, make a bulk sale or disposal of any stock of malt beverages [~~beer~~] on hand at the time of the cancellation or forfeiture.

SECTION 201. Effective September 1, 2019, Section 61.86, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.86. DISCIPLINE FOR ACTIONS OF AGENT; RECORDS RETENTION. (a) The commission or administrator may suspend or revoke the license of a person who is the employer of or represented by [~~the holder of~~] an agent [~~agent's beer license~~] as described by Section 73.01 or otherwise discipline the person based on an act or omission of [~~the holder of~~] the agent [~~agent's beer license~~] only if an individual employed by the person in a supervisory position:

(1) was directly involved in the act or omission of the agent [~~holder of the agent's beer license~~];

(2) had notice or knowledge of the act or omission; or

(3) failed to take reasonable steps to prevent the act or omission.

(b) The holder of a license who is represented by an agent shall maintain records relating to the agent's activities, including any representation agreement, employment records, or similar documents for not less than four years from the date the record is created.

SECTION 202. Effective September 1, 2019, Section 61.87, Alcoholic Beverage Code, is amended to read as follows:

Sec. 61.87. AFFIRMATION OF COMPLIANCE. A person who holds a license under Chapter 64~~[-65;]~~ or 66 may not be subject to an administrative sanction for selling or delivering an alcoholic beverage to a retailer not authorized to purchase and receive the alcoholic beverage if the license holder:

(1) reasonably believes that the retailer is authorized to purchase and receive that type of alcoholic beverage; and

(2) obtains from the retailer at the time of delivery a written affirmation, which may be printed or stamped on a sales invoice evidencing the sale or delivery of alcoholic beverages by the license holder, that the retailer is authorized to purchase and receive the type of alcoholic beverage sold and delivered by the license holder.

SECTION 203. The heading to Chapter 62, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 62. BREWER'S ~~[MANUFACTURER'S]~~ LICENSE

SECTION 204. Section 62.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62.01. AUTHORIZED ACTIVITIES. (a) The holder of a brewer's ~~[manufacturer's]~~ license may:

(1) ~~[manufacture or]~~ brew malt beverages ~~[beer]~~ and distribute and sell the malt beverages ~~[#]~~ in this state to the holders of general~~[-local]~~ and branch distributor's licenses and to qualified persons outside the state;

(2) dispense malt beverages ~~[beer]~~ for consumption on the premises;

(3) bottle and can malt beverages ~~[beer]~~ and pack malt beverages ~~[#]~~ into containers for resale in this state, regardless of whether the malt beverages are ~~[beer is manufactured or]~~ brewed in this state or in another state and imported into Texas;

(4) conduct samplings of malt beverages ~~[beer]~~, including tastings, at a retailer's premises; and

(5) enter into an alternating brewery proprietorship or contract brewing arrangement as provided by Section 62.14.

(b) An agent or employee of the holder of a brewer's ~~[manufacturer's]~~ license may open, touch, or pour malt beverages ~~[beer]~~, make a presentation, or answer questions at a sampling event.

SECTION 205. (a) Effective September 1, 2019, Chapter 62, Alcoholic Beverage Code, is amended by adding Section 62.015 to read as follows:

Sec. 62.015. IMPORTATION OF BEER, ALE, AND MALT LIQUOR FOR MANUFACTURE. (a) The holder of a manufacturer's license may:

(1) import for manufacturing purposes:

(A) beer from the holder of a nonresident manufacturer's license;  
and

(B) ale and malt liquor from a holder of a nonresident brewer's permit; and

(2) mix and blend beer, ale, and malt liquor imported under Subdivision (1) and bottle and sell the resultant product.

(b) The state tax on beer, ale, and malt liquor imported for manufacturing purposes does not accrue until:

(1) the beer, ale, or malt liquor has been used for manufacturing purposes; and

(2) the resultant product has been placed in containers for sale.

(b) Effective September 1, 2021, Chapter 62, Alcoholic Beverage Code, is amended by adding Section 62.015 to read as follows:

Sec. 62.015. IMPORTATION OF MALT BEVERAGES FOR MANUFACTURE. (a) The holder of a brewer's license may:

(1) import for manufacturing purposes malt beverages from the holder of a nonresident brewer's license; and

(2) mix and blend malt beverages imported under Subdivision (1) and bottle and sell the resultant product.

(b) The state tax on malt beverages imported for manufacturing purposes does not accrue until:

(1) the malt beverages have been used for manufacturing purposes; and

(2) the resultant product has been placed in containers for sale.

(c) If a conflict exists between this Act and **SB 928**, Acts of the 86th Legislature, Regular Session, 2019, this Act controls without regard to the relative dates of enactment.

SECTION 206. (a) Effective December 31, 2020, Section 62.03(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Except as provided by Section 62.14, each applicant for a manufacturer's license shall file with an application a sworn statement that the applicant will be engaged in the business of brewing and packaging beer in this state in quantities sufficient to make the applicant's operation a bona fide brewing manufacturer within three years of the issuance of the original license. If the applicant is a corporation, the statement must be signed by one of its principal officers. The commission~~[- administrator, or county judge]~~ may not approve an application unless it is accompanied by the required sworn statement.

(b) Effective September 1, 2021, Section 62.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62.03. STATEMENT OF INTENTION. (a) Except as provided by Section 62.14, each applicant for a brewer's ~~[manufacturer's]~~ license shall file with an application a sworn statement that the applicant will be engaged in the business of brewing and packaging malt beverages ~~[beer]~~ in this state in quantities sufficient to make the applicant's operation a bona fide brewer ~~[brewing manufacturer]~~ within three years of the issuance of the original license. If the applicant is a corporation, the statement must be signed by one of its principal officers. The commission~~[- administrator, or county judge]~~ may not approve an application unless it is accompanied by the required sworn statement.

(b) This section does not apply to the holder of a ~~[manufacturer's]~~ license which was in effect on January 1, 1953, that authorized the license holder to manufacture a type of malt beverage.

SECTION 207. Sections 62.04(a), (b), and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) A renewal of a brewer's ~~[manufacturer's]~~ license may not be denied during the two-year period following the issuance of the original license on the ground that the licensee has not brewed and packaged malt beverages ~~[beer]~~ in

this state if the licensee is engaged in good faith in constructing a brewing plant on the licensed premises or is engaged in one of the following preparatory stages of construction:

- (1) preliminary engineering;
- (2) preparing drawings and specifications;
- (3) conducting engineering, architectural, or equipment studies; or
- (4) preparing for the taking of bids from contractors.

(b) During the three-year period following the issuance of a brewer's ~~[manufacturer's]~~ license, as long as the licensee is engaged in construction or in a preliminary stage of construction enumerated in Subsection (a) ~~[of this section]~~, the commission shall issue each renewal license to take effect immediately on the expiration of the expiring license and shall not require the licensee to make an original application.

(c) After two years and 11 months has expired following the issuance of an original brewer's ~~[manufacturer's]~~ license, the commission may ~~shall~~ not issue a renewal license if it finds that the licensee has not complied with the licensee's ~~[his]~~ sworn statement filed with the ~~[his]~~ original application or that the licensee ~~[he]~~ has not begun construction of a plant or initiated any of the preliminary stages of construction enumerated in Subsection (a) unless the commission also finds that the licensee ~~[applicant]~~ has been prevented from doing so by causes beyond the licensee's ~~[his]~~ reasonable control. If the commission finds that the licensee has been prevented from complying by causes beyond the licensee's ~~[his]~~ reasonable control, it may grant one additional renewal for the licensee to comply with the terms of the licensee's ~~[his]~~ sworn statement. Otherwise, the commission shall deny the renewal application and may not grant a subsequent original application by the licensee for a period of two years following the date of the denial.

SECTION 208. Section 62.05(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The holder of a brewer's ~~[manufacturer's]~~ license shall make and keep a record of each day's production or receipt of malt beverages ~~[beer]~~ and of every sale of malt beverages ~~[beer]~~, including the name of each purchaser. Each transaction shall be recorded on the day it occurs. The licensee shall make and keep any other records that the commission or administrator requires.

SECTION 209. (a) Effective September 1, 2019, Section 62.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62.07. IMPORTATION OF BEER, ALE, AND MALT LIQUOR ~~[CONTAINERS, USE OF TANK CARS]~~. The holder of a manufacturer's license may import beer, ale, and malt liquor into this state in barrels or other containers in accordance with the provisions of this code. ~~[No person may ship beer into the state in tank cars.]~~

(b) Effective September 1, 2021, Section 62.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62.07. IMPORTATION OF MALT BEVERAGES ~~[BEER; CONTAINERS, USE OF TANK CARS]~~. The holder of a brewer's ~~[manufacturer's]~~ license may import malt beverages ~~[beer]~~ into this state in barrels or other containers in accordance with the provisions of this code. ~~[No person may ship beer into the state in tank cars.]~~

(c) If a conflict exists between this Act and **SB 928**, Acts of the 86th Legislature, Regular Session, 2019, this Act controls without regard to the relative dates of enactment.

SECTION 210. (a) Effective September 1, 2019, Section 62.08, Alcoholic Beverage Code, is amended by adding Subsection (e) to read as follows:

(e) The holder of a manufacturer's or distributor's license shall register with the commission each warehouse used by the manufacturer or distributor to store beer. The commission by rule shall determine the information that is required to register a warehouse under this subsection.

(b) Effective September 1, 2021, Section 62.08, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62.08. WAREHOUSES; DELIVERY TRUCKS. (a) The holder of a brewer's ~~[manufacturer's]~~ or distributor's license may maintain or engage necessary warehouses for storage purposes in areas where the sale of malt beverages ~~[beer]~~ is lawful and may make deliveries from the warehouses without obtaining licenses for them. The licensee may not import malt beverages ~~[beer]~~ from outside the state directly or indirectly to an unlicensed warehouse.

(b) A warehouse or railway car in which malt beverages are served, orders for the sale of malt beverages ~~[beer]~~ are taken, or money from the sale of malt beverages ~~[beer]~~ is collected is a separate place of business for which a license is required.

(c) A truck operated by a licensed distributor for the sale and delivery of malt beverages ~~[beer]~~ to a licensed retail dealer at the dealer's place of business is not a separate place of business for which a license is required.

(d) The commission shall promulgate rules governing the transportation of malt beverages ~~[beer]~~, the sale of which is to be consummated at a licensed retailer's place of business.

(e) The holder of a brewer's or distributor's license shall register with the commission each warehouse used by the brewer or distributor to store malt beverages. The commission by rule shall determine the information that is required to register a warehouse under this subsection.

SECTION 211. Section 62.09, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62.09. MALT BEVERAGES ~~[BEER]~~ FOR EXPORT. Regardless of any other provision of this code, a holder of a brewer's ~~[manufacturer's]~~ license may brew and package malt beverages or import them from outside the state, for shipment out of the state, even though the alcohol content, containers, packages, or labels make the beverages illegal to sell within the state. The licensee may export the beverages out of state or deliver them at the licensee's ~~[his]~~ premises for shipment out of the state without being liable for any state tax on ~~[beer, ale,~~ or malt beverages ~~[liquor]~~ sold for resale in the state.

SECTION 212. Section 62.11, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62.11. CONTINUANCE OF OPERATION AFTER LOCAL OPTION ELECTION. The right of a brewer's ~~[manufacturer's]~~ licensee to continue operation after a prohibitory local option election is covered by Section 251.75 ~~[of this code]~~.

SECTION 213. The heading to Section 62.122, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62.122. SALES BY CERTAIN BREWERS ~~[MANUFACTURERS]~~ TO CONSUMERS.

SECTION 214. Sections 62.122(a), (b), (c), and (e), Alcoholic Beverage Code, are amended to read as follows:

(a) A brewer's ~~[manufacturer's]~~ licensee whose annual production of malt beverages ~~[beer, together with the annual production of ale by the holder of a brewer's permit]~~ at all premises wholly or partly owned, directly or indirectly, by the license holder or an affiliate or subsidiary of the license holder, does not exceed 225,000 barrels may sell malt beverages ~~[beer]~~ produced on the brewer's ~~[manufacturer's]~~ premises under the license to ultimate consumers on the brewer's ~~[manufacturer's]~~ premises for responsible consumption on the brewer's ~~[manufacturer's]~~ premises.

(b) The total ~~[combined]~~ sales of malt beverages ~~[beer]~~ to ultimate consumers under this section~~[, together with the sales of ale to ultimate consumers by the holder of a brewer's permit under Section 12.052]~~ at the same premises~~;~~ may not exceed 5,000 barrels annually.

(c) Subject to Subsections (b), (d), and (e), the holder of a brewer's ~~[manufacturer's]~~ license may sell malt beverages ~~[beer]~~ produced on the brewer's ~~[manufacturer's]~~ premises under the license to ultimate consumers on the brewer's ~~[manufacturer's]~~ premises for responsible consumption on the brewer's ~~[manufacturer's]~~ premises even if the annual production limit prescribed by Subsection (a) is exceeded if:

(1) the license holder:

(A) was legally operating a manufacturing facility with on-premise sales under Subsection (a) on February 1, 2017; or

(B) purchased an ownership interest in, or was purchased by the holder of, a permit or license issued under Chapter 12, 13, 62, or 63; and

(2) the license holder has annual production that does not exceed 175,000 barrels at the brewer's ~~[manufacturer's]~~ premises.

(e) A holder of a brewer's ~~[manufacturer's]~~ license who under Subsection (c) sells malt beverages ~~[beer]~~ produced on the brewer's ~~[manufacturer's]~~ premises under the license to ultimate consumers on the brewer's ~~[manufacturer's]~~ premises for responsible consumption on the brewer's ~~[manufacturer's]~~ premises:

(1) shall file a territorial agreement with the commission under Subchapters C and D, Chapter 102;



(2) must purchase any malt beverages ~~[beer]~~ the license holder sells on the brewer's ~~[manufacturer's]~~ premises from the holder of a license issued under Chapter 64~~[-65]~~ or 66; and

(3) with respect to those purchases, must comply with the requirements of this code governing dealings between a distributor ~~[or wholesaler]~~ and a member of the retail tier, including Sections 61.73 and 102.31.

SECTION 215. Sections 62.14(a), (b), (b-1), (c), and (e), Alcoholic Beverage Code, are amended to read as follows:

(a) The holder of a brewer's ~~[manufacturer's]~~ or nonresident brewer's ~~[manufacturer's]~~ license may contract with the holder of a brewer's ~~[manufacturer's]~~ license:

(1) to provide manufacturing services; or

(2) for the use of the license holder's manufacturing facilities under an alternating brewery proprietorship if each party to the proprietorship:

(A) has filed the appropriate Brewer's Notice and Brewer's Bond as required by the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury; and

(B) if applicable, has posted with the commission a bond in an amount determined by the commission under Subsection (d) or (e).

(b) An entity is not required to own its brewing ~~[manufacturing]~~ facilities if the entity operates under an alternating brewery proprietorship as provided by Subsection (a).

(b-1) Each entity that is a party to an alternating brewery proprietorship or contract brewing arrangement must hold a license at the location where brewing ~~[manufacturing]~~ services are conducted under the arrangement.

(c) This section does not authorize a person acting as an agent for a brewer ~~[manufacturer]~~ located outside of this state to contract with the holder of a brewer's ~~[manufacturer's]~~ license to brew malt beverages ~~[manufacture beer]~~ on the person's behalf. A contract described by this subsection may only be entered into by the holder of a brewer's ~~[manufacturer's]~~ license and another person holding a license under this code.

(e) An entity that is a party to an alternating brewery proprietorship or contract brewing arrangement must post with the commission a bond in an amount determined by the commission of not less than \$30,000 if the entity does not own a fee interest in a brewing ~~[manufacturing]~~ facility.

SECTION 216. Chapter 62, Alcoholic Beverage Code, is amended by adding Section 62.15 to read as follows:

Sec. 62.15. IMPORTING MALT BEVERAGES. (a) In this subtitle, "importer" means a person who imports malt beverages into the state in quantities in excess of 288 fluid ounces in any one day.

(b) The holder of a brewer's license may import malt beverages into this state only from the holder of a nonresident brewer's license and may transport those beverages into this state only:

(1) in a motor vehicle that is:

(A) owned or leased in good faith by the license holder; and

(B) printed or painted with the designation required by the commission; or

(2) by a railway carrier or by a motor carrier registered under Chapter 643, Transportation Code, or with the Federal Motor Carrier Safety Administration.

(c) The holder of a brewer's license transporting malt beverages under Subsection (b)(1) shall provide to the commission:

(1) a full description of each motor vehicle used by the license holder for transporting malt beverages; and

(2) any other information the commission requires.

(d) A carrier transporting malt beverages as authorized by Subsection (b)(2) must hold a carrier permit issued under Chapter 41 and the provisions of Chapter 41 relating to the transportation of liquor apply to the transportation of the malt beverages. A carrier may not transport malt beverages into the state unless it is consigned to an importer.

SECTION 217. The heading to Chapter 62A, Alcoholic Beverage Code, is amended to read as follows:

#### CHAPTER 62A. BREWER'S ~~MANUFACTURER'S~~ SELF-DISTRIBUTION LICENSE

SECTION 218. Section 62A.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62A.01. ELIGIBILITY FOR LICENSE. A brewer's ~~manufacturer's~~ self-distribution license may be issued only to the holder of a brewer's ~~manufacturer's~~ license under Chapter 62 or the holder of a nonresident brewer's ~~manufacturer's~~ license under Chapter 63.

SECTION 219. Section 62A.02, Alcoholic Beverage Code, is amended to read as follows:

Sec. 62A.02. AUTHORIZED ACTIVITIES. (a) A holder of a brewer's ~~manufacturer's~~ self-distribution license whose annual production of malt beverages ~~beer~~ under the brewer's ~~manufacturer's~~ or nonresident brewer's ~~manufacturer's~~ license ~~[- together with the annual production of ale by the holder of a brewer's or nonresident brewer's permit]~~ at all premises owned directly or indirectly by the license holder or an affiliate or subsidiary of the license holder, does not exceed 125,000 barrels may sell malt beverages ~~beer~~ produced under the brewer's ~~manufacturer's~~ or nonresident brewer's ~~manufacturer's~~ license to those persons to whom the holder of a general distributor's license may sell malt beverages ~~beer~~ under Section 64.01(a)(2).

(b) The total ~~combined~~ sales of malt beverages ~~beer~~ under this section ~~[- together with the sales of ale by the holder of a brewer's self distribution permit under Section 12A.02]~~ at all premises owned directly or indirectly by the license holder or an affiliate or subsidiary of the license holder ~~[-]~~ may not exceed 40,000 barrels annually.

(c) With regard to a sale under this section, the holder of a brewer's ~~manufacturer's~~ self-distribution license has the same authority and is subject to the same requirements that apply to a sale made by the holder of a general distributor's license.

(d) Malt beverages ~~[Beer]~~ sold under this section may be shipped only from a manufacturing facility in this state.

SECTION 220. Section 62A.04(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Not later than the 15th day of each month, the holder of a brewer's ~~[manufacturer's]~~ self-distribution license shall file a report with the commission that contains information relating to the sales made by the license holder to a retailer during the preceding calendar month.

SECTION 221. The heading to Chapter 63, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 63. NONRESIDENT BREWER'S ~~[MANUFACTURER'S]~~  
LICENSE

SECTION 222. Section 63.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 63.01. AUTHORIZED ACTIVITIES. The holder of a nonresident brewer's ~~[manufacturer's]~~ license may transport malt beverages ~~[beer]~~ into Texas only to holders of brewer's or distributor's ~~[importer's]~~ licenses. The nonresident brewer's ~~[manufacturer's]~~ licensee may transport the malt beverages ~~[beer]~~ in carriers or vehicles operated by holders of carrier's permits or in motor vehicles owned or leased by the nonresident brewer ~~[manufacturer]~~. The malt beverages ~~[beer]~~ must be shipped in barrels or other containers in accordance with the provisions of this code and may not be shipped into the state in tank cars.

SECTION 223. Section 63.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 63.03. LIABILITY FOR TAXES; BOND. The holder of a nonresident brewer's ~~[manufacturer's]~~ license that transports malt beverages ~~[beer]~~ into Texas in a motor vehicle owned or leased by the licensee ~~[him]~~ is not primarily responsible for the payment of the taxes on the malt beverages ~~[beer]~~, which remains the responsibility of the holder of the brewer's or distributor's ~~[importer's]~~ license. However, the nonresident brewer ~~[manufacturer]~~ shall furnish the commission with a bond in an amount which, in the commission's judgment, will protect the revenue of the state from the tax due on the malt beverages ~~[beer]~~ over any six-week period.

SECTION 224. Section 63.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 63.04. APPLICATION OF CODE PROVISIONS AND RULES. A holder of a nonresident brewer's ~~[manufacturer's]~~ license is subject to all applicable provisions of this code and all applicable rules of the commission which apply to holders of brewer's ~~[manufacturer's]~~ licenses, including rules relating to the quality, purity, and identity of malt beverages ~~[beer]~~ and to protecting the public health. The commission may suspend or cancel a nonresident brewer's ~~[manufacturer's]~~ license and apply penalties in the same manner as it does with respect to a brewer's ~~[manufacturer's]~~ license.

SECTION 225. Sections 63.05(a), (b), (b-1), (c), and (e), Alcoholic Beverage Code, are amended to read as follows:

(a) The holder of a brewer's [~~manufacturer's~~] or nonresident brewer's [~~manufacturer's~~] license may contract with the holder of a nonresident brewer's [~~manufacturer's~~] license:

(1) to provide brewing [~~manufacturing~~] services; or  
 (2) for the use of the license holder's brewing [~~manufacturing~~] facilities under an alternating brewery proprietorship if each party to the proprietorship:

(A) has filed the appropriate Brewer's Notice and Brewer's Bond as required by the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury; and

(B) if applicable, has posted with the commission a bond in an amount determined by the commission under Subsection (d) or (e).

(b) An entity is not required to own its brewing [~~manufacturing~~] facilities if the entity operates under an alternating brewery proprietorship as provided by Subsection (a).

(b-1) Each entity that is a party to an alternating brewery proprietorship or contract brewing arrangement must hold a license at the location where brewing [~~manufacturing~~] services are conducted under the arrangement.

(c) This section does not authorize a person acting as an agent for a brewer [~~manufacturer~~] located outside of this state to contract with the holder of a nonresident brewer's [~~manufacturer's~~] license to brew malt beverages [~~manufacture beer~~] on the person's behalf. A contract described by this subsection may only be entered into by the holder of a nonresident brewer's [~~manufacturer's~~] license and another person holding a license under this code.

(e) An entity that is a party to an alternating brewery proprietorship or contract brewing arrangement must post with the commission a bond in an amount determined by the commission of not less than \$30,000 if the entity does not own a fee interest in a brewing [~~manufacturing~~] facility.

SECTION 226. Section 64.01(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The holder of a general distributor's license may:

(1) receive malt beverages [~~beer~~] in unbroken original packages from brewers [~~manufacturers~~] and brewpubs and from general[, ~~local~~,] or branch distributors;

(2) distribute or sell malt beverages [~~beer~~] in the unbroken original packages in which they are [~~it is~~] received to general or[, ~~or~~,] branch[, ~~or local~~] distributors, to local distributor permittees, to permittees or licensees authorized to sell to ultimate consumers, to private club registration permittees, to authorized outlets located on any installation of the national military establishment, or to qualified persons for shipment and consumption outside the state; and

(3) serve free malt beverages [~~beer~~] for consumption on the licensed premises.

SECTION 227. Section 64.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 64.03. SALE OF MALT BEVERAGES ~~[BEER]~~ TO PRIVATE CLUBS. The holder of a general distributor's license may sell and deliver malt beverages ~~[beer]~~ to private clubs located in wet areas without having to secure a prior order. All sales made under the authority of this section must be made in accordance with Sections 61.73 and 102.31 ~~[of this code]~~.

SECTION 228. Section 64.04(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Each holder of a general~~[-local]~~ or branch distributor's license shall make and keep a daily record of every receipt of malt beverages ~~[beer]~~ and of every sale of malt beverages ~~[beer]~~, including the name of each purchaser. Each transaction shall be recorded on the day it occurs. The licensee shall make and keep any other records that the commission or administrator requires.

SECTION 229. Section 64.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 64.07. MAY SHARE PREMISES. (a) Any number of general~~[-local]~~ and branch distributors may use the same delivery vehicles, premises, location, or place of business as licensed premises if the malt beverages ~~[beer]~~ owned and stored by each of the distributors are ~~[is]~~ segregated.

(b) If delivery vehicles are shared by any number of distributors who also hold any class of wholesaler's permits, liquor or malt beverages ~~[beer]~~ may be transported. ~~[The provisions of Section 42.03 of this code do not apply and no distributor or wholesaler shall be required to obtain the certificate or permit described by that section to share a delivery vehicle for the transportation of liquor or beer.]~~

(c) The provisions of Subsections (a) and (b) ~~[of this section]~~ that relate to shared delivery vehicles apply only to those general~~[-local]~~ or branch distributors who hold a territorial designation from a brewer ~~[manufacturer]~~ under Section 102.51 ~~[of this code]~~.

SECTION 230. (a) Effective September 1, 2019, Sections 64.08(a) and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) The holder of a general distributor's license may sell beer ~~[to the holder of an industrial permit]~~ for use as an ingredient in the manufacturing and processing of food products.

(c) A person ~~[The industrial permittee]~~ may not resell beer purchased under this section, divert the beer to use for beverage purposes, possess the beer with intent that it be used for beverage purposes, or possess the beer under circumstances from which it may reasonably be deduced that the beer is to be used for beverage purposes.

(b) Effective September 1, 2021, Section 64.08, Alcoholic Beverage Code, is amended to read as follows:

Sec. 64.08. MALT BEVERAGES ~~[BEER]~~ FOR USE IN FOOD PRODUCTS INDUSTRY. (a) The holder of a general distributor's license may sell malt beverages ~~[beer to the holder of an industrial permit]~~ for use as an ingredient in the manufacturing and processing of food products.

(b) The malt beverages [beer] must be sold in containers of not less than one-half barrel. The sale is subject to the requirements of Section 102.31 [of this code]. The seller shall keep records of shipments and sales of malt beverages [beer] in a manner prescribed by the commission or administrator.

(c) A person [The industrial permittee] may not resell malt beverages [beer] purchased under this section, divert the malt beverages [beer] to use for beverage purposes, possess the malt beverages [beer] with intent that the malt beverages [it] be used for beverage purposes, or possess the malt beverages [beer] under circumstances from which it may reasonably be deduced that the malt beverages are [beer is] to be used for beverage purposes.

(d) Taxes imposed by this code do not apply to malt beverages [beer] sold under this section.

SECTION 231. Section 64.09, Alcoholic Beverage Code, is amended to read as follows:

Sec. 64.09. MALT BEVERAGES ~~[BEER]~~ FOR EXPORT. (a) In this section "malt beverages [beer] for export" means malt beverages [beer] a distributor holds for export to another state in which the distributor has been assigned a territory for the distribution and sale of the malt beverages [beer]. The term includes malt beverages [beer] that are [is] illegal to sell in this state because of alcohol content, containers, packages, or labels.

(b) The holder of a general distributor's license who receives malt beverages [beer] for export from the holder of a brewer's [manufacturer's] or nonresident brewer's [manufacturer's] license may:

(1) store the malt beverages [beer] for export at the distributor's premises;

(2) transport the malt beverages [beer] for export outside the state in the distributor's own vehicles; or

(3) deliver the malt beverages [beer] for export to a common carrier for export and delivery outside the state.

(c) The holder of a general distributor's license is not liable for any state tax on the malt beverages [beer] for export.

(d) Section 101.67 does not apply to malt beverages [beer] for export.

SECTION 232. Chapter 64, Alcoholic Beverage Code, is amended by adding Section 64.10 to read as follows:

Sec. 64.10. IMPORTING MALT BEVERAGES. (a) In this section, "importer" means a person who imports malt beverages into the state in quantities in excess of 288 fluid ounces in any one day.

(b) The holder of a general distributor's license may import malt beverages into this state only from the holder of a nonresident brewer's license and may transport those beverages into this state only:

(1) in a motor vehicle that is:

(A) owned or leased in good faith by the license holder; and

(B) printed or painted with the designation required by the commission; or

(2) by a railway carrier or by a motor carrier registered under Chapter 643, Transportation Code, or with the Federal Motor Carrier Safety Administration.

(c) The holder of a general distributor's license transporting malt beverages under Subsection (b)(1) shall provide to the commission:

(1) a full description of each motor vehicle used by the license holder for transporting malt beverages; and

(2) any other information the commission requires.

(d) A carrier transporting malt beverages as authorized by Subsection (b)(2) must hold a carrier permit issued under Chapter 41 and the provisions of Chapter 41 relating to the transportation of liquor apply to the transportation of the malt beverages. A carrier may not transport malt beverages into the state unless it is consigned to an importer.

SECTION 233. Section 66.03(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Except as provided in Subsection (b) [~~of this section~~], a branch distributor's license may be issued only to the holder of a general distributor's license who first has obtained the primary license in the county of the licensee's [~~his~~] residence or domicile. The branch distributor's license may be issued for premises in any county where the sale of malt beverages [~~beer~~] is legal.

SECTION 234. Section 66.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 66.07. SALE OF MALT BEVERAGES [~~BEER~~] TO PRIVATE CLUBS. The holder of a branch distributor's license may sell and deliver malt beverages [~~beer~~] to private clubs located in wet areas without having to secure a prior order. All sales made under the authority of this section must be made in accordance with Sections 61.73 and 102.31 [~~of this code~~].

SECTION 235. Section 66.11, Alcoholic Beverage Code, is amended to read as follows:

Sec. 66.11. MALT BEVERAGES [~~BEER~~] FOR EXPORT. (a) In this section "malt beverages [~~beer~~] for export" means malt beverages [~~beer~~] a distributor holds for export to another state in which the distributor has been assigned a territory for the distribution and sale of the malt beverages [~~beer~~]. The term includes malt beverages [~~beer~~] that are [~~is~~] illegal to sell in this state because of alcohol content, containers, packages, or labels.

(b) The holder of a branch distributor's license who receives malt beverages [~~beer~~] for export from the holder of a brewer's [~~manufacturer's~~] or nonresident brewer's [~~manufacturer's~~] license may:

(1) store the malt beverages [~~beer~~] for export at the distributor's premises;

(2) transport the malt beverages [~~beer~~] for export outside the state in the distributor's own vehicles; or

(3) deliver the malt beverages [~~beer~~] for export to a common carrier for export and delivery outside the state.

(c) The holder of a branch distributor's license is not liable for any state tax on the malt beverages [~~beer~~] for export.

(d) Section 101.67 does not apply to malt beverages ~~[beer]~~ for export.

SECTION 236. Section 69.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 69.01. AUTHORIZED ACTIVITIES. The holder of a retail dealer's on-premise license may sell malt beverages ~~[beer]~~ in or from any lawful container to the ultimate consumer for consumption on or off the premises where sold. The licensee may not sell malt beverages ~~[beer]~~ for resale.

SECTION 237. Section 69.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 69.04. HOTELS NOT DISQUALIFIED. The fact that a hotel holds a permit to sell distilled spirits in unbroken packages does not disqualify the hotel from also obtaining a license to sell malt beverages ~~[beer]~~ for on-premises consumption.

