

HOUSE JOURNAL

SEVENTY-SEVENTH LEGISLATURE, REGULAR SESSION

PROCEEDINGS

SIXTY-FOURTH DAY — WEDNESDAY, MAY 2, 2001

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

The roll of the house was called and a quorum was announced present (Record 260).

Present — Mr. Speaker; Alexander; Allen; Averitt; Bailey; Berman; Bonnen; Bosse; Brimer; Brown, B.; Brown, F.; Burnam; Callegari; Capelo; Carter; Chavez; Chisum; Christian; Clark; Coleman; Cook; Corte; Counts; Crabb; Craddick; Crownover; Danburg; Davis, J.; Davis, Y.; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Ehrhardt; Eiland; Elkins; Ellis; Farabee; Farrar; Flores; Gallego; Garcia; George; Geren; Giddings; Glaze; Goodman; Goolsby; Gray; Green; Grusendorf; Gutierrez; Haggerty; Hamric; Hardcastle; Hartnett; Hawley; Heflin; Hilderbran; Hill; Hinojosa; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hunter; Hupp; Isett; Janek; Jones, D.; Jones, E.; Jones, J.; Junell; Keel; Keffer; King, P.; King, T.; Kitchen; Kolkhorst; Krusee; Kuempel; Lewis, G.; Lewis, R.; Longoria; Luna; Madden; Marchant; Martinez Fischer; Maxey; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Najera; Nixon; Noriega; Oliveira; Olivo; Pickett; Pitts; Puente; Ramsay; Rangel; Raymond; Reyna, A.; Reyna, E.; Ritter; Salinas; Seaman; Shields; Smith; Smithee; Solis; Solomons; Swinford; Talton; Telford; Thompson; Tillery; Truitt; Turner, B.; Turner, S.; Uher; Uresti; Villarreal; Walker; West; Williams; Wilson; Wise; Wohlgemuth; Wolens; Woolley; Yarbrough; Zbranek.

Absent, Excused — Hilbert; Sadler.

The invocation was offered by Dr. Joel McCoy, pastor, First Baptist Church, Sweetwater, as follows:

Father God, thank you that every good and perfect gift comes from your gracious hand. God of all good blessings, may you guide these legislators in their every thought, conversation, and action. Caring God, let their speech be seasoned with the salt of your grace. All-knowing God, may their minds be endowed with the wisdom that originates in you. Almighty God, grant that their lives be strengthened with your power.

Loving Father, let their hearts be filled with your love and compassion for all Texans. Bless and care for the constituents back home who compose their respective districts and that mean so much to each of them.

As these representatives make significant decisions on education, redistricting, budgeting, energy, water, and so many other issues during the final days of this 77th legislative session, Lord Jesus, let them know a special sense of your presence and fill them with your goodness and love. In the name of Jesus. Amen.

LEAVE OF ABSENCE GRANTED

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

Hilbert on motion of Haggerty.

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. 41).

**HR 879 - ADOPTED
(by Hopson)**

Representative Hopson moved to suspend all necessary rules to take up and consider at this time **HR 879**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 879, In memory of Leon County Deputy Loutricia Bonfanti.

HR 879 was read and was unanimously adopted by a rising vote.

INTRODUCTION OF GUESTS

The speaker recognized Representative Hopson, who introduced the family of Deputy Loutricia Bonfanti.

**HCR 268 - ADOPTED
(by Farabee)**

Representative Farabee moved to suspend all necessary rules to take up and consider at this time **HCR 268**.

The motion prevailed without objection.

The following resolution was laid before the house:

HCR 268, Designating May 2001 as Mental Health Month in Texas.

HCR 268 was adopted without objection.

**HR 716 - ADOPTED
(by Farabee)**

Representative Farabee moved to suspend all necessary rules to take up and consider at this time **HR 716**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 716, Honoring Clara Cates Herrin of Iowa Park on her 101st birthday.

HR 716 was adopted without objection.

**HR 717 - ADOPTED
(by Farabee)**

Representative Farabee moved to suspend all necessary rules to take up and consider at this time **HR 717**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 717, Congratulating Shawn Anthony Mansur of Wichita Falls on his attainment of the rank of Eagle Scout.

HR 717 was adopted without objection.

HR 922 - ADOPTED
(by Swinford)

Representative Swinford moved to suspend all necessary rules to take up and consider at this time **HR 922**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 922, Honoring Benny Mathis on his retirement.

HR 922 was read and was adopted without objection.

On motion of Speaker Laney, the names of all the members of the house were added to **HR 922** as signers thereof.

INTRODUCTION OF GUESTS

The speaker recognized Representative Swinford, who introduced Benny Mathis and his wife, Candice.

CAPITOL PHYSICIAN

The speaker recognized Representative E. Jones who presented Dr. John H. Frederick of San Antonio as the "Doctor for the Day."

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

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).

(Junell in the chair)

HR 909 - ADOPTED
(by P. Moreno)

Representative P. Moreno moved to suspend all necessary rules to take up and consider at this time **HR 909**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 909, Honoring El Paso Electric on its 100th anniversary celebration.

HR 909 was adopted without objection.

HR 908 - ADOPTED**(by P. Moreno)**

Representative P. Moreno moved to suspend all necessary rules to take up and consider at this time **HR 908**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 908, Honoring Jim Haines for his leadership and contributions to El Paso Electric and to the El Paso community.

(Speaker in the chair)

HR 908 was read and was adopted without objection.

INTRODUCTION OF GUEST

The speaker recognized Representative P. Moreno, who introduced Jim Haines, president of El Paso Electric.

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, Senate List No. 20).

**TEXAS LEGISLATIVE MEDAL OF HONOR CEREMONY
(The House of Representatives and Senate in Joint Session)**

In accordance with the provisions of **HCR 266**, providing for a joint session of the senate and house of representatives at 10:30 a.m. today, for the purpose of conferring the Texas Legislative Medal of Honor, the Honorable Bill Ratliff, lieutenant governor of the State of Texas, and the honorable senators were announced at the door of the house and were admitted.

The senators occupied the seats arranged for them.

Lieutenant Governor Bill Ratliff was escorted to the speaker's rostrum.

The Honorable Rick Perry, governor of the State of Texas, and his party were announced at the door of the house and were admitted. Governor Perry and his party were escorted to the speaker's rostrum by Senator Shapleigh and Representatives Cook and Wise.

Lieutenant Governor Ratliff called the senate to order.

A quorum of the senate was announced present.

The Honorable James E. "Pete" Laney, speaker of the house, called the house of representatives to order.

A quorum of the house was announced present.

Speaker Laney stated that the house and the senate were in joint session pursuant to **HCR 266**, to confer the Texas Legislative Medal of Honor.

Representative Wise welcomed state officials and the family of Master Sergeant Roy P. Benavidez and briefly addressed the joint session on the legacy of Master Sergeant Benavidez.

Senator Shapleigh welcomed state officials and the family of Master Sergeant Roy P. Benavidez and thanked them for attending the ceremony in honor of Master Sergeant Benavidez.

The joint session and gallery rose for the posting of the colors.

Representative Wise presented Georgia Barraza who led the singing of the national anthem.

Representative Wise presented Jordan Nalle who led the pledge of allegiance.

Representative Wise presented Father Lawrence Matula who offered the invocation.

Representative Cook introduced Speaker James E. "Pete" Laney; Governor Rick Perry; Lieutenant Governor Bill Ratliff; Representative Miguel Wise; Senator Eliot Shapleigh; Hilaria Benavidez, wife of Roy P. Benavidez; and their children, Noel Benavidez, Yvette Garcia, and Denise Prochazka; and Lieutenant Colonel Frank Hudson.

Governor Rick Perry briefly addressed the joint session and presented the Texas Legislative Medal of Honor to Hilaria Benavidez.

Representative Noriega addressed the joint session speaking as follows:

The Governor of the State of Texas, authorized by the 58th Texas Legislature, awarded in the name of the 77th Legislature, the Texas Legislative Medal of Honor to Master Sergeant Roy P. Benavidez, United States Army (Special Forces Group, Airborne), for conspicuous gallantry and intrepidity in action at the risk of his life above and beyond the call of duty:

On the morning of May 2, 1968, a 12-man Special Forces Reconnaissance Team was inserted by helicopters in a dense jungle area west of Loc Ninh, Vietnam, to gather intelligence information about confirmed large-scale enemy activity. This area was controlled and routinely patrolled by the North Vietnamese Army. After a short period of time on the ground, the team met heavy enemy resistance, and requested emergency extraction. Three helicopters attempted extraction, but were unable to land due to intense enemy small arms and anti-aircraft damage. Sergeant Benavidez voluntarily boarded a returning aircraft to assist in another extraction attempt.