SECTION 238. Effective December 31, 2020, Sections 69.06(a), (b), and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) The commission ~~[county judge]~~ shall deny an original application for a retail dealer's on-premise license if the commission ~~[county judge]~~ finds that the applicant or the applicant's spouse, during the five years immediately preceding the application, was finally convicted of a felony or one of the following offenses:

- (1) prostitution;
- (2) a vagrancy offense involving moral turpitude;
- (3) bookmaking;
- (4) gambling or gaming;
- (5) an offense involving controlled substances as defined in the Texas Controlled Substances Act, including an offense involving a synthetic cannabinoid, or an offense involving other dangerous drugs;
- (6) a violation of this code resulting in the cancellation of a license or permit, or a fine of not less than \$500;
- (7) more than three violations of this code relating to minors;
- (8) bootlegging; or
- (9) an offense involving firearms or a deadly weapon.

(b) The commission ~~[county judge]~~ shall also deny an original application for a license if the commission ~~[he]~~ finds that five years has not elapsed since the termination of a sentence, parole, or probation served by the applicant or the applicant's spouse because of a felony conviction or conviction of any of the offenses described in Subsection (a) ~~[of this section]~~.

(c) The commission shall deny an application for ~~[refuse to issue]~~ a renewal of a retail dealer's on-premise license if it finds:

- (1) that the applicant or the applicant's spouse has been finally convicted of a felony or one of the offenses listed in Subsection (a) ~~[of this section]~~ at any time during the five years immediately preceding the filing of the application for renewal; or



(2) that five years has not elapsed since the termination of a sentence, parole, or probation served by the applicant or the applicant's spouse because of a felony prosecution or prosecution for any of the offenses described in Subsection (a) ~~[of this section]~~.

SECTION 239. Section 69.10, Alcoholic Beverage Code, is amended to read as follows:

Sec. 69.10. STORING OR POSSESSING MALT BEVERAGES ~~[BEER]~~ OFF PREMISES PROHIBITED. No holder of a retail dealer's on-premise license may own, possess, or store malt beverages ~~[beer]~~ for the purpose of resale except on the licensed premises.

SECTION 240. Section 69.11, Alcoholic Beverage Code, is amended to read as follows:

Sec. 69.11. EXCHANGE OR TRANSPORTATION OF MALT BEVERAGES ~~[BEER]~~ BETWEEN LICENSED PREMISES UNDER SAME OWNERSHIP. The owner of two or more licensed retail premises may not exchange or transport malt beverages ~~[beer]~~ between them unless all of the conditions set out in Section 24.04 ~~[of this code]~~ are met, except that malt beverages ~~[beer]~~ may be transferred between two licensed retail premises that are both covered by package store permits as provided in Section 22.08 ~~[of this code]~~.

SECTION 241. Section 69.13, Alcoholic Beverage Code, is amended to read as follows:

Sec. 69.13. BREACH OF PEACE: RETAIL ESTABLISHMENT. The commission or administrator may suspend or cancel the license of a retail malt beverage ~~[beer]~~ dealer after giving the licensee notice and the opportunity to show compliance with all requirements of law for retention of the license if it finds that a breach of the peace has occurred on the licensed premises or on premises under the licensee's control and that the breach of the peace was not beyond the control of the licensee and resulted from the licensee's ~~[his]~~ improper supervision of persons permitted to be on the licensed premises or on premises under the licensee's ~~[his]~~ control.

SECTION 242. Section 69.17(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Notwithstanding any other provision of this code, a license under this chapter may be issued for a premises in an area in which the voters have approved the following alcoholic beverage ballot issues in a local option election:

(1) "The legal sale of malt beverages ~~[beer]~~ and wine for off-premise consumption only."; and

(2) either:

(A) "The legal sale of mixed beverages."; or

(B) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."

SECTION 243. Chapter 69, Alcoholic Beverage Code, is amended by adding Section 69.18 to read as follows:

Sec. 69.18. SALES AT TEMPORARY LOCATION. (a) The holder of a retail dealer's on-premise license may temporarily sell malt beverages in or from any lawful container to ultimate consumers:

(1) at a picnic, celebration, or similar event; and

(2) in the county where the license is issued.

(b) The holder of a retail dealer's on-premise license may temporarily sell malt beverages under this section for not more than four consecutive days at the same location.

(c) The commission shall adopt rules to implement this section, including rules that:

(1) require the license holder to notify the commission of the dates on which and location where the license holder will temporarily offer malt beverages for sale under this section;

(2) establish a procedure to verify the wet or dry status of the location where the license holder intends to temporarily sell malt beverages under this section;

(3) detail the circumstances when a license holder may temporarily sell malt beverages under this section with just a notification to the commission and the circumstances that require the commission's preapproval before a license holder may temporarily sell malt beverages under this section; and

(4) require the license holder to provide any other information the commission determines necessary.

SECTION 244. Section 71.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 71.01. AUTHORIZED ACTIVITIES. The holder of a retail dealer's off-premise license may sell malt beverages ~~[beer]~~ in lawful containers to consumers, but not for resale and not to be opened or consumed on or near the premises where sold.

SECTION 245. Section 71.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 71.06. STORING OR POSSESSING MALT BEVERAGES ~~[BEER]~~ OFF PREMISES PROHIBITED. A ~~[No]~~ holder of a retail dealer's off-premise license may not own, possess, or store malt beverages ~~[beer]~~ for the purpose of resale except on the licensed premises.

SECTION 246. Section 71.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 71.07. EXCHANGE OR TRANSPORTATION OF MALT BEVERAGES ~~[BEER]~~ BETWEEN LICENSED PREMISES UNDER SAME OWNERSHIP. Section 69.11 ~~[of this code]~~ relates to the exchange or transportation of malt beverages ~~[beer]~~ between licensed premises by retail dealers.

SECTION 247. Section 71.09, Alcoholic Beverage Code, is amended to read as follows:

Sec. 71.09. BREACH OF PEACE: RETAIL ESTABLISHMENT. The application of sanctions for the occurrence of a breach of the peace at a retail malt beverage ~~[beer]~~ establishment is covered by Section 69.13 ~~[of this code]~~.

SECTION 248. Section 71.10(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Each holder of a retail dealer's off-premise license shall display in a prominent place on the licensee's ~~[his]~~ premises a sign stating in letters at least two inches high: IT IS A CRIME (MISDEMEANOR) TO CONSUME LIQUOR OR MALT BEVERAGES ~~[BEER]~~ ON THESE PREMISES.

SECTION 249. Section 71.11, Alcoholic Beverage Code, is amended to read as follows:

Sec. 71.11. MALT BEVERAGE ~~[BEER]~~ SAMPLING. (a) The holder of a retail dealer's off-premise license may conduct free product samplings of malt beverages ~~[beer]~~ on the license holder's premises during regular business hours as provided by this section.

(b) An agent or employee of the holder of a retail dealer's off-premise license may open, touch, or pour malt beverages ~~[beer]~~, make a presentation, or answer questions at a sampling event.

(c) For the purposes of this code and any other law or ordinance:

(1) a retail dealer's off-premise license does not authorize the sale of alcoholic beverages for on-premise consumption; and

(2) none of the license holder's income may be considered to be income from the sale of alcoholic beverages for on-premise consumption.

(d) Any malt beverages ~~[beer]~~ used in a sampling event under this section must be purchased from or provided by the retailer on whose premises the sampling event is held.

SECTION 250. (a) Effective September 1, 2019, the heading to Chapter 73, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 73. ~~[AGENT'S]~~ BEER AGENT ~~[LICENSE]~~

(b) Effective September 1, 2021, the heading to Chapter 73, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 73. MALT BEVERAGE AGENT ~~[AGENT'S BEER LICENSE]~~

SECTION 251. (a) Effective September 1, 2019, Section 73.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 73.01. AUTHORIZED ACTIVITIES. (a) Subject to the limitations imposed in Section 73.011 ~~[of this code]~~ or elsewhere in this code, a person ~~[the holder of an agent's beer license]~~ acting as an employee or representative of a licensed manufacturer of beer located inside or outside the state or as an employee or representative of a licensed distributor~~[s]~~ may:

(1) promote the sale of beer through methods such as solicitation, display, advertising, and personal contact with licensed retailers of beer and their agents, servants, and employees, and with consumers of beer; and

(2) sell beer and offer it for sale.

(b) A person acting as a beer agent may represent only one permitted or licensed business at a time while soliciting or taking orders.

(b) Effective September 1, 2021, Section 73.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 73.01. AUTHORIZED ACTIVITIES. (a) Subject to the limitations imposed in Section 73.011 ~~[of this code]~~ or elsewhere in this code, a person ~~[the holder of an agent's beer license,]~~ acting as an employee or representative of a licensed brewer ~~[manufacturer]~~ of malt beverages ~~[beer]~~ located inside or outside the state or as an employee or representative of a licensed distributor~~[-]~~ may:

(1) promote the sale of malt beverages ~~[beer]~~ through methods such as solicitation, display, advertising, and personal contact with licensed retailers of malt beverages ~~[beer]~~ and their agents, servants, and employees, and with consumers of malt beverages ~~[beer]~~; and

(2) sell malt beverages ~~[beer]~~ and offer them ~~[it]~~ for sale.

(b) A person acting as a malt beverage agent may represent only one permitted or licensed business at a time while soliciting or taking orders.

SECTION 252. (a) Effective September 1, 2019, Section 73.011, Alcoholic Beverage Code, is amended to read as follows:

Sec. 73.011. LIMITATIONS ON AUTHORITY OF ~~[AGENT'S]~~ BEER AGENT ~~[LICENSEE]~~. (a) A person ~~[holder of an agent's beer license]~~ who is an employee or agent of a manufacturer's licensee or a nonresident manufacturer's licensee may not represent that the person ~~[holder]~~ is the agent of or is acting on behalf of a licensed distributor. An agent may not engage in conduct that is prohibited by Section 102.75 ~~[of this code]~~ or other provisions of this code.

(b) A ~~[holder of an agent's]~~ beer agent ~~[license]~~ may not make a representation, solicitation, or offer that this code or the rules of the commission prohibits the agent's employer from offering, making, or fulfilling.

(b) Effective September 1, 2021, Section 73.011, Alcoholic Beverage Code, is amended to read as follows:

Sec. 73.011. LIMITATIONS ON AUTHORITY OF MALT BEVERAGE AGENT ~~[AGENT'S BEER LICENSEE]~~. (a) A person ~~[holder of an agent's beer license]~~ who is an employee or agent of a brewer's ~~[manufacturer's]~~ licensee or a nonresident brewer's ~~[manufacturer's]~~ licensee may not represent that the person ~~[holder]~~ is the agent of or is acting on behalf of a licensed distributor. A malt beverage ~~[An]~~ agent may not engage in conduct that is prohibited by Section 102.75 ~~[of this code]~~ or other provisions of this code.

(b) A malt beverage agent ~~[A holder of an agent's beer license]~~ may not make a representation, solicitation, or offer that this code or the rules of the commission prohibits the agent's employer from offering, making, or fulfilling.

SECTION 253. Section 74.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 74.01. AUTHORIZED ACTIVITIES. (a) A holder of a brewpub license for a brewpub located in a wet area, as that term is described by Section 251.71 ~~[of this code]~~, may:

(1) ~~[manufacture,]~~ brew, bottle, can, package, and label malt beverages ~~[liquor, ale, and beer];~~

(2) sell or offer without charge, on the premises of the brewpub, to ultimate consumers for consumption on or off those premises, malt beverages [~~liquor, ale, or beer~~] produced by the holder, in or from a lawful container, to the extent the sales or offers are allowed under the holder's other permits or licenses; and

(3) sell food on the premises of the holder's breweries.

(b) The holder of a brewpub license may establish, operate, or maintain one or more licensed brewpubs in this state under the same general management or ownership. The holder shall pay the fee assessed by the commission for each establishment. For the purposes of this subsection, two or more establishments are under the same general management or ownership if:

(1) the establishments bottle the same brand of malt beverage [~~liquor, beer, or ale~~] or bottle malt beverages [~~liquor, beer, or ale~~] brewed by the same brewer [~~manufacturer~~]; or

(2) the person, regardless of domicile, who establishes, operates, or maintains the establishments is controlled or directed by one management or by an association of ultimate management.

(c) A holder of a brewpub license must also hold a wine and malt beverage [~~beer~~] retailer's permit, a mixed beverage permit, or a retail dealer's on-premise license.

(d) The holder of a brewpub license may not hold or have an interest either directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or other person, in a brewer's [~~manufacturer's~~] or distributor's license or any other license or permit in the manufacturing or wholesaling levels of the alcoholic beverage industry regardless of the specific names given to permits or licenses in Title 3 of this code. The holder shall be considered a "retailer" for purposes of Section 102.01 [~~of this code~~].

(e) [~~A holder of a retail dealer's on-premise license who obtains a brewpub license may not manufacture, brew, bottle, can, package, label, sell, or offer without charge malt liquor or ale.~~]

(~~g~~) The holder of a brewpub license may deliver malt beverages brewed [~~liquor, ale, or beer manufactured~~] by the holder to a location other than the holder's premises for the purpose of submitting the malt beverages [~~liquor, ale, or beer~~] for an evaluation at an organized malt beverage [~~liquor, ale, or beer~~] tasting, competition, or review. At a tasting, competition, or review, a holder of a brewpub license may:

(1) dispense without charge malt beverages brewed [~~liquor, ale, or beer manufactured~~] by the holder to a person attending the event for consumption on the premises of the event; and

(2) discuss with a person attending the event the brewing [~~manufacturing~~] and characteristics of the malt beverages [~~liquor, ale, or beer~~].

SECTION 254. Section 74.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 74.03. PRODUCTION LIMIT. The total annual production of malt beverages [~~liquor, ale, and beer~~] by a holder of a brewpub license may not exceed 10,000 barrels for each licensed brewpub.

SECTION 255. Section 74.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 74.04. LICENSE APPLICATION, RENEWAL, AND MAINTENANCE; RECORDS; LICENSE ISSUANCE. All provisions of this code that apply to a brewpub licensee's wine and malt beverage ~~[beer]~~ retailer's permit, mixed beverage permit, or retail dealer's on-premise license also apply to the brewpub license.

SECTION 256. (a) Effective December 31, 2020, Section 74.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 74.05. STATEMENT OF INTENT. An applicant for a brewpub license shall file with the application a sworn statement that the applicant shall be engaged in the business of brewing and packaging malt liquor, ale, or beer in this state in quantities sufficient to operate a brewpub not later than six months after the date of issuance of the original license. If the applicant is a corporation, the statement must be signed by a principal corporate officer. The commission~~[- administrator, or county judge]~~ may not issue a brewpub license to an applicant who does not submit the required sworn statement with the application for a license.

(b) Effective September 1, 2021, Section 74.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 74.05. STATEMENT OF INTENT. An applicant for a brewpub license shall file with the application a sworn statement that the applicant shall be engaged in the business of brewing and packaging malt beverages ~~[liquor, ale, or beer]~~ in this state in quantities sufficient to operate a brewpub not later than six months after the date of issuance of the original license. If the applicant is a corporation, the statement must be signed by a principal corporate officer. The commission~~[- administrator, or county judge]~~ may not issue a brewpub license to an applicant who does not submit the required sworn statement with the application for a license.

SECTION 257. Section 74.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 74.06. QUALITY STANDARDS. Brewing ~~[Manufacturing or brewing]~~ equipment used by a holder of a brewpub license, and process, labeling, and packaging conducted by a holder of a brewpub license, shall conform to standards and tax requirements imposed by this code and the commission's rules for the brewing ~~[manufacture]~~ of malt beverages ~~[beer and the brewing of ale and malt liquor]~~ and shall conform to any standards that may be applied by the agency of the United States charged with supervising and inspecting the ~~[manufacture and]~~ brewing of alcoholic beverages.

SECTION 258. Section 74.07, Alcoholic Beverage Code, is amended to read as follows:

Sec. 74.07. CONTAINER SIZE. In addition to any other container for ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ authorized elsewhere in this code, a holder of a brewpub license may store or serve to consumers ~~[beer, ale, or]~~ malt

beverages brewed ~~[liquor manufactured]~~ by the holder of the license at the premises of the brewpub license from any container having the capacity of one barrel or whole multiples of one barrel.

SECTION 259. Sections 74.08(a) and (d), Alcoholic Beverage Code, are amended to read as follows:

(a) In addition to the activities authorized by Section 74.01, the holder of a brewpub license who holds a wine and malt beverage ~~[beer]~~ retailer's permit and whose sale of ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ consists only of ~~[beer, ale, or]~~ malt beverages brewed ~~[liquor manufactured]~~ on the brewpub's premises may ~~[-~~

~~[(1) sell malt liquor or ale produced under the license to those retailers or qualified persons to whom the holder of a general class B wholesaler's permit may sell malt liquor or ale under Section 20.01; and~~

~~[(2) sell malt beverages [beer] produced under the license to:~~

~~(1) [(A)] those retailers to whom the holder of a general distributor's license may sell malt beverages [beer] under Section 64.01; or~~

~~(2) [(B)] qualified persons to whom the holder of a general distributor's license may sell malt beverages [beer] for shipment and consumption outside the state under Section 64.01.~~

(d) The total amount of malt beverages ~~[liquor, ale, and beer]~~ sold under this section to persons in this state may not exceed 1,000 barrels annually for each licensed brewpub location or 2,500 barrels annually for all brewpubs operated by the same licensee.

SECTION 260. Section 74.09, Alcoholic Beverage Code, is amended to read as follows:

Sec. 74.09. SALES TO DISTRIBUTORS. (a) In addition to the activities authorized by Section 74.01, the holder of a brewpub license may sell malt beverages ~~[beer]~~ produced under the license to the holder of a general~~[-local,]~~ or branch distributor's license.

(b) The holder of a brewpub license who sells malt beverages ~~[beer]~~ under Subsection (a) shall comply with the requirements of Section 102.51.

SECTION 261. Effective December 1, 2020, Section 81.003, Alcoholic Beverage Code, is amended to read as follows:

Sec. 81.003. SUBMISSION OF INFORMATION BY CERTAIN OFFICIALS. For the purposes of Section 81.004 or 81.005, the district or county attorney of the county or the city attorney of the city in which the premises are located may provide information to the commission~~[- administrator, or county judge, as appropriate,]~~ indicating that the holder of, or applicant for, a permit or license covering the premises has used or can reasonably be expected to use or allow others to use the premises in a manner that constitutes a common nuisance.

SECTION 262. Effective December 31, 2020, Section 81.004, Alcoholic Beverage Code, is amended to read as follows:

Sec. 81.004. APPLICATION FOR ORIGINAL OR RENEWAL PERMIT OR LICENSE. The commission~~[- administrator, or county judge, as applicable,]~~ may deny an application for [refuse to issue] an original or renewal permit or license as provided by Section 11.43~~[- after notice and an opportunity for a hearing,]~~ if the commission~~[- administrator, or county judge]~~ finds that, at any

time during the 12 months preceding the permit or license application, a common nuisance existed on the premises for which the permit or license is sought, regardless of whether the acts constituting the common nuisance were engaged in by the applicant or whether the applicant controlled the premises at the time the common nuisance existed. The commission~~[- administrator, or county judge, as applicable,]~~ may issue an original or renewal permit or license if~~[- at the hearing,]~~ it is found that the applicant did not control the premises at the time the common nuisance existed and the applicant has taken reasonable measures to abate the common nuisance.

SECTION 263. Effective December 31, 2020, Section 81.006, Alcoholic Beverage Code, is amended to read as follows:

Sec. 81.006. ORDER IMPOSING ADDITIONAL CONDITIONS ON PERMIT OR LICENSE HOLDER. (a) The commission~~[- administrator, or county judge, as applicable,]~~ may, after notice and hearing ~~[under Section 81.004 or 81.005]~~, issue an order imposing any condition on a permit or license holder that is reasonably necessary to abate a common nuisance on the premises.

(b) The commission ~~[or administrator]~~ may suspend for not more than 60 days or cancel the permit or license of a permit or license holder who violates an order issued under this section. The commission ~~[or administrator]~~ may offer the permit or license holder the opportunity to pay a civil penalty rather than have the permit or license suspended.

SECTION 264. Effective December 31, 2020, Sections 81.007(a), (b), (b-1), and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) Before holding a hearing and making a determination under Section 81.004 or 81.005, the commission~~[- administrator, or county judge, as applicable,]~~ may, if there is evidence showing a reasonable likelihood that a common nuisance exists on the premises for which the permit or license is held or sought, issue an order imposing any condition on the permit or license holder or the applicant for the permit or license that is reasonably necessary to abate a common nuisance on the premises. An order issued under this section is effective until:

(1) the expiration of the time for appealing the determination under Section 81.004 or 81.005; or

(2) if the determination is appealed, until all appeals are finally decided.

(b) A hearings officer ~~[or county judge]~~ may issue an order under this section on the hearings officer's ~~[or county judge's]~~ own motion or the motion of a person listed in Section 81.003 or, for an original or renewal permit or license application, any individual entitled to protest the issuance of the original or renewal permit or license.

(b-1) If an individual ~~[other than a person described in Subsection (b)]~~ who is entitled to protest the issuance of the original or renewal permit or license files a motion for a temporary order under this section, the commission~~[- administrator, or county judge, as applicable,]~~ may not issue a temporary order without conducting a hearing.



(c) The commission ~~[hearings officer or county judge]~~ may impose any sanction on a person who violates an order issued under Subsection (a) that is necessary to secure compliance with the order.

SECTION 265. Effective December 31, 2020, Sections 101.01(c) and (d), Alcoholic Beverage Code, are amended to read as follows:

(c) If the court finds that a person has violated a restraining order or injunction issued under this section, it shall enter a judgment to that effect. The judgment operates to cancel without further proceedings any license or permit held by the person. The district clerk ~~[shall notify the county judge of the county where the premises covered by the permit or license are located and]~~ shall notify the commission when a judgment is entered that operates to cancel a license or permit.

(d) A ~~[No]~~ license or permit may not be issued to a person whose license or permit is cancelled under Subsection (c) until the first anniversary of the date the license or permit is cancelled ~~[of this section for one year after the cancellation].~~

SECTION 266. Section 101.32(b), Alcoholic Beverage Code, is amended to read as follows:

(b) Possession in a dry area of more than 24 twelve-ounce bottles of malt beverages ~~[beer]~~, or an equivalent amount, is prima facie evidence of possession with intent to sell.

SECTION 267. Section 101.41, Alcoholic Beverage Code, is amended to read as follows:

Sec. 101.41. CONTAINERS, PACKAGING, AND DISPENSING EQUIPMENT OF MALT BEVERAGES ~~[BEER]~~: LABELS. (a) A brewer ~~[No manufacturer]~~ or distributor, directly or indirectly or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not brew ~~[manufacture]~~, sell, or otherwise introduce into commerce any container, packaging, or dispensing equipment of malt beverages ~~[beer]~~ that does not meet the requirements of this section.

(b) Every container of malt beverages ~~[beer]~~ must have a label or imprint in legible type showing the full name and address of the brewer ~~[manufacturer]~~ and, if it contains a special brand brewed for a distributor, of the distributor. Any box, crate, carton, or similar device in which containers of malt beverages ~~[beer]~~ are sold or transported must have a label meeting the same requirements.

- (c) The label of a container of malt beverages ~~[beer]~~ must state:
- (1) the net contents in terms of United States liquor measure; and
  - (2) the alcohol content by volume.

(d) A ~~[No]~~ container, packaging material, or dispensing equipment may not bear a label or imprint that:

- (1) by wording, lettering, numbering, or illustration, or in any other manner refers or alludes to or suggests a brewing ~~[manufacturing]~~ process, aging, analysis, or a scientific fact;

- (2) refers or alludes to the "proof," "balling," or "extract" of the product;

- (3) is untrue in any respect; or

(4) by ambiguity, omission, or inference tends to create a misleading impression, or causes or is calculated to cause deception of the consumer with respect to the product.

SECTION 268. Section 101.42, Alcoholic Beverage Code, is amended to read as follows:

Sec. 101.42. RETURNABLE CONTAINER: ACCEPTANCE BY ANOTHER BREWER ~~[MANUFACTURER]~~. A brewer ~~[No manufacturer]~~ of malt beverages ~~[beer]~~ may not purchase, accept as a return, or use a barrel, half-barrel, keg, case, or bottle permanently branded or imprinted with the name of another brewer ~~[manufacturer]~~.

SECTION 269. Section 101.43(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A brewer ~~[No manufacturer]~~ or distributor, directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not sell or otherwise introduce into commerce a brewery product that is misbranded.

SECTION 270. Section 101.46(b), Alcoholic Beverage Code, is amended to read as follows:

(b) Subsection (a) ~~[of this section]~~ does not apply to permittees or licensees while engaged in supplying ~~[airline beverage,]~~ mixed beverage ~~permittees[;]~~ or passenger transportation ~~[bus beverage]~~ permittees under Section 48.03 or 48.05, nor to the possession or sale of liquor by a ~~[an airline beverage,]~~ mixed beverage ~~permittee[;]~~ or a passenger transportation ~~[bus beverage]~~ permittee under Section 48.03 or 48.05, but none of the permittees or licensees covered by this subsection may possess liquor in a container with a capacity of less than one fluid ounce.

SECTION 271. Section 101.48, Alcoholic Beverage Code, is amended to read as follows:

Sec. 101.48. COMMISSION'S REGULATORY AUTHORITY. Sections 5.39 and 5.40 ~~[of this code]~~ relate to the commission's authority to regulate liquor containers and malt beverage ~~[beer]~~ container deposits.

SECTION 272. Section 101.66, Alcoholic Beverage Code, is amended to read as follows:

Sec. 101.66. BEVERAGES OF CERTAIN ALCOHOL CONTENT PROHIBITED. A ~~[No]~~ person may not manufacture, sell, barter, or exchange a beverage that contains more than ~~[alcohol in excess of]~~ one-half of one percent alcohol by volume and not more than ~~five~~ ~~[four]~~ percent ~~[of]~~ alcohol by volume ~~[weight]~~, except malt beverages ~~[beer]~~, wine coolers, and spirit coolers.

SECTION 273. (a) Effective December 31, 2020, Section 101.67, Alcoholic Beverage Code, is amended to read as follows:

Sec. 101.67. PRIOR APPROVAL OF MALT BEVERAGES. (a) Before an authorized licensee ~~[No person]~~ may ship or cause to be shipped into the state, import into the state, manufacture and offer for sale in the state, or distribute, sell, or store in the state any ~~[beer, ale, or]~~ malt beverages, the licensee must register the malt beverages with the commission. The registration application must include a certificate of label approval issued by the United States Alcohol and Tobacco Tax and Trade Bureau for the product ~~[liquor unless:~~

~~[(1) a sample of the beverage or a sample of the same type and quality of beverage has been first tested to verify the alcohol content of the beverage by:~~

~~[(A) an independent laboratory;~~

~~[(B) a laboratory certified by the United States Alcohol and Tobacco Tax and Trade Bureau or its successor agency as qualified for the analysis of beer for export; or~~

~~[(C) the commission; and~~

~~[(2) the label of the beverage has been first submitted to the commission or its representative and found to comply with all provisions of this code relating to the labeling of the particular type of beverage].~~

(b) Only a brewer's or nonresident brewer's permittee, a manufacturer's or nonresident manufacturer's licensee, or a brewpub licensee may apply to register for and receive label approval on beer, ale, or malt beverages with the commission [liquor].

(c) This section does not apply to the importation of beer for personal consumption and not for sale.

(d) On registration of a certificate of label approval issued by the United States Alcohol and Tobacco Tax and Trade Bureau, the commission shall approve the product under this section and issue a letter to that effect to the licensee unless the commission determines the product, despite having a valid federal certificate of label approval, would create a public safety concern, create a cross-tier violation, or otherwise violate this code. [If the commission determines that the product tested and label submitted under Subsection (a) comply with the provisions of this code and the rules of the commission,]

(d-1) If the commission approves the product, the commission shall issue a certificate of approval upon receipt of a fee in an amount that is sufficient to cover the cost of administering this section. A copy of the certificate shall be kept on file in the office of the commission.

(e) Not later than the 30th day after the date the commission receives an application for registration of a product under this section, the commission shall either approve or deny the registration application. If the commission denies the application for a product with a valid federal certificate of label approval or fails to act on the application within the time required by this subsection, the licensee submitting the application is entitled to an administrative hearing before the State Office of Administrative Hearings [The commission may require proof by affidavit or otherwise that a laboratory performing a test under Subsection (a)(1)(A) is independent].

(f) The commission by rule shall establish procedures for:

(1) accepting federal certificates of label approval for registration under this section;

(2) registering alcoholic beverage products that are not eligible to receive a certificate of label approval issued by the United States Alcohol and Tobacco Tax and Trade Bureau; and

(3) registering alcoholic beverage products during periods when the United States Alcohol and Tobacco Tax and Trade Bureau has ceased processing applications for a certificate of label approval.

(g) The commission shall consider the nutrition label requirements of the United States Food and Drug Administration and the alcohol label requirements of the United States Alcohol and Tobacco Tax and Trade Bureau in developing the label requirements to register products described by Subsection (f)(2).

(h) The rules adopted under this section may not require testing for alcohol content as part of the process for registering an alcoholic beverage with the commission.

(b) Effective September 1, 2021, Sections 101.67(b) and (c), Alcoholic Beverage Code, are amended to read as follows:

(b) Only a brewer's ~~[or nonresident brewer's permittee, a manufacturer's]~~ or nonresident brewer's ~~[manufacturer's]~~ licensee, or a brewpub licensee may apply to register ~~[for and receive label approval on beer, ale, or]~~ malt beverages with the commission ~~[liquor]~~.

(c) This section does not apply to the importation of malt beverages ~~[beer]~~ for personal consumption and not for sale.

SECTION 274. Effective December 31, 2020, Section 101.671, Alcoholic Beverage Code, is amended by amending Subsections (b) and (d) and adding Subsections (c-1), (e), and (f) to read as follows:

(b) On registration of a certificate of label approval issued by the United States Alcohol and Tobacco Tax and Trade Bureau, the commission shall approve the product under this section and issue a letter to that effect to the permittee unless the commission determines the product, despite having a valid federal certificate of label approval, would create a public safety concern, create a cross-tier violation, or otherwise violate this code. The commission may not require additional approval for the product unless there is a change to the label or product that requires reissuance of the federal certificate of label approval. The commission shall accept the certificate of label approval as constituting full compliance only with any applicable standards adopted under Section 5.38 regarding quality, purity, and identity of distilled spirits or wine.

(c-1) Not later than the 30th day after the date the commission receives an application for registration of a product under this section, the commission shall either approve or deny the registration application. If the commission denies the application for a product with a valid federal certificate of label approval or fails to act on the application within the time required by this subsection, the permittee submitting the application is entitled to an administrative hearing before the State Office of Administrative Hearings.

(d) The commission by rule shall ~~[may]~~ establish procedures for:

(1) accepting:

(A) ~~(+)~~ federal certificates of label approval for registration under this section; and

(B) ~~(+)~~ proof, such as a letter of authorization, that a permittee is the primary American source of supply of the product or brand for purposes of Section 37.10; and

(2) registering alcoholic beverage products that are not eligible to receive a certificate of label approval issued by the United States Alcohol and Tobacco Tax and Trade Bureau.

(e) The commission shall consider the nutrition label requirements of the United States Food and Drug Administration and the alcohol label requirements of the United States Alcohol and Tobacco Tax and Trade Bureau in developing the label requirements to register products described by Subsection (d)(2).

(f) The rules adopted under this section may not require testing for alcohol content as part of the process for registering an alcoholic beverage with the commission.

SECTION 275. Section 101.72(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A person commits an offense if the person knowingly consumes liquor or malt beverages ~~[beer]~~ on the premises of a holder of a wine and malt beverage ~~[beer]~~ retailer's off-premise permit or a retail dealer's off-premise license.