Realizing that all the team members were either dead or wounded and unable to move to the pickup zone, he directed the aircraft to a nearby clearing where he jumped from the hovering helicopter, and ran approximately 75 meters under withering small arms fire to the crippled. Prior to reaching the team's position he was wounded in his right leg, face, and head. Despite these painful injuries, he took charge, repositioning the team members and directing their fire to facilitate the landing of an extraction aircraft, and the loading of wounded and dead team members to the awaiting aircraft. He then provided protective fire by running alongside the aircraft as it moved to pick up the remaining team members.

As the enemy's fire intensified, he hurried to recover the body and classified documents on the dead team leader. When he reached the leader's body, Sergeant Benavidez was severely wounded by small arms fire in the

abdomen and grenade fragments in his back. At nearly the same moment, the aircraft pilot was mortally wounded, and his helicopter crashed. Although in extremely critical condition due to his multiple wounds, Sergeant Benavidez secured the classified documents and made his way back to the wreckage, where he aided the wounded out of the overturned aircraft, and gathered the stunned men, reinstilling in them a will to live and fight.

Facing a buildup of enemy opposition with a beleaguered team, Sergeant Benavidez mustered his strength, began call-in tactical air strikes, and directed the fire from supporting gun ships to suppress the enemy's fire and so permit another extraction attempt. He was wounded again in his thigh by small arms fire while administering first aid to a wounded team member just before another extraction helicopter was able to land. His indomitable spirit kept him going as he began to ferry his comrades to the craft.

On his second trip with the wounded, he was clubbed, receiving additional wounds to his head and arms before killing his adversary. He then continued under devastating fire to carry the wounded to the helicopter. Upon reaching the aircraft, he spotted and killed two enemy soldiers who were rushing the craft from an angle that prevented the aircraft door gunner from firing upon them. With little strength remaining, he made one last trip to the perimeter to ensure that all classified material had been collected or destroyed, and to bring in the remaining wounded. Only then, in extremely serious condition from numerous wounds and loss of blood, did he allow himself to be pulled into the extraction aircraft.

Sergeant Benavidez's gallant choice to join voluntarily his comrades who were in critical straits, to expose himself constantly to withering enemy fire, and his refusal to be stopped despite numerous severe wounds, saved the lives of at least eight men. His fearless personal leadership, tenacious devotion to duty, and extremely valorous actions in the face of overwhelming odds were in keeping with the highest traditions of the military service, and reflect the utmost credit on him and the United States Army.

Representative Wise briefly addressed the joint session and presented the Presidential Unit Citation to Hilaria Benavidez.

Representative Wise introduced the family and friends of Master Sergeant Roy P. Benavidez. Lieutenant Colonel Frank Hudson, Benito Saucedo, Chris Barber, and Adam Garcia briefly addressed the joint session.

Representative Wise presented Yvette Benavidez Garcia, daughter of Master Sergeant Roy P. Benavides, who addressed the joint session speaking as follows:

Thank you, on behalf of the Roy P. Benavidez family, for this prestigious honor. Once again, a grateful nation—a grateful Texas—honors our father and husband. The presentation of the Texas Legislative Medal of Honor, today, marks yet another tribute to our father's life.

Special thanks go to Representative Miguel Wise and Senator Eliot Shapleigh, the co-authors of **HCR 11** and **SCR 15**, and all of the legislative assistants who were involved with this process. Our father receives this medal today as a result of your selfless pursuit to acknowledge all of those men and women who love their country enough to sacrifice their todays for our

tomorrows. Thank you for your dedication, and for your efforts. Our family is proud, and we know our father is, too.

Also, thank you to Lieutenant Colonel Hudson and the Fifth Special Forces Group for being with us today to recognize and award our father with the Presidential Unit Citation. Again, it is an honor to accept this award on behalf of our father. Governor Perry, Texas House and Senate, it is with deep gratitude that you are here to celebrate with us. Thank you for taking the time to be here.

Finally, we know that if our father were here today he would be humbled by this award. He would not accept this medal by, or for, himself. He would accept it on behalf of his brothers-in-arms, the men and women who fought and died on May 2, 1968, 33 years ago today. He would accept it for: Warrant Officer One Larry McKibben, killed in action; Specialist Four Michael D. Craig, killed in action; Specialist Four Nelson E. Fournier, killed in action; Staff Sergeant Lloyd "Frenchie" Mousseau, killed in action; Sergeant First Class Leroy Wright, killed in action; Chief Warrant Officer Two Bill Armstrong, wounded in action; Gary Land, wounded in action; Robert Wessel, wounded in action; Specialist Five Paul LaChance, Sr.; Specialist Four Pete Gailis; Chief Warrant Officer Two Jerry Ewing; Chief Warrant Officer Two Roger E. Waggle, deceased; Chief Warrant Officer Two Bill Darling; Specialist Five Tagliaferri; Specialist Four Brian O'Connor; and Sergeant Major Jerry Cottingham, deceased.

These are the men who equally deserve this award, this honor, with our father. These are the men who truly lived and died by "Duty, Honor, Country." Once again, we gratefully accept this Texas Legislative Medal of Honor on behalf of our father, Roy P. Benavidez. Thank you.

SENATE RECESS

At 11:32 a.m., Lieutenant Governor Ratliff stated that the purpose for which the joint session was called had been completed, and that the senate would, in accordance with a previous motion, stand recessed until 11:45 a.m.

HOUSE AT EASE

At 11:32 a.m., Speaker Laney announced that the house would stand at ease pending the departure of guests.

RECESS

Representative Wise moved that the house recess until 1:00 p.m. today.

The motion prevailed without objection.

The house accordingly, at 11:36 a.m., recessed until 1:00 p.m. today.

AFTERNOON SESSION

The house met at 1:00 p.m. and was called to order by the speaker.

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).

**BILLS AND JOINT RESOLUTIONS ON FIRST READING
AND REFERRAL TO COMMITTEES
RESOLUTIONS REFERRED TO COMMITTEES**

Bills and joint resolutions were at this time laid before the house, read first time, and 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.)

**HR 912 - ADOPTED
(by Smith)**

Representative Smith moved to suspend all necessary rules to take up and consider at this time **HR 912**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 912, Recognizing the AsiaTech@Austin 2001 Expo being held on May 14-18, 2001.

HR 912 was adopted without objection.

**GENERAL STATE CALENDAR
SENATE BILLS
THIRD READING**

The following bill was laid before the house and read third time:

**SB 571 ON THIRD READING
(Flores - House Sponsor)**

SB 571, A bill to be entitled An Act relating to the "Go Texan" partner program and other programs and measures to promote Texas agriculture and agricultural products.

A record vote was requested.

SB 571 was passed by (Record 261): 145 Yeas, 0 Nays, 1 Present, not voting.

Yeas — Alexander; Allen; Averitt; Bailey; Berman; Bonnen; Bosse; Brimer; Brown, B.; Brown, F.; Burnam; Callegari; Capelo; Carter; Chavez; Chisum; Christian; Clark; Coleman; Cook; Corte; Counts; Crabb; Craddick; Crownover; Danburg; Davis, J.; Davis, Y.; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Ehrhardt; Eiland; Elkins; Ellis; Farabee; Farrar; Flores; Gallego; Garcia; George; Geren; Giddings; Glaze; Goodman; Goolsby; Gray; Grusendorf; Gutierrez; Haggerty; Hamric; Hardcastle; Hartnett; Hawley; Heflin; Hilderbran; Hill; Hinojosa; Hochberg; Hodge; Homer; Hope; Hopson; Hunter; Hupp; Isett; Janek; Jones, D.; Jones, E.; Jones, J.; Junell; Keel; Keffer; King, P.; King, T.; Kitchen; Kolkhorst; Krusee; Kuempel; Lewis, G.; Lewis, R.; Longoria; Luna; Madden; Marchant; Martinez Fischer; Maxey; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Najera; Nixon; Noriega; Oliveira; Olivo; Pickett; Pitts; Puente; Ramsay; Rangel; Raymond; Reyna, A.; Reyna, E.; Ritter; Salinas;

Seaman; Shields; Smith; Smithee; Solis; Solomons; Swinford; Talton; Telford; Thompson; Tillery; Truitt; Turner, B.; Turner, S.; Uher; Uresti; Villarreal; Walker; West; Williams; Wilson; Wise; Wohlgemuth; Wolens; Woolley; Yarbrough; Zbranek.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Hilbert; Sadler.