SECTION 276. Section 102.03(a), Alcoholic Beverage Code, is amended to read as follows:

(a) This section applies to the holder of a ~~[brewer's,]~~ distiller's and rectifier's, winery, wholesaler's, or class B wholesaler's~~[- or wine bottler's]~~ permit.

SECTION 277. Section 102.04(a), Alcoholic Beverage Code, is amended to read as follows:

(a) This section applies to any person who has an interest in the business of a distiller-rectifier, ~~[brewer,]~~ wholesaler, class B wholesaler, winery, ~~[wine bottler,]~~ or local distributor's permittee. This section also applies to the agent, servant, or employee of a person who has an interest in one of those businesses.

SECTION 278. Section 102.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.05. HOTEL: MULTIPLE INTERESTS AUTHORIZED. A hotel may hold a package store permit, mixed beverage permit, wine and malt beverage ~~[beer]~~ retailer's permit, and retail dealer's license if the businesses are completely segregated from each other.

SECTION 279. Effective September 1, 2019, Section 102.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.06. RELATIONSHIP BETWEEN AGENT ~~[OR MANUFACTURER'S AGENT]~~ AND PACKAGE STORE. An agent acting under Chapter 35 or 36 ~~[No holder of an agent's or manufacturer's agent's permit]~~ may not directly or indirectly have an interest in a package store permit or wine only package store permit or be residentially domiciled with a person who has a financial interest in a package store permit or wine only package store permit.

SECTION 280. Section 102.07(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Except as provided in Subsections (b), (d), and (g), a ~~[no]~~ person who owns or has an interest in the business of a distiller, ~~[brewer,]~~ rectifier, wholesaler, class B wholesaler, or winery, or ~~[wine bottler, nor]~~ the agent, servant, or employee of such a person, may not:

(1) own or have a direct or indirect interest in the business, premises, equipment, or fixtures of a retailer;

(2) furnish, give, or lend any money, service, or thing of value to a retailer;

(3) guarantee a financial obligation of a retailer;

(4) make or offer to enter an agreement, condition, or system which will in effect amount to the shipment and delivery of alcoholic beverages on consignment;

(5) furnish, give, rent, lend, or sell to a retail dealer any equipment, fixtures, or supplies to be used in selling or dispensing alcoholic beverages, except that alcoholic beverages may be packaged in combination with other items if the package is designed to be delivered intact to the ultimate consumer and the additional items have no value or benefit to the retailer other than that of having the potential of attracting purchases and promoting sales;

(6) pay or make an allowance to a retailer for a special advertising or distribution service;

(7) allow an excessive discount to a retailer; or

(8) offer a prize, premium, gift, or similar inducement to a retailer or to the agent, servant, or employee of a retailer.

SECTION 281. Section 102.07(f), Alcoholic Beverage Code, as effective April 1, 2019, is amended to read as follows:

(f) Notwithstanding Subsection (a) ~~[of this section]~~, Section 108.05, or any other provision of this code, a holder of a ~~[brewer's permit, nonresident brewer's permit,]~~ distiller's and rectifier's permit, winery permit, nonresident seller's permit, brewer's [manufacturer's] license, or nonresident brewer's [manufacturer's] license may, in order to promote the brand name of the permittee's or licensee's products, contract with a person licensed under Subtitle A-1, Title 13, Occupations Code (Texas Racing Act), for on-site advertising signs, for advertising in programs, and to supplement purses for races even though the licensees under that subtitle or the owners or operators of the racing facilities also hold a mixed beverage permit or other permit or license under this code. In addition, a permittee or licensee described by this subsection may contract for off-site advertising promoting specific races. A part of the cost of an advertisement or promotion authorized by this section may not be charged to or paid, directly or indirectly, by the holder of a wholesaler's ~~[wholesale]~~ permit, general class B wholesaler's permit, ~~[local class B wholesaler's permit,]~~ local distributor's permit, or general distributor's license~~[-, or local distributor's license]~~, except through the price paid by that holder for products purchased from the holder's supplier.

SECTION 282. Section 102.07(g), Alcoholic Beverage Code, is amended to read as follows:

(g) Subsection (a) does not prohibit a permittee covered under Subsection (a) from prearranging or preannouncing a promotional activity otherwise permitted by this code with a retailer about a promotional activity to be held on the retailer's premises. Notwithstanding any other provision, a permittee may:

(1) preannounce a promotion to a consumer; or

(2) preannounce the purchase of wine or [s] distilled spirits~~[-ale, or malt liquor]~~ to a consumer.

SECTION 283. Sections 102.071(d) and (e), Alcoholic Beverage Code, are amended to read as follows:

(d) Sections 61.73 and 102.31 apply to payment for glassware bearing the name, emblem, or logo of a brand of malt beverage by the holder of [~~a wholesaler's permit or~~] a distributor's license.

(e) For the purposes of Subchapters C and D, the sale, by the holder of a distributor's license, of a nonalcoholic beverage produced or sold by a brewer [~~manufacturer~~] of malt beverages and that bears the name, emblem, logo, or brand of a brewer [~~manufacturer~~] of malt beverages is the same as a sale of malt beverages [~~beer~~].

SECTION 284. Section 102.11, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.11. BREWER [~~MANUFACTURER~~] OR DISTRIBUTOR: PROHIBITED INTERESTS. A brewer [~~No manufacturer~~] or distributor directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not:

(1) own any interest in the business or premises of a retail dealer of malt beverages [~~beer~~]; or

(2) hold or have an interest in a license to sell brewery products for on-premises consumption, except to the extent that a brewer's [~~manufacturer's~~] license permits on-premises consumption.

SECTION 285. Section 102.12, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.12. COMMERCIAL BRIBERY BY BREWER [~~MANUFACTURER~~] OR DISTRIBUTOR. A brewer [~~No manufacturer~~] or distributor directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not give or permit to be given money or any thing of value in an effort to induce agents, employees, or representatives of customers or prospective customers to influence their employers or principals to purchase or contract to purchase brewery products from the brewer [~~manufacturer~~] or distributor or to refrain from buying those products from other persons.

SECTION 286. Section 102.13, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.13. EXCLUSIVE OUTLET AGREEMENT AS TO BREWERY PRODUCTS. A brewer [~~No manufacturer~~] or distributor directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not require, by agreement or otherwise, that a retailer engaged in the sale of brewery products purchase any of those products from the brewer [~~him~~] to the total or partial exclusion of the products sold or offered for sale by a competitor or require the retailer to take or dispose of a certain quota of the product.

SECTION 287. Section 102.14, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.14. BREWER [~~MANUFACTURER~~] OR DISTRIBUTOR: FURNISHING EQUIPMENT OR FIXTURES. (a) A brewer [~~No manufacturer~~] or distributor directly or indirectly, or through a subsidiary, affiliate, agent,

employee, officer, director, or firm member, may not furnish, give, rent, lend, or sell any equipment, fixtures, or supplies to a person engaged in selling brewery products for on-premises consumption.

(b) This section does not apply to equipment, fixtures, or supplies furnished, given, loaned, rented, or sold before November 16, 1935, except that transactions made before that date may not be used as consideration for an agreement made after that date with respect to the purchase of brewery products. If a brewer [~~manufacturer~~] or distributor of brewery products or an agent or employee of one of them removes the equipment, fixtures, or supplies from the premises of the person to whom they were furnished, given, loaned, rented, or sold, the exemption granted by this subsection no longer applies to the equipment, fixtures, or supplies.

(c) Notwithstanding any other provision of this code, a brewer [~~manufacturer~~] or distributor may, with written approval of the administrator, sell for cash devices designed to extract brewery products from legal containers subject to the following conditions:

(1) the legal containers must not exceed a one-eighth barrel capacity and must not be reused or refilled;

(2) the selling price of such devices may be no less than the cost of acquisition to the brewer [~~manufacturer~~] or distributor; and

(3) such devices which extract brewery products from legal containers covered by this section may not be furnished, given, rented, or sold by the brewer [~~manufacturer~~] or distributor to a licensee or permittee authorized to sell or serve brewery products for on-premise consumption, or to the ultimate consumer.

SECTION 288. Section 102.15, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.15. BREWER [~~MANUFACTURER~~] OR DISTRIBUTOR: PROHIBITED DEALINGS WITH RETAILER. (a) Except as provided by Subsection (b), a brewer [~~no manufacturer~~] or distributor directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not:

(1) furnish, give, or lend any money or other thing of value to a person engaged or about to be engaged in selling brewery products for on-premises or off-premises consumption, or give the person any money or thing of value for the person's [~~his~~] use, benefit, or relief; or

(2) guarantee the repayment of a loan or the fulfillment of a financial obligation of a person engaged in or about to be engaged in selling malt beverages [~~beer~~] at retail.

(b) Subsection (a) does not prohibit a brewer [~~manufacturer~~] or distributor from prearranging or preannouncing a promotional activity otherwise permitted by this code with a retailer about a promotional activity to be held on the retailer's premises. Notwithstanding any other provision, a brewer [~~manufacturer~~] or distributor may:

(1) preannounce a promotion to a consumer; or

(2) preannounce the purchase of malt beverages [~~beer~~] to a consumer.



SECTION 289. Section 102.17, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.17. CONTRACT FOR SALE OF LIQUOR. A ~~[brewer,]~~ distiller and rectifier, winery permittee, ~~[manufacturer,]~~ or nonresident seller of liquor and the holder of a wholesaler's permit may enter into a contract for the sale and purchase of a specified quantity of liquor to be delivered over an agreed period of time, but only if the contract is first submitted to the commission or administrator and found by the commission or administrator not to be calculated to induce a violation of this code.

SECTION 290. Section 102.18, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.18. BREWER ~~[MANUFACTURER]~~: PROHIBITED INTERESTS. (a) This section applies to the following:

(1) a holder of a brewer's ~~[manufacturer's]~~ or nonresident brewer's ~~[manufacturer's]~~ license;

(2) an officer, director, agent, or employee of an entity named in Subdivision (1) ~~[of this subsection]~~; or

(3) an affiliate of an entity named in Subdivision (1) ~~[of this subsection]~~, regardless of whether the affiliation is corporate or by management, direction, or control.

(b) An ~~[No]~~ entity named in Subsection (a) ~~[of this section]~~ may not have any interest in the license, business, assets, or corporate stock of a holder of a general~~[, local,]~~ or branch distributor's license.

SECTION 291. Section 102.21, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.21. CONTINUITY OF CERTAIN PROTECTIONS FOR MALT BEVERAGE ~~[BEER]~~ DISTRIBUTORS. The protections provided to malt beverage ~~[beer]~~ distributors by Subchapters C and D apply regardless of whether there is a transfer or change of ownership of a brand at the manufacturing level.

SECTION 292. Section 102.22(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A person who holds ~~[a permit issued under Chapter 12 or 13 or]~~ a license issued under Chapter 62 or 63 shall verify to the commission on an annual basis that a brewing ~~[or manufacturing]~~ facility owned or controlled by the ~~[permit or]~~ license holder is not used to produce malt beverages primarily for a specific retailer or the retailer's affiliates.

SECTION 293. Section 102.31(a), Alcoholic Beverage Code, is amended to read as follows:

(a) This section applies to:

(1) the sale of malt beverages ~~[beer]~~ or malt beverage ~~[its]~~ containers or the original packages in which malt beverages are ~~[it is]~~ received, packaged, or contained by a distributor's licensee to a retail dealer's on-premise or off-premise licensee, a wine and malt beverage ~~[beer]~~ retailer's permittee, or a wine and malt beverage ~~[beer]~~ retailer's off-premise permittee; and

(2) the sale of malt beverages by a local distributor's permittee, or by any licensee authorized to sell those beverages for resale, to a mixed beverage ~~or daily temporary mixed beverage~~ permittee.

SECTION 294. Sections 102.32(a)(1) and (2), Alcoholic Beverage Code, are amended to read as follows:

(1) "Wholesale dealer" means a wholesaler, class B wholesaler, winery, ~~[wine bottler],~~ or local distributor's permittee.

(2) "Retailer" means a package store, wine only package store, wine and malt beverage ~~[beer]~~ retailers, wine and malt beverage ~~[beer]~~ retailer's off-premise, or mixed beverage permittee, any other retailer, or a private club registration permittee. For purposes of this section, the holder of a winery permit issued under Chapter 16 is a retailer when the winery permit holder purchases wine from the holder of a wholesaler's permit issued under Chapter 19 for resale to ultimate consumers in unbroken packages.

SECTION 295. The heading to Subchapter C, Chapter 102, Alcoholic Beverage Code, is amended to read as follows:

SUBCHAPTER C. TERRITORIAL LIMITS ON SALE OF MALT BEVERAGES ~~[BEER]~~

SECTION 296. Section 102.51, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.51. SETTING OF TERRITORIAL LIMITS. (a) Each holder of a brewer's ~~[manufacturer's]~~ or nonresident brewer's ~~[manufacturer's]~~ license shall designate territorial limits in this state within which the brands of malt beverages ~~[beer]~~ the licensee brews ~~[manufactures]~~ may be sold by general~~[-local,]~~ or branch distributor's licensees.

(b) Each holder of a general~~[-local,]~~ or branch distributor's license shall enter into a written agreement with each brewer ~~[manufacturer]~~ from which the distributor purchases malt beverages ~~[beer]~~ for distribution and sale in this state setting forth the sales territory within which each brand of malt beverage ~~[beer]~~ purchased by that distributor may be distributed and sold. No holder of a general~~[-local,]~~ or branch distributor's license shall make any sales of any brand of malt beverage ~~[beer]~~ outside the sales territory specified in the written agreement. No such agreement shall interfere with the rights of retailers to purchase malt beverages ~~[beer]~~ as provided in Section 102.53. A brewer ~~[manufacturer]~~ may not assign all or any part of the same sales territory to more than one distributor. A copy of the agreement and any amendments to it shall be filed with the administrator.

(c) This Act is promulgated pursuant to the authority of the state under the provisions of the Twenty-first Amendment to the United States Constitution to promote the public interest in the fair, efficient, and competitive distribution of malt beverages ~~[beer]~~, to increase competition in such areas, and to assure product quality control and accountability by allowing brewers ~~[manufacturers]~~ to assign sales territories within this state.

SECTION 297. Section 102.52, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.52. RIGHTS OF DISTRIBUTORS. Nothing in Section 102.51 [~~of this code~~] limits or alters the right of a holder of a general[, ~~local,~~] or branch distributor's license to sell malt beverages [~~beer~~] to any other holder of a general[, ~~local,~~] or branch distributor's license, except that a distributor who has purchased malt beverages [~~beer~~] from another distributor may distribute and sell the malt beverages [~~beer~~] only within a territory for which the brewer [~~manufacturer~~] of the brand has designated that it may be sold by the general[, ~~local,~~] or branch distributor making the purchase.

SECTION 298. Section 102.53, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.53. RIGHTS OF RETAILERS. Nothing in Section 102.51 or 102.52 [~~of this code~~] limits or alters the right of a holder of a retail license or permit to purchase malt beverages [~~beer~~] at the licensed premises of any general[, ~~local,~~] or branch distributor's licensee in the state and transport those malt beverages [~~that beer~~] to the licensee's [~~his~~] licensed premises, except that the retailer may sell the malt beverages [~~beer~~] only within a territory for which the brewer [~~manufacturer~~] of the brand has designated that the malt beverages [~~it~~] may be sold by a distributor.

SECTION 299. (a) Effective December 31, 2020, Sections 102.54(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) In addition to any other requirements necessary for issuance or renewal of a distributor's license, the commission [~~or administrator~~] shall require an applicant for a license or a holder of a license to show that the applicant or holder:

(1) has entered into or will acquire a written agreement designating an assigned territory from a manufacturer in accordance with this subchapter and Subchapter D;

(2) has received or has applied for and will maintain all licenses or permits required to engage in business in the assigned territory as a holder of a distributor's license, including any state or federal licenses or permits;

(3) has ordered, received, and stored or has committed to order, receive, and store a sufficient amount of beer that the distributor is authorized to sell to ensure that the distributor can supply the reasonable needs of all retailers in the assigned territory;

(4) has received and stored or has committed to receive and store beer received from a manufacturer in a manner complying with a product quality control standard established by the manufacturer or the commission; and

(5) has or will have the ability to sell, deliver, and promote each brand of beer sold by the distributor to all retailers in the assigned territory:

(A) in a manner that complies with the product quality control standards of the manufacturer or of the commission; and

(B) on a continuing and recurring basis in response to reasonable market demand for a brand of beer by the retailer or the retailer's customers in the assigned territory.

(b) In determining whether an applicant for or holder of a distributor's license meets the requirement of Subsection (a)(5), the commission [~~or administrator~~] may require the applicant or holder to show that the applicant or holder has or will have:

(1) storage facilities of a sufficient size to store each brand of beer in an amount equal to the demand for the product from all retailers in the holder's or applicant's assigned territory;

(2) an inventory or a commitment to acquire an inventory of each brand of beer in an amount equal to the demand for the brand from all retailers in the holder's or applicant's assigned territory;

(3) a sufficient number of employees to provide the holder or applicant with the ability:

(A) to sell, deliver on a reasonably prompt basis, and promote each brand of beer to all retailers in the holder's or applicant's assigned territory; and

(B) to prepare and submit in a timely manner any fee or tax payments or reports required by any authorized governmental regulatory authority, including the Bureau of Alcohol, Tobacco, and Firearms and the commission; and

(4) a sufficient number of delivery vehicles and rolling stock to provide the holder or the applicant with the capability of transporting, selling, delivering, or promoting each brand of beer to all retailers in the assigned territory.

(b) Effective September 1, 2021, Sections 102.54(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) In addition to any other requirements necessary for issuance or renewal of a distributor's license, the commission [~~or administrator~~] shall require an applicant for a license or a holder of a license to show that the applicant or holder:

(1) has entered into or will acquire a written agreement designating an assigned territory from a brewer [~~manufacturer~~] in accordance with this subchapter and Subchapter D;

(2) has received or has applied for and will maintain all licenses or permits required to engage in business in the assigned territory as a holder of a distributor's license, including any state or federal licenses or permits;

(3) has ordered, received, and stored or has committed to order, receive, and store a sufficient amount of malt beverages [~~beer~~] that the distributor is authorized to sell to ensure that the distributor can supply the reasonable needs of all retailers in the assigned territory;

(4) has received and stored or has committed to receive and store malt beverages [~~beer~~] received from a brewer [~~manufacturer~~] in a manner complying with a product quality control standard established by the brewer [~~manufacturer~~] or the commission; and

(5) has or will have the ability to sell, deliver, and promote each brand of malt beverage [~~beer~~] sold by the distributor to all retailers in the assigned territory:

(A) in a manner that complies with the product quality control standards of the brewer [~~manufacturer~~] or of the commission; and

(B) on a continuing and recurring basis in response to reasonable market demand for a brand of malt beverage ~~[beer]~~ by the retailer or the retailer's customers in the assigned territory.

(b) In determining whether an applicant for or holder of a distributor's license meets the requirement of Subsection (a)(5), the commission ~~[or administrator]~~ may require the applicant or holder to show that the applicant or holder has or will have:

(1) storage facilities of a sufficient size to store each brand of malt beverage ~~[beer]~~ in an amount equal to the demand for the product from all retailers in the holder's or applicant's assigned territory;

(2) an inventory or a commitment to acquire an inventory of each brand of malt beverage ~~[beer]~~ in an amount equal to the demand for the brand from all retailers in the holder's or applicant's assigned territory;

(3) a sufficient number of employees to provide the holder or applicant with the ability:

(A) to sell, deliver on a reasonably prompt basis, and promote each brand of malt beverage ~~[beer]~~ to all retailers in the holder's or applicant's assigned territory; and

(B) to prepare and submit in a timely manner any fee or tax payments or reports required by any authorized governmental regulatory authority, including the Bureau of Alcohol, Tobacco, and Firearms and the commission; and

(4) a sufficient number of delivery vehicles and rolling stock to provide the holder or the applicant with the capability of transporting, selling, delivering, or promoting each brand of malt beverage ~~[beer]~~ to all retailers in the assigned territory.

SECTION 300. Section 102.54(d)(2), Alcoholic Beverage Code, is amended to read as follows:

(2) "Brewer ~~[Manufacturer]~~" means a person who holds a license issued under Chapter 62, 63, or 74.

SECTION 301. Sections 102.55(a) and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) In this subchapter and Subchapter D, and as the terms relate to an agreement between a brewer ~~[manufacturer]~~ and a distributor describing the sales territory in which a distributor may sell the malt beverages ~~[beer]~~ of a brewer ~~[manufacturer]~~:

(1) "Brand" means any word, name, group of letters, symbol, or trademark or a combination of any word, name, group of letters, symbol, or trademark that is adopted and used by a brewer ~~[manufacturer]~~ on a label or on packaging to identify a specific ~~[beer or]~~ malt beverage and to distinguish the ~~[beer or]~~ malt beverage product from the label or packaging of another ~~[beer or]~~ malt beverage produced or marketed by any brewer ~~[manufacturer]~~. The term does not include the name of the brewer ~~[manufacturer]~~ unless the name of the brewer ~~[manufacturer]~~ is included in the name of the brand.

(2) "Brand extension" means a brand that incorporates a brand name or brand logo, or a substantial part of an existing brand name or brand logo, of the same brewer ~~manufacturer~~.

(3) "Brewer" ~~["Manufacturer"]~~ means a person who holds a license issued under Chapter 62, 63, or 74.

(c) A brewer ~~manufacturer~~ shall assign a brand extension to the distributor to whom the brand was originally assigned, if the distributor elects to distribute and sell the brand extension.

SECTION 302. Section 102.56, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.56. APPLICATION OF TERRITORIAL LIMITS TO CERTAIN PERMIT HOLDERS. (a) This section applies only to a holder of a local distributor's permit under Chapter 23 that operates in a county in which 8,000 or more alcoholic beverage licenses or permits of any type have been issued under this code and are in effect. Subsections (b) and (d) apply only to the delivery of a brand of ~~[ale, beer, or]~~ malt beverage ~~[liquor]~~ to a holder of a mixed beverage permit or a private club permit whose premises is located in a county in which 8,000 or more alcoholic beverage licenses or permits of any type have been issued under this code and are in effect.

(b) A holder of a local distributor's permit under Chapter 23 who has purchased a brand of ~~[ale, beer, or]~~ malt beverage ~~[liquor]~~ from the holder of a general~~[, local,]~~ or branch distributor's license ~~[or from the holder of a general class B wholesaler's or local class B wholesaler's permit]~~ may not deliver the brand of ~~[ale, beer, or]~~ malt beverage ~~[liquor]~~ to any holder of a mixed beverage permit or private club permit whose premises is located inside that county and outside the territory assigned to the distributor ~~[or wholesaler]~~ who sold the product under a territorial limit agreement authorized by this subchapter.

(c) Except as provided by Subsection (d), a holder of a local distributor's permit may purchase a brand of ~~[ale, beer, or]~~ malt beverage ~~[liquor]~~ only from a distributor ~~[or wholesaler]~~ who has been assigned the territory where the premises of the holder of the local distributor's permit is located.

(d) A holder of a local distributor's permit who delivers a brand of ~~[ale, beer, or]~~ malt beverage ~~[liquor]~~ to a holder of a mixed beverage permit or private club permit whose premises is located inside that county and outside the assigned territory where the premises of the holder of a local distributor's permit is located must purchase the brand of ~~[ale, beer, or]~~ malt beverage ~~[liquor]~~ from a distributor ~~[or wholesaler]~~ who has been assigned the territory where the premises of the holder of the mixed beverage or private club permit is located.

SECTION 303. The heading to Subchapter D, Chapter 102, Alcoholic Beverage Code, is amended to read as follows:

#### SUBCHAPTER D. MALT BEVERAGE ~~[BEER]~~ INDUSTRY FAIR DEALING LAW

SECTION 304. Sections 102.71(1), (2), (4), and (5), Alcoholic Beverage Code, are amended to read as follows:

(1) "This Act" means this subchapter which shall have the short title and may be cited as the "Malt Beverage ~~[Beer]~~ Industry Fair Dealing Law."

(2) "Agreement" means any contract, agreement, or arrangement, whether expressed or implied, whether oral or written, for a definite or indefinite period between a brewer [~~manufacturer~~] and a distributor pursuant to which a distributor has the right to purchase, resell, and distribute any brand or brands of malt beverage [~~beer~~] offered by a brewer [~~manufacturer~~].

(4) "Brewer [~~Manufacturer~~]" means those persons licensed under Section 62.01, 63.01, or 74.01.

(5) "Territory" or "sales territory" means the geographic area of distribution and sale responsibility designated by an agreement between a distributor and brewer [~~manufacturer~~], as provided in Section 102.51 of this code, for any brands of the brewer [~~manufacturer~~].

SECTION 305. Sections 102.72(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) This Act is promulgated pursuant to authority of the state under the provisions of the 21st amendment to the United States Constitution to promote the public's interest in the fair, efficient, and competitive distribution of malt beverages [~~beer~~] within this state by requiring brewers [~~manufacturers~~] and distributors to conduct their business relations so as to assure:

(1) that the malt beverage [~~beer~~] distributor is free to manage its business enterprise, including the right to independently establish its selling prices; and

(2) that the public, retailers, and brewers [~~manufacturers~~] are served by distributors who will devote their reasonable efforts and resources to the sales and distribution of all the brewer's [~~manufacturer's~~] products which the distributor has the right to sell and distribute and maintain satisfactory sales levels in the sales territory assigned the distributor.

(b) This Act shall govern all relations between brewers [~~manufacturers~~] and their distributors, including any renewals or amendments to agreements between them, to the full extent consistent with the constitutions and laws of this state and the United States.

SECTION 306. Sections 102.73(a) and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) Except as provided in Subsection (c) [~~of this section~~], and except as may be specifically agreed upon at the time by the parties, a brewer [~~no manufacturer~~] or beer distributor may not cancel, fail to renew, or otherwise terminate an agreement unless the brewer [~~manufacturer~~] or distributor furnishes prior notification in accordance with Subsection (b) [~~of this section~~] to the affected party.

(c) A brewer [~~manufacturer~~] or distributor may cancel, fail to renew, or otherwise terminate an agreement without furnishing any prior notification for any of the following reasons:

(1) in the event of insolvency or bankruptcy or dissolution or liquidation of the other party;

(2) in the event the other party shall make an assignment for the benefit of creditors or similar disposition of substantially all of the assets of such party's business;

(3) in the event of a conviction or plea of guilty or no contest to a charge of violating a law or regulation or the revocation or suspension of a license or permit for a period of 30 days or more relating to the business and which materially and adversely affects the party's ability to continue in business; or

(4) in the event of the failure to pay amounts owing the other when due, upon demand therefor, in accordance with agreed payment terms.

SECTION 307. Section 102.74, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.74. CANCELLATION. A malt beverage brewer ~~[No manufacturer]~~ or ~~[beer]~~ distributor may not cancel, fail to renew, or otherwise terminate an agreement unless the party intending such action has good cause for such cancellation, failure to renew, or termination and, in any case in which prior notification is required under Section 102.73 ~~[of this code]~~, the party intending to act has furnished said prior notification and the affected party has not eliminated the reasons specified in such notification as the reasons for cancellation, failure to renew, or termination within 90 days after the receipt of such notification.

SECTION 308. Sections 102.75(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) A brewer may not ~~[No manufacturer shall]~~:

(1) induce or coerce, or attempt to induce or coerce, any distributor to engage in any illegal act or course of conduct;

(2) require a distributor to assent to any unreasonable requirement, condition, understanding, or term of an agreement prohibiting a distributor from selling the product of any other brewer ~~[manufacturer or manufacturers]~~;

(3) fix or maintain the price at which a distributor may resell malt beverages ~~[beer]~~;

(4) fail to provide to each distributor of its brands a written contract which embodies the brewer's ~~[manufacturer's]~~ agreement with its distributor;

(5) require any distributor to accept delivery of any malt beverages ~~[beer]~~ or any other item or commodity which shall not have been ordered by the distributor;

(6) adjust the price at which the brewer ~~[manufacturer]~~ sells malt beverages ~~[beer]~~ to a distributor based on the price at which a distributor resells malt beverages ~~[beer]~~ to a retailer, but a brewer ~~[manufacturer]~~ is free to set its own price so long as any price adjustment is based on factors other than a distributor's increase in the price it charges to a retailer and not intended to otherwise coerce illegal behavior under this section; or

(7) accept payment in exchange for an agreement setting forth territorial rights.

(b) Nothing in this section shall interfere with the rights of a brewer ~~[manufacturer]~~ or distributor to enter into contractual agreements that could be construed as governing ordinary business transactions, including, but not limited to, agreements concerning allowances, rebates, refunds, services, capacity, advertising funds, promotional funds, or sports marketing funds.



SECTION 309. Section 102.76, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.76. TRANSFER OF BUSINESS ASSETS OR STOCK. (a) A brewer may not ~~[No manufacturer shall]~~ unreasonably withhold or delay its approval of any assignment, sale, or transfer of the stock of a distributor or all or any portion of a distributor's assets, distributor's voting stock, the voting stock of any parent corporation, or the beneficial ownership or control of any other entity owning or controlling the distributor, including the distributor's rights and obligations under the terms of an agreement whenever the person or persons to be substituted meet reasonable standards imposed not only upon the distributor but upon all other distributors of that brewer ~~[manufacturer]~~ of the same general class, taking into account the size and location of the sales territory and market to be served. Upon the death of one of the partners of a partnership operating the business of a distributor, a brewer may not ~~[no manufacturer shall]~~ deny the surviving partner or partners of such partnership the right to become a successor-in-interest to the agreement between the brewer ~~[manufacturer]~~ and such partnership. Provided that the survivor has been active in the management of the partnership or ~~[and/or]~~ is otherwise capable of carrying on the business of the partnership.

(b) Notwithstanding the provisions of Subsection (a) ~~[of this section]~~, upon the death of a distributor a brewer may not ~~[no manufacturer shall]~~ deny approval for any transfer of ownership to a surviving spouse or adult child of an owner of a distributor; provided, however, that such subsequent transfers of such ownership by such surviving spouse or adult child shall thereafter be subject to the provisions of Subsection (a) ~~[of this section]~~.

SECTION 310. Section 102.77, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.77. REASONABLE COMPENSATION. (a) Any brewer ~~[manufacturer]~~ who, without good cause, cancels, terminates, or fails to renew any agreement, or unlawfully denies approval of, or unreasonably withholds consent, to any assignment, transfer, or sale of a distributor's business assets or voting stock or other equity securities, shall pay such distributor with whom it has an agreement pursuant to Section 102.51 ~~[of this code]~~ the fair market value of the distributor's business with relation to the affected brand or brands. In determining fair market value, consideration shall be given to all elements of value, including ~~[but not limited to]~~ goodwill and going concern value.

(b) In the event that the brewer ~~[manufacturer]~~ and the distributor are unable to mutually agree on whether or not good cause exists for cancellation under Section 102.74 ~~[of this code]~~ or on the reasonable compensation to be paid for the value of the distributor's business, as defined herein, the matter may, at the option of either the distributor or brewer ~~[manufacturer]~~, be submitted to three arbitrators, one of whom shall be named in writing by each party and the third of whom shall be chosen by the two arbiters so selected. Should the arbiters selected fail to choose a third arbiter within 10 days, a judge of a district court in the county in which the distributor's principal place of business is located shall select the third arbiter. Arbitration shall be conducted in accordance with Chapter 171,

Civil Practice and Remedies Code ~~[the Texas General Arbitration Act, as amended (Article 224, Revised Civil Statutes of Texas, 1925)]~~. Arbitration costs shall be paid one-half by the distributor and one-half by the brewer ~~[manufacturer]~~. The award of the arbitrators shall be binding on the parties unless appealed within 10 days from the date of the award. All proceedings on appeal shall be in accordance with and governed by Chapter 171, Civil Practice and Remedies Code ~~[the Texas General Arbitration Act, as amended (Article 224, Revised Civil Statutes of Texas, 1925)]~~.