Absent — Green; Howard.

**GENERAL STATE CALENDAR
SENATE BILLS
SECOND READING**

The following bills were laid before the house and read second time:

**SB 219 ON SECOND READING
(Carter - House Sponsor)**

SB 219, A bill to be entitled An Act relating to disposition of out-of-county crimes.

SB 219 was passed to third reading. (Keel recorded voting no)

**SB 288 ON SECOND READING
(Ellis - House Sponsor)**

SB 288, A bill to be entitled An Act relating to the financial transactions of a community supervision and corrections department.

Amendment No. 1 (Committee Amendment No. 1)

Representative Ellis offered the following committee amendment to **SB 288**:

On page 2, line 4, strike "competent accountant" and insert financial officer.

Amendment No. 1 was adopted without objection.

SB 288, as amended, was passed to third reading.

**SB 15 ON SECOND READING
(Danburg - House Sponsor)**

SB 15, A bill to be entitled An Act relating to excepting certain information maintained by family violence shelter centers and sexual assault programs from disclosure under the public information law.

Representative Hochberg moved to postpone consideration of **SB 15** until the end of the calendar today.

The motion prevailed without objection.

**CSSB 243 ON SECOND READING
(Brimer - House Sponsor)**

CSSB 243, A bill to be entitled An Act relating to financing capital improvements and facility expansions through the assessment of impact fees; providing a civil penalty.

CSSB 243 was passed to third reading.

SB 353 ON SECOND READING
(McCall - House Sponsor)

SB 353, A bill to be entitled An Act relating to certain programs to develop the technology workforce in Texas by supporting and promoting higher education in engineering and computer science.

SB 353 was passed to third reading.

CSSB 415 ON SECOND READING
(Naishtat, Wohlgemuth, Smithee, and Eiland - House Sponsors)

CSSB 415, A bill to be entitled An Act relating to operation of the Texas Medical Liability Insurance Underwriting Association and to participation of nursing homes in that association.

CSSB 415 was passed to third reading.

SB 573 ON SECOND READING
(Rangel - House Sponsor)

SB 573, A bill to be entitled An Act relating to a public awareness campaign to promote the value and availability of higher education.

SB 573 was passed to third reading. (Howard and Hupp recorded voting no)

SB 495 ON SECOND READING
(Thompson - House Sponsor)

SB 495, A bill to be entitled An Act relating to the educational requirements for certain justices of the peace.

SB 495 was passed to third reading.

(Speaker pro tempore in the chair)

SB 827 ON SECOND READING
(Hawley, Swinford, B. Turner, and Hardcastle - House Sponsors)

SB 827, A bill to be entitled An Act relating to certain anticipation notes for rural economic development.

SB 827 was passed to third reading. (Dutton recorded voting no)

POSTPONED BUSINESS

The following bills were laid before the house as postponed business:

SB 832 ON SECOND READING
(Delisi and Maxey - House Sponsors)

SB 832, A bill to be entitled An Act relating to requiring reports from the Health and Human Services Commission about the state Medicaid program.

SB 832 was considered in lieu of **CSHB 1369**.

SB 832 was read second time.

Amendment No. 1 (Committee Amendment No. 1)

Representative Delisi offered the following committee amendment to **SB 832**:

SECTION 1. Amend **SB 832** by inserting "the state auditor," between the ";" and the word "and" on page 2, line 21 of the bill.

SECTION 2. Amend **SB 832** by inserting "the state auditor," between the ";" and the word "and" on page 3, line 10 of the bill.

Amendment No. 1 was adopted without objection.

SB 832, as amended, was passed to third reading.

CSHB 1369 - LAID ON THE TABLE SUBJECT TO CALL

Representative Delisi moved to lay **CSHB 1369** on the table subject to call.

The motion prevailed without objection.

SB 610 ON SECOND READING (R. Lewis - House Sponsor)

SB 610, A bill to be entitled An Act relating to the restoration of the civil rights of certain individuals convicted of offenses allegedly committed in other countries.

SB 610 was considered in lieu of **HB 1539**.

SB 610 was read second time and was passed to third reading.

HB 1539 - LAID ON THE TABLE SUBJECT TO CALL

Representative R. Lewis moved to lay **HB 1539** on the table subject to call.

The motion prevailed without objection.

CSHB 2102 ON SECOND READING (by Eiland and Seaman)

CSHB 2102, A bill to be entitled An Act relating to the determination of premium rates for certain lines of insurance.

CSHB 2102 was read second time on May 1 and was postponed until this time.

Representative Eiland moved to postpone consideration of **CSHB 2102** until 3 p.m. today.

The motion prevailed without objection.

HB 1719 ON SECOND READING (by Eiland)

HB 1719, A bill to be entitled An Act relating to prohibiting certain persons and entities from banning the use of recording devices during the delivery of a child.

HB 1719 was read second time on May 1 and was postponed until this time.

Representative Eiland moved to postpone consideration of **HB 1719** until 10 a.m. tomorrow.

The motion prevailed without objection.

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. 43).

MAJOR STATE CALENDAR HOUSE BILLS SECOND READING

The following bills were laid before the house and read second time:

CSHB 1200 ON SECOND READING (by Brimer, Oliveira, Swinford, McCall, Telford, et al.)

CSHB 1200, A bill to be entitled An Act relating to the enactment of the Texas Economic Development Act, authorizing certain ad valorem tax incentives for economic development, including authorizing school districts to provide tax relief for certain corporations and limited liability companies that make large investments that create jobs in this state, to authorizing the imposition of certain impact fees, and to continuing the Property Redevelopment and Tax Abatement Act.

Amendment No. 1

Representative Brimer offered the following amendment to **CSHB 1200**:

Amend **CSHB 1200** as follows:

(1) On page 4, line 15, strike "new development" and substitute "a qualified property, as defined by Section 313.021,".

(2) On page 4, at the end of line 16, add "for water, wastewater, or storm water services, or for roads".

(3) On page 4, line 17, strike "subject to" and substitute "that receives".

(4) On page 4, line 21, between "collect" and "a reasonable impact fee", insert "from the owner of a qualified property".

(5) On page 4, line 23, strike "is subject to" and substitute "receives".

(6) On page 22, strike lines 15-25 and substitute:

Sec. 23.03. COMPILATION OF LARGE PROPERTIES AND PROPERTIES SUBJECT TO LIMITATION ON APPRAISED VALUE. Each year the chief appraiser shall compile and send to the Texas Department of Economic Development a list of properties in the appraisal district that in that tax year:

(1) have a market value of \$100 million or more; or

(2) are subject to a limitation on appraised value under Chapter 313.

(7) On page 27, between lines 19 and 20, insert:

(1) a listing of the properties in this state that are compiled and reported to the department under Section 23.03, Tax Code;

(2) a listing of the school districts in this state, classified according to the categories established by Sections 313.022 and 313.052, Tax Code;

(8) On page 27, line 20, strike "(1)" and substitute "(3)".

(9) On page 27, line 26, strike "(2)" and substitute "(4)".

(10) On page 28, line 3, strike "(3)" and substitute "(5)".

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representative Bailey offered the following amendment to **CSHB 1200**:

Amend **CSHB 1200** as follows:

(1) On page 6, strike lines 22 and 23 and substitute "(b) create at least 25 new jobs, and at least 80 percent of all the new jobs must be qualifying jobs:".

(2) On page 7, line 16, strike "and".

(3) On page 7, line 19, strike "50 percent" and substitute "80 percent".

(4) On page 7, line 22, strike the period and substitute "; and".

(5) On page 7, between lines 22 and 23, insert:

(E) pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

(6) On page 7, between lines 25 and 26, insert:

(5) "County average weekly wage for manufacturing jobs" means the average weekly wage in a county for manufacturing jobs as computed by the Texas Workforce Commission.

(7) On page 9, line 5, strike "or".

(8) On page 9, line 6, strike the period and substitute "; or".

(9) On page 9, between lines 6 and 7, insert:

(3) renewable energy electric generation.

(10) On page 9, strike lines 20 and 21 and substitute:

(d) In this section:

(1) "Manufacturing" and "research and development" have the meanings assigned by Section 171.751.

(2) "Renewable energy electric generation" means an establishment primarily engaged in activities described in category 221119 of the 1997 North American Industry Classification System.

Amendment No. 2 was adopted without objection

Amendment No. 3

Representatives Telford and Swinford offered the following amendment to **CSHB 1200**:

Amend **CSHB 1200**, on page 17 of the bill, by striking lines 3-8 and substituting:

Sec. 313.051. APPLICABILITY. (a) This subchapter applies only to a school district that has territory in a county:

(1) that has a population of less than 50,000;

(2) that is not partially or wholly located in a metropolitan statistical area; and

(3) in which, from 1990 to 2000, according to the federal decennial census, the population:

(A) remained the same;

(B) decreased; or

(C) increased, but at a rate of less than 15 percent.

Amendment No. 3 was adopted without objection.

CSHB 1200, as amended, was passed to engrossment.

CSHB 3449 ON SECOND READING
(by Gallego)

CSHB 3449, A bill to be entitled An Act relating to the continuation and functions of the Texas Department of Housing and Community Affairs and to other matters relating to housing or community development, including the creation of the Manufactured Housing Board and the Office of Rural Community Affairs.

(Speaker in the chair)

Amendment No. 1

Representative S. Turner offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449** as follows:

(1) On page 47, line 6, after "person" and before "that", insert "that are otherwise confidential by law and".

(2) On page 47, line 8, strike "are confidential" and substitute "shall be protected in accordance with Chapter 552, Government Code".

(3) On page 47, strike lines 9-18.

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representative Burnam offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449** on page 4, line 7, between "minorities" and "and" by inserting ", persons with disabilities,".

Amendment No. 2 was adopted without objection.

Amendment No. 3

Representative Chisum offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449** as follows:

(1) On page 2, strike lines 12-18 and substitute the following:

(b) The department is composed of:

(1) the community affairs division;

(2) the housing finance division;

(3) the manufactured housing division;

(4) the community development division; and

(5) any other division created by the director under Section 2306.0521.

(2) Strike SECTIONS 1.27, 1.28, 1.40, and 1.41.

(3) On page 77, lines 6-8, strike ", of the Manufactured Housing Board, or of the executive committee of the Office of Rural Community Affairs" and substitute "or of the Manufactured Housing Board".

(4) On page 77, line 9, strike ", 2306.6011, or 487.023" and substitute "or 2306.6011".

(5) In Article 3 of the bill, add an appropriately numbered SECTION to read as follows and renumber existing SECTIONS accordingly:

SECTION ____ (a) Chapter 2306, Government Code, is amended by adding Section 2306.806 to Subchapter HH, as added by this Act, to read as

follows:

Sec. 2306.806. APPROVAL OF OFFICE OF RURAL COMMUNITY AFFAIRS. The department must obtain the approval of the executive director of the Office of Rural Community Affairs to guarantee loans as described by Section 2306.805(c).

(b) This section takes effect only if **HB 7**, Acts of the 77th Legislature, Regular Session, 2001, becomes law. If that bill does not become law, this section has no effect.

(6) On page 103, between lines 16 and 17, insert the following subsection:

(g) The outstanding balance of Section 108 loan guarantees issued as described by Section 2306.805(c), Government Code, as added by this Act, may not exceed \$10 million. This subsection expires December 31, 2004.

Amendment No. 3 was adopted without objection.

Amendment No. 4

Representative Hill offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449**, as follows:

Amend Section 1372.042(c). Deadline for Closing on Bonds by Issuer

(c) ~~Notwithstanding Subsections (a) and (b), the issuer shall close on the bonds before December 24.~~ if the 120th day after the reservation date in the case of Subsection (a), or the 180th day after the reservation date in the case of Subsection (b), is later than December 24 of the year in which the reservation was granted, the issuer shall close on the bonds before December 24 or notify the board in writing prior to such date of its election to carryforward the reservation and the expected bond closing date. The board shall file a carryforward election with respect to any reservation which is expected to close after December 31 in compliance with the requirements of Section 146(f) of the Internal Revenue Code in a timely manner to permit the bonds to close by the expected closing date but in no event later than February 15 of the calendar year following the year in which the reservation was granted. The grant of the reservation for the balance of the 120 day period in the case of Subsection(a), or 180 day period in the case of Subsection (b), shall be automatically and immediately reinstated upon the board's filing of the aforementioned carryforward election with respect to such reservation.

Amend Section 1372.061. Designation by Board of Certain Amounts of State Ceiling as Carryforward by adding Subsection (b):

(a) The board may designate as carryforward:

(1) ~~(1)~~ the amount of the state ceiling that is not reserved before December 15; and

(2) ~~(2)~~ any amount of the state ceiling that:

(A) ~~(A)~~ was reserved before December 15; and

(B) ~~(B)~~ becomes available on or after that date because of the cancellation of a reservation.

(b) The board shall designate as carryforward the reservation amounts for which it receives written notice from issuers of their election to carryforward reservations as provided in Section 1372.042(c) if the specific bond issues relating to such reservations do not close by December 31 of the year in which

the reservation was granted.

Section 1372.062. Priority Classifications of Carryforward Designations

(a) The board shall:

(1) ~~(1)~~ designate amounts as carryforward in accordance with the system of priority classifications specified in Sections 1372.063-1372.068; and

(2) ~~(2)~~ in each classification, make the designations in order of the applications application for those designations.

(b) Notwithstanding Subsection (a), with respect to a carryforward relating to an issuer's written election as provided in Section 1372.042(a), the carryforward shall be designated for the category of bonds to which the reservation subject to the carryforward relates in compliance with the requirements of Section 146(f) of the Internal Revenue Code.

Amendment No. 4 was adopted without objection.

Amendment No. 5

Representative Ramsay offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449** as follows:

1. On Page 69, line 27, between the words "a" and "continuing" insert "certification program or a".

Amendment No. 5 was adopted without objection.

Amendment No. 6

Representative Pickett offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449** on page 78, line 13, between "available" and "to", by inserting "for the purchase of newly constructed or previously owned single family homes".

Amendment No. 6 was adopted without objection.

Amendment No. 7

Representative Ehrhardt offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449** as follows:

(1) On page 24, line 3, between "plan" and "to", insert "and shall use other appropriate data".

(2) On page 24, line 16, between "practicable" and the comma, insert "and when authorized under Section 42, Internal Revenue Code of 1986 (26 U.S.C. Section 42)".

(3) On page 24, line 19, between "ability" and "to", insert ", when consistent with Section 42, Internal Revenue Code of 1986 (26 U.S.C. Section 42), practicable, and economically feasible,".

(4) On page 53, line 24, strike "prohibited by Section 2306.6724" and substitute "otherwise prohibited by this chapter".

(5) On page 54, line 18, strike "the" and substitute "a".

(6) On page 54, line 19, between "credit" and the period, insert "from the nonprofit allocation pool".

(7) Strike Article 8, beginning on page 113, line 25 and ending on page

148, line 12 and substitute the following:

ARTICLE 8

SECTION 8.01. Subchapter DD, Chapter 2306, Government Code, is amended to read as follows:

SUBCHAPTER DD. LOW INCOME HOUSING TAX CREDIT PROGRAM

Sec. 2306.6701. PURPOSE. The department shall administer the low income housing tax credit program to:

(1) encourage the development and preservation of appropriate types of rental housing for households that have difficulty finding suitable, affordable rental housing in the private marketplace;

(2) maximize the number of suitable, affordable residential rental units added to the state's housing supply;

(3) prevent losses for any reason to the state's supply of suitable, affordable residential rental units by enabling the rehabilitation of rental housing or by providing other preventative financial support under this subchapter; and

(4) provide for the participation of for-profit organizations and provide for and encourage the participation of nonprofit organizations in the acquisition, development, and operation of affordable housing developments in urban and rural communities.

Sec. 2306.6702. DEFINITIONS. (a) In this subchapter:

(1) "Applicant" means any person or affiliate of a person who files an application with the department requesting a housing tax credit allocation.

(2) "Application" means an application filed with the department by an applicant and includes any exhibits or other supporting materials.

(3) "Application log" means a form containing at least the information required by Section 2306.6709.

(4) "Application round" means the period beginning on the date the department begins accepting applications and continuing until all available housing tax credits are allocated, but not extending past the last day of the calendar year.