SECTION 311. Section 102.78, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.78. RIGHT OF FREE ASSOCIATION. A brewer ~~[No manufacturer]~~ or distributor may not ~~[shall]~~ restrict or inhibit, directly or indirectly, the right of free association among brewers ~~[manufacturers]~~ or distributors for any lawful purpose.

SECTION 312. Section 102.79(a), Alcoholic Beverage Code, is amended to read as follows:

(a) If a brewer ~~[manufacturer]~~ or distributor who is a party to an agreement pursuant to Section 102.51 ~~[of this code]~~ fails to comply with this Act or otherwise engages in conduct prohibited under this Act, or if a brewer ~~[manufacturer]~~ and distributor are not able to mutually agree on reasonable compensation under Section 102.77 ~~[of this code]~~ and the matter is not to be submitted to arbitration, the aggrieved brewer ~~[manufacturer]~~ or distributor may maintain a civil action in a court of competent jurisdiction in the county in which the distributor's principal place of business is located.

SECTION 313. Section 102.81, Alcoholic Beverage Code, is amended to read as follows:

Sec. 102.81. ~~[ALE AND]~~ MALT BEVERAGES ~~[LIQUOR]~~. This subchapter and Subchapter C ~~[of this chapter]~~ apply to agreements concerning all ale and malt beverages liquor in the same manner ~~[as they apply to agreements concerning beer, and each particular class of permittee dealing with ale and malt liquor is subject to those provisions that apply to functionally corresponding licensees within the beer industry]~~.

SECTION 314. Section 103.08, Alcoholic Beverage Code, is amended to read as follows:

Sec. 103.08. SALE OF MALT BEVERAGE ~~[BEER]~~. (a) Any malt beverage ~~[beer]~~, its container, or its packaging which is seized under the terms of this chapter shall be disposed of in accordance with this section.

(b) On notification that the malt beverage has ~~[beer has]~~ been seized, the commission shall promptly notify a holder of a general~~[-local]~~ or branch distributor's license who handles the brand of malt beverage beer seized and who operates in the county in which it was seized. If the malt beverage ~~[beer]~~ was seized in a dry area, the commission shall notify either the general~~[-local]~~ or branch distributor who handles the brand operating nearest the area or the brewer ~~[manufacturer]~~ brewing the malt beverage ~~[beer]~~. The commission and the distributor or brewer ~~[manufacturer]~~ shall jointly determine whether the malt beverage ~~[beer]~~ is in a salable condition.

(c) If the malt beverage ~~[beer]~~ is determined not to be in a salable condition, the commission shall immediately destroy it. If it is determined to be in a salable condition, it shall be offered for sale to the distributor or brewer ~~[manufacturer]~~. If offered to a distributor, the malt beverage ~~[beer]~~ shall be sold at the distributor's cost price less any state taxes which have been paid on the malt beverage ~~[beer]~~, F.O.B. the distributor's place of business. If the malt beverage ~~[beer]~~ is offered to a brewer ~~[manufacturer]~~, it shall be sold at the brewer's ~~[manufacturer's]~~ cost price to its nearest distributor, less any state taxes which have been paid on the malt beverage ~~[beer]~~, F.O.B., the nearest distributor's place of business. In either case, the storage or warehousing charges necessarily incurred as a result of the seizure shall be added to the cost price.

(d) If the distributor or brewer ~~[manufacturer]~~ does not exercise the right to purchase salable malt beverages ~~[beer]~~ or to purchase returnable bottles, containers, or packages at their deposit price within 10 days, the commission shall sell the malt beverages ~~[beer]~~, bottles, containers, or packages at public or private sale as provided in this chapter.

SECTION 315. Effective September 1, 2019, Section 103.09(b), Alcoholic Beverage Code, is amended to read as follows:

(b) On notification that liquor has been seized, the commission shall promptly notify a holder of a wholesaler's permit ~~or~~ a general class B wholesaler's permit ~~or a local class B wholesaler's permit~~ who handles the brand of liquor seized and who operates in the county in which it was seized. If the liquor was seized in a dry area, the commission shall notify the wholesaler who handles the brand seized who operates nearest the area. The commission and the wholesaler shall jointly determine whether the liquor is in a salable condition.

SECTION 316. Section 104.01(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A ~~No~~ person authorized to sell malt beverages ~~[beer]~~ at retail, ~~or~~ ~~the person's agent, servant, or employee, may not engage in or permit conduct on the premises of the retailer which is lewd, immoral, or offensive to public decency, including, but not limited to,~~ any of the following acts:

(1) the use of loud and vociferous or obscene, vulgar, or indecent language, or permitting its use;

(2) the exposure of a person or permitting a person to expose himself or herself;

(3) rudely displaying or permitting a person to rudely display a pistol or other deadly weapon in a manner calculated to disturb persons in the retail establishment;

(4) solicitation of any person to buy drinks for consumption by the retailer or any of the retailer's employees;

(5) being intoxicated on the licensed premises;

(6) permitting lewd or vulgar entertainment or acts;

(7) permitting solicitations of persons for immoral or sexual purposes;

(8) failing or refusing to comply with state or municipal health or sanitary laws or ordinances; or

(9) possession of a narcotic or synthetic cannabinoid or any equipment used or designed for the administering of a narcotic or a synthetic cannabinoid or permitting a person on the licensed premises to do so.

SECTION 317. Section 104.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 104.04. DRAFT MALT BEVERAGE DISPENSER: SIGN REQUIRED. A ~~[No]~~ retail dealer may not dispense draft ~~[beer,]~~ malt beverages ~~[liquor, or ale]~~ unless each faucet or other dispensing apparatus is equipped with a sign clearly indicating the name or brand of the product being dispensed through the faucet or apparatus. The sign must be in full sight of the purchaser, and the letters on it must be legible.

SECTION 318. Sections 104.05(a), (b), (c), and (e), Alcoholic Beverage Code, are amended to read as follows:

(a) This section applies to a permittee or licensee who is authorized to sell ~~[beer,]~~ malt beverages ~~[liquor, or ale]~~ to an ultimate consumer for consumption off the permitted or licensed premises.

(b) The holder of a permit or license described in Subsection (a) ~~[of this section]~~ may resell ~~[beer,]~~ malt beverages ~~[liquor, or ale]~~ only in the packaging in which the holder received the ~~[beer,]~~ malt beverages ~~[liquor, or ale]~~ or may resell the contents of the packages as individual containers.

(c) Except for purposes of resale as individual containers, a licensee or permittee may not:

(1) mutilate, tear apart, or cut apart original packaging in which ~~[beer,]~~ malt beverages ~~were~~ [liquor, or ale was] received; or

(2) repackage ~~[beer,]~~ malt beverages ~~[liquor, or ale]~~ in a manner misleading to the consumer or that results in required labeling being omitted or obscured.

(e) To assure and control product quality, the holder of a distributor's license, ~~[wholesaler's permit, or class B wholesaler's permit,]~~ at the time of a regular delivery, may withdraw, with the permission of the retailer, a quantity of ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ in its undamaged original packaging from the retailer's stock, if:

(1) the distributor~~[- wholesaler, or class B wholesaler]~~ replaces the stock with ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ of identical brands, quantities, and packages as the ~~[beer, ale, or]~~ malt beverages ~~[liquor]~~ withdrawn;

(2) the stock is withdrawn before the date considered by the brewer ~~[manufacturer]~~ of the product to be the date the product becomes inappropriate for sale to a consumer; and

(3) the quantity of stock withdrawn does not exceed the equivalent of 25 cases of 24 12-ounce containers.

SECTION 319. Sections 105.03(c) and (d), Alcoholic Beverage Code, are amended to read as follows:

(c) In a city or county having a population of 800,000 or more, according to the last preceding federal census, or 500,000 or more, according to the 22nd Decennial Census of the United States, as released by the Bureau of the Census

on March 12, 2001, a holder of a mixed beverage permit who holds a retailer late hours certificate ~~[permit]~~ may also sell and offer for sale mixed beverages between midnight and 2 a.m. on any day.

(d) In a city or county other than a city or county described by Subsection (c), the extended hours prescribed in Subsection (c) ~~[of this section]~~ are effective for the sale of mixed beverages and the offer to sell them by a holder of a mixed beverage permit who holds a retailer ~~[beverages]~~ late hours certificate ~~[permit]~~:

(1) in the unincorporated areas of the county if the extended hours are adopted by an order of the commissioners court; and

(2) in an incorporated city or town if the extended hours are adopted by an ordinance of the governing body of the city or town.

SECTION 320. Section 105.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 105.04. HOURS OF SALE: WINE AND MALT BEVERAGE ~~[BEER]~~ RETAILER. The hours of sale and delivery for alcoholic beverages sold under a wine and malt beverage ~~[beer]~~ retailer's permit or a wine and malt beverage ~~[beer]~~ retailer's off-premise permit are the same as those prescribed for the sale of malt beverages ~~[beer]~~ under Section 105.05 ~~[of this code]~~, except that no sale shall be allowed between 2 a.m. and noon on Sunday.

SECTION 321. Section 105.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 105.05. HOURS OF SALE: MALT BEVERAGES ~~[BEER]~~. (a) ~~A~~ ~~[No]~~ person may sell, offer for sale, or deliver malt beverages only ~~[beer]~~ at a ~~[any]~~ time ~~[not]~~ permitted by this section.

(b) A person may sell, offer for sale, or deliver malt beverages ~~[beer]~~ between 7 a.m. and midnight on any day except Sunday. On Sunday a person ~~[he]~~ may sell malt beverages ~~[beer]~~ between midnight and 1:00 a.m. and between noon and midnight, except that permittees or licensees authorized to sell for on-premise consumption may sell malt beverages ~~[beer]~~ between 10:00 a.m. and noon if the malt beverages are ~~[beer is]~~ served to a customer during the service of food to the customer.

(c) In a city or county having a population of 800,000 or more, according to the last preceding federal census, or 500,000 or more, according to the 22nd Decennial Census of the United States, as released by the Bureau of the Census on March 12, 2001, a holder of a retail dealer's on-premise license who holds a retailer late hours certificate ~~[license]~~ may also sell, offer for sale, and deliver malt beverages ~~[beer]~~ between midnight and 2 a.m. on any day.

(d) In a city or county other than a city or county described by Subsection (c), the extended hours prescribed in Subsection (c) ~~[of this section]~~ or any part of the extended hours prescribed in Subsection (c) ~~[of this section]~~ are effective for the sale, offer to sell, and delivery of malt beverages ~~[beer]~~ by a holder of a retail dealer's on-premise license who holds a retailer late hours certificate ~~[license]~~:

(1) in the unincorporated areas of the county if the extended hours are adopted by an order of the commissioners court; and

(2) in an incorporated city or town if the extended hours are adopted by an ordinance of the governing body of the city or town.

(e) A violation of a city ordinance or order of a commissioners court adopted pursuant to Subsection (d) ~~[of this section]~~ is a violation of this code.

SECTION 322. Section 105.051, Alcoholic Beverage Code, is amended to read as follows:

Sec. 105.051. SALE OF MALT BEVERAGES ~~[BEER]~~ BY DISTRIBUTOR'S LICENSEE. The holder of a general~~[-local]~~ or branch distributor's license may sell, offer for sale, or deliver malt beverages ~~[beer]~~ 24 hours a day Monday through Saturday and between midnight and 1 a.m. and between noon and midnight on Sunday.

SECTION 323. Section 105.082, Alcoholic Beverage Code, is amended to read as follows:

Sec. 105.082. HOURS OF SALE AND CONSUMPTION: BREWER ~~[OR MANUFACTURER]~~. ~~[(a) The holder of a brewer's permit may sell, offer for sale, and deliver ale or malt liquor and a person may consume ale or malt liquor on the brewer's premises:~~

~~[(1) between 8 a.m. and midnight on any day except Sunday; and~~

~~[(2) between 10 a.m. and midnight on Sunday.~~

~~[(b) The holder of a brewer's [manufacturer's] license may sell, offer for sale, and deliver malt beverages [beer] and a person may consume malt beverages [beer] on the brewer's [manufacturer's] premises:~~

~~(1) between 8 a.m. and midnight on any day except Sunday; and~~

~~(2) between 10 a.m. and midnight on Sunday.~~

SECTION 324. Effective September 1, 2019, Section 106.09(d), Alcoholic Beverage Code, is amended to read as follows:

(d) A ~~[The fact that a]~~ person who is 18, 19, or 20 years of age is not prohibited from acting as an agent ~~[a ground for refusal of an original or renewal permit or license issued]~~ under Chapter 35, 36, or 73, provided the ~~[that such a]~~ person ~~[to whom a permit or license is issued]~~ may carry out the activities authorized by those chapters only while in the actual course and scope of the person's employment.

SECTION 325. Section 106.16(b), Alcoholic Beverage Code, is amended to read as follows:

(b) Notwithstanding any other law, a minor may taste an alcoholic beverage if:

(1) the minor:

(A) is at least 18 years old; and

(B) is enrolled:

(i) as a student at a public or private institution of higher education or a career school or college that offers a program in culinary arts, viticulture, enology or wine technology, brewing or malt beverage ~~[beer]~~ technology, or distilled spirits production or technology; and

(ii) in a course that is part of a program described by Subparagraph (i);

(2) the beverage is tasted for educational purposes as part of the curriculum for the course described by Subdivision (1)(B)(ii);

(3) the beverage is not purchased by the minor; and

(4) the service and tasting of the beverage is supervised by a faculty or staff member who is at least 21 years of age.

SECTION 326. Section 107.02, Alcoholic Beverage Code, is amended to read as follows:

Sec. 107.02. TRANSPORTATION OF MALT BEVERAGES ~~[BEER]~~: STATEMENT REQUIRED. (a) It is lawful for a person to transport malt beverages ~~[beer]~~ from any place where its sale, manufacture, or distribution is authorized to another place in the state where its sale, manufacture, or distribution is authorized, or from the state boundary to a place where its sale, manufacture, or distribution is authorized, even though the route of transportation may cross a dry area.

(a-1) A person transporting malt beverages ~~[beer]~~ to the premises of a distributor, including to a location from which the distributor is temporarily conducting business under Section 109.62, shall provide to the consignee a shipping invoice that clearly states:

(1) the name and address of the consignor and consignee;

(2) the origin and destination of the shipment; and

(3) any other information required by this code or commission rule, including the brands, sizes of containers, and quantities of malt beverages ~~[beer]~~ contained in the shipment.

(b) A shipment of malt beverages ~~[beer]~~ must be accompanied by a written statement furnished and signed by the shipper showing:

(1) the name and address of the consignor and consignee;

(2) the origin and destination of the shipment; and

(3) any other information required by the commission or administrator.

(c) The person in charge of the shipment while it is being transported shall exhibit the written statement to any representative of the commission or peace officer who demands to see it. The statement shall be accepted by the representative or peace officer as prima facie evidence of the legal right to transport the malt beverages ~~[beer]~~.

(d) A person who transports malt beverages ~~[beer]~~ not accompanied by the required statement, or who fails to exhibit the statement after a lawful demand, violates this code.

SECTION 327. Section 107.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 107.04. DELIVERY OF MALT BEVERAGES ~~[BEER]~~ IN DRY AREA. A common carrier may not deliver malt beverages ~~[beer]~~ in a dry area unless the malt beverages are ~~[it is]~~ consigned to a ~~[local or]~~ general distributor's licensee who has previously stated that the licensee ~~[he]~~ intends to transport the malt beverages ~~[it]~~ to a licensed place of business in a wet area. A common carrier who transports malt beverages ~~[beer]~~ to a distributor in a dry area shall comply strictly with this section and Section 107.02 ~~[of this code]~~.

SECTION 328. Section 107.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 107.06. IMPORTATION OF MALT BEVERAGES ~~[BEER]~~. (a) A ~~[No]~~ person may not import malt beverages ~~[beer]~~ into the state except the holder of a brewer's ~~[manufacturer's]~~ or general ~~[local]~~ or branch distributor's license.

(b) A ~~[No]~~ person may not transport malt beverages ~~[beer]~~ into this state unless the malt beverages are ~~[it is]~~ consigned and delivered to one of the licensees named in Subsection (a) ~~[of this section]~~.

(c) This section does not apply to the importation or transportation of military malt beverages ~~[beer]~~ consigned to a military installation or to the importation of malt beverages ~~[beer]~~ as authorized under Section 107.07 ~~[of this code]~~.

SECTION 329. Section 107.09, Alcoholic Beverage Code, is amended to read as follows:

Sec. 107.09. SINGLE INVOICE AUTHORIZED. If the holder of a general ~~[local]~~ or branch distributor's license also holds a wholesaler's ~~[or]~~ general class B wholesaler's ~~[or local class B wholesaler's]~~ permit, a written statement or invoice required as evidence of the sale of malt beverages ~~[beer]~~ or liquor may be on the same business form that is designed to reflect the sale of both liquor and malt beverages ~~[beer]~~, if all information required by this code to be shown on a statement or invoice is reflected on the form and all other records required by this code are maintained.

SECTION 330. Section 107.10, Alcoholic Beverage Code, is amended to read as follows:

Sec. 107.10. TRANSPORTATION OF WINE COOLERS OR SPIRIT COOLERS. (a) A holder of a wholesaler's ~~[or]~~ general class B wholesaler's ~~[or local class B wholesaler's]~~ permit may transport and sell wine coolers without a prior order if the holder complies with the provisions of this code and rules of the commission applicable to the transportation and sale of malt beverages ~~[beer]~~ by a holder of a distributor's license.

(b) A holder of a wholesaler's permit may transport and sell spirit coolers without a prior order if the holder complies with the provisions of this code and rules of the commission applicable to the transportation and sale of malt beverages ~~[beer]~~ by a holder of a distributor's license.

SECTION 331. Section 108.01(a), Alcoholic Beverage Code, is amended to read as follows:

(a) A brewer ~~[No manufacturer]~~ or distributor directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not publish, disseminate, or cause to be published or disseminated by any medium enumerated in Subsection (b) an advertisement of a brewery product that:

(1) causes or is reasonably calculated to cause deception of the consumer with respect to the product advertised;

(2) directly or by ambiguity, omission, or inference tends to create a misleading impression;

(3) is untrue in any particular;



- (4) disparages a competitor's product; or
- (5) is obscene or indecent.

SECTION 332. Section 108.03, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.03. REGULATION OF PROMOTIONAL ACTIVITIES. The commission shall adopt rules permitting and regulating the use of business cards, menu cards, stationery, service vehicles and equipment, and delivery vehicles and equipment that bear alcoholic beverage advertising. The commission shall also adopt rules permitting and regulating the use of insignia advertising malt beverages ~~[beer]~~, distilled spirits, or wine by brand name on caps, regalia, or uniforms worn by employees of manufacturers, distributors, distillers, or wineries or by participants in a game, sport, athletic contest, or revue if the participants are sponsored by a manufacturer, distributor, distiller, or winery.

SECTION 333. Section 108.035, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.035. PACKAGING OF CERTAIN PROMOTIONAL ITEMS AUTHORIZED. Notwithstanding any other provision of this code, a person who holds a brewer's ~~[permit, nonresident brewer's permit, manufacturer's]~~ license~~[-]~~ or nonresident brewer's ~~[manufacturer's]~~ license, or the person's agent or employee, may package alcoholic beverages in combination with other items if the package is designed to be delivered intact to the ~~[wholesaler or]~~ distributor and the additional items are branded and have no value or benefit to the retailer other than that of having the potential of attracting purchases and promoting sales.

SECTION 334. Section 108.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.04. ACTS OF PROMOTIONAL OR COURTESY NATURE: ADMINISTRATIVE DISCRETION. The commission may promulgate rules which shall set definite limitations consistent with the general provisions of this code, relaxing the restrictions of Sections 102.07, 102.14, 102.15, and 108.06, with respect to:

- (1) the sale or gift of novelties advertising the product of a brewer ~~[manufacturer]~~ or distributor;
- (2) the making of gifts to civic, religious, or charitable organizations;
- (3) the cleaning and maintenance of coil connections for dispensing draught malt beverages ~~[beer]~~;
- (4) the lending of equipment for special occasions; and
- (5) acts of a purely courtesy nature.

SECTION 335. Section 108.041, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.041. CARBON DIOXIDE FILTERS PROVIDED TO RETAILERS. (a) A brewer ~~[manufacturer]~~ or distributor of malt beverages ~~[beer]~~ may provide carbon dioxide filters to malt beverage ~~[beer]~~ retailers for draught systems using carbon dioxide or a carbon dioxide and nitrogen blend, commonly referred to as "beer gas."

(b) The cost of providing, maintaining, and replacing the carbon dioxide filters shall be borne by the brewer ~~[manufacturer]~~.

SECTION 336. Effective September 1, 2019, Section 108.042, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.042. ACTS OF PROMOTIONAL OR COURTESY NATURE: WINE DISPENSING. The commission shall adopt rules that set definite limitations, consistent with the general provisions of this code, relaxing the restrictions of Section 102.07 to allow the holder of a wholesaler's ~~or~~ general class B wholesaler's ~~or local class B wholesaler's~~ permit or the permit holder's agent to perform the cleaning and maintenance of coil connections for the dispensing of wine.

SECTION 337. Section 108.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.05. ALLOWANCE FOR ADVERTISEMENT OR DISTRIBUTION. A brewer ~~[No manufacturer]~~ or distributor, directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not pay or make an allowance to a retail dealer for an advertising or distribution service.

SECTION 338. Section 108.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.06. PRIZES AND PREMIUMS. A brewer ~~[No manufacturer]~~ or distributor, directly or indirectly, or through a subsidiary, affiliate, agent, employee, officer, director, or firm member, may not offer a prize, premium, gift, or other inducement to a dealer in or consumer of brewery products.

SECTION 339. Sections 108.061(a) and (e), Alcoholic Beverage Code, are amended to read as follows:

(a) Notwithstanding the prohibition against prizes given to a consumer in Section 108.06 and subject to the rules of the commission, a ~~[manufacturer, nonresident manufacturer, or]~~ brewer or nonresident brewer may offer a prize to a consumer of legal drinking age if the offer is a part of a promotional sweepstakes activity.

(e) If a licensee ~~[or permittee]~~ conducts a private event authorized by Subsection (d) at a retailer's premises, the licensee ~~[or permittee]~~ shall pay the retailer the fair market value for the use of the premises. The retailer must retain control of the sale and service of alcoholic beverages at the private event.

SECTION 340. Effective September 1, 2019, Section 108.08(b), Alcoholic Beverage Code, is amended to read as follows:

(b) A part of the cost of advertising revenue paid by a manufacturer to an entity under this section may not be charged to or paid, directly or indirectly, by the holder of a wholesaler's permit, general class B wholesaler's permit, ~~[local class B wholesaler's permit]~~ local distributor's permit, or general distributor's license ~~[or local distributor's license]~~, except through the price paid by that holder for products purchased from the holders' supplier.

SECTION 341. Section 108.10, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.10. BRANDED PROMOTIONAL VEHICLES. Notwithstanding any other provision of this code, the holder of a brewer's ~~[manufacturer's]~~ or nonresident brewer's ~~[manufacturer's]~~ license or a nonresident seller's permit may display a branded promotional vehicle on the licensed or permitted premises of a retailer, whether outside or inside a structure on the premises, for not more than five hours per day.

SECTION 342. Effective September 1, 2019, Section 108.52(c), Alcoholic Beverage Code, is amended to read as follows:

(c) The commission shall adopt reasonable rules relating to the type of outdoor advertising retail ~~[Retail]~~ licensees and permittees may erect or maintain on the retailer's premises. A violation of a rule adopted under this section is a violation of this code. ~~[one sign at each place of business which may read as follows:~~

~~[(1) if a beer retailer, the sign may read "Beer";~~

~~[(2) if an off premises beer retailer, the sign may read "Beer" or "Beer to Go";~~

~~[(3) if a wine and beer retailer, the sign may read "Beer," "Beer and Wine," or "Beer, Wine and Ale";~~

~~[(4) if a wine and beer off premises retailer, the sign may read "Beer," "Beer to Go," "Beer and Wine," "Beer and Wine to Go," "Beer, Wine and Ale," or "Beer, Wine and Ale to Go";~~

~~[(5) if a package store permittee, the sign may read "Package Store," "Liquors," or "Wines and Liquors," and if a retail dealer's off premise license is also held, the sign may read "Package Store," "Wines, Liquors and Beer," or "Wine, Liquors and Beer to Go"; or~~

~~[(6) if a wine only package store permittee, the sign may read "Wine" or "Wines," and if a retail dealer's off premise license is also held, the sign may read "Wines and Beer," "Wine and Beer," or "Wine and Beer to Go."]~~

SECTION 343. Effective September 1, 2019, Section 108.53, Alcoholic Beverage Code, is amended to read as follows:

Sec. 108.53. ADVERTISING ~~[BILLBOARDS AND ELECTRIC]~~ SIGNS~~[- WHEN PERMIT IS REQUIRED]~~. Consistent ~~[(a) No person may erect a billboard or electric sign advertising an alcoholic beverage within 200 feet of a retail establishment authorized to sell that beverage unless he has first obtained a permit for that purpose from the commission. No permit is required for a billboard or electric sign that is not located within 200 feet of a retail establishment authorized to sell the advertised alcoholic beverage.~~

~~[(b) The commission or administrator shall provide permit application forms, which may contain any information the commission or administrator deems necessary. The application shall contain a statement that the erection or maintenance of the billboard or electric sign will not have the effect of advertising or directing patronage to a particular retail establishment authorized to sell alcoholic beverages. Application shall be made under oath, addressed to the commission or administrator.~~

~~[(e) The commission or administrator shall issue a permit if either of them finds that all statements in the application are true and the erection or maintenance of the billboard or electric sign will not be contrary to this code or to a rule of the commission. Otherwise, the commission or administrator shall refuse to issue a permit.~~

~~[(d) Notwithstanding the restrictions imposed by this section, but consistent]~~ with other provisions of this code, the commission shall promulgate rules allowing for signs advertising alcoholic beverages at charitable or civic events such as fairs, rodeos, or other events of a temporary nature. This section ~~[subsection]~~ does not authorize, nor shall any rule of the commission authorize, a retailer of alcoholic beverages to derive, directly or indirectly, any money or consideration of any kind as a result of alcoholic beverage advertising, and the commission's rules shall reflect the intent that the charity or civic endeavor receive the proceeds, if any, from such advertising signs.

SECTION 344. Section 108.73(1), Alcoholic Beverage Code, is amended to read as follows:

(1) "Independent concessionaire" means a licensed or permitted member of the retail tier or a holder of a private club registration permit, mixed beverage permit ~~[caterer's permit]~~, or food and beverage certificate who:

(A) has a written concession agreement from the owner, operator, or lessee of a public entertainment facility;

(B) receives no monetary benefit, directly or indirectly, by any scheme or device or in any form or degree from the alcoholic beverage industry including a benefit in the form of capital improvements, furniture, fixtures, or equipment, unless otherwise authorized by this code or commission rules; and

(C) is not owned, in whole or in part, by the public entertainment facility, or a subsidiary, agent, manager, or company managing the facility, and who does not own, in whole or in part, or manage the public entertainment facility.

SECTION 345. Section 109.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 109.04. SALE OF MALT BEVERAGES ~~[BEER]~~: PROCEDURE. (a) When the commission is notified under this subchapter of the acquisition of malt beverages ~~[beer]~~ or malt beverage ~~[its]~~ containers or original packages, it shall immediately notify a holder of a general~~[-local]~~ or branch distributor's license who handles the brand of malt beverages ~~[beer]~~ and who operates in the county where the malt beverages are ~~[it is]~~ located or, if the malt beverages are ~~[it is]~~ located in a dry area or if no distributor operates in the county, the nearest distributor handling the brand or the brewer ~~[manufacturer]~~ who brewed the malt beverages ~~[it]~~.

(b) The insurer or insurance salvor, the commission, and the distributor or brewer ~~[manufacturer]~~ shall jointly agree whether the malt beverages are ~~[beer is]~~ salable. If the malt beverages are ~~[it is]~~ determined to be unsalable, the commission shall destroy the malt beverages ~~[it]~~. If the malt beverages are ~~[it is]~~ determined to be salable, the brewer ~~[manufacturer]~~ or distributor shall be given the opportunity to purchase the malt beverages ~~[it]~~. A distributor may purchase

malt beverages ~~[beer]~~ at the cost price less any state taxes that have been paid, F.O.B. its place of business. A brewer ~~[manufacturer]~~ may purchase malt beverages ~~[beer]~~ at the cost price to the nearest distributor of the brand, less any state taxes that have been paid, F.O.B. that distributor's place of business. A brewer ~~[manufacturer]~~ or distributor may purchase returnable bottles, containers, or packages at their deposit price.

(c) If the distributor or brewer ~~[manufacturer]~~ does not exercise the right to purchase the merchandise within 10 days after being given the opportunity to purchase it, the insurer or insurance salvor may sell it to any qualified licensee or permittee as provided in Section 109.01 ~~[of this code]~~.

SECTION 346. Effective September 1, 2019, Section 109.05(a), Alcoholic Beverage Code, is amended to read as follows:

(a) When the commission is notified under this subchapter of the acquisition of liquor or its containers or original packages, it shall immediately notify the holder or holders of wholesaler's or ~~[ ]~~ class B wholesaler's ~~[ ]~~ ~~or local class B wholesaler's~~ permits who handle and regularly sell the brand or brands of liquor involved and who operate in the area where the liquor is located, or who operate in the nearest wet area if the liquor is in a dry area. The commission shall also notify the nonresident seller's permittees who handle the brand or brands of liquor involved, or the nonresident seller's agents ~~[manufacturer's agent's permittees]~~ who represent those nonresident seller's permittees.

SECTION 347. Section 109.08, Alcoholic Beverage Code, is amended to read as follows:

Sec. 109.08. EXCLUSION. Notwithstanding any other provision of this code, a ~~[no]~~ person engaged in business as a distiller, brewer, ~~[manufacturer]~~ winery, or any other manufacturing level producer of liquor or malt beverages ~~[beer]~~, or their wholesalers or distributors, may not directly or indirectly or through an affiliate require, by agreement or otherwise, that any retailer engaged in the sale of liquor or malt beverages ~~[beer]~~ purchase any such products from such person to the exclusion in whole or in part of liquor or malt beverages ~~[beer]~~ sold or offered for sale by other persons, or prevent, deter, hinder, or restrict other persons from selling or offering for sale any such products to any retailer.

SECTION 348. Section 109.21, Alcoholic Beverage Code, is amended to read as follows:

Sec. 109.21. HOME PRODUCTION OF WINE OR ~~[ ]~~ ~~AL-~~ MALT BEVERAGES ~~[LIQUOR, OR BEER]~~. (a) The head of a family or an unmarried adult may produce for the person's use or the use of the person's ~~[his]~~ family ~~[or himself]~~ not more than 200 gallons of wine or ~~[ ]~~ ~~ale,~~ malt beverages ~~[liquor, or beer]~~ per year. No license or permit is required.