(5) "At-risk development" means a development that:

(A) receives the benefit of a subsidy in the form of a below-market interest rate loan, interest rate reduction, rental subsidy, Section 8 housing assistance payment, rental supplement payment, or rental assistance payment under the following federal laws, as applicable:

(i) Sections 221(d)(3) and (5), National Housing Act (12 U.S.C. Section 1715l);

(ii) Section 236, National Housing Act (12 U.S.C. Section 1715z-1);

(iii) Section 202, Housing Act of 1959 (12 U.S.C. Section 1701q);

(iv) Section 101, Housing and Urban Development Act of 1965 (12 U.S.C. Section 1701s);

(v) the Section 8 Additional Assistance Program for housing developments with HUD-Insured and HUD-Held Mortgages administered by the United States Department of Housing and Urban Development;

(vi) the Section 8 Housing Assistance Program for the Disposition of HUD-Owned Projects administered by the United States

Department of Housing and Urban Development; or

(vii) Sections 514, 515, and 516, Housing Act of 1949 (42 U.S.C. Sections 1484, 1485, and 1486); and

(B) is subject to the following conditions:

(i) the stipulation to maintain affordability in the contract granting the subsidy is nearing expiration; or

(ii) the federally insured mortgage on the development is eligible for prepayment or is nearing the end of its term.

(6) "Development" means a proposed qualified low income housing project, as defined by Section 42(g), Internal Revenue Code of 1986 (26 U.S.C. Section 42(g)), that consists of one or more buildings containing multiple units, that is financed under a common plan, and that is owned by the same person for federal tax purposes, including a project consisting of multiple buildings that:

(A) are located on scattered sites; and

(B) contain only rent-restricted units.

(7) "Development owner" means any person or affiliate of a person who owns or proposes a development or expects to acquire control of a development under a purchase contract approved by the department.

(8) "Housing tax credit" means a tax credit allocated under the low income housing tax credit program.

(9) "Land use restriction agreement" means an agreement between the department, the development owner, and the development owner's successors in interest that encumbers the development with respect to the requirements of this subchapter and the requirements of Section 42, Internal Revenue Code of 1986 (26 U.S.C. Section 42).

(10) "Qualified allocation plan" means a plan adopted by the board under this subchapter that:

(A) provides the threshold, scoring, and underwriting criteria based on housing priorities of the department that are appropriate to local conditions;

(B) gives preference in housing tax credit allocations to developments that, as compared to the other developments:

(i) when practicable and feasible based on available funding sources, serve the lowest income tenants; and

(ii) are affordable to qualified tenants for the longest economically feasible period; and

(C) provides a procedure for the department, the department's agent, or other private contractor of the department to use in monitoring compliance with the qualified allocation plan and this subchapter.

(11) "Related party" means the following individuals or entities:

(A) the brothers, sisters, spouse, ancestors, and descendants of a person within the third degree of consanguinity, as determined by Chapter 573, Government Code;

(B) a person and a corporation, if the person owns more than 50 percent of the outstanding stock of the corporation;

(C) two or more corporations that are connected through stock ownership with a common parent possessing more than 50 percent of:

(i) the total combined voting power of all classes of

stock of each of the corporations that can vote;

(ii) the total value of shares of all classes of stock of each of the corporations; or

(iii) the total value of shares of all classes of stock of at least one of the corporations, excluding, in computing that voting power or value, stock owned directly by the other corporation;

(D) a grantor and fiduciary of any trust;

(E) a fiduciary of one trust and a fiduciary of another trust, if the same person is a grantor of both trusts;

(F) a fiduciary of a trust and a beneficiary of the trust;

(G) a fiduciary of a trust and a corporation if more than 50 percent of the outstanding stock of the corporation is owned by or for:

(i) the trust; or

(ii) a person who is a grantor of the trust;

(H) a person or organization and an organization that is tax-exempt under Section 501(a), Internal Revenue Code of 1986 (26 U.S.C. Section 501), and that is controlled by that person or the person's family members or by that organization;

(I) a corporation and a partnership or joint venture if the same persons own more than:

(i) 50 percent of the outstanding stock of the corporation; and

(ii) 50 percent of the capital interest or the profits' interest in the partnership or joint venture;

(J) an S corporation and another S corporation if the same persons own more than 50 percent of the outstanding stock of each corporation;

(K) an S corporation and a C corporation if the same persons own more than 50 percent of the outstanding stock of each corporation;

(L) a partnership and a person or organization owning more than 50 percent of the capital interest or the profits' interest in that partnership; or

(M) two partnerships, if the same person or organization owns more than 50 percent of the capital interests or profits' interests.

(12) "Rural area" means an area that is located:

(A) outside the boundaries of a primary metropolitan statistical area or a metropolitan statistical area;

(B) within the boundaries of a primary metropolitan statistical area or a metropolitan statistical area, if the statistical area has a population of 20,000 or less and does not share a boundary with an urban area; or

(C) in an area that is eligible for funding by the Texas Rural Development Office of the United States Department of Agriculture.

(13) "Rural development agency" means the state agency designated by the legislature as primarily responsible for rural area development in the state.

(14) "Set-aside" means a reservation of a portion of the available housing tax credits to provide financial support for specific types of housing or geographic locations or serve specific types of applicants as permitted by the qualified allocation plan on a priority basis.

(15) "Threshold criteria" means the criteria used to determine whether the development satisfies the minimum level of acceptability for consideration established in the department's qualified allocation plan.

(16) "Unit" means any residential rental unit in a development consisting of an accommodation, including a single room used as an accommodation on a non-transient basis, that contains separate and complete physical facilities and fixtures for living, sleeping, eating, cooking, and sanitation.

(b) For purposes of Subsection (a)(11), the constructive ownership provisions of Section 267, Internal Revenue Code of 1986 (26 U.S.C. Section 267), apply. The board may lower in the qualified allocation plan the percentages described by Subsection (a)(11).

Sec. 2306.67021. APPLICABILITY OF SUBCHAPTER. Except as provided by Section 2306.6703, this subchapter does not apply to the allocation of housing tax credits to developments financed through the private activity bond program.

Sec. 2306.67022. QUALIFIED ALLOCATION PLAN; MANUAL. The board annually 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.

Sec. 2306.6703. INELIGIBILITY FOR CONSIDERATION. An application is ineligible for consideration under the low income housing tax credit program if:

(1) at the time of application or at any time during the five-year period preceding the date the application round begins, the applicant or a related party is or has been:

(A) a member of the board; or

(B) the director, a deputy director of housing programs, or a tax credit manager employed by the department; or

(2) the applicant proposes to replace in less than 15 years any private activity bond financing of the development described by the application.

Sec. 2306.6704. PRE-APPLICATION PROCESS. (a) To prevent unnecessary filing costs, the department by rule shall establish a voluntary pre-application process to enable a preliminary assessment of an application proposed for filing under this subchapter.

(b) The department shall award in the application evaluation process described by Section 2306.6710 an appropriate number of points as an incentive for participation in the pre-application process established under this section.

(c) The department shall reject and return to the applicant any application assessed by the department under this section that fails to satisfy the threshold criteria required by the board in the qualified allocation plan.

(d) If feasible under Section 2306.67041, an application under this section must be submitted electronically.

Sec. 2306.67041. ON-LINE APPLICATION SYSTEM. (a) The department and the Department of Information Resources shall cooperate to evaluate the feasibility of an on-line application system for the low income housing tax credit program to provide the following functions:

(1) filing of pre-applications and applications on-line;

(2) posting of on-line pre-application or application status and the application log detailing the status of, and department's evaluations and scores pertaining to, those applications; and

(3) posting of comments from applicants and the public regarding a pre-application or application.

(b) The department shall determine the process for allowing access to on-line pre-applications and applications, information related to those applications, and department decisions relating to those applications.

(c) In the application cycle following the date any on-line application system becomes operational, the department shall require use of the system for submission of pre-applications and applications under this subchapter.

(d) The department shall publish a status report on the implementation of the on-line application on the department's website not later than January 1, 2002.

(e) Before the implementation of the on-line application system, the department may implement the requirements of Section 2306.6717 in any manner the department considers appropriate.

Sec. 2306.6705. GENERAL APPLICATION REQUIREMENTS. An application must contain at a minimum the following written, detailed information in a form prescribed by the board:

(1) a description of:

(A) the financing plan for the development, including any non-traditional financing arrangements;

(B) the use of funds with respect to the development;

(C) the funding sources for the development, including:

(i) construction, permanent, and bridge loans; and

(ii) rents, operating subsidies, and replacement reserves; and

(D) the commitment status of the funding sources for the development;

(2) if syndication costs are included in the eligible basis, a justification of the syndication costs for each cost category by an attorney or accountant specializing in tax matters;

(3) from a syndicator or a financial consultant of the applicant, an estimate of the amount of equity dollars expected to be raised for the development in conjunction with the amount of housing tax credits requested for allocation to the applicant, including:

(A) pay-in schedules; and

(B) syndicator consulting fees and other syndication costs;

(4) if rental assistance, an operating subsidy, or an annuity is proposed for the development, any related contract or other agreement securing those funds and an identification of:

(A) the source and annual amount of the funds;

(B) the number of units receiving the funds; and

(C) the term and expiration date of the contract or other agreement;

(5) if the development is located within the boundaries of a political subdivision with a zoning ordinance, evidence in the form of a letter from the chief executive officer of the political subdivision or from another local official

with jurisdiction over zoning matters that states that:

(A) the development is permitted under the provisions of the ordinance that apply to the location of the development; or

(B) the applicant is in the process of seeking the appropriate zoning and has signed and provided to the political subdivision a release agreeing to hold the political subdivision and all other parties harmless in the event that the appropriate zoning is denied;

(6) if an occupied development is proposed for rehabilitation:

(A) an explanation of the process used to notify and consult with the tenants in preparing the application;

(B) a relocation plan outlining:

(i) relocation requirements; and

(ii) a budget with an identified funding source; and

(C) if applicable, evidence that the relocation plan has been submitted to the appropriate local agency;

(7) a certification of the applicant's compliance with appropriate state and federal laws, as required by other state law or by the board; and

(8) any other information required by the board in the qualified allocation plan.

Sec. 2306.6706. ADDITIONAL APPLICATION REQUIREMENT: NONPROFIT SET-ASIDE ALLOCATION. (a) In addition to the information required by Section 2306.6705, an application for a housing tax credit allocation from the nonprofit set-aside, as defined by Section 42(h)(5), Internal Revenue Code of 1986 (26 U.S.C. Section 42(h)(5)), must contain the following written, detailed information with respect to each development owner and each general partner of a development owner:

(1) Internal Revenue Service documentation of designation as a Section 501(c)(3) or 501(c)(4) organization;

(2) evidence that one of the exempt purposes of the nonprofit organization is to provide low income housing;

(3) a description of the nonprofit organization's participation in the construction or rehabilitation of the development and in the ongoing operations of the development;

(4) evidence that the nonprofit organization prohibits a member of its board of directors, other than a chief staff member serving concurrently as a member of the board, from receiving material compensation for service on the board;

(5) a third-party legal opinion stating that the nonprofit organization is not affiliated with or controlled by a for-profit organization and the basis for that opinion;

(6) a copy of the nonprofit organization's most recent audited financial statement;

(7) a list of the names and home addresses of members of the board of directors of the nonprofit organization;

(8) a third-party legal opinion stating that the nonprofit organization is eligible under Subsection (b) for a housing tax credit allocation from the nonprofit set-aside and the basis for that opinion; and

(9) evidence that a majority of the members of the nonprofit

organization's board of directors principally reside:

(A) in this state, if the development is located in a rural area; or

(B) not more than 90 miles from the development in the community in which the development is located, if the development is not located in a rural area.

(b) To be eligible for a housing tax credit allocation from the nonprofit set-aside, a nonprofit organization must:

(1) control a majority of the development;

(2) if the organization's application is filed on behalf of a limited partnership, be the managing general partner; and

(3) otherwise meet the requirements of Section 42(h)(5), Internal Revenue Code of 1986 (26 U.S.C. Section 42(h)(5)).

Sec. 2306.6707. ADDITIONAL APPLICATION REQUIREMENT: DISCLOSURE OF INTERESTED PERSONS. (a) The applicant must disclose in the application the names of any persons, including affiliates of those persons and related parties, providing developmental or operational services to the development, including:

(1) a development owner;

(2) an architect;

(3) an attorney;

(4) a tax professional;

(5) a property management company;

(6) a consultant;

(7) a market analyst;

(8) a tenant services provider;

(9) a syndicator;

(10) a real estate broker or agent or a person receiving a fee in connection with services usually provided by a real estate broker or agent;

(11) at the time the application is submitted, the owners of the property on which the development is located;

(12) a developer; and

(13) a builder or general contractor.

(b) For each person described by Subsection (a), the application must disclose any company name, company contact person, address, and telephone number.

Sec. 2306.6708. APPLICATION CHANGES OR SUPPLEMENTS. (a) Except as provided by Subsection (b), an applicant may not change or supplement an application in any manner after the filing deadline.

(b) This section does not prohibit an applicant from:

(1) at the request of the department, clarifying information in the application or correcting administrative deficiencies in the application; or

(2) amending an application after allocation of housing tax credits in the manner provided by Section 2306.6712.

Sec. 2306.6709. APPLICATION LOG. (a) In a form prescribed by the department, the department shall maintain for each application an application log that tracks the application from the date of its submission.

(b) The application log must contain at least the following information:

- (1) the names of the applicant and related parties;
 - (2) the physical location of the development, including the relevant region of the state;
 - (3) the amount of housing tax credits requested for allocation by the department to the applicant;
 - (4) any set-aside category under which the application is filed;
 - (5) the score of the application in each scoring category adopted by the department under the qualified allocation plan;
 - (6) any decision made by the department or board regarding the application, including the department's decision regarding whether to underwrite the application and the board's decision regarding whether to allocate housing tax credits to the development;
 - (7) the names of persons making the decisions described by Subdivision (6), including the names of department staff scoring and underwriting the application, to be recorded next to the description of the applicable decision;
 - (8) the amount of housing tax credits allocated to the development;
- and
- (9) a dated record and summary of any contact between the department staff, the board, and the applicant or any related parties.

Sec. 2306.6710. EVALUATION AND UNDERWRITING OF APPLICATIONS. (a) In evaluating an application, the department shall determine whether the application satisfies the threshold criteria required by the board in the qualified allocation plan. The department shall reject and return to the applicant any application that fails to satisfy the threshold criteria.

(b) If an application satisfies the threshold criteria, the department shall score and rank the application using a point system based on criteria that are adapted to regional market conditions and adopted by the department, including criteria:

- (1) regarding:
 - (A) the income levels of tenants of the development;
 - (B) the rent levels of the units;
 - (C) the period of guaranteed affordability for low income tenants;
 - (D) the cost by square foot of the development;
 - (E) the size, quality, and amenities of the units;
 - (F) the services to be provided to tenants of the development;
 - (G) the commitment of development funding by local political subdivisions that enables additional units for individuals and families of very low income; and
 - (H) the level of community support for the application, evaluated on the basis of written statements of support from local and state elected officials representing constituents in areas that include the location of the development; and
 - (2) imposing penalties on applicants or affiliates who have requested extensions of department deadlines relating to developments supported by housing tax credit allocations made in the application round preceding the current round.
- (c) The department shall publish in the qualified allocation plan details of

the scoring system used by the department to score applications.

(d) The department shall underwrite the applications ranked under Subsection (b) beginning with the applications with the highest scores in each region described by Section 2306.111(d) and in each set-aside category described in the qualified allocation plan. Based on application rankings, the department shall continue to underwrite applications until the department has processed enough applications satisfying the department's underwriting criteria to enable the allocation of all available housing tax credits according to regional allocation goals and set-aside categories. To enable the board to establish an applications waiting list under Section 2306.6711, the department shall underwrite as many additional applications as the board considers necessary to ensure that all available housing tax credits are allocated within the period required by law.

(e) In adopting criteria for scoring and underwriting applications for purposes of housing tax credit allocations, the department shall attach, consistent with Section 42, Internal Revenue Code of 1986 (26 U.S.C. Section 42), the most weight to criteria that will:

(1) result in an allocation of housing tax credits for developments serving the lowest income tenants; and

(2) produce the greatest number of high quality units committed to remaining affordable to qualified tenants for extended periods.

Sec. 2306.6711. ALLOCATION OF HOUSING TAX CREDITS. (a) The director shall provide the application scores to the board before the 30th day preceding the date the board begins to issue commitments for housing tax credits in the allocation round.