(b) The commission may prohibit the use of any ingredient it finds detrimental to health or susceptible of use to evade this code. Only wine made from the normal alcoholic fermentation of the juices of dandelions or grapes, raisins, or other fruits may be produced under this section. Only ~~[ale]~~ malt beverages ~~[liquor, or beer]~~ made from the normal alcoholic fermentation of malted barley with hops, or their products, and with or without other malted or unmalted cereals, may be produced under this section. The possession of wine

or~~[-ale,]~~ malt beverages ~~[liquor, or beer]~~ produced under this section is not an offense if the person making it complies with all provisions of this section and the wine or~~[-ale,]~~ malt beverages are ~~[liquor, or beer is]~~ not distilled, fortified, or otherwise altered to increase their ~~[its]~~ alcohol content.

(c) There is no annual state fee for beverages produced in compliance with this section.

SECTION 349. Section 109.22, Alcoholic Beverage Code, is amended to read as follows:

Sec. 109.22. DELIVERY OF HOME-PRODUCED WINE OR~~[-ALE,]~~ MALT BEVERAGES ~~[LIQUOR, OR BEER]~~ FOR CERTAIN PURPOSES. (a) This section applies only to a person who is authorized under Section 109.21(a) to produce wine or~~[-ale,]~~ malt beverages ~~[liquor, or beer]~~.

(b) For the purpose of participating in an organized tasting, evaluation, competition, or literary review, a person to whom this section applies may deliver wine or~~[-ale,]~~ malt beverages ~~[liquor, or beer]~~ produced and manufactured by the person to locations that are not licensed under this code for the purpose of submitting those products to an evaluation at an organized tasting competition that is closed to the general public or by a reviewer whose reviews are published if:

(1) no charge of any kind is made for the wine or~~[-ale,]~~ malt beverages ~~[liquor, or beer]~~, for their ~~[its]~~ delivery, or for attendance at the event; and

(2) the commission consents in writing to the delivery.

(c) Nothing in this section shall be construed to authorize an increase in the quantity of wine or~~[-ale,]~~ malt beverages ~~[liquor, or beer]~~ authorized to be produced by a person under the authority of Section 109.21(a) ~~[of this code]~~.

SECTION 350. Section 109.32, Alcoholic Beverage Code, is amended to read as follows:

Sec. 109.32. MUNICIPAL AND COUNTY REGULATION OF MALT BEVERAGES ~~[BEER]~~. (a) An incorporated city or town by charter or ordinance may:

(1) prohibit the sale of malt beverages ~~[beer]~~ in a residential area; and

(2) regulate the sale of malt beverages ~~[beer]~~ and prescribe the hours when malt beverages ~~[it]~~ may be sold, except the city or town may not permit the sale of malt beverages ~~[beer]~~ when the ~~[its]~~ sale of malt beverages is prohibited by this code.

(b) In a county that has only one incorporated city or town that has a majority of the population of the county, according to the most recent federal census, and where the city or town has shortened the hours of sale for malt beverages ~~[beer]~~ on Sundays by a valid charter amendment or ordinance before January 1, 1957, the commissioners court may enter an order prohibiting the sale of malt beverages ~~[beer]~~ on Sundays during the hours the sale of malt beverages ~~[it]~~ is prohibited in the city or town. The order may apply to all or part of the area of the county located outside the city or town. The commissioners court may not adopt the order unless it first publishes notice for four consecutive weeks in a newspaper of general circulation in the county published in the county or a nearby county.

(c) In exercising the authority granted by this section, the city, town, or county may distinguish between retailers selling malt beverages [~~beer~~] for on-premises consumption and retailers, brewers [~~manufacturers~~], or distributors who do not sell malt beverages [~~beer~~] for on-premises consumption.

SECTION 351. Sections 109.33(f) and (g), Alcoholic Beverage Code, are amended to read as follows:

(f) Subsections (a)(2) and (3) do not apply to the holder of:

(1) a retail on-premises consumption permit or license if less than 50 percent of the gross receipts for the premises is from the sale or service of alcoholic beverages;

(2) a retail off-premises consumption permit or license if less than 50 percent of the gross receipts for the premises, excluding the sale of items subject to the motor fuels tax, is from the sale or service of alcoholic beverages; or

(3) a wholesaler's, distributor's, brewer's, distiller's and rectifier's, or winery[, ~~wine bottler's or manufacturer's~~] permit or license, or any other license or permit held by a wholesaler or manufacturer as those words are ordinarily used and understood in Chapter 102.

(g) Subsection (a)(3) does not apply to the holder of:

(1) a [~~license or~~] permit issued under Chapter 30 [~~27, 31, or 72~~] who is operating on the premises of a private school; or

(2) a license or permit covering a premise where minors are prohibited from entering under Section 109.53 and that is located within 1,000 feet of a private school.

SECTION 352. Section 109.53, Alcoholic Beverage Code, is amended to read as follows:

Sec. 109.53. CITIZENSHIP OF PERMITTEE; CONTROL OF PREMISES; SUBTERRANEAN OWNERSHIP; ETC. A [No] person who has not been a citizen of Texas for a period of one year immediately preceding the filing of the person's [~~his~~] application therefor is not [~~shall be~~] eligible to receive a permit under this code. No permit [~~except a brewer's permit, and such other licenses and permits as are necessary to the operation of a brewer's permit,~~] shall be issued to a corporation unless the same be incorporated under the laws of the state and unless at least 51 percent of the stock of the corporation is owned at all times by citizens who have resided within the state for a period of one year and who possess the qualifications required of other applicants for permits; provided, however, that the restrictions contained in the preceding clause shall not apply to domestic or foreign corporations that were engaged in the legal alcoholic beverage business in this state under charter or permit prior to August 24, 1935. Partnerships, firms, and associations applying for permits shall be composed wholly of citizens possessing the qualifications above enumerated. Any corporation (except carrier) holding a permit under this code which shall violate any provisions hereof, or any rule or regulation promulgated hereunder, shall be subject to forfeiture of its charter and it shall be the duty of the attorney general, when any such violation is called to the attorney general's [~~his~~] attention, to file a suit for such cancellation in a district court of Travis County. The [~~Such~~]

provisions of this section that ~~as~~ require Texas citizenship or require incorporation in Texas ~~do~~ ~~shall~~ not apply to the holders of ~~agent's, industrial, and~~ carrier's permits. A ~~No~~ person may not ~~shall~~ sell, warehouse, store or solicit orders for any liquor in any wet area without first having procured a permit of the class required for such privilege, or consent to the use of or allow the person's ~~his~~ permit to be displayed by or used by any person other than the one to whom the permit was issued. It is the intent of the legislature to prevent subterfuge ownership of or unlawful use of a permit or the premises covered by such permit; and all provisions of this code shall be liberally construed to carry out this intent, and it shall be the duty of the commission or the administrator to provide strict adherence to the general policy of preventing subterfuge ownership and related practices hereinafter declared to constitute unlawful trade practices. An ~~No~~ applicant for a package store permit or a renewal of a package store permit may not ~~thereof shall have authority to~~ designate as "premise" and the commission ~~or administrator~~ shall not approve a lesser area than that specifically defined as "premise" in Section 11.49(a) ~~of this code~~. Every permittee shall have and maintain exclusive occupancy and control of the entire licensed premises in every phase of the storage, distribution, possession, and transportation and sale of all alcoholic beverages purchased, stored or sold on the licensed premises. Any device, scheme or plan which surrenders control of the employees, premises or business of the permittee to persons other than the permittee shall be unlawful. No minor, unless accompanied by his or her parent, guardian, adult husband or adult wife, or other adult person into whose custody he or she has been committed for the time by some court, shall knowingly be allowed on the premises of the holder of a package store permit. The prohibition against the presence of a minor on the premises of the holder of a package store permit does not apply to the presence on the premises of the holder or a person lawfully employed by the holder. Any package store permittee who shall be injured in the permittee's ~~his~~ business or property by another package store permittee by reason of anything prohibited in this section may institute suit in any district court in the county wherein the violation is alleged to have occurred to require enforcement by injunctive procedures and/or to recover threefold the damages ~~by him~~ sustained by the permittee; plus costs of suit including a reasonable attorney's fee. The provisions prohibiting the licensing of only a portion of a building as premise for a package store permit shall not apply to hotels as already defined in this code.

SECTION 353. Section 109.531, Alcoholic Beverage Code, is amended to read as follows:

Sec. 109.531. ADDITIONAL REQUIREMENTS FOR APPLICATION OR RENEWAL OF PERMIT, ~~OR~~ LICENSE, OR CERTIFICATE BY OUT-OF-STATE RESIDENTS. In addition to any other requirement for a license, ~~or~~ permit, or certificate under this code, a person who has not been a citizen of this state for a period of one year preceding the date the person filed an application for a permit, ~~or~~ license, or certificate under Chapter 25, 26, 28, 29, 30, 32 ~~Chapters 25-34, 44~~, 48, 50 ~~48-51~~, 69, 71 ~~69-72~~, or ~~Chapter~~ 74 ~~of this code~~ shall:



(1) designate an agent, who is a citizen of this state, to represent the person in matters before the commission and to be responsible for the proper conduct of any activity of the licensee or permittee; and

(2) submit to a criminal history background check.

SECTION 354. Section 109.54(a), Alcoholic Beverage Code, is amended to read as follows:

(a) Any licensee who has purchased malt beverages ~~[beer]~~ for sale at the site of a festival or civic celebration which has been held annually for at least 15 years during a specified period not exceeding 10 days shall be authorized for 24 hours following the official close of the celebration to sell any malt beverages ~~[beer]~~ remaining at the site to any licensee or permittee authorized to purchase malt beverages ~~[beer]~~ for resale.

SECTION 355. Section 109.57(e), Alcoholic Beverage Code, is amended to read as follows:

(e) A municipality located in a county that has a population of 2.2 million or more and that is adjacent to a county with a population of more than 600,000 or a municipality located in a county with a population of 600,000 or more and that is adjacent to a county with a population of 2.2 million or more may regulate, in a manner not otherwise prohibited by law, the location of an establishment issued a permit under Chapter 32 ~~[or 33]~~ if:

(1) the establishment derives 35 percent or more of the establishment's gross revenue from the on-premises sale or service of alcoholic beverages and the premises of the establishment are located in a dry area; and

(2) the permit is not issued to a fraternal or veterans organization or the holder of a food and beverage certificate.

SECTION 356. Sections 109.62(c) and (e), Alcoholic Beverage Code, are amended to read as follows:

(c) A holder of one of the following permits or licenses ~~[a permit or license under Chapter 41, 42, or 68]~~ may make deliveries to and pick up deliveries from the alternate location in the same manner as this code and commission rules provide for the distributor's or wholesaler's licensed or permitted premises:

(1) a distiller's and rectifier's permit;

(2) a winery permit;

(3) a wholesaler's permit;

(4) a general class B wholesaler's permit;

(5) a carrier permit;

(6) a brewer's license; or

(7) a general distributor's license.

(e) The alternate location must be in an area where the sale of the applicable alcoholic beverages has been approved by a local option election or where the distributor or wholesaler had been operating under Section 251.77 or 251.78. If ~~[beer, ale, or]~~ malt beverages are ~~[liquor is]~~ handled at the alternate location, the alternate location must be in the area assigned to the distributor ~~[or wholesaler]~~ under Subchapters C and D, Chapter 102.

SECTION 357. Section 109.63(a), Alcoholic Beverage Code, is amended to read as follows:

(a) This section applies to the holder of a [~~brewer's permit,~~] distiller's and rectifier's permit, winery permit, [~~wine bottler's permit,~~] or brewer's [manufacturer's] license.

SECTION 358. Effective September 1, 2019, Section 109.64, Alcoholic Beverage Code, is amended to read as follows:

Sec. 109.64. BULK PURCHASE FOR ~~[BY HOLDER OF]~~ INDUSTRIAL USE ~~[PERMIT]~~. Section 102.32 applies to the bulk purchase of liquor for purposes described by Section 38.01 ~~[the holder of an industrial permit]~~ from the holder of a wholesaler's permit.

SECTION 359. The heading to Subchapter A, Chapter 201, Alcoholic Beverage Code, is amended to read as follows:

SUBCHAPTER A. TAX ON LIQUOR ~~[OTHER THAN ALE AND MALT LIQUOR]~~

SECTION 360. Section 201.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 201.01. LIQUOR. In this subchapter, "liquor" does not include malt beverages ~~[ale or malt liquor]~~.

SECTION 361. Section 201.17, Alcoholic Beverage Code, is amended to read as follows:

Sec. 201.17. LIQUOR IN METRIC CONTAINERS. For the purpose of the taxes imposed on liquor by this subchapter ~~[and on ale and malt liquor by Subchapter B of this chapter]~~, if the liquor is in metric containers the amount of tax due is determined by converting the metric amount into the equivalent amount in gallons and applying the appropriate tax rate. The commission shall prepare tables showing the amount of tax due on various types of liquor~~[-including ale and malt liquor.]~~ in metric containers.

SECTION 362. Section 201.72, Alcoholic Beverage Code, is amended to read as follows:

Sec. 201.72. DUTY TO PRINT. The commission and the board of control shall have engraved or printed the liquor and malt beverage ~~[beer]~~ tax stamps required by this code. The board of control shall let the contracts for the stamps required by this code as provided by law. The commission shall expend funds necessary to keep an ample supply of stamps on hand.

SECTION 363. The heading to Chapter 203, Alcoholic Beverage Code, is amended to read as follows:

CHAPTER 203. MALT BEVERAGE ~~[BEER]~~ TAX

SECTION 364. Section 203.01, Alcoholic Beverage Code, is amended to read as follows:

Sec. 203.01. TAX ON MALT BEVERAGES ~~[BEER]~~. A tax is imposed on the first sale of malt beverages brewed ~~[beer-manufactured]~~ in this state or imported into this state at the rate of six dollars per barrel.

SECTION 365. Section 203.02, Alcoholic Beverage Code, is amended to read as follows:

Sec. 203.02. "FIRST SALE". In this chapter, "first sale" means:

- (1) the first actual sale of malt beverages ~~[beer]~~:

(A) by the holder of a distributor's license or by the holder of a brewer's ~~[manufacturer's]~~ license acting under the authority of Section 62A.02 ~~[62.12]~~, to:

(i) a permittee or licensee authorized to sell to ultimate consumers;

(ii) a local distributor permittee; or

(iii) a private club registration permittee; or

(B) by a brewpub licensee to a consumer or a permittee or licensee authorized to sell malt beverages ~~[beer]~~ to ultimate consumers; or

(2) the importation of malt beverages ~~[beer]~~ under Section 107.07.

SECTION 366. Section 203.03(a), Alcoholic Beverage Code, is amended to read as follows:

(a) The licensee making the taxable first sale shall pay the tax on malt beverages ~~[beer]~~ imposed under Section 203.01 ~~[of this code]~~.

SECTION 367. Section 203.04, Alcoholic Beverage Code, is amended to read as follows:

Sec. 203.04. TAX ON UNSALABLE MALT BEVERAGES ~~[BEER]~~. No tax imposed under Section 203.01 ~~[of this code]~~ may be imposed or collected on malt beverages ~~[beer]~~ that for any reason ~~have~~ has been found and declared to be unsalable by the commission or administrator. A brewer ~~[manufacturer]~~ or distributor is entitled to a refund of any tax the brewer or distributor ~~[he]~~ has paid on unsalable malt beverages ~~[beer]~~.

SECTION 368. Sections 203.05(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) No tax may be collected on malt beverages ~~[beer]~~:

(1) shipped out of this state for consumption outside of this state;

(2) sold aboard ships for ship's supplies; or

(3) shipped to any installation of the national military establishment under federal jurisdiction for consumption by military personnel on that installation.

(b) The commission shall provide forms on which distributors and brewers ~~[manufacturers]~~ may claim these exemptions from the tax on malt beverages ~~[beer]~~.

SECTION 369. Section 203.06, Alcoholic Beverage Code, is amended to read as follows:

Sec. 203.06. EXCESS TAX. A brewer ~~[manufacturer]~~ or distributor is entitled to a refund or credit on future tax payment for any excess tax on malt beverages ~~[beer]~~ paid through oversight, mistake, error, or miscalculation.

SECTION 370. Section 203.07(b), Alcoholic Beverage Code, is amended to read as follows:

(b) Necessary funds from the collection of the malt beverages ~~[beer]~~ tax before it is allocated may be appropriated for the payment of malt beverages ~~[beer]~~ tax refunds.

SECTION 371. Sections 203.09(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) The commission may require brewers ~~[manufacturers]~~ of malt beverages brewed ~~[beer-manufactured]~~ in this state or imported into this state, importers, and distributors to provide information as to purchases, sales, and shipments to enable the commission to collect the full amount of the malt beverages ~~[beer]~~ tax due. No brewer ~~[manufacturer]~~, importer, or distributor may fail or refuse to furnish the information.

(b) The commission may seize or withhold from sale the manufacturer's, importer's, or distributor's malt beverages ~~[beer]~~ for failure or refusal to supply the information required under Subsection (a) ~~[of this section]~~ or to permit the commission to make an investigation of pertinent records whether inside or outside this state.

SECTION 372. Section 203.10, Alcoholic Beverage Code, is amended to read as follows:

Sec. 203.10. PAYMENT OF TAXES; DISCOUNT. The tax on malt beverages ~~[beer]~~ shall be paid by a remittance payable to the comptroller and forwarded with any required sworn statements of taxes due to the commission in Austin on or before the due date. A discount of two percent of the amount due shall be withheld by the permittee or licensee for keeping records, furnishing bonds, and properly accounting for the remittance of the tax due. No discount is permitted if the tax is delinquent at the time of payment.

SECTION 373. Section 203.11, Alcoholic Beverage Code, is amended to read as follows:

Sec. 203.11. EVIDENCE IN SUIT. In a suit brought to enforce the collection of tax due on malt beverages brewed ~~[beer-manufactured]~~ in or imported into this state, a certificate by the commission or administrator showing the delinquency is prima facie evidence of:

(1) the levy of the tax or the delinquency of the stated amount of tax and penalty; and

(2) compliance by the commission with the provisions of this code in relation to the computation and levy of the tax.

SECTION 374. Section 203.12, Alcoholic Beverage Code, is amended to read as follows:

Sec. 203.12. TAX LIABILITY. A person possessing malt beverages ~~[beer]~~ on which the tax is delinquent is liable for the delinquent taxes in addition to the criminal penalties.

SECTION 375. Sections 204.01(a), (b), (f), and (i), Alcoholic Beverage Code, are amended to read as follows:

(a) Except as otherwise provided in this section, the following licensees and permittees shall furnish a bond:

(1) those authorized to import alcoholic beverages into the state;

(2) brewers ~~[manufacturers]~~ of malt beverages ~~[beer and brewers of ale or malt liquor]~~ in the state; and

(3) all other permittees.

(b) A ~~[No]~~ bond is not required of a holder of a mixed beverage, private club registration, carrier ~~[carriers]~~, local cartage, wine and malt beverage retailer's ~~[beer retailers]~~, or nonresident seller's~~[, manufacturer's agent's, or agent's]~~ permit.

(f) The holder of a wholesaler's or class B wholesaler's permit, the holder of a winery ~~[or wine bottler's]~~ permit, or the holder of a distributor's license is not required to furnish a bond if for the preceding 36 months the permittee or licensee has paid all taxes and fees required by this code on or before the due date.

(i) A permittee or licensee who qualifies for an exemption under Subsection (f) ~~[of this section]~~ is also exempt from the bonding requirement for any other wholesaler's permit, class B wholesaler's permit, winery permit, ~~[wine bottler's permit]~~, or distributor's license currently held by or subsequently issued to the same permittee or licensee for use at licensed premises different from and additional to those covered by the permit or license under which the permittee or licensee qualified for exemption. However, if a permittee or licensee fails to pay a tax or fee imposed by this code on or before the due date and the permittee or licensee holds multiple permits or licenses, the requirement for a bond or tax security shall be imposed or reimposed under Subsection (g) ~~[of this section]~~ only on the permit or license covering the licensed premises for which the tax or fee and any applicable penalty were not timely paid.

SECTION 376. Section 204.03(d), Alcoholic Beverage Code, is amended to read as follows:

(d) Bonds, letters of credit, or certificates of deposit to insure the payment of the tax on distilled spirits imposed by Section 201.03 ~~[of this code]~~, the tax on vinous liquor imposed by Section 201.04 ~~[of this code]~~, ~~[the tax on ale and malt liquor imposed by Section 201.42 of this code]~~, or the tax on malt beverages ~~[beer]~~ imposed by Section 203.01 ~~[of this code]~~, shall be set at an amount that will protect the state against the anticipated tax liability of the principal for any six-week period.

SECTION 377. Sections 251.725(a) and (b), Alcoholic Beverage Code, are amended to read as follows:

(a) This section applies only to a municipality whose local option status allows for the legal sale of malt beverages ~~[beer]~~ and wine for off-premise consumption only as a result of a local option election on the applicable ballot issue held on or after January 1, 1985.

(b) The governing body of a municipality described by Subsection (a) may adopt an ordinance authorizing the sale of malt beverages ~~[beer]~~ and wine for off-premise consumption in an area annexed by the municipality after that election if at the time the ordinance is adopted:

(1) the annexed area is not more than one percent of the total area covered by the municipality;

(2) all of the land in the annexed area is zoned for commercial use only; and

(3) the annexed area is not adjacent to residential, church, or school property.

SECTION 378. Section 251.75, Alcoholic Beverage Code, is amended to read as follows:

Sec. 251.75. CONTINUANCE OF OPERATION AS ~~[MANUFACTURER OR]~~ BREWER. Notwithstanding any other provision of this code, if the sale of malt beverages ~~[beer or ale]~~ is prohibited in an area by a local option election, a holder of a ~~brewer's~~ ~~[manufacturer's]~~ license ~~[or brewer's permit]~~ that was issued prior to the election may not be denied an original or renewal ~~brewer's~~ ~~[manufacturer's]~~ license ~~[or brewer's permit]~~ for the same location on the ground that the local option status of the area prohibits the sale of malt beverages ~~[beer or ale]~~. Except for the right to sell malt beverages ~~[beer or ale]~~ contrary to the local option status of the area, the licensee ~~[or permittee]~~ may engage in all activities authorized by the license ~~[or permit]~~, including the ~~[manufacturing,]~~ brewing, possessing, storing, and packaging of malt beverages ~~[beer or ale]~~, and transporting the malt beverages ~~[it]~~ to an area where the ~~[its]~~ sale of malt beverages is legal. The licensee ~~[or permittee]~~ may deliver malt beverages ~~[beer or ale]~~ at the licensee's ~~[his licensed]~~ premises to a purchaser from outside the state, an authorized carrier, or distributor~~[-or class B wholesaler]~~. The purchaser, carrier, or distributor~~[-or class B wholesaler]~~ may not receive the malt beverages ~~[beer or ale]~~ for transportation unless there has first been an order, acceptance, and payment or legal satisfaction of payment in an area where the sale of malt beverages ~~[beer or ale]~~ is legal.

SECTION 379. Section 251.77, Alcoholic Beverage Code, is amended to read as follows:

Sec. 251.77. CONTINUANCE OF OPERATION AS DISTRIBUTOR. (a) Notwithstanding any other provision of this code, if the sale of malt beverages ~~[beer]~~ is prohibited by local option election, a licensed distributor of malt beverages ~~[beer]~~ whose warehouse or other facilities used in connection with the distributorship are located in the area affected, has the right to continue to operate as a distributor in that area and maintain the necessary premises and facilities for distribution. The distributor continues to enjoy all the rights and privileges incident to distributorship, including the right to possess, store, warehouse, and sell malt beverages ~~[beer]~~ in that area, and deliver malt beverages ~~[beer]~~ into and out of that area.

(b) A distributor in the area affected may sell or deliver malt beverages ~~[beer]~~ only to licensed outlets located where the sale of malt beverages ~~[beer]~~ is legal.

SECTION 380. Effective September 1, 2019, Section 251.79, Alcoholic Beverage Code, is amended to read as follows:

Sec. 251.79. AREAS IN WHICH CERTAIN PERMITS AND LICENSES MAY BE ISSUED. Notwithstanding any other provision of this code, a wholesaler's permit, general class B wholesaler's permit, ~~[local class B wholesaler's permit]~~ or general~~[-local]~~ or branch distributor's license may be issued and licensed premises maintained in any area where the sale of any alcoholic beverage is legal. A person issued a permit or license under this section may exercise all rights and privileges of other permittees and licensees of the same class.

SECTION 381. Subchapter D, Chapter 251, Alcoholic Beverage Code, is amended by adding Section 251.811 to read as follows:

Sec. 251.811. SALE OF MALT BEVERAGES. (a) If before September 1, 2021, the sale of beer was approved in an area by a local option election that approved the sale of beer only, an alcoholic beverage license or permit holder may not sell in that area malt beverages containing more than five percent alcohol by volume unless a subsequent local option election approves the sale of malt beverages or malt beverages and other alcoholic beverages.

(b) The commission shall, on the face of each retail license, indicate whether the holder may only sell malt beverages that do not exceed five percent alcohol by volume.

SECTION 382. Article 18.17(a), Code of Criminal Procedure, is amended to read as follows:

(a) All unclaimed or abandoned personal property of every kind, other than contraband subject to forfeiture under Chapter 59 ~~[of this code]~~ and whiskey, wine and malt beverages ~~[beer]~~, seized by any peace officer in the State of Texas which is not held as evidence to be used in any pending case and has not been ordered destroyed or returned to the person entitled to possession of the same by a magistrate, which shall remain unclaimed for a period of 30 days shall be delivered for disposition to a person designated by the municipality or the purchasing agent of the county in which the property was seized. If a peace officer of a municipality seizes the property, the peace officer shall deliver the property to a person designated by the municipality. If any other peace officer seizes the property, the peace officer shall deliver the property to the purchasing agent of the county. If the county has no purchasing agent, then such property shall be disposed of by the sheriff of the county.

SECTION 383. Section 501.001(1), Election Code, is amended to read as follows:

(1) "Alcoholic beverage," ~~["beer,"]~~ "commission," "liquor," "malt beverage," "mixed beverage," and "wine and vinous liquor" have the meanings assigned by Section 1.04, Alcoholic Beverage Code.

SECTION 384. Sections 501.035(a), (b), and (c), Election Code, are amended to read as follows:

(a) In the ballot issues prescribed by this section, "wine" is limited to vinous beverages that do not contain more than 17 percent alcohol by volume and "malt beverages" are limited to ~~[includes]~~ malt beverages that do not contain more than 17 percent ~~[exceed that]~~ alcohol by volume ~~[content]~~. For local option purposes, those beverages, sold and dispensed to the public in unbroken, sealed, individual containers, are a separate and distinct type of alcoholic beverage.

(b) In an area where any type or classification of alcoholic beverages is prohibited and the issue submitted pertains to legalization of the sale of one or more of the prohibited types or classifications, the ballot shall be prepared to permit voting for or against the one of the following issues that applies:

(1) "The legal sale of malt beverages ~~[beer]~~ for off-premise consumption only."

(2) "The legal sale of malt beverages ~~[beer]~~."

(3) "The legal sale of malt beverages [~~beer~~] and wine for off-premise consumption only."

(4) "The legal sale of malt beverages [~~beer~~] and wine."

(5) "The legal sale of all alcoholic beverages for off-premise consumption only."

(6) "The legal sale of all alcoholic beverages except mixed beverages."

(7) "The legal sale of all alcoholic beverages including mixed beverages."

(8) "The legal sale of mixed beverages."

(9) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."

(10) "The legal sale of wine on the premises of a holder of a winery permit."

(c) In an area where the sale of any type or classification of alcoholic beverages has been legalized, the ballot for a prohibitory election shall be prepared to permit voting for or against the one of the following issues that applies:

(1) "The legal sale of malt beverages [~~beer~~] for off-premise consumption only."

(2) "The legal sale of malt beverages [~~beer~~]."

(3) "The legal sale of malt beverages [~~beer~~] and wine for off-premise consumption only."

(4) "The legal sale of malt beverages [~~beer~~] and wine."

(5) "The legal sale of all alcoholic beverages for off-premise consumption only."

(6) "The legal sale of all alcoholic beverages except mixed beverages."

(7) "The legal sale of all alcoholic beverages including mixed beverages."

(8) "The legal sale of mixed beverages."

(9) "The legal sale of mixed beverages in restaurants by food and beverage certificate holders only."

(10) "The legal sale of wine on the premises of a holder of a winery permit."

SECTION 385. Section 437.110(a), Government Code, is amended to read as follows:

(a) The department may establish and contract for the operation of not more than three military-type post exchanges similar to those operated by the armed forces of the United States on any real property under the management and control of the department. A post exchange may sell, lease, or rent goods and services, including firearms, tobacco products, prepared foods, and malt beverages [~~beer~~] and wine but not distilled spirits. The department may designate facilities located on state property to use for purposes of this section.

SECTION 386. Section 466.155(a), Government Code, is amended to read as follows:



(a) After a hearing, the director shall deny an application for a license or the commission shall suspend or revoke a license if the director or commission, as applicable, finds that the applicant or sales agent:

(1) is an individual who:

(A) has been convicted of a felony, criminal fraud, gambling or a gambling-related offense, or a misdemeanor involving moral turpitude, if less than 10 years has elapsed since the termination of the sentence, parole, mandatory supervision, or probation served for the offense;

(B) is or has been a professional gambler;

(C) is married to an individual:

(i) described in Paragraph (A) or (B); or

(ii) who is currently delinquent in the payment of any state tax;

(D) is an officer or employee of the commission or a lottery operator; or

(E) is a spouse, child, brother, sister, or parent residing as a member of the same household in the principal place of residence of a person described by Paragraph (D);

(2) is not an individual, and an individual described in Subdivision (1):

(A) is an officer or director of the applicant or sales agent;

(B) holds more than 10 percent of the stock in the applicant or sales agent;

(C) holds an equitable interest greater than 10 percent in the applicant or sales agent;

(D) is a creditor of the applicant or sales agent who holds more than 10 percent of the applicant's or sales agent's outstanding debt;

(E) is the owner or lessee of a business that the applicant or sales agent conducts or through which the applicant will conduct a ticket sales agency;

(F) shares or will share in the profits, other than stock dividends, of the applicant or sales agent; or

(G) participates in managing the affairs of the applicant or sales agent;

(3) has been finally determined to be:

(A) delinquent in the payment of a tax or other money collected by the comptroller, the Texas Workforce Commission, or the Texas Alcoholic Beverage Commission;

(B) in default on a loan made under Chapter 52, Education Code; or

(C) in default on a loan guaranteed under Chapter 57, Education Code;

(4) is a person whose location for the sales agency is:

(A) a location licensed for games of bingo under Chapter 2001, Occupations Code;

(B) on land that is owned by:

(i) this state; or

(ii) a political subdivision of this state and on which is located a public primary or secondary school, an institution of higher education, or an agency of the state; or

(C) a location for which a person holds a wine and malt beverage ~~[beer]~~ retailer's permit, mixed beverage permit, mixed beverage permit with a retailer late hours certificate ~~[permit]~~, private club registration permit, or private club registration permit with a retailer late hours certificate ~~[permit]~~ issued under Chapter 25, 28, 29, or 32, ~~[or 33,]~~ Alcoholic Beverage Code, other than a location for which a person holds a wine and malt beverage ~~[beer]~~ retailer's permit issued under Chapter 25, Alcoholic Beverage Code, that derives less than 30 percent of the location's gross receipts from the sale or service of alcoholic beverages; or

(5) has violated this chapter or a rule adopted under this chapter.