(b) Not later than the deadline specified in the qualified allocation plan, the board shall issue commitments for available housing tax credits based on the application evaluation process provided by Section 2306.6710. The board may not allocate to an applicant housing tax credits in any unnecessary amount, as determined by the department's underwriting policy and by federal law, and in any event may not allocate to the applicant housing tax credits in an amount greater than \$1.6 million in a single application round.

(c) Concurrently with the initial issuance of commitments for housing tax credits under Subsection (b), the board shall establish a waiting list of additional applications ranked by score in descending order of priority based on set-aside categories and regional allocation goals.

(d) The board shall issue commitments for housing tax credits with respect to applications on the waiting list as additional credits become available.

(e) Not later than the 120th day after the date of the initial issuance of commitments for housing tax credits under Subsection (b), the department shall provide to an applicant who did not receive a commitment under that subsection an opportunity to meet and discuss with the department the application's deficiencies and scoring.

Sec. 2306.6712. AMENDMENT OF APPLICATION SUBSEQUENT TO ALLOCATION BY BOARD. (a) If a proposed modification would materially alter a development approved for an allocation of a housing tax credit, the department shall require the applicant to file a formal, written amendment to the application on a form prescribed by the department.

(b) The director shall require the department staff assigned to underwrite applications to evaluate the amendment and provide an analysis and written recommendation to the board. The appropriate monitor under Section 2306.6719 shall also provide to the board an analysis and written recommendation regarding the amendment.

(c) The board must vote on whether to approve the amendment. The board by vote may reject an amendment and, if appropriate, rescind the allocation of housing tax credits and reallocate the credits to other applicants on the waiting list required by Section 2306.6711 if the board determines that the modification proposed in the amendment:

(1) would materially alter the development in a negative manner; or

(2) would have adversely affected the selection of the application in the application round.

(d) Material alteration of a development includes:

(1) a significant modification of the site plan;

(2) a modification of the number of units or bedroom mix of units;

(3) a substantive modification of the scope of tenant services;

(4) a reduction of three percent or more in the square footage of the units or common areas;

(5) a significant modification of the architectural design of the development;

(6) a modification of the residential density of the development of at least five percent; and

(7) any other modification considered significant by the board.

(e) In evaluating the amendment under this subsection, the department staff shall consider whether the need for the modification proposed in the amendment was:

(1) reasonably foreseeable by the applicant at the time the application was submitted; or

(2) preventable by the applicant.

(f) This section shall be administered in a manner that is consistent with Section 42, Internal Revenue Code of 1986 (26 U.S.C. Section 42).

Sec. 2306.6713. HOUSING TAX CREDIT AND OWNERSHIP TRANSFERS. (a) An applicant may not transfer an allocation of housing tax credits or ownership of a development supported with an allocation of housing tax credits to any person other than an affiliate unless the applicant obtains the director's prior, written approval of the transfer.

(b) The director may not unreasonably withhold approval of the transfer.

(c) An applicant seeking director approval of a transfer and the proposed transferee must provide to the department a copy of any applicable agreement between the parties to the transfer, including any third-party agreement with the department.

(d) On request, an applicant seeking director approval of a transfer must provide to the department:

(1) a list of the names of transferees and related parties; and

(2) detailed information describing the experience and financial capacity of transferees and related parties.

(e) The development owner shall certify to the director that the tenants in the development have been notified in writing of the transfer before the 30th

day preceding the date of submission of the transfer request to the department.

(f) Not later than the fifth working day after the date the department receives all necessary information under this section, the department shall conduct a qualifications review of a transferee to determine:

(1) the transferee's past compliance with all aspects of the low income housing tax credit program, including land use restriction agreements; and

(2) the sufficiency of the transferee's experience with developments supported with housing tax credit allocations.

Sec. 2306.6714. AT-RISK DEVELOPMENT SET-ASIDE. (a) The department shall set aside for at-risk developments not less than 15 percent of the housing tax credits available for allocation in the calendar year.

(b) Any amount of housing tax credits set aside under this section that remains after the initial allocation of housing tax credits is available for allocation to any eligible applicant as provided by the qualified allocation plan.

Sec. 2306.6715. APPEAL. (a) In a form prescribed by the department in the qualified allocation plan, an applicant may appeal the following decisions made by the department in the application evaluation process provided by Section 2306.6710:

(1) a determination regarding the application's satisfaction of threshold and underwriting criteria;

(2) the scoring of the application; and

(3) a recommendation as to the amount of housing tax credits to be allocated to the application.

(b) An applicant may not appeal a decision made under Section 2306.6710 regarding an application filed by another applicant.

(c) An applicant must file a written appeal authorized by this section with the department not later than the seventh day after the date the department publishes the results of the application evaluation process provided by Section 2306.6710. In the appeal, the applicant must specifically identify the applicant's grounds for appeal, based on the original application and additional documentation filed with the original application.

(d) The director shall respond in writing to the appeal not later than the 14th day after the date of receipt of the appeal. If the applicant is not satisfied with the director's response to the appeal, the applicant may appeal directly in writing to the board, provided that an appeal filed with the board under this subsection must be received by the board before:

(1) the seventh day preceding the date of the board meeting at which the relevant allocation decision is expected to be made; or

(2) the third day preceding the date of the board meeting described by Subdivision (1), if the director does not respond to the appeal before the date described by Subdivision (1).

(e) Board review of an appeal under Subsection (d) is based on the original application and additional documentation filed with the original application. The board may not review any information not contained in or filed with the original application. The decision of the board regarding the appeal is final.

Sec. 2306.6716. FEES. (a) A fee charged by the department for filing an

application may not be excessive and must reflect the department's actual costs in processing the application, providing copies of documents to persons connected with the application process, and making appropriate information available to the public through the department's website.

(b) The department shall publish not later than July 1 of each year a schedule of application fees that specifies the amount to be charged at each stage of the application process.

(c) In accordance with the fee schedule, the department shall refund the balance of any fees collected for an application that is withdrawn by the applicant or that is not fully processed by the department. The department must provide the refund to the applicant not later than the 30th day after the date the last official action is taken with respect to the application.

(d) The department shall develop a sliding scale fee schedule for applications that encourages increased participation by community housing development organizations in the low income housing tax credit program.

Sec. 2306.6717. PUBLIC INFORMATION AND HEARINGS. (a) Subject to Section 2306.67041, the department shall make the following items available on the department's website:

(1) as soon as practicable, any proposed application submitted through the pre-application process established by this subchapter;

(2) before the 30th day preceding the date of the relevant board allocation decision, except as provided by Subdivision (3), the entire application, including all supporting documents and exhibits, the application log, a scoring sheet providing details of the application score, and any other document relating to the processing of the application;

(3) not later than the third working day after the date of the relevant determination, the results of each stage of the application process, including the results of the application scoring and underwriting phases and the allocation phase;

(4) before the 15th day preceding the date of board action on the amendment, notice of an amendment under Section 2306.6712 and the recommendation of the director and monitor regarding the amendment; and

(5) an appeal filed with the department or board under Section 2306.6715 or 2306.6721 and any other document relating to the processing of the appeal.

(b) The department shall provide information regarding the low income housing tax credit program, including notice regarding public hearings, board meetings, and the opening and closing dates for applications, to:

(1) local housing departments;

(2) newspapers;

(3) nonprofit organizations;

(4) on-site property managers of occupied developments that are the subject of applications; and

(5) any other interested persons, including community groups, who request the information.

(c) The department shall hold at least three public hearings in different regions of the state to receive public comments on applications and on other issues relating to the low income housing tax credit program.

(d) Notwithstanding any other provision of this section, the department

may treat the financial statements of any applicant as confidential and may elect not to disclose those statements to the public.

Sec. 2306.6718. ELECTED OFFICIALS. (a) The department shall provide written notice of the filing of an application to the following elected officials:

(1) members of the legislature who represent the community containing the development described in the application; and

(2) the chief executive officer of the political subdivision containing the development described in the application.

(b) The department shall provide the elected officials with an opportunity to comment on the application during the application evaluation process provided by Section 2306.6710 and shall consider those comments in evaluating applications under that section.

(c) A member of the legislature who represents the community containing the development may hold a community meeting at which the department shall provide appropriate representation.

(d) If the department receives written notice from the mayor or county judge of an affected municipality or county opposing an application, the department must contact the mayor or county judge and offer to conduct a physical inspection of the development site and consult with the mayor or county judge before the application is scored.