SECTION 387. Effective September 1, 2019, Section 431.2211(c), Health and Safety Code, is amended to read as follows:

(c) This subchapter does not apply to the distribution of beverages in sealed containers by holders of licenses or permits issued under Chapter 19, 20, ~~[21,]~~ 23, or 64, ~~[or 65,]~~ Alcoholic Beverage Code. The provisions of the Alcoholic Beverage Code prevail to the extent of any conflict with this chapter.

SECTION 388. Section 438.013(c), Health and Safety Code, is amended to read as follows:

(c) In this section, "liquor dispensary" means a place where malt beverages ~~[beer, ale]~~, wine, or any other alcoholic beverage is stored, prepared, labeled, bottled, served, or handled.

SECTION 389. Sections 1956.001(1) and (10), Occupations Code, are amended to read as follows:

(1) "Aluminum material" means a product made from aluminum, an aluminum alloy, or an aluminum by-product. The term includes aluminum wiring and an aluminum malt beverage ~~[beer]~~ keg but does not include another type of aluminum can used to contain a food or beverage.

(10) "Regulated metal" means:

- (A) manhole covers;
- (B) guardrails;
- (C) metal cylinders designed to contain compressed air, oxygen, gases, or liquids;
- (D) malt beverage ~~[beer]~~ kegs made from metal other than aluminum;
- (E) historical markers or cemetery vases, receptacles, or memorials made from metal other than aluminum;
- (F) unused rebar;
- (G) street signs;
- (H) drain gates;
- (I) safes;
- (J) communication, transmission, and service wire or cable;
- (K) condensing or evaporator coils for central heating or air conditioning units;
- (L) utility structures, including the fixtures and hardware;

(M) aluminum or stainless steel containers designed to hold propane for fueling forklifts;

(N) metal railroad equipment, including tie plates, signal houses, control boxes, signs, signals, traffic devices, traffic control devices, traffic control signals, switch plates, e-clips, and rail tie functions;

(O) catalytic converters not attached to a vehicle;

(P) fire hydrants;

(Q) metal bleachers or other seating facilities used in recreational areas or sporting arenas;

(R) any metal item clearly and conspicuously marked with any form of the name, initials, or logo of a governmental entity, utility, cemetery, or railroad;

(S) insulated utility, communications, or electrical wire that has been burned in whole or in part to remove the insulation;

(T) backflow valves;

(U) metal in the form of commonly recognized products of the industrial metals recycling process, including bales, briquettes, billets, sows, ingots, pucks, and chopped or shredded metals; and

(V) commercial grade lead batteries or lead-acid batteries.

SECTION 390. Effective September 1, 2019, Section 2401.002, Occupations Code, is amended to read as follows:

Sec. 2401.002. APPLICATION OF CHAPTER. This chapter does not apply to a person who:

(1) acts as a customs broker as defined by 19 U.S.C. Section 1641;

(2) operates trucks and delivery vehicles in the wholesale distribution of alcoholic beverages under Chapter 19, 20, or [21,] 64, [~~or 65,~~] Alcoholic Beverage Code; or

(3) acts as an ocean freight forwarder as defined by 46 U.S.C. Section 1702.

SECTION 391. Effective September 1, 2019, Section 111.006(h), Tax Code, is amended to read as follows:

(h) The comptroller shall disclose information to a person regarding net sales by quantity, brand, and size that is submitted in a report required under Section 151.462 if:

(1) the person requesting the information holds a permit or license under Chapter 19, 20, [21,] 37, 64, [65,] or 66, Alcoholic Beverage Code; and

(2) the request relates only to information regarding the sale of a product distributed by the person making the request.

SECTION 392. Section 151.054(d), Tax Code, is amended to read as follows:

(d) A sale of liquor, wine, [~~beer,~~] or malt beverages [~~liquor~~] by the holder of a brewer's [~~manufacturer's~~] license, wholesaler's permit, general class B wholesaler's permit, [~~local class B wholesaler's permit,~~] local distributor's permit, or a general[ ~~local,~~] or branch distributor's license issued under the Alcoholic Beverage Code to the holder of a retail license or permit issued under

the Alcoholic Beverage Code is presumed to be a sale for resale. In a sale to which this section applies, the seller is not required to receive a resale certificate from the purchaser.

SECTION 393. Sections 151.461(1), (2), (5), and (6), Tax Code, are amended to read as follows:

(1) "Brewer" means a person required to hold a brewer's license ~~[permit]~~ under Chapter 62 ~~[42]~~, Alcoholic Beverage Code.

(2) "Distributor" means a person required to hold:

(A) a general distributor's license under Chapter 64, Alcoholic Beverage Code; or

(B) ~~[a local distributor's license under Chapter 65, Alcoholic Beverage Code; or~~

~~(C)]~~ a branch distributor's license under Chapter 66, Alcoholic Beverage Code.

(5) "Retailer" means a person required to hold:

(A) a wine and malt beverage ~~[beer]~~ retailer's permit under Chapter 25, Alcoholic Beverage Code;

(B) a wine and malt beverage ~~[beer]~~ retailer's off-premise permit under Chapter 26, Alcoholic Beverage Code;

(C) a nonprofit entity temporary event ~~[wine and beer retailer's] permit [or special three day wine and beer permit]~~ under Chapter 30 ~~[27]~~, Alcoholic Beverage Code;

(D) a mixed beverage permit under Chapter 28, Alcoholic Beverage Code;

(E) ~~[a daily temporary mixed beverage permit under Chapter 30, Alcoholic Beverage Code;~~

~~(F)]~~ a private club registration permit under Chapter 32, Alcoholic Beverage Code;

(F) ~~(G)]~~ a certificate issued to a fraternal or veterans organization under Section 32.11, Alcoholic Beverage Code;

(G) ~~[(H) a daily temporary private club permit under Subchapter B, Chapter 33, Alcoholic Beverage Code;~~

~~[(I) a temporary auction permit under Chapter 53, Alcoholic Beverage Code;~~

~~[(J)]~~ a retail dealer's on-premise license under Chapter 69, Alcoholic Beverage Code;

~~[(K) a temporary license under Chapter 72, Alcoholic Beverage Code;]~~ or

(H) ~~(L)]~~ a retail dealer's off-premise license under Chapter 71, Alcoholic Beverage Code, except for a dealer who also holds a package store permit under Chapter 22, Alcoholic Beverage Code.

(6) "Wholesaler" means a person required to hold:

(A) a winery permit under Chapter 16, Alcoholic Beverage Code;

(B) a wholesaler's permit under Chapter 19, Alcoholic Beverage Code; or

(C) a general Class B wholesaler's permit under Chapter 20, Alcoholic Beverage Code[~~or~~

~~[(D) a local Class B wholesaler's permit under Chapter 21, Alcoholic Beverage Code].~~

SECTION 394. Section 151.462, Tax Code, is amended to read as follows:

Sec. 151.462. REPORTS BY BREWERS, [MANUFACTURERS,] WHOLESALERS, AND DISTRIBUTORS. (a) The comptroller shall require each brewer, [manufacturer,] wholesaler, distributor, or package store local distributor to file with the comptroller a report each month of alcoholic beverage sales to retailers in this state.

(b) Each brewer, [manufacturer,] wholesaler, distributor, or package store local distributor shall file a separate report for each permit or license held on or before the 25th day of each month. The report must contain the following information for the preceding calendar month's sales in relation to each retailer:

(1) the brewer's, [manufacturer's,] wholesaler's, distributor's, or package store local distributor's name, address, taxpayer number and outlet number assigned by the comptroller, and alphanumeric permit or license number issued by the Texas Alcoholic Beverage Commission;

(2) the retailer's:

(A) name and address, including street name and number, city, and zip code;

(B) taxpayer number assigned by the comptroller; and

(C) alphanumeric permit or license number issued by the Texas Alcoholic Beverage Commission for each separate retail location or outlet to which the brewer, [manufacturer,] wholesaler, distributor, or package store local distributor sold the alcoholic beverages that are listed on the report; and

(3) the monthly net sales made by the brewer, [manufacturer,] wholesaler, distributor, or package store local distributor to the retailer for each outlet or location covered by a separate retail permit or license issued by the Texas Alcoholic Beverage Commission, including separate line items for:

(A) the number of units of alcoholic beverages;

(B) the individual container size and pack of each unit;

(C) the brand name;

(D) the type of beverage, such as distilled spirits, wine, or malt beverage;

(E) the universal product code of the alcoholic beverage; and

(F) the net selling price of the alcoholic beverage.

(c) Except as provided by this subsection, the brewer, [manufacturer,] wholesaler, distributor, or package store local distributor shall file the report with the comptroller electronically. The comptroller may establish procedures to temporarily postpone the electronic reporting requirement for a brewer, [manufacturer,] wholesaler, distributor, or package store local distributor who demonstrates to the comptroller an inability to comply because undue hardship would result if it were required to file the return electronically. If the comptroller determines that another technological method of filing the report is more efficient

than electronic filing, the comptroller may establish procedures requiring its use by brewers, ~~[manufacturers,]~~ wholesalers, distributors, and package store local distributors.

SECTION 395. Section 151.466, Tax Code, is amended to read as follows:

Sec. 151.466. APPLICABILITY TO CERTAIN BREWERS ~~[MANUFACTURERS]~~. This subchapter applies only to a brewer ~~[manufacturer]~~ licensed under Chapter 62A, Alcoholic Beverage Code.

SECTION 396. Section 151.468(b), Tax Code, is amended to read as follows:

(b) In addition to the penalties imposed under Subsection (a), a brewer, ~~[manufacturer,]~~ wholesaler, distributor, or package store local distributor shall pay the state a civil penalty of not less than \$25 or more than \$2,000 for each day a violation continues if the brewer, ~~[manufacturer,]~~ wholesaler, distributor, or package store local distributor:

- (1) violates this subchapter; or
- (2) violates a rule adopted to administer or enforce this subchapter.

SECTION 397. Section 151.470, Tax Code, is amended to read as follows:

Sec. 151.470. AUDIT; INSPECTION. The comptroller may audit, inspect, or otherwise verify a brewer's, ~~[manufacturer's,]~~ wholesaler's, distributor's, or package store local distributor's compliance with this subchapter.

SECTION 398. Section 183.001(b)(1), Tax Code, is amended to read as follows:

(1) "Permittee" means a mixed beverage permittee, a private club registration permittee, a private club exemption certificate permittee, a private club registration permittee with a retailer late hours certificate ~~[permittee]~~, a nonprofit entity ~~[daily]~~ temporary event ~~[private club]~~ permittee, a private club registration permittee holding a food and beverage certificate, ~~[a daily temporary mixed beverage permittee,]~~ a mixed beverage permittee with a retailer late hours certificate ~~[permittee]~~, a mixed beverage permittee holding a food and beverage certificate, ~~[a caterer permittee,]~~ or a distiller's and rectifier's permittee.

SECTION 399. Section 522.003(1), Transportation Code, is amended to read as follows:

(1) "Alcohol" means:

(A) malt beverages ~~[beer, ale, port, stout, sake,]~~ or any other similar fermented beverages or products containing one-half of one percent or more of alcohol by volume, brewed or produced wholly or in part from malt or a malt substitute;

(B) wine, including sake, containing one-half of one percent or more of alcohol by volume; or

(C) distilled spirits, including ethyl alcohol, ethanol, and spirits of wine in any form, and all dilutions and mixtures of distilled spirits from whatever source or by whatever process produced.

SECTION 400. Section 643.002, Transportation Code, is amended to read as follows:

Sec. 643.002. EXEMPTIONS. This chapter does not apply to:

(1) motor carrier operations exempt from registration by the Unified Carrier Registration Act of 2005 (49 U.S.C. Section 14504a) or a motor vehicle registered under the single state registration system established under 49 U.S.C. Section 14504(c) when operating exclusively in interstate or international commerce;

(2) a motor vehicle registered as a cotton vehicle under Section 504.505;

(3) a motor vehicle the department by rule exempts because the vehicle is subject to comparable registration and a comparable safety program administered by another governmental entity;

(4) a motor vehicle used to transport passengers operated by an entity whose primary function is not the transportation of passengers, such as a vehicle operated by a hotel, day-care center, public or private school, nursing home, or similar organization;

(5) a vehicle operating under:

(A) Section 14.07 [~~a private carrier permit issued under Chapter 42~~], Alcoholic Beverage Code;

(B) Section 16.10, Alcoholic Beverage Code;

(C) Section 19.06, Alcoholic Beverage Code; or

(D) Section 20.04, Alcoholic Beverage Code;

(6) a vehicle operated by a governmental entity; or

(7) a tow truck, as defined by Section 2308.002, Occupations Code.

SECTION 401. (a) The Texas Sunset Commission staff, with assistance from the Texas Legislative Council and the Texas Alcoholic Beverage Commission, shall review the Texas Alcoholic Beverage Code and make recommendations to the Texas Sunset Commission for both a modernization and a nonsubstantive technical revision of the code, including:

(1) identifying inconsistencies in authorities and treatment of different alcoholic beverages and regulated businesses;

(2) reviewing the use of the terms "license" for beer and "permit" for all other alcoholic beverages;

(3) identifying any needed technical changes, including:

(A) removing unconstitutional provisions and outdated language;

(B) updating the code's structure to comply with modern drafting standards; and

(C) correcting legal citations; and

(4) identifying changes needed to modernize the code within the three-tier system.

(b) The Texas Sunset Commission staff and the Texas Legislative Council may not consider changes to the overall three-tier regulatory system.

(c) Not later than September 1, 2022, the Texas Legislative Council shall prepare a nonsubstantive revision of the Texas Alcoholic Beverage Code to implement any nonsubstantive recommendations made under Subsection (a) of this section.

(d) Not later than September 1, 2022, the Texas Sunset Commission staff shall make substantive recommendations to the Texas Sunset Commission to address any recommended changes to modernize the Texas Alcoholic Beverage Code that the Texas Legislative Council determines cannot be included in a nonsubstantive code revision.

(e) This section takes effect September 1, 2019.

SECTION 402. (a) Not later than December 1, 2019, the governor shall appoint two additional members to the Texas Alcoholic Beverage Commission. At the first meeting of the Texas Alcoholic Beverage Commission after the additional members are appointed under this subsection, or as soon as practicable after that meeting, the two new members of the commission shall draw lots to determine which member will serve a term expiring November 15, 2023, and which member will serve a term expiring November 15, 2025.

(b) In determining the number of members of the Texas Alcoholic Beverage Commission that constitutes a quorum of the commission, each new membership position created by the amendment by this Act of Section 5.02(a), Alcoholic Beverage Code, does not count in that determination until the governor has initially appointed a person to fill the position and the person qualifies for office.

(c) This section takes effect September 1, 2019.

SECTION 403. (a) Except as provided by Subsection (b) of this section, Section 5.022, Alcoholic Beverage Code, as amended by this Act, applies to a member of the Texas Alcoholic Beverage Commission appointed before, on, or after the effective date of this Act.

(b) A member of the Texas Alcoholic Beverage Commission who, before September 1, 2019, completed the training program required by Section 5.022, Alcoholic Beverage Code, as that law existed before September 1, 2019, is required to complete additional training only on subjects added by this Act to the training program as required by Section 5.022, Alcoholic Beverage Code, as amended by this Act. A commission member described by this subsection may not vote, deliberate, or be counted as a member in attendance at a meeting of the commission held on or after December 1, 2019, until the member completes the additional training.

(c) This section takes effect September 1, 2019.

SECTION 404. (a) Not later than January 31, 2020, the Texas Alcoholic Beverage Commission shall adopt rules to implement the changes in law made by this Act to Section 5.361, Alcoholic Beverage Code, relating to developing a plan for inspecting alcoholic beverage licensees and permittees. The Texas Alcoholic Beverage Commission shall with the assistance of the Legislative Budget Board develop target goals for the percentage of licensed and permitted facilities the commission inspects each year.

(b) Not later than December 31, 2020, the Texas Alcoholic Beverage Commission shall adopt rules to implement Sections 11.43, 11.431, 11.432, 61.31, 61.313, and 61.314, Alcoholic Beverage Code, as amended or added by this Act, relating to the permit and license application and protest process.



(c) Not later than December 31, 2020, the Texas Alcoholic Beverage Commission shall adopt rules to implement the changes in law made by this Act to Sections 101.67 and 101.671, Alcoholic Beverage Code, relating to the registration of alcoholic beverages.

(d) Not later than December 31, 2019, the Texas Alcoholic Beverage Commission shall adopt the rules required by Section 108.52, Alcoholic Beverage Code, as amended by this Act, relating to outdoor advertising.

(e) This section takes effect September 1, 2019.

SECTION 405. (a) The Texas Alcoholic Beverage Commission shall adopt rules setting a fee for each original or renewal certificate, permit, and license as authorized by Section 5.50, Alcoholic Beverage Code, as amended by this Act, not later than September 1, 2021. The certificate, permit, and license fees established by commission rule apply only to an original or renewal certificate, permit, or license issued on or after September 1, 2021. This subsection takes effect September 1, 2019.

(b) Effective September 1, 2021, the following provisions of the Alcoholic Beverage Code establishing the amount of a fee are repealed:

- (1) Section 14.02;
- (2) Section 16.02;
- (3) Section 19.02;
- (4) Section 20.02;
- (5) Section 22.02;
- (6) Section 23.02;
- (7) Section 24.02;
- (8) Section 25.02;
- (9) Section 26.02;
- (10) Section 28.02;
- (11) Section 32.02;
- (12) Section 37.02;
- (13) Section 38.04;
- (14) Section 41.02;
- (15) Section 43.02;
- (16) Section 46.02;
- (17) Section 50.002;
- (18) Section 51.05;
- (19) Section 54.04;
- (20) Section 55.02;
- (21) Section 56.03;
- (22) Section 62.02;
- (23) Section 62A.03;
- (24) Section 63.02;
- (25) Section 64.02;
- (26) Section 66.02;
- (27) Section 69.02;
- (28) Section 69.03;
- (29) Section 71.02; and

(30) Section 74.02.

SECTION 406. (a) Effective September 1, 2021, the following provisions of the Alcoholic Beverage Code are repealed:

(1) Chapters 12, 12A, 13, 17, 27, 31, 33, 34, 42, 44, 45, 48A, 52, 53, 67, 68, 70, and 72;

(2) Subchapter B, Chapter 201;

(3) Section 1.04(12);

(4) Section 19.05;

(5) Section 20.03;

(6) Section 22.06(b);

(7) Section 22.07;

(8) Section 24.05(b);

(9) Section 24.06;

(10) Section 25.03;

(11) Section 28.13;

(12) Section 37.04;

(13) Section 43.07;

(14) Section 51.01;

(15) Section 62.06;

(16) Section 71.03; and

(17) Section 107.07(d).

(b) Effective September 1, 2021, Section 151.461(3), Tax Code, is repealed.

SECTION 407. (a) Effective December 31, 2020, the following provisions of the Alcoholic Beverage Code relating to the permit and license application and protest process are repealed:

(1) Section 5.435;

(2) Section 5.46;

(3) Section 11.41;

(4) Section 25.051;

(5) Section 25.052;

(6) Section 26.06;

(7) Section 26.07;

(8) Section 61.311;

(9) Section 61.312;

(10) Section 61.32;

(11) Section 61.33;

(12) Sections 61.34(a) and (b);

(13) Section 61.39;

(14) Section 61.47; and

(15) Section 69.05.

(b) Effective December 31, 2020, the following provisions of the Government Code are repealed:

(1) Section 101.121; and

(2) Section 411.120.

SECTION 408. (a) The changes in law made by this Act do not affect the validity of a disciplinary action or other proceeding that was initiated before the effective date of this Act and that is pending on the effective date of this Act. A disciplinary action that is pending on the effective date of this Act is governed by the law in effect on the date the action was taken, and the former law is continued in effect for that purpose.

(b) The repeal of a law by this Act does not entitle a person to a refund of a certificate, permit, or license fee paid by the person before the effective date of this Act.

SECTION 409. On September 1, 2021, the Texas Alcoholic Beverage Commission shall convert any existing permits issued under Chapter 12, 12A, or 13, Alcoholic Beverage Code, to the corresponding license under Chapter 62, 62A, or 63, Alcoholic Beverage Code. The new license shall have the same expiration date as the permit it is replacing.

SECTION 410. The holder of a permit who immediately before the effective date of this Act was authorized under the permit to purchase, sell, transport, or store ale and malt liquor, may, after the effective date of the provisions of this Act changing references to "beer," "ale," and "malt liquor" in the Alcoholic Beverage Code to "malt beverages," continue to purchase, sell, transport, or store ale and malt liquor under that permit until the date the permit expires.

SECTION 411. (a) Effective September 1, 2019, notwithstanding the repeal by this section of Chapters 18 and 21, Alcoholic Beverage Code, a person holding a permit issued under Chapter 18 or 21, Alcoholic Beverage Code, on August 31, 2019, may continue to operate under that permit until the date the permit expires and Chapters 18 and 21, Alcoholic Beverage Code, remain in effect for those purposes.

(b) Effective September 1, 2019, the following provisions of the Alcoholic Beverage Code are repealed:

- (1) Chapters 18, 21, 47, 49, 65, and 75;
- (2) Section 5.05(b);
- (3) Section 5.61;
- (4) Section 15.02;
- (5) Section 15.03;
- (6) Section 15.06;
- (7) Section 25.03(a);
- (8) Section 35.02;
- (9) Section 35.03;
- (10) Section 35.04;
- (11) Section 35.08;
- (12) Section 36.02;
- (13) Section 36.03;
- (14) Section 36.09;
- (15) Section 38.02;
- (16) Section 38.03;
- (17) Section 62.13;

(18) Sections 73.02, 73.03, 73.04, 73.05, 73.06, 73.07, 73.08, 73.09, 73.10, and 73.11;

(19) Section 74.10;

(20) Sections 108.52(d), (f), and (h); and

(21) Section 204.06.

SECTION 412. Sections 11.37 and 61.37, Alcoholic Beverage Code, as amended by this Act, apply only to an application for a permit or license received on or after the effective date of this Act. An application for a permit or license received before the effective date of this Act 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.

SECTION 413. Except as otherwise provided by this Act, this Act takes effect September 1, 2021.

#### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 1545** (senate committee printing), in SECTION 402(b) of the bill (page 121, line 49) after the period, by adding "This subsection expires December 1, 2019."

#### **Senate Amendment No. 2 (Senate Floor Amendment No. 2)**

Amend **CSHB 1545** (senate committee printing) at page 7 by striking lines 5 through 10 and renumbering SECTIONS of the bill accordingly.

#### **Senate Amendment No. 3 (Senate Floor Amendment No. 3)**

Amend **CSHB 1545** (senate committee report) as follows:

(1) Strike the recital to SECTION 214 of the bill (page 72, lines 68-69) and substitute the following:

SECTION 214. (a) Effective September 1, 2019, Section 62.122, Alcoholic Beverage Code, is amended by amending Subsections (a) and (e) and adding Subsections (a-1), (e-1), and (g) to read as follows:

(a) A manufacturer's licensee whose annual production of beer, together with the annual production of ale by the holder of a brewer's permit at all premises wholly or partly owned, directly or indirectly, by the license holder or an affiliate or subsidiary of the license holder, does not exceed 225,000 barrels may sell beer produced on the manufacturer's premises under the license to ultimate consumers on the manufacturer's premises:

(1) for responsible consumption on the manufacturer's premises; or

(2) subject to Subsection (a-1), for off-premises consumption.

(a-1) Sales to a consumer on the manufacturer's premises for off-premises consumption are limited to 288 fluid ounces of beer and ale combined per calendar day.

(e) A holder of a manufacturer's license who under Subsection (c) sells beer produced on the manufacturer's premises under the license to ultimate consumers on the manufacturer's premises for responsible consumption on the manufacturer's premises:

(1) shall file a territorial agreement with the commission under Subchapters C and D, Chapter 102;

(2) must purchase any beer the license holder sells on the manufacturer's premises from the holder of a license issued under Chapter 64[~~65~~] or 66; and

(3) with respect to those purchases, must comply with the requirements of this code governing dealings between a distributor or wholesaler and a member of the retail tier, including Sections 61.73 and 102.31.

(e-1) The commission:

(1) may require the holder of a manufacturer's license who sells beer to ultimate consumers under this section to report to the commission each month, in the manner prescribed by the commission, the total amounts of beer sold by the license holder under this section during the preceding month for:

(A) responsible consumption on the manufacturer's premises; and

(B) off-premises consumption, as authorized by Subsection (a);

(2) by rule shall adopt a simple form for a report required under Subdivision (1); and

(3) shall maintain reports received under this subsection for public review.

(g) The commission may impose an administrative penalty against a license holder who violates Subsection (a-1) or fails to comply with a requirement established by the commission under Subsection (e-1). The commission shall adopt rules establishing:

(1) the amount of an administrative penalty under this subsection; and

(2) the procedures for imposing an administrative penalty under this subsection.

(b) Effective September 1, 2021, Section 62.122, Alcoholic Beverage Code, is amended by amending Subsections (a), (b), (c), and (e) and adding Subsections (a-1), (e-1), and (g) to read as follows:

(2) In SECTION 214 of the bill, in amended Section 62.122(a), Alcoholic Beverage Code (page 73, lines 9-10), strike "premises for responsible consumption on the brewer's [~~manufacturer's~~] premises." and substitute the following:

premises:

(1) for responsible consumption on the brewer's [~~manufacturer's~~] premises; or

(2) subject to Subsection (a-1), for off-premises consumption.

(a-1) Sales to a consumer on the brewer's premises for off-premises consumption are limited to 288 fluid ounces of malt beverages per calendar day.

(3) In SECTION 214 of the bill, immediately following amended Section 62.122(e), Alcoholic Beverage Code (page 73, between lines 46 and 47), insert the following:

(e-1) The commission:

(1) may require the holder of a brewer's license who sells malt beverages to ultimate consumers under this section to report to the commission each month, in the manner prescribed by the commission, the total amounts of malt beverages sold by the license holder under this section during the preceding month for:

(A) responsible consumption on the brewer's premises; and

(B) off-premises consumption, as authorized by Subsection (a);

(2) by rule shall adopt a simple form for a report required under Subdivision (1); and

(3) shall maintain reports received under this subsection for public review.

(g) The commission may impose an administrative penalty against a license holder who violates Subsection (a-1) or fails to comply with a requirement established by the commission under Subsection (e-1). The commission shall adopt rules establishing:

(1) the amount of an administrative penalty under this subsection; and

(2) the procedures for imposing an administrative penalty under this subsection.

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

SECTION \_\_\_\_\_. The legislature finds that:

(1) the state is authorized under the Twenty-first Amendment to the United States Constitution to promote the public's interest in the fair, efficient, and competitive marketing of beer, ale, and malt liquor in this state;

(2) the United States Supreme Court in *Granholm v. Heald*, 544 U.S. 460 (2005), has recognized that the three-tier system of regulating the alcoholic beverage industry is unquestionably legitimate;

(3) in *Granholm*, the United States Supreme Court further recognized that while the states are entitled to regulate the production and sales of liquor within their borders, the right is nonetheless subject to the provisions of the Constitution of the United States, including the Interstate Commerce Clause, and laws regulating the alcoholic beverage industry may not discriminate against out-of-state participants or give undue deference to local participants and may not ignore other provisions of the Constitution, including the Supremacy Clause, Commerce Clause, and the Privileges and Immunities Clause with its nondiscriminatory principles;

(4) the state is authorized to promote, market, and educate consumers about the emerging small brewing industry;

(5) it is in the state's interest to encourage entrepreneurial and small business development opportunities in the state that will lead to new capital investment in the state, create new jobs in the state, and expand the state and local tax base; and

(6) it is the public policy of the state to exercise the police power of the state to protect the welfare, health, peace, temperance, and safety of the people of Texas.

SECTION \_\_\_\_\_. Effective September 1, 2019, Section 12.052, Alcoholic Beverage Code, is amended by amending Subsection (a) and adding Subsections (a-1), (e-1), and (g) to read as follows:

(a) In addition to the activities authorized by Section 12.01, the holder of a brewer's permit whose annual production of ale, together with the annual production of beer by the holder of a manufacturer's license at all premises

wholly or partly owned, directly or indirectly, by the permit holder or an affiliate or subsidiary of the permit holder, does not exceed a total of 225,000 barrels may sell ale produced on the brewer's premises under the permit to ultimate consumers on the brewer's premises:

(1) for responsible consumption on the brewer's premises; or

(2) subject to Subsection (a-1), for off-premises consumption.

(a-1) Sales to a consumer on the brewer's premises for off-premises consumption are limited to 288 fluid ounces of beer and ale combined per calendar day.

(e-1) The commission:

(1) may require the holder of a brewer's permit who sells ale to ultimate consumers under this section to report to the commission each month, in the manner prescribed by the commission, the total amounts of ale sold by the permit holder under this section during the preceding month for:

(A) responsible consumption on the brewer's premises; and

(B) off-premises consumption, as authorized by Subsection (a);

(2) by rule shall adopt a simple form for a report required under Subdivision (1); and

(3) shall maintain reports received under this subsection for public review.

(g) The commission may impose an administrative penalty against a permit holder who violates Subsection (a-1) or fails to comply with a requirement established by the commission under Subsection (e-1). The commission shall adopt rules establishing:

(1) the amount of an administrative penalty under this subsection; and

(2) the procedures for imposing an administrative penalty under this subsection.

SECTION \_\_\_\_\_. (a) Effective September 1, 2019, Subchapter D, Chapter 101, Alcoholic Beverage Code, is amended by adding Section 101.6701 to read as follows:

Sec. 101.6701. LABEL APPROVAL NOT REQUIRED FOR CERTAIN MALT BEVERAGES. (a) This section applies only to:

(1) the holder of a brewer's permit authorized under Section 12.052 to sell ale produced on the brewer's premises under the permit to ultimate consumers on the brewer's premises for responsible consumption on the brewer's premises and for off-premises consumption; and

(2) the holder of a manufacturer's license authorized under Section 62.122 to sell beer produced on the manufacturer's premises under the license to ultimate consumers on the manufacturer's premises for responsible consumption on the manufacturer's premises and for off-premises consumption.

(b) Notwithstanding Sections 101.41 and 101.67 or any other law, a permit or license holder to whom this section applies may sell beer, ale, or malt liquor to ultimate consumers for consumption on the permit or license holder's premises or for off-premises consumption without receiving label approval for the beer, ale, or malt liquor.

(c) A permit or license holder who sells beer, ale, or malt liquor under Subsection (b) shall:

(1) post in a conspicuous place on the permit or license holder's premises the alcohol content of the beer, ale, or malt liquor in percentage of alcohol by volume; and

(2) provide in writing to an ultimate consumer who purchases beer, ale, or malt liquor for off-premises consumption:

(A) the product name of the beer, ale, or malt liquor; and

(B) the alcohol content of the beer, ale, or malt liquor in percentage of alcohol by volume.

(d) A permit or license holder satisfies the requirements of Subsection (c)(2) if the permit or license holder:

(1) writes the product name and alcohol content on the container of the beer, ale, or malt liquor; or

(2) applies a label with the product name and alcohol content to the container of the beer, ale, or malt liquor.

(b) Effective September 1, 2021, Subchapter D, Chapter 101, Alcoholic Beverage Code, is amended by adding Section 101.6701 to read as follows:

Sec. 101.6701. LABEL APPROVAL NOT REQUIRED FOR CERTAIN MALT BEVERAGES. (a) This section applies only to the holder of a brewer's license authorized under Section 62.122 to sell malt beverages produced on the brewer's premises under the license to ultimate consumers on the brewer's premises for responsible consumption on the brewer's premises and for off-premises consumption.

(b) Notwithstanding Sections 101.41 and 101.67 or any other law, a license holder to whom this section applies may sell malt beverages to ultimate consumers for consumption on the license holder's premises or for off-premises consumption without receiving label approval for the malt beverages.

(c) A license holder who sells malt beverages under Subsection (b) shall:

(1) post in a conspicuous place on the license holder's premises the alcohol content of the malt beverages in percentage of alcohol by volume; and

(2) provide in writing to an ultimate consumer who purchases a malt beverage for off-premises consumption:

(A) the product name of the malt beverage; and

(B) the alcohol content of the malt beverage in percentage of alcohol by volume.

(d) A license holder satisfies the requirements of Subsection (c)(2) if the license holder:

(1) writes the product name and alcohol content on the container of the malt beverage; or

(2) applies a label with the product name and alcohol content to the container of the malt beverage.



SECTION \_\_\_\_\_. (a) Section 101.6701, Alcoholic Beverage Code, as added by this Act, effective September 1, 2019, applies only to the sale of malt beverages on or after September 1, 2019. The sale of malt beverages before September 1, 2019, is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

(b) Section 101.6701, Alcoholic Beverage Code, as added by this Act, effective September 1, 2021, applies only to the sale of malt beverages on or after September 1, 2021. The sale of malt beverages before September 1, 2021, is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

#### **Senate Amendment No. 4 (Senate Floor Amendment No. 4)**

Amend **CSHB 1545** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill as appropriate:

SECTION \_\_\_\_\_. Effective September 1, 2019, Sections 22.04(a) and (c), Alcoholic Beverage Code, are amended to read as follows:

(a) A ~~No~~ person may not hold or have an interest, directly or indirectly, in more than 250 ~~five~~ package stores or in their business or permit.

(c) ~~Except as provided by Section 22.041, the [The limitations prescribed in this section do not apply to an original or renewal package store permit issued before May 1, 1949, and in effect on that date. The] commission may not issue [or administrator shall renew each permit of that type on proper application if the applicant is otherwise qualified. If a person who holds or has an interest in] more than 15 original [five] package store permits to a person in a calendar year [under the authority of this subsection has one of the permits cancelled, voluntarily or for cause, he may not obtain an additional permit in lieu of the cancelled permit. No person who has more than five package store permits may place any of the permits in suspense with the commission].~~

SECTION \_\_\_\_\_. Effective September 1, 2019, Chapter 22, Alcoholic Beverage Code, is amended by adding Section 22.041 to read as follows:

Sec. 22.041. ACQUISITION OF EXISTING PACKAGE STORE BUSINESS. (a) The commission may issue an original package store permit to a person for an existing package store business if:

(1) the person acquired by purchase or otherwise the existing package store business; and

(2) the existing package store business has been operating in the same county for more than one year before the date the person acquired the package store business.

(b) A package store permit issued under this section is not subject to the permit limit under Section 22.04(c).

SECTION \_\_\_\_\_. Effective September 1, 2019, Section 22.05, Alcoholic Beverage Code, is amended to read as follows:

Sec. 22.05. TRANSFER [CONSOLIDATION] OF PERMITS. The holder of a package store permit may not transfer the permit [If one person or two or more persons related within the first degree of consanguinity have a majority of the ownership in two or more legal entities holding package store permits, they

~~may consolidate the package store businesses into a single legal entity. That single legal entity may then be issued permits for all the package stores, notwithstanding any other provision of this code. After the consolidation, none of the permits may be transferred]~~ to another county.

**Senate Amendment No. 5 (Senate Floor Amendment No. 8)**

Amend **CSHB 1545** (senate committee printing) by striking SECTION 401 of the bill (page 121, lines 1 through 34) and renumbering SECTIONS of the bill as appropriate.

**SB 421 - REQUEST OF SENATE GRANTED**

On motion of Representative Craddick, the house granted the request of the senate for the appointment of a Conference Committee on **SB 421**.

**SB 421 - CONFERENCE COMMITTEE INSTRUCTED**

Representative M. González moved to instruct the Conference Committee on **HB 421** to approve a conference committee report that:

(1) includes:

(A) language that:

(i) requires mandatory meetings with property owners in which a private pipeline company taking property through eminent domain would be required to discuss financial offers and give all property owners the opportunity to ask questions; and

(ii) sets out what should be covered in the meeting; and

(B) language that:

(i) establishes minimum easement terms;

(ii) requires the provision to all property owners of a form that is the same for all property owners and includes an insurance agreement; and

(iii) gives property owners without representation the opportunity to have the same terms in the process as those with legal representation; and

(2) excludes any language that:

(A) ties the hands of local judges and special commissioners and prevents them from exercising discretion to administer the eminent domain process; or

(B) may not be constitutional.

The motion to instruct conferees prevailed.

(Speaker in the chair)

**SB 421 - CONFERENCE COMMITTEE APPOINTED**

The chair announced the appointment of the following conference committee, on the part of the house, on **SB 421**: Craddick, chair; P. King, Minjarez, Muñoz, and Stickland.

## **BILLS AND RESOLUTIONS SIGNED BY THE SPEAKER**

Notice was given at this time that the speaker had signed bills and resolutions in the presence of the house (see the addendum to the daily journal, Signed by the Speaker, House List No. 38).

## **RESOLUTIONS REFERRED TO COMMITTEES**

Resolutions were at this time laid before the house and referred to committees. (See the addendum to the daily journal, Referred to Committees, List No. 1.)

## **MESSAGE FROM THE SENATE**

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 4).

## **SB 668 - CONFERENCE COMMITTEE REPORT ADOPTED**

Representative VanDeaver submitted the conference committee report on **SB 668**.

Representative VanDeaver moved to adopt the conference committee report on **SB 668**.

The motion to adopt the conference committee report on **SB 668** prevailed by (Record 1923): 138 Yeas, 2 Nays, 1 Present, not voting.

Yeas — Allen; Allison; Anchia; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Blanco; Bohac; Bonnen; Bowers; Buckley; Bucy; Burns; Burrows; Button; Calanni; Canales; Capriglione; Clardy; Coleman; Collier; Cortez; Craddick; Cyrier; Davis, Y.; Dean; Deshotel; Dominguez; Dutton; Farrar; Fierro; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; González, J.; González, M.; Goodwin; Guerra; Guillen; Gutierrez; Harless; Harris; Hefner; Hernandez; Herrero; Hinojosa; Holland; Howard; Huberty; Hunter; Israel; Johnson, J.E.; Kacal; King, K.; King, P.; King, T.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Martinez; Martinez Fischer; Meyer; Meza; Middleton; Miller; Minjarez; Moody; Morales; Morrison; Muñoz; Murphy; Murr; Neave; Nevárez; Noble; Oliverson; Ortega; Pacheco; Paddie; Parker; Patterson; Paul; Perez; Price; Raney; Raymond; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Sanford; Schaefer; Shaheen; Sheffield; Sherman; Shine; Smith; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Talarico; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Toth; Turner, C.; Turner, J.; VanDeaver; Walle; White; Wilson; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Cain; Ramos.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Biedermann; Metcalf; Phelan.

**STATEMENT OF VOTE**

When Record No. 1923 was taken, my vote failed to register. I would have voted yes.

Metcalf

**HB 2102 - VOTE RECONSIDERED**

Representative Button moved to reconsider the vote by which the motion to concur in the senate amendments to **HB 2102** was lost by Record No. 1854.

The motion to reconsider prevailed.

**HB 2102 - HOUSE CONCURS IN SENATE AMENDMENTS  
TEXT OF SENATE AMENDMENTS**

**HB 2102**, A bill to be entitled An Act relating to the payment of insurance deductibles related to property insurance policies; creating criminal offenses.

**HB 2102** was called up with senate amendments earlier today and the motion to concur in the senate amendments was lost by Record No. 1854.

(Goldman in the chair)

Representative Capriglione moved to concur in the senate amendments to **HB 2102**.

The motion to concur in the senate amendments to **HB 2102** prevailed by (Record 1924): 82 Yeas, 50 Nays, 2 Present, not voting.

Yeas — Allen; Allison; Anderson; Ashby; Bailes; Beckley; Bell, C.; Bell, K.; Bernal; Biedermann; Bohac; Bonnen; Buckley; Burns; Burrows; Button; Capriglione; Clardy; Craddick; Cyrier; Dean; Dutton; Flynn; Geren; González, M.; Harless; Harris; Hefner; Hernandez; Howard; Huberty; Hunter; Israel; Kacal; King, P.; Krause; Lambert; Landgraf; Lang; Larson; Leach; Leman; Longoria; Lopez; Lozano; Lucio; Metcalf; Meyer; Middleton; Miller; Morrison; Murphy; Murr; Noble; Oliverson; Paddie; Parker; Patterson; Paul; Phelan; Price; Raney; Rose; Sanford; Shaheen; Sheffield; Smith; Smithee; Springer; Stephenson; Stucky; Swanson; Tinderholt; Toth; Turner, C.; VanDeaver; White; Wray; Wu; Zedler; Zerwas; Zwiener.

Nays — Blanco; Bowers; Bucy; Cain; Calanni; Canales; Coleman; Cortez; Davis, Y.; Deshotel; Dominguez; Farrar; Fierro; Frullo; Gervin-Hawkins; González, J.; Goodwin; Guerra; Guillen; Herrero; Hinojosa; Johnson, J.E.; King, K.; King, T.; Klick; Kuempel; Martinez; Martinez Fischer; Minjarez; Moody; Morales; Muñoz; Neave; Nevárez; Ortega; Perez; Ramos; Raymond; Reynolds; Rodriguez; Rosenthal; Schaefer; Sherman; Shine; Stickland; Talarico; Thierry; Turner, J.; Walle; Wilson.

Present, not voting — Mr. Speaker; Goldman(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Anchia; Collier; Frank; Gutierrez; Holland; Meza; Pacheco; Romero; Thompson, E.; Thompson, S.

**STATEMENTS OF VOTE**

When Record No. 1924 was taken, I was in the house but away from my desk. I would have voted yes.

Frank

When Record No. 1924 was taken, I was shown voting no. I intended to vote yes.

Hinojosa

When Record No. 1924 was taken, I was in the house but away from my desk. I would have voted yes.

Holland

When Record No. 1924 was taken, I was shown voting no. I intended to vote yes.

T. King

**Senate Committee Substitute**

**CSHB 2102**, A bill to be entitled An Act relating to the payment of insurance deductibles related to property insurance policies; creating a criminal offense.

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

SECTION 1. Subtitle F, Title 5, Insurance Code, is amended by adding Chapter 707 to read as follows:

**CHAPTER 707. PAYMENT OF INSURANCE DEDUCTIBLE**

Sec. 707.001. DEFINITIONS. In this chapter:

(1) "Person" means an individual, corporation, association, partnership, limited liability company, or other legal entity.

(2) "Property insurance policy" means an insurance policy issued by an insurer, including a county mutual insurance company, farm mutual insurance company, Lloyd's plan, or reciprocal or interinsurance exchange, that provides first-party coverage for loss of or damage to real property.

Sec. 707.002. PAYMENT OF DEDUCTIBLE REQUIRED. A person insured under a property insurance policy shall pay any deductible applicable to a first-party claim made under the policy.

Sec. 707.003. CONSUMER EDUCATION. The department, in coordination with other state agencies and stakeholders as necessary, shall develop and implement an education program related to the payment of property insurance policy deductibles. The program must:

(1) provide reasonable methods to educate insurance consumers and providers of goods or services that are regularly paid for from proceeds of property insurance claims; and

(2) include information regarding:

(A) the requirements of this chapter and Section 27.02, Business & Commerce Code; and

(B) the conduct prohibited by Section 27.02, Business & Commerce Code.

Sec. 707.004. REASONABLE PROOF OF PAYMENT. An insurer that issues a property insurance policy with replacement cost coverage may refuse to pay a claim for withheld recoverable depreciation or a replacement cost holdback under the policy until the insurer receives reasonable proof of payment by the policyholder of any deductible applicable to the claim. Reasonable proof of payment includes a canceled check, money order receipt, credit card statement, or copy of an executed installment plan contract or other financing arrangement that requires full payment of the deductible over time.

Sec. 707.005. RULEMAKING. The commissioner may adopt rules as necessary to implement this chapter. Section 2001.0045, Government Code, does not apply to rules adopted under this section.

SECTION 2. Section 27.02, Business & Commerce Code, is amended to read as follows:

Sec. 27.02. GOODS OR SERVICES PAID FOR BY INSURANCE PROCEEDS: PAYMENT OF DEDUCTIBLE REQUIRED ~~[CERTAIN INSURANCE CLAIMS FOR EXCESSIVE CHARGES]~~. (a) In this section, "property insurance policy" has the meaning assigned by Section 707.001, Insurance Code.

(b) A contract to provide a good or service that is reasonably expected to be paid wholly or partly from the proceeds of a claim under a property insurance policy and that has a contract price of \$1,000 or more must contain the following notice in at least 12-point boldfaced type: "Texas law requires a person insured under a property insurance policy to pay any deductible applicable to a claim made under the policy. It is a violation of Texas law for a seller of goods or services who reasonably expects to be paid wholly or partly from the proceeds of a property insurance claim to knowingly allow the insured person to fail to pay, or assist the insured person's failure to pay, the applicable insurance deductible."

(c) A person who sells goods or services commits an offense if the person:

(1) advertises or promises to provide a good or service to an insured under a property insurance policy in a transaction in which:

(A) the good or service will be paid for by the insured from the proceeds of a property insurance claim; and

(B) the person selling the good or service will, without the insurer's consent:

(i) pay, waive, absorb, or otherwise decline to charge or collect the amount of the insured's deductible;

(ii) provide a rebate or credit in connection with the sale of the good or service that will offset all or part of the amount paid by the insured as a deductible; or

(iii) in any other manner assist the insured in avoiding monetary payment of the required insurance deductible; or

(2) provides a good or service to an insured under a property insurance policy knowing that the insured will pay for the good or service with the proceeds of a claim under the policy and, without the insurer's consent:

(A) pays, waives, absorbs, or otherwise declines to charge or collect the amount of the insured's deductible;

(B) provides a rebate or credit in connection with the sale of the good or service that offsets all or part of the amount paid by the insured as a deductible; or

(C) in any other manner assists the insured in avoiding monetary payment of the required insurance deductible. [A person who sells goods or services commits an offense if:

~~[(1) the person advertises or promises to provide the good or service and to pay:~~

~~[(A) all or part of any applicable insurance deductible; or~~

~~[(B) a rebate in an amount equal to all or part of any applicable insurance deductible;~~

~~[(2) the good or service is paid for by the consumer from proceeds of a property or casualty insurance policy; and~~

~~[(3) the person knowingly charges an amount for the good or service that exceeds the usual and customary charge by the person for the good or service by an amount equal to or greater than all or part of the applicable insurance deductible paid by the person to an insurer on behalf of an insured or remitted to an insured by the person as a rebate.~~

~~[(b) A person who is insured under a property or casualty insurance policy commits an offense if the person:~~

~~[(1) submits a claim under the policy based on charges that are in violation of Subsection (a) of this section; or~~

~~[(2) knowingly allows a claim in violation of Subsection (a) of this section to be submitted, unless the person promptly notifies the insurer of the excessive charges.]~~

~~(d) [(e)] An offense under this section is a Class B [A] misdemeanor.~~

SECTION 3. The changes in law made by this Act to Section 27.02, Business & Commerce Code, apply only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect 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 this Act if any element of the offense occurred before that date.

SECTION 4. Section 27.02(b), Business & Commerce Code, as amended by this Act, applies only to a contract entered into on or after the effective date of this Act.

SECTION 5. This Act takes effect September 1, 2019.

### MESSAGE FROM THE SENATE

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 3).

### SB 6 - REQUEST OF SENATE GRANTED CONFERENCE COMMITTEE APPOINTED

On motion of Representative Morrison, the house granted the request of the senate for the appointment of a Conference Committee on **SB 6**.

The chair announced the appointment of the following conference committee, on the part of the house, on **SB 6**: Morrison, chair; Geren, Moody, Nevárez, and Phelan.

### **HB 4032 - VOTE RECONSIDERED**

Representative P. King moved to reconsider the vote by which the motion to concur in the senate amendments to **HB 4032** was lost by Record No. 1823.

The motion to reconsider prevailed.

(Speaker in the chair)

### **HB 4032 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS**

**HB 4032**, A bill to be entitled An Act relating to the permitting and taxation of certain boats and boat motors; imposing a fee.

**HB 4032** was called up with senate amendments earlier today and the motion to concur in the senate amendments was lost by Record No. 1823.

Representative Guillen moved to concur in the senate amendments to **HB 4032**.

The motion to concur in the senate amendments to **HB 4032** prevailed by (Record 1925): 82 Yeas, 55 Nays, 1 Present, not voting.

Yeas — Allen; Allison; Anderson; Bell, C.; Bell, K.; Biedermann; Bonnen; Bowers; Buckley; Bucy; Burrows; Button; Capriglione; Cortez; Craddick; Cyrier; Deshotel; Farrar; Fierro; Flynn; Frullo; Goldman; González, M.; Guerra; Guillen; Harless; Harris; Herrero; Holland; Huberty; Hunter; Kacal; King, K.; King, P.; Klick; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Leach; Leman; Lozano; Martinez; Metcalf; Meyer; Meza; Middleton; Miller; Moody; Morrison; Murphy; Nevárez; Noble; Oliverson; Paddie; Parker; Patterson; Paul; Perez; Phelan; Price; Raney; Raymond; Sanford; Shaheen; Sheffield; Smith; Springer; Stephenson; Stucky; Swanson; Thierry; Thompson, E.; Thompson, S.; Toth; Turner, J.; White; Wray; Zedler; Zerwas.

Nays — Anchia; Bailes; Beckley; Bernal; Blanco; Bohac; Burns; Cain; Calanni; Canales; Collier; Davis, Y.; Dean; Dominguez; Dutton; Frank; Geren; Gervin-Hawkins; González, J.; Goodwin; Hefner; Hinojosa; Howard; Israel; Johnson, J.E.; King, T.; Longoria; Lopez; Lucio; Martinez Fischer; Minjarez; Morales; Muñoz; Murr; Neave; Ortega; Pacheco; Ramos; Reynolds; Rodriguez; Romero; Rose; Rosenthal; Schaefer; Sherman; Shine; Smithee; Stickland; Talarico; Tinderholt; Turner, C.; VanDeaver; Wilson; Wu; Zwiener.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Cole; Darby; Davis, S.; Johnson, E.; Johnson, J.D.; Vo.

Absent — Ashby; Clardy; Coleman; Gutierrez; Hernandez; Walle.



**STATEMENTS OF VOTE**

When Record No. 1925 was taken, I was temporarily out of the house chamber. I would have voted no.

Ashby

When Record No. 1925 was taken, I was shown voting no. I intended to vote yes.

Bailes

When Record No. 1925 was taken, I was shown voting yes. I intended to vote no.

Thierry

**Senate Committee Substitute**

**CSHB 4032**, A bill to be entitled An Act relating to the regulation, permitting, and taxation of certain boats and boat motors; imposing a fee.

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

SECTION 1. Section 31.003(16), Parks and Wildlife Code, is amended to read as follows:

(16) "Distributor" means a person who offers for sale, sells, or processes for distribution new vessels ~~[boats]~~ or outboard motors to dealers in this state.

SECTION 2. Section 31.006(a), Parks and Wildlife Code, is amended to read as follows:

(a) The department may authorize a dealer who holds a dealer's or manufacturer's number to act as the agent of the department under Subchapter B ~~[of this chapter]~~ and under Chapter 160, Tax Code, for the issuance of certificates of number and the collection of fees and taxes for vessels and outboard motors ~~[boats]~~ sold by that dealer.

SECTION 3. The heading to Section 31.041, Parks and Wildlife Code, is amended to read as follows:

Sec. 31.041. DUTIES OF DEALERS, DISTRIBUTORS, AND MANUFACTURERS; LICENSE REQUIRED ~~[DEALER'S, DISTRIBUTOR'S, AND MANUFACTURER'S LICENSE]~~.

SECTION 4. Section 31.041, Parks and Wildlife Code, is amended by amending Subsection (f) and adding Subsections (h) and (i) to read as follows:

(f) A dealer, distributor, or manufacturer holding a dealer's, distributor's, or manufacturer's license may issue a reasonable temporary facsimile of the number issued under Subsection (c), which may be used by any authorized person. ~~[A person purchasing a vessel may use the dealer's number for a period not to exceed 15 days prior to filing an application for a certificate of number.]~~ The form of the facsimile and the manner of display of the number shall be prescribed by the department.

(h) Not later than the 45th day after a dealer, distributor, or manufacturer holding a dealer's, distributor's, or manufacturer's license sells at the first or a subsequent sale a vessel or outboard motor, the dealer, distributor, or

manufacturer shall apply, in the name of the purchaser of the vessel or outboard motor, for a certificate of number or a certificate of title for the vessel or outboard motor, as applicable, and file with the department each document necessary to transfer the certificate of number or certificate of title.

(i) A person purchasing a vessel may use the temporary facsimile number issued under Subsection (f) until the person receives the certificate of number from the department.

SECTION 5. Section 160.001(2), Tax Code, is amended to read as follows:

(2) "Boat" means a vessel not more than 115 feet in length, measured from the tip of the bow in a straight line to the stern [has the meaning assigned by Section 31.003, Parks and Wildlife Code].

SECTION 6. Subchapter B, Chapter 160, Tax Code, is amended by adding Sections 160.0246, 160.0247, and 160.026 to read as follows:

Sec. 160.0246. EXEMPTION FOR CERTAIN BOATS AND MOTORS TEMPORARILY USED IN THIS STATE. (a) The taxes imposed by this chapter do not apply to the sale of a taxable boat or motor if:

(1) the boat or motor is sold in this state for use in another state or nation and is removed from this state not more than 10 days after the date of purchase;

(2) the boat or motor:

(A) is sold in this state for use in another state or nation;

(B) not later than the 10th day after the date the boat or motor is purchased, is docked at or placed in a boat repair facility registered with the comptroller for repairs or modifications;

(C) is not used by a person while it is being repaired or modified, except as necessary to test the repairs or modifications; and

(D) is removed from this state not more than 20 days after the date the repairs or modifications are finished; or

(3) the boat or motor:

(A) is sold in this state for use in another state or nation;

(B) displays a permit described by Section 160.0247 at all times after the boat or motor is purchased until the boat or motor is removed from this state; and

(C) is removed from this state not more than 90 days after the date of purchase.

(b) The tax imposed by Section 160.022 does not apply to a taxable boat or motor used in this state or brought into this state for use if the boat or motor:

(1) has a current certificate of number issued under any federal law or a federally approved numbering system of another state;

(2) displays a permit described by Section 160.0247 at all times while the boat or motor is located in this state; and

(3) is removed from this state not more than 90 days after the date the boat or motor is brought into this state.

(c) The comptroller shall adopt rules and procedures to implement this section and Section 160.0247.

Sec. 160.0247. TEMPORARY USE PERMIT. (a) The comptroller or an agent of the department may issue a temporary use permit to the owner of a taxable boat or motor that qualifies for an exemption from tax under Section 160.0246(a)(3) or (b).

(b) The fee for a permit is \$150.

(c) A permit is valid for 90 days and may not be renewed.

(d) The owner of a taxable boat or motor may obtain not more than two permits in a calendar year for the boat or motor. The second permit in a calendar year may not be issued before the 30th day after the date the first permit expires.

Sec. 160.026. LIMITATION ON AMOUNT OF TAX. Notwithstanding any other law, the tax imposed under Section 160.021 on the sale of a taxable boat or motor may not exceed \$18,750.

SECTION 7. The change in law made by this Act does not affect tax liability accruing before the effective date of this Act. That liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 8. This Act takes effect September 1, 2019.

#### **Senate Amendment No. 1 (Senate Floor Amendment No. 1)**

Amend **CSHB 4032** (senate committee printing) as follows:

(1) In SECTION 4 of the bill, strike added Section 31.041(i), Parks and Wildlife Code (page 2, lines 8-10), and substitute the following:

(i) A person purchasing a vessel may use the temporary facsimile number issued under Subsection (f) for a period not to exceed 45 days from the date the dealer, distributor, or manufacturer applies for a certificate of number or a certificate of title under Subsection (h). The person shall retain the facsimile number on the vessel for the period described by this subsection.

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

SECTION \_\_\_\_\_. Section 31.037(c), Parks and Wildlife Code, is amended to read as follows:

(c) The new owner of a vessel shall, not later than the 45th ~~[20th]~~ day after the date ownership was transferred, submit an application to the department with:

- (1) evidence of ownership;
- (2) the new owner's name and address;
- (3) the number of the vessel; and
- (4) a fee of \$2 or an amount set by the commission, whichever amount is more.

SECTION \_\_\_\_\_. Sections 31.046(a) and (b), Parks and Wildlife Code, are amended to read as follows:

(a) Except as provided in Subsections (b) and (c) of this section, the purchaser of a vessel or an outboard motor shall apply to the department or to a county tax assessor-collector for a certificate of title not later than the 45th day ~~[20 days]~~ after the date of the sale of the vessel or outboard motor.

(b) A manufacturer or a dealer who sells a vessel or an outboard motor to a person other than a manufacturer or a dealer shall apply to the department or to a county tax assessor-collector for a certificate of title for the vessel or outboard motor in the name of the purchaser not later than the 45th day ~~[20 days]~~ after the date of the sale.

SECTION \_\_\_\_\_. Section 31.053(c), Parks and Wildlife Code, is amended to read as follows:

(c) The transferor shall provide the documents or evidence required by Subsection (a) of this section to the department or the transferee, as appropriate, in sufficient time to allow the transferee to register and obtain a certificate of title for the vessel or outboard motor not later than the 45th day ~~[20 days]~~ after the date of the sale.

SECTION \_\_\_\_\_. Sections 160.041(c) and (e), Tax Code, are amended to read as follows:

(c) The tax imposed by Section 160.021 is due on the 45th ~~[20th]~~ working day after the date that the taxable boat or motor is delivered to the purchaser. The purchaser or the seller, if the purchaser paid the tax to the seller, shall pay the tax to the department, to an agent of the department, or to a tax assessor-collector on or before the due date.

(e) The tax imposed by Section 160.022 or 160.023 is due on the 45th ~~[20th]~~ working day after the date that the taxable boat or motor is brought into this state. The person liable for the tax shall pay the tax to the department or to a tax assessor-collector on or before the due date.

(Bucy in the chair)

### ADJOURNMENT

Representative C. Bell moved that the house adjourn until 9:45 a.m. tomorrow in memory of Thomas Brown of Hempstead.

The motion prevailed.

The house accordingly, at 7:45 p.m., adjourned until 9:45 a.m. tomorrow.

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### ADDENDUM

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### REFERRED TO COMMITTEES

The following bills and joint resolutions were today laid before the house, read first time, and referred to committees, and the following resolutions were today laid before the house and referred to committees. If indicated, the chair today corrected the referral of the following measures:

#### List No. 1

**HCR 174** (By Springer), Paying tribute to Kenneth E. Stumpf on the occasion of the 2019 Medal of Honor Host City Weekend in Gainesville.

To Resolutions Calendars.

**HCR 175** (By Springer), Paying tribute to Patrick Henry Brady on the occasion of the 2019 Medal of Honor Host City Weekend in Gainesville.

To Resolutions Calendars.

**HCR 176** (By Zwiener), Designating San Marcos as the official Mermaid Capital of Texas.

To Culture, Recreation, and Tourism.

**HCR 178** (By G. Bonnen), Urging Congress to enact legislation directing the Department of Housing and Urban Development to rewrite the formula for the allocation of Community Development Block Grant for Disaster Recovery funds to low- and moderate-income people.

To Homeland Security and Public Safety.

**HCR 179** (By Shine), Requesting the Governor's Office of Economic Development and Tourism to conduct a study on the promotion of Employee Stock Ownership Plans in Texas.

To Business and Industry.

**HR 1937** (By Nevárez), Honoring Gary Hobbs for his contributions to Tejano music.

To Resolutions Calendars.

**HR 1938** (By Nevárez), Congratulating Dr. Ekta Escovar on her receipt of the 2018 Benjamin Berkeley Citizen of the Year Award from the Alpine Chamber of Commerce.

To Resolutions Calendars.

**HR 1940** (By Nevárez), Congratulating Stephen L. Mitchell of Van Horn on being elected a Life Fellow by the Fellows of the Texas Bar Foundation.

To Resolutions Calendars.

**HR 1944** (By Shaheen), Congratulating Zinmar Win of Harmony Science Academy-Plano on her selection as the 2019 Elementary Teacher of the Year in the Harmony Public Schools Dallas/Fort Worth District.

To Resolutions Calendars.

**HR 1947** (By Dominguez), Congratulating Douglas Tolman on graduating as salutatorian of the Class of 2019 at Hanna Early College High School in Brownsville.

To Resolutions Calendars.

**HR 1948** (By Dominguez), Congratulating Abigail Morales on graduating as valedictorian of the Class of 2019 at Hanna Early College High School in Brownsville.

To Resolutions Calendars.

**HR 1949** (By Dominguez), Congratulating Wendy De La Cruz on graduating as salutatorian of the Class of 2019 at Lopez Early College High School in Brownsville.

To Resolutions Calendars.

**HR 1951** (By Dominguez), Congratulating Samantha Morales on graduating as valedictorian of the Class of 2019 at Lopez Early College High School in Brownsville.

To Resolutions Calendars.

**HR 1952** (By Dominguez), Congratulating Viviana Franco on graduating as salutatorian of the Class of 2019 at Porter Early College High School in Brownsville.

To Resolutions Calendars.

**HR 1953** (By Dominguez), Congratulating Manuel Sandoval on graduating as valedictorian of the Class of 2019 at Porter Early College High School in Brownsville.

To Resolutions Calendars.

**HR 1954** (By Goldman), Recognizing Julieta Martinez of Southwest High School in Fort Worth on receiving a 2019 Leo C. Benavides Award.

To Resolutions Calendars.

**HR 1955** (By Goldman), Recognizing Randa Musa Alidan of International Newcomer Academy in Fort Worth on receiving a 2019 Leo C. Benavides Award.

To Resolutions Calendars.

**HR 1956** (By Goldman), Congratulating Susan Hill on her retirement as principal of Westpark Elementary School in Benbrook.

To Resolutions Calendars.

**HR 1957** (By Herrero), Congratulating Mia E. Moore on graduating as the salutatorian of the Incarnate Word Academy Class of 2019.

To Resolutions Calendars.

**HR 1958** (By Herrero), Congratulating Tasha K. Jones of Tuloso Midway High School in Corpus Christi on her receipt of the 2019 H-E-B Excellence in Education Rising Star Award for secondary teachers.

To Resolutions Calendars.

**HR 1959** (By Israel), Congratulating Misty Allen on her selection as the 2020 Teacher of the Year at Wells Branch Arts Integration Academy.

To Resolutions Calendars.

**HR 1960** (By Israel), Congratulating Katie Leining on her selection as the 2020 Teacher of the Year at Voigt Elementary School.

To Resolutions Calendars.

**HR 1961** (By Israel), Congratulating Cindi Mireles on her selection as the 2020 Teacher of the Year at Union Hill Elementary School.

To Resolutions Calendars.

**HR 1962** (By Israel), Congratulating Stephanie Claypool on her selection as the 2020 Teacher of the Year at Teravista Elementary School.

To Resolutions Calendars.

**HR 1963** (By Israel), Congratulating Terri Strode on her selection as the 2020 Teacher of the Year at Jollyville Elementary School.  
To Resolutions Calendars.

**HR 1964** (By Israel), Congratulating Wynn Ferrier on her selection as the 2020 Teacher of the Year at Laurel Mountain Elementary School.  
To Resolutions Calendars.

**HR 1965** (By Israel), Congratulating Amanda Mitchell on her selection as the 2020 Teacher of the Year at Caraway Elementary School.  
To Resolutions Calendars.

**HR 1966** (By Israel), Congratulating Jason Ziebell on his selection as the 2020 Teacher of the Year at Westwood High School.  
To Resolutions Calendars.

**HR 1967** (By Israel), Congratulating Johnny Foss on his selection as the 2020 Teacher of the Year at McNeil High School.  
To Resolutions Calendars.

**HR 1969** (By Israel), Congratulating Angela Yung on her selection as the 2020 Teacher of the Year at Canyon Vista Middle School.  
To Resolutions Calendars.

**HR 1970** (By Israel), Congratulating Irma Jaimes on her selection as the 2019 Teacher of the Year at Delco Elementary School.  
To Resolutions Calendars.

**HR 1971** (By Israel), Congratulating Dawn Grimes on her selection as the 2019 Teacher of the Year at Copperfield Elementary School.  
To Resolutions Calendars.

**HR 1972** (By Israel), Congratulating Leann Carnes on her selection as the 2019 Teacher of the Year at Dearing Elementary School.  
To Resolutions Calendars.

**HR 1973** (By C. Turner), Recognizing the Redeemed Christian Church of God Household of Faith Arlington Memorial Day Family Picnic.  
To Resolutions Calendars.

**HR 1974** (By Israel), Congratulating Lisa Blancarte on her selection as the 2019 Teacher of the Year at Caldwell Elementary School.  
To Resolutions Calendars.

**HR 1975** (By Israel), Congratulating Shari Griffith on her selection as the 2019 Teacher of the Year at Brookhollow Elementary School.  
To Resolutions Calendars.

**HR 1976** (By Israel), Congratulating Brandy Hanson on her selection as the 2019 Teacher of the Year at Parmer Lane Elementary School.  
To Resolutions Calendars.

**HR 1977** (By Israel), Congratulating Sarah Ameluxen on her selection as the 2019 Teacher of the Year at Northwest Elementary School.  
To Resolutions Calendars.

**HR 1978** (By Israel), Congratulating Mary Katherine Higgins on her selection as the 2019 Teacher of the Year at Murchison Elementary School.

To Resolutions Calendars.

**HR 1979** (By Israel), Congratulating Lorraine Huber on her selection as the 2019 Teacher of the Year at Mott Elementary School.

To Resolutions Calendars.

**HR 1980** (By Israel), Congratulating Brianna Thompson on her selection as the 2019 Teacher of the Year at Highland Park Elementary School.

To Resolutions Calendars.

**HR 1981** (By Israel), Congratulating Mikaela Andres on her selection as the 2019 Teacher of the Year at Dessau Elementary School.

To Resolutions Calendars.

**HR 1982** (By Israel), Congratulating Rebecca Detzel on her selection as the 2019 Teacher of the Year at Rowe Lane Elementary School.

To Resolutions Calendars.

**HR 1983** (By Israel), Congratulating Lila Gomez on her selection as the 2019 Teacher of the Year at River Oaks Elementary School.

To Resolutions Calendars.

**HR 1984** (By Israel), Congratulating Meghan Teenier on her selection as the 2019 Teacher of the Year at Riojas Elementary School.

To Resolutions Calendars.

**HR 1985** (By Israel), Congratulating Tania Gallegos on her selection as the 2019 Teacher of the Year at Windermere Primary School.

To Resolutions Calendars.

**HR 1986** (By Israel), Congratulating Cristina Ferrari on her selection as the 2019 Teacher of the Year at Westview Middle School.

To Resolutions Calendars.

**HR 1987** (By Israel), Congratulating Melissa Brydson on her selection as the 2019 Teacher of the Year at Park Crest Middle School.

To Resolutions Calendars.

**HR 1988** (By Israel), Congratulating Christie Garrett on her selection as the 2019 Teacher of the Year at Kelly Lane Middle School.

To Resolutions Calendars.

**HR 1989** (By Israel), Congratulating Scott Cargile on his selection as the 2019 Teacher of the Year at Dessau Middle School.

To Resolutions Calendars.

**HR 1990** (By Israel), Congratulating Jamie Eckert on her selection as the 2019 Teacher of the Year at Cele Middle School.

To Resolutions Calendars.

**HR 1991** (By Israel), Congratulating David Waldrop on his selection as the 2019 Teacher of the Year at Weiss High School.

To Resolutions Calendars.



**HR 1992** (By Israel), Congratulating Heidi Reich on her selection as the 2019 Teacher of the Year at Pflugerville High School.

To Resolutions Calendars.

**HR 1993** (By Israel), Congratulating Kirsten Nash on her selection as the 2019 Teacher of the Year at Hendrickson High School.

To Resolutions Calendars.

**HR 1994** (By Israel), Congratulating Brittany Slover on her selection as the 2019 Teacher of the Year at Connally High School.

To Resolutions Calendars.

**HR 1995** (By Israel), Congratulating Kristie Campo on her selection as the 2020 Teacher of the Year at Joe Lee Johnson Elementary School.

To Resolutions Calendars.

**HR 1997** (By Cyrier), Honoring Pike Powers for his contributions to the development of the Austin regional technology economy.

To Resolutions Calendars.

**HR 1998** (By Wu), Congratulating the School of Science and Technology Advancement in Houston on receiving State and National School of Character designations from Character.org.

To Resolutions Calendars.

**HR 1999** (By Harless), Congratulating the baseball team from Northland Christian School in Houston on winning the 2019 TAPPS Division III state championship.

To Resolutions Calendars.

**HR 2001** (By Anderson), Commending the staff of the State Preservation Board for their service.

To Resolutions Calendars.

**HR 2003** (By Price), Honoring Cal Farley's Boys Ranch on the occasion of its 80th anniversary.

To Resolutions Calendars.

**HR 2004** (By Price), Congratulating the Amarillo Caprock High School Marine Corps Junior ROTC team on its second-place performance at the 2019 U.S. Marine Corps JROTC National Drill Championships.

To Resolutions Calendars.

**HR 2005** (By Bohac), Honoring Scott R. Muri for his service as superintendent of the Spring Branch Independent School District.

To Resolutions Calendars.

**HR 2009** (By Parker), Congratulating Representative Tom Craddick and Nadine Craddick on their 50th wedding anniversary.

To Resolutions Calendars.

**HR 2010** (By Price), Commending the Amarillo Convention & Visitor Council for its contributions to the Texas Panhandle.

To Resolutions Calendars.

**HR 2012** (By Wray), Commemorating the 100th anniversary of Central Presbyterian Church in Waxahachie.

To Resolutions Calendars.

**HR 2014** (By Springer), Congratulating Casey Walterscheid of the U.S. Air Force on his promotion to lieutenant colonel.

To Resolutions Calendars.

**HR 2016** (By E. Thompson), Commemorating the 2019 Relay For Life of North Brazoria County.

To Resolutions Calendars.

**HR 2017** (By Zedler, C. Turner, Tinderholt, and Krause), In memory of Wendell Herman Nedderman, former president of The University of Texas at Arlington.

To Resolutions Calendars.

**HR 2019** (By J. González), Commending Claire Frueauff for her service as a legislative aide in the office of State Representative Jessica González.

To Resolutions Calendars.

**HR 2020** (By J. González), Commending Elliot Ross for his service as a legislative fellow in the office of State Representative Jessica González.

To Resolutions Calendars.

**HR 2021** (By Zedler), Congratulating Precious Schwartz of Fort Worth on her graduation from the Texas School for the Deaf in Austin.

To Resolutions Calendars.

**HR 2022** (By M. González), Congratulating Sally Hurt-Deitch on her selection as chair of the Texas Hospital Association.

To Resolutions Calendars.

**HR 2023** (By Buckley), Congratulating Killeen ISD Early College High School on being named a model college and career readiness school by Educate Texas.

To Resolutions Calendars.

**HR 2024** (By K. King), Congratulating Easton Clarkson of Abernathy High School on participating in the 3A 200-meter dash at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2025** (By K. King), Congratulating Ismael Jimenez of Booker High School on participating in the 1A 200-meter dash at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2026** (By J. González), Commending Alexander Uhlmann for his service as a policy analyst in the office of State Representative Jessica González.

To Resolutions Calendars.

**HR 2027** (By Goldman), Congratulating Serena Nguyen on graduating as valedictorian of the Class of 2019 at Western Hills High School in Benbrook.

To Resolutions Calendars.

**HR 2028** (By Guillen), Commemorating the 25th anniversary of Mariachi Nuevo Santander of Roma High School.

To Resolutions Calendars.

**HR 2029** (By Guillen), In memory of Margarita Carrera Garcia of Rio Grande City.

To Resolutions Calendars.

**HR 2030** (By Zwiener), Commending the residents of San Marcos for their efforts to promote environmental stewardship and to showcase the iconic mermaid that is so closely identified with the city.

To Resolutions Calendars.

**HR 2032** (By J. González), Commending Ethan McBride for his service as a legislative intern in the office of State Representative Jessica González during the 86th Legislative Session.

To Resolutions Calendars.

**HR 2033** (By Martinez), In memory of John Paul Flores of Weslaco.

To Resolutions Calendars.

**HR 2034** (By K. King), Congratulating Roberto Trevino of Farwell High School on participating in the 2A high jump at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2035** (By K. King), Congratulating Myles Johnson of Levelland High School on participating in the 4A shot put at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2036** (By K. King), Congratulating Keely Dunham of Muleshoe High School on participating in the 3A discus at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2037** (By K. King), Congratulating Eric Hill of Nazareth High School on participating in the 1A 400-meter dash at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2038** (By K. King), Congratulating Brandel Brown of Whiteface High School on participating in the 1A high jump at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2039** (By K. King), Congratulating Jack Allcorn of Olton High School on participating in the 2A discus at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2040** (By K. King), Congratulating Griffin Brosowske of Perryton High School on participating in the 4A 300-meter hurdles at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2041** (By K. King), Congratulating Tyal Peterson of Petersburg High School on participating in the 1A discus at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2042** (By K. King), Congratulating Sirena Minjarez of Seagraves High School on participating in the 2A shot put at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2043** (By K. King), Congratulating Parker Carson of Turkey Valley High School on participating in the 1A 800-meter run at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2045** (By Goldman), Congratulating Julia Hunnell on graduating as the valedictorian of the Class of 2019 at Benbrook Middle-High School.

To Resolutions Calendars.

**HR 2046** (By Goldman), Congratulating Ian Jimenez on graduating as the valedictorian of the Class of 2019 at Southwest High School.

To Resolutions Calendars.

**HR 2047** (By Goldman), Congratulating Jasmin Mejia on graduating as the salutatorian of the Class of 2019 at Western Hills High School.

To Resolutions Calendars.

**HR 2048** (By Goldman), Congratulating Patty McKenney on her retirement from Westpark Elementary School in Benbrook.

To Resolutions Calendars.

**HR 2049** (By Nevárez), Commemorating the signing of the memorandum of understanding between the Center for Big Bend Studies, the Instituto Nacional de Antropología e Historia, and the city of Ágreda, Spain.

To Resolutions Calendars.

**HR 2050** (By Gutierrez), Congratulating Adriann Oommen and her fellow members of the UT Austin Concrete Canoe Team on winning the 2019 ASCE Texas-Mexico Student Conference regional competition.

To Resolutions Calendars.

**HR 2051** (By Gutierrez), Congratulating Kathryn Mary Criaco on her graduation from The University of Texas at Austin.

To Resolutions Calendars.

**HR 2053** (By Longoria), Congratulating Irma Davis of Dishman Elementary School in Harlingen CISD on her receipt of the 2019 H-E-B Excellence in Education Award in the elementary school principal category.

To Resolutions Calendars.

**HR 2054** (By Israel), Congratulating Joe Cervantes of Connally High School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2055** (By Israel), Congratulating Sara Lucas of Hendrickson High School on being named the 2019 District Secondary Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2056** (By Israel), Congratulating Patti Bergin of Weiss High School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2057** (By Israel), Congratulating Margaret Dominguez of Cele Middle School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2058** (By Israel), Congratulating Ryan Morris of Dessau Middle School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2059** (By Israel), Congratulating Haley Honey of Kelly Lane Middle School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2060** (By Israel), Congratulating Pamela Christian of Park Crest Middle School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2061** (By Israel), Congratulating Tammy Bland of Westview Middle School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2062** (By Israel), Congratulating Taydra Cage of Brookhollow Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2063** (By Israel), Congratulating Jodi Witt of Caldwell Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2064** (By Israel), Congratulating Margaret Olivarez of Copperfield Elementary School on being named the 2019 District Elementary Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2065** (By Israel), Congratulating Dianna Gutierrez of Dearing Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2066** (By Israel), Congratulating Rebecca Bassett of Delco Primary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2067** (By Israel), Congratulating Brandi Spear of Dessau Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2068** (By Israel), Congratulating Anna Vazquez of Highland Park Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2069** (By Israel), Congratulating Sarah Boyle of Mott Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2070** (By Israel), Congratulating Patricia Baggerly of Murchison Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2071** (By Israel), Congratulating Audreya Valentine of Northwest Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2072** (By Israel), Congratulating Hilda Hernandez of Parmer Lane Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2073** (By Israel), Congratulating Carrie Quinney of Riojas Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2074** (By Israel), Congratulating Judy Lau of River Oaks Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2075** (By Israel), Congratulating Denise Barela of Rowe Lane Elementary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2076** (By Israel), Congratulating Kelly Gilbert of Windermere Primary School on being named a 2019 Humanitarian of the Year by the Pflugerville Independent School District.

To Resolutions Calendars.

**HR 2078** (By Collier), Commending Paige Bostic for her service as a legislative intern in the office of State Representative Nicole Collier.

To Resolutions Calendars.

**HR 2079** (By Kacal), Commemorating the 150th anniversary of Grace United Methodist Church in Hearne.

To Resolutions Calendars.

**HR 2080** (By Klick), Honoring Rodeo Dental and Orthodontics for its pro bono contributions.

To Resolutions Calendars.

**HR 2084** (By Toth), Congratulating Patrick Piperi of The Woodlands High School on winning the 6A boys' shot put gold medal at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2087** (By Toth), Congratulating the Legacy Preparatory Christian Academy girls' track & field team on winning the 2019 TAPPS 3A state championship.

To Resolutions Calendars.

**HR 2089** (By Coleman), Honoring the Laney and Laney Hobby Fellows for their contributions to the 86th Texas Legislative Session.

To Resolutions Calendars.

**HR 2090** (By J. González), Commending entrepreneur Jorge Baldor for creating the Mercado369 community arts center in Dallas.

To Resolutions Calendars.

**HR 2091** (By Raymond), In memory of Martin Siller Cuellar Sr. of Laredo.

To Resolutions Calendars.

**HR 2092** (By Springer), Congratulating Allison Hedrick of Lindsay High School on her championship wins in the 2A girls' 3,200-meter and 1,600-meter runs at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2093** (By Springer), Congratulating Jorden Zarate of Spur High School on winning the gold medal in the 1A boys' 3,200-meter run at the 2019 UIL Track & Field State Meet.

To Resolutions Calendars.

**HR 2094** (By Goldman), Recognizing Thu Pham of Paschal High School in Fort Worth on receiving a 2019 Leo C. Benavides Award.

To Resolutions Calendars.

**HR 2095** (By Muñoz), Commending the Calaveras Motorcycle Club for its community service.

To Resolutions Calendars.

**HR 2096** (By Lucio), Congratulating Arianna Douglas on graduating as salutatorian of the Class of 2019 at Veterans Memorial Early College High School in Brownsville.

To Resolutions Calendars.

**HR 2097** (By Lucio), Congratulating Lauren Serra on graduating as valedictorian of the Class of 2019 at Veterans Memorial Early College High School in Brownsville.

To Resolutions Calendars.

**HR 2098** (By Lucio), Congratulating Johanna Arguello-Garcia on graduating as salutatorian of the Class of 2019 at Pace Early College High School in Brownsville.

To Resolutions Calendars.

**HR 2099** (By Lucio), Congratulating Ezequiel Garcia on graduating as valedictorian of the Class of 2019 at Pace Early College High School in Brownsville.

To Resolutions Calendars.

**HR 2100** (By Lucio), Congratulating W. F. Strong and Texas Standard on the success of the "Stories from Texas" book and radio series.

To Resolutions Calendars.

**HR 2101** (By Price), Commemorating Flag Day 2019.

To Resolutions Calendars.

**HR 2102** (By Price), Commemorating the Fourth of July, 2019.

To Resolutions Calendars.

**HR 2104** (By Herrero), Commemorating the one-year anniversary of the dedication of Valent Hall at United States Coast Guard Sector/Air Station Corpus Christi.

To Resolutions Calendars.



**HR 2105** (By Herrero), In memory of U.S. Navy Captain (Ret.) Frank Montesano of Corpus Christi.

To Resolutions Calendars.

**HR 2106** (By Herrero), In memory of David G. Noyola of Corpus Christi.

To Resolutions Calendars.

**HR 2107** (By Herrero), Congratulating Dajia Contreras on becoming the first female Golden Gloves state boxing champion from Corpus Christi.

To Resolutions Calendars.

**HR 2109** (By Phelan), Urging Congress to pass legislation to consolidate funding for FEMA temporary housing programs and HUD long-term housing programs into a single Disaster Housing Response and Recovery Block Grant.

To Homeland Security and Public Safety.

**HR 2111** (By Herrero), In memory of Buck Robert Sosa of Corpus Christi.

To Resolutions Calendars.

**HR 2115** (By Price), Commemorating Patriot Day, September 11, 2019.

To Resolutions Calendars.

**HR 2116** (By Dominguez), Congratulating Arianna Douglas on graduating as salutatorian of the Class of 2019 at Veterans Memorial Early College High School in Brownsville.

To Resolutions Calendars.

**HR 2117** (By Dominguez), Congratulating Lauren Serra on graduating as valedictorian of the Class of 2019 at Veterans Memorial Early College High School in Brownsville.

To Resolutions Calendars.

**HR 2118** (By Dominguez), Congratulating Valeria Rocha on graduating as salutatorian of the Class of 2019 at Rivera Early College High School in Brownsville.

To Resolutions Calendars.

**HR 2119** (By Dominguez), Congratulating Jocelyn Quintero on graduating as valedictorian of the Class of 2019 at Rivera Early College High School in Brownsville.

To Resolutions Calendars.

**HR 2121** (By Price), Recognizing September 20, 2019, as National POW/MIA Recognition Day.

To Resolutions Calendars.

**HR 2122** (By Price), Commemorating Gold Star Mother's Day 2019.

To Resolutions Calendars.

**HR 2123** (By Price), Commemorating Veterans Day 2019.

To Resolutions Calendars.

**HR 2124** (By Capriglione), Congratulating the girls' soccer team from Carroll High School in Southlake on winning the 2019 UIL 6A state championship.

To Resolutions Calendars.

**HR 2125** (By Price), Commemorating Thanksgiving 2019.

To Resolutions Calendars.

**HR 2126** (By Price), Commemorating Christmas on December 25, 2019.

To Resolutions Calendars.

**HR 2127** (By Price), Commemorating Texas Independence Day on March 2, 2020.

To Resolutions Calendars.

**HR 2128** (By Price), Commemorating Easter 2020.

To Resolutions Calendars.

**HR 2129** (By Price), Commemorating Flag Day 2020.

To Resolutions Calendars.

**HR 2130** (By Price), Commemorating the Fourth of July, 2020.

To Resolutions Calendars.

**HR 2131** (By Price), Commemorating Patriot Day, September 11, 2020.

To Resolutions Calendars.

**HR 2132** (By Price), Recognizing September 17, 2019, as Constitution Day.

To Resolutions Calendars.

**HR 2133** (By Price), Recognizing September 17, 2020, as Constitution Day.

To Resolutions Calendars.

**HR 2134** (By Price), Recognizing September 18, 2020, as National POW/MIA Recognition Day.

To Resolutions Calendars.

**HR 2135** (By Price), Commemorating Gold Star Mother's Day 2020.

To Resolutions Calendars.

**HR 2136** (By Price), Commemorating Veterans Day 2020.

To Resolutions Calendars.

**HR 2137** (By Price), Commemorating Thanksgiving 2020.

To Resolutions Calendars.

**HR 2138** (By Price), Commemorating Christmas on December 25, 2020.

To Resolutions Calendars.

#### **SIGNED BY THE SPEAKER**

The following bills and resolutions were today signed in the presence of the house by the speaker:

**House List No. 38**

**HB 25, HB 37, HB 53, HB 337, HB 440, HB 477, HB 720, HB 1019, HB 1052, HB 1059, HB 1065, HB 1070, HB 1079, HB 1090, HB 1152, HB 1181, HB 1251, HB 1325, HB 1342, HB 1346, HB 1387, HB 1442, HB 1501, HB 1528, HB 1535, HB 1651, HB 1767, HB 1780, HB 1829, HB 1848, HB 1865, HB 1883, HB 1899, HB 1927, HB 1964, HB 1992, HB 1997, HB 2018, HB 2038, HB 2059, HB 2060, HB 2077, HB 2088, HB 2110, HB 2119, HB 2140, HB 2176, HB 2179, HB 2184, HB 2202, HB 2205, HB 2248, HB 2271, HB 2272, HB 2315, HB 2362, HB 2410, HB 2430, HB 2454, HB 2497, HB 2503, HB 2514, HB 2526, HB 2554, HB 2564, HB 2569, HB 2604, HB 2613, HB 2625, HB 2629, HB 2633, HB 2659, HB 2668, HB 2671, HB 2680, HB 2694, HB 2736, HB 2737, HB 2767, HB 2783, HB 2793, HB 2828, HB 2835, HB 2837, HB 2840, HB 2845, HB 2929, HB 2945, HB 2955, HB 2971, HB 2977, HB 3001, HB 3014, HB 3019, HB 3029, HB 3045, HB 3047, HB 3070, HB 3078, HB 3079, HB 3084, HB 3171, HB 3343, HB 3361, HB 3435, HB 3436, HB 3540, HB 3542, HB 3598, HB 3603, HB 3609, HB 3616, HB 3650, HB 3652, HB 3655, HB 3706, HB 3771, HB 3815, HB 3838, HB 3850, HB 3855, HB 3863, HB 4211, HB 4257, HB 4289, HB 4342, HB 4345, HB 4347, HB 4468, HB 4505, HB 4569, HB 4584, HB 4628, HB 4629, HB 4631, HB 4639, HB 4640, HB 4642, HB 4643, HB 4645, HB 4655, HB 4660, HB 4679, HB 4682, HB 4683, HJR 4**

**MESSAGES FROM THE SENATE**

The following messages from the senate were today received by the house:

**Message No. 1****MESSAGE FROM THE SENATE**

SENATE CHAMBER

Austin, Texas

Friday, May 24, 2019

The Honorable Speaker of the House

House Chamber

Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

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

**SB 16** (31 Yeas, 0 Nays)

**SB 22** (20 Yeas, 11 Nays)

**SB 1214** (31 Yeas, 0 Nays)

**SB 1621** (28 Yeas, 3 Nays)

**SB 1876** (31 Yeas, 0 Nays)

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

**HB 766**

Senate Conferees: Watson - Chair/Creighton/Flores/Menéndez/Powell

**HB 1735**

Senate Conferees: Watson - Chair/Creighton/Huffman/Powell/Taylor

**HB 2747**

Senate Conferees: Rodríguez - Chair/Hancock/Huffman/Nichols/Zaffirini

**HJR 34**

Senate Conferees: Bettencourt - Chair/Creighton/Hancock/Hinojosa/Paxton

Respectfully,

Patsy Spaw

Secretary of the Senate

**Message No. 2**

MESSAGE FROM THE SENATE

SENATE CHAMBER

Austin, Texas

Friday, May 24, 2019 - 2

The Honorable Speaker of the House

House Chamber

Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

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

**SB 64** (31 Yeas, 0 Nays)

**SB 69** (31 Yeas, 0 Nays)

**SB 194** (31 Yeas, 0 Nays)

**SB 322** (31 Yeas, 0 Nays)

**SB 345** (31 Yeas, 0 Nays)

**SB 372** (28 Yeas, 3 Nays)

**SB 489** (31 Yeas, 0 Nays)

**SB 502** (31 Yeas, 0 Nays)

**SB 560** (31 Yeas, 0 Nays)

**SB 1264** (31 Yeas, 0 Nays)

**SB 2212** (31 Yeas, 0 Nays)

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

**HB 410**

Senate Conferees: Johnson - Chair/Flores/Huffman/Nichols/Rodríguez

**HB 492**

Senate Conferees: Taylor - Chair/Bettencourt/Creighton/Hinojosa/Paxton

**HB 496**

Senate Conferees: Lucio - Chair/Campbell/Fallon/Hinojosa/Taylor

**HB 510**

(viva-voce vote)

Senate Conferees: Schwertner - Chair/Campbell/Menéndez/Miles/Perry

**HB 722**

Senate Conferees: Perry - Chair/Creighton/Johnson/Kolkhorst/Rodríguez

**HB 1053**

Senate Conferees: Lucio - Chair/Creighton/Hinojosa/Nichols/Schwertner

**HB 1313**

Senate Conferees: Birdwell - Chair/Buckingham/Hinojosa/Lucio/Paxton

**HB 1550**

Senate Conferees: Birdwell - Chair/Buckingham/Flores/Nichols/Watson

**HB 1973**

Senate Conferees: Nelson - Chair/Alvarado/Campbell/Huffman/Watson

**HB 2143**

Senate Conferees: Whitmire - Chair/Campbell/Hancock/Menéndez/Nichols

**HB 2327**

S e n a t e        C o n f e r e e s :        B u c k i n g h a m        -  
Chair/Campbell/Hancock/Menéndez/Schwertner

**HB 2858**

Senate Conferees: Schwertner - Chair/Buckingham/Campbell/Creighton/Johnson

**HB 3193**

Senate Conferees: Johnson - Chair/Campbell/Hinojosa/Kolkhorst/Schwertner

**HB 3636**

Senate Conferees: Kolkhorst - Chair/Hall/Huffman/Perry/Whitmire

**HB 3745**

Senate Conferees: Birdwell - Chair/Hinojosa/Hughes/Nelson/Taylor

**HB 3800**

Senate Conferees: Huffman - Chair/Flores/Nelson/Perry/Whitmire

**HB 3842**

Senate Conferees: Hinojosa - Chair/Flores/Hughes/Nichols/Zaffirini

**HB 4542**

Senate Conferees: Hinojosa - Chair/Buckingham/Hancock/Kolkhorst/Nelson

Respectfully,  
Patsy Spaw

Secretary of the Senate

**Message No. 3**

MESSAGE FROM THE SENATE

SENATE CHAMBER

Austin, Texas

Friday, May 24, 2019 - 3

The Honorable Speaker of the House

House Chamber

Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

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

**SB 65** (31 Yeas, 0 Nays)

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

**SB 982**

Senate Conferees: Kolkhorst - Chair/Campbell/Flores/Miles/Perry

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

**HB 1139**

Senate Conferees: Miles - Chair/Birdwell/Huffman/Perry/Whitmire

**HB 1355**

Senate Conferees: Johnson - Chair/Flores/Huffman/Perry/West

**HB 1495**

Senate Conferees: Creighton - Chair/Campbell/Fallon/Flores/Lucio

**HB 2287**

Senate Conferees: Rodríguez - Chair/Huffman/Lucio/Nelson/Schwertner

**HB 2726**

Senate Conferees: Creighton - Chair/Birdwell/Campbell/Hinojosa/Nichols

**HB 2764**

Senate Conferees: Hughes - Chair/Flores/Kolkhorst/Menéndez/Perry

**HB 2831**

Senate Conferees: Hinojosa - Chair/Huffman/Kolkhorst/Nelson/Perry

**HB 2909**

Senate Conferees: Hughes - Chair/Nelson/Nichols/West/Zaffirini

**HB 2911**

Senate Conferees: Hughes - Chair/Bettencourt/Creighton/Fallon/Menéndez

**HB 3284**

Senate Conferees: Nelson - Chair/Campbell/Schwertner/Seliger/Watson

**HB 3388**

Senate Conferees: Kolkhorst - Chair/Bettencourt/Hughes/Johnson/Perry

**HB 3808**

Senate Conferees: Powell - Chair/Creighton/Flores/Menéndez/Taylor

**HB 3906**

Senate Conferees: Taylor - Chair/Bettencourt/Campbell/Fallon/Watson

Respectfully,

Patsy Spaw

Secretary of the Senate

**Message No. 4**

MESSAGE FROM THE SENATE

SENATE CHAMBER

Austin, Texas

Friday, May 24, 2019 - 4

The Honorable Speaker of the House

House Chamber

Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

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

**SB 6**

Senate Conferees: Kolkhorst - Chair/Alvarado/Creighton/Perry/Taylor

Respectfully,

Patsy Spaw

Secretary of the Senate

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APPENDIX

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ENROLLED

May 23 - HB 25, HB 37, HB 53, HB 337, HB 440, HB 477, HB 720, HB 1019, HB 1052, HB 1059, HB 1065, HB 1070, HB 1079, HB 1090, HB 1152, HB 1181, HB 1251, HB 1325, HB 1342, HB 1346, HB 1387,

HB 1442, HB 1501, HB 1528, HB 1535, HB 1651, HB 1767, HB 1780,  
HB 1829, HB 1848, HB 1865, HB 1883, HB 1899, HB 1927, HB 1964,  
HB 1992, HB 1997, HB 2018, HB 2038, HB 2059, HB 2060, HB 2077,  
HB 2088, HB 2110, HB 2119, HB 2140, HB 2176, HB 2179, HB 2184,  
HB 2202, HB 2205, HB 2248, HB 2271, HB 2272, HB 2315, HB 2362,  
HB 2410, HB 2430, HB 2454, HB 2497, HB 2503, HB 2514, HB 2526,  
HB 2554, HB 2564, HB 2569, HB 2604, HB 2613, HB 2625, HB 2633,  
HB 2671, HB 2680, HB 2694, HB 2736, HB 2737, HB 2767, HB 2783,  
HB 2793, HB 2828, HB 2835, HB 2837, HB 2840, HB 2845, HB 2929,  
HB 2945, HB 2955, HB 2971, HB 2977, HB 3001, HB 3014, HB 3019,  
HB 3029, HB 3045, HB 3047, HB 3070, HB 3078, HB 3079, HB 3084,  
HB 3171, HB 3343, HB 3361, HB 3540, HB 3542, HB 3598, HB 3603,  
HB 3609, HB 3616, HB 3650, HB 3652, HB 3655, HB 3706, HB 3771,  
HB 3815, HB 3838, HB 3850, HB 3855, HB 3863, HB 4211, HB 4257,  
HB 4289, HB 4342, HB 4345, HB 4347, HB 4468, HB 4505, HB 4569,  
HB 4584, HB 4628, HB 4629, HB 4631, HB 4639, HB 4640, HB 4642,  
HB 4643, HB 4645, HB 4655, HB 4660, HB 4679, HB 4682, HB 4683, HJR 4

**RECOMMENDATIONS FILED WITH THE SPEAKER**

May 23 - HB 4743, HB 4759, HB 4761

**SIGNED BY THE GOVERNOR**

May 23 - HB 303, HB 435, HB 638, HB 650, HB 1540, HB 1555,  
HB 1612, HB 1627, HB 1656, HB 1665, HB 1689, HB 1760, HB 1785,  
HB 1828, HB 1837, HB 1838, HB 1854, HB 1872, HB 1934, HB 1935,  
HB 1944, HB 2137