Sec. 2306.6719. MONITORING OF COMPLIANCE. (a) The department may contract with an independent third party to monitor a development during its construction or rehabilitation and during its operation for compliance with:

(1) any conditions imposed by the department in connection with the allocation of housing tax credits to the development; and

(2) appropriate state and federal laws, as required by other state law or by the board.

(b) The department may assign department staff other than housing tax credit division staff to perform the relevant monitoring functions required by this section in the construction or rehabilitation phase of a development.

Sec. 2306.6720. ENFORCEABILITY OF APPLICANT REPRESENTATIONS. Each representation made by an applicant to secure a housing tax credit allocation is enforceable by the department and the tenants of the development supported with the allocation.

Sec. 2306.6721. DEBARMENT FROM PROGRAM PARTICIPATION. (a) The board by rule shall adopt a policy providing for the debarment of a person from participation in the low income housing tax credit program as described by this section.

(b) The department may debar a person from participation in the program on the basis of the person's past failure to comply with any condition imposed by the department in connection with the allocation of housing tax credits.

(c) The department shall debar a person from participation in the program if the person:

(1) materially violates any condition imposed by the department in connection with the allocation of housing tax credits;

(2) is debarred from participation in federal housing programs by the United States Department of Housing and Urban Development; or

(3) is in material noncompliance with or has repeatedly violated a land

use restriction agreement regarding a development supported with a housing tax credit allocation.

(d) A person debarred by the department from participation in the program may appeal the person's debarment to the board.

Sec. 2306.6722. DEVELOPMENT ACCESSIBILITY. Any development supported with a housing tax credit allocation shall comply with the accessibility standards that are required under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), and specified under 24 C.F.R. Part 8, Subpart C.

Sec. 2306.6723. DISCRIMINATION AGAINST PERSONS RECEIVING FEDERAL HOUSING ASSISTANCE PROHIBITED. The department shall prohibit a development supported with a housing tax credit allocation from:

(1) excluding an individual or family from admission to the development because the individual or family participates in the housing choice voucher program under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f); and

(2) using a financial or minimum income standard for an individual or family participating in the voucher program described by Subdivision (1) that requires the individual or family to have a monthly income of more than 2-1/2 times the individual's or family's share of the total monthly rent payable to the development owner.

Sec. 2306.6724. COORDINATION WITH RURAL DEVELOPMENT AGENCY. (a) The department shall jointly administer with the rural development agency any set-aside for rural areas to:

(1) ensure the maximum use and optimum geographic distribution of housing tax credits in rural areas; and

(2) provide for information sharing, efficient procedures, and fulfillment of development compliance requirements in rural areas.

(b) The rural development agency shall assist in developing all threshold, scoring, and underwriting criteria applied to applications eligible for the rural area set-aside. The criteria must be approved by that agency.

(c) To ensure that the rural area set-aside receives a sufficient volume of eligible applications, the department shall fund and, with the rural development agency, shall jointly implement outreach, training, and rural area capacity building efforts as directed by the rural development agency.

(d) The department and the rural development agency shall jointly adjust the regional allocation of housing tax credits described by Section 2306.111 to offset the under-utilization and over-utilization of multifamily private activity bonds and other housing resources in the different regions of the state.

(e) From application fees collected under this subchapter, the department shall reimburse the rural development agency for any costs incurred by the agency in carrying out the functions required by this section.

Sec. 2306.6725 [2306.674]. DEADLINES FOR ALLOCATION OF LOW INCOME HOUSING TAX CREDITS. (a) Not later than September 30 [November 15] of each year, the department shall prepare and submit to the board for adoption the qualified allocation plan required by federal law for use by the department in setting criteria and priorities for the allocation of tax credits under the low income housing tax credit program.

(b) The board shall adopt and submit to the governor the qualified allocation plan not later than November 15 [~~January 31~~].

(c) The governor shall approve, reject, or modify and approve the qualified allocation plan not later than December 1 [~~February 28~~].

(d) An applicant for a low income housing tax credit to be issued a commitment during the initial allocation cycle in a calendar year must submit an application to the department not later than March 1 [~~May 15~~].

(e) The board shall review the recommendations of department staff regarding applications and shall issue a list of approved applications [~~issue a commitment for allocation for the initial cycle of low income housing tax credits~~] each year in accordance with the qualified allocation plan not later than June 30 [~~July 31~~].

(f) The board shall issue final commitments for allocations of housing tax credits each year in accordance with the qualified allocation plan not later than July 31.

Sec. 2306.6726 [~~2306.672~~]. SCORING OF APPLICATIONS. (a) [~~The goal of the low income housing tax credit program is to provide permanent affordable housing.~~] In allocating low income housing tax credits, the department shall score each application using a point system based on criteria adopted by the department that are consistent with the department's housing goals, including criteria addressing the ability of the proposed project to:

(1) provide quality social support services to residents;

(2) demonstrate community and neighborhood support as defined by the qualified allocation plan;

(3) consistent with sound underwriting practices and when economically feasible, serve individuals and families of extremely low income by leveraging private and state and federal resources, including federal HOPE VI grants received through the United States Department of Housing and Urban Development;

(4) serve traditionally underserved areas;

(5) remain affordable to qualified tenants for an extended, economically feasible period; and

(6) comply with the accessibility standards that are required under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. Section 794), and specified under 24 C.F.R. Part 8, Subpart C. [~~The department shall publish in the qualified allocation plan any discretionary factor that the department will consider in scoring an application.~~]

(b) The department shall provide appropriate incentives as determined through the qualified allocation plan to reward applicants who agree [~~If an applicant meets the department's scoring and underwriting criteria, the department shall add:~~

~~(1) five bonus points to the applicant's score if the applicant agrees] to provide to a qualified nonprofit organization or tenant organization a right of first refusal to purchase the property to which the tax credit applies at the minimum price provided in, and in accordance with the requirements of, Section 42(i)(7), Internal Revenue Code of 1986 (26 U.S.C. Section 42(i)(7)); and~~

~~(2) two bonus points to the applicant's score if the application is~~

received within the first 10 days of the application acceptance period].

(c) ~~On~~ [The department shall provide the score of each application on each criterion to the board and the governor. The results of the scoring shall be available to the public.

~~(d) Upon~~ awarding tax credit allocations, the board shall document the reasons for each project's selection, including an explanation of:

(1) all discretionary factors used in making its determination; and

(2) the reasons for any decision that conflicts with the recommendations of department staff under Section 2306.6751.

(d) For each scoring criterion, the department shall use a range of points to evaluate the degree to which a proposed project satisfies the criterion. The department may not award a number of points for a scoring criterion that is disproportionate to the degree to which a proposed project complies with that criterion.

Sec. ~~2306.6727~~ [2306.673]. SALE OF CERTAIN LOW INCOME HOUSING TAX CREDIT PROPERTY. (a) Not later than two years before the expiration of the compliance period, a recipient of a low income housing tax credit who agreed to provide a right of first refusal under Section ~~2306.6726~~ [2306.672(b)(1)] and who intends to sell the property shall notify the department of the recipient's intent to sell. The recipient shall notify qualified nonprofit organizations and tenant organizations of the opportunity to purchase the property.

(b) The recipient may:

(1) during the first six-month period after notifying the department, negotiate or enter into a purchase agreement only with a qualified nonprofit organization that is also a community housing development organization as defined by the federal home investment partnership program;

(2) during the second six-month period after notifying the department, negotiate or enter into a purchase agreement with any qualified nonprofit organization or tenant organization; and

(3) during the year before the expiration of the compliance period, negotiate or enter into a purchase agreement with the department or any qualified nonprofit organization or tenant organization approved by the department.

(c) Notwithstanding an agreement under Section ~~2306.6726~~ [2306.672(b)(1)], a recipient of a low income housing tax credit may sell property to which the tax credit applies to any purchaser after the expiration of the compliance period if a qualified nonprofit organization or tenant organization does not offer to purchase the property at the minimum price provided by Section 42(i)(7), Internal Revenue Code of 1986 (26 U.S.C. Section 42(i)(7)), and the department declines to purchase the property.

(d) In this section, "compliance period" has the meaning assigned by Section 42(i)(1), Internal Revenue Code of 1986 (26 U.S.C. Section 42(i)(1)).

Sec. ~~2306.6728~~ [2306.674]. DEPARTMENT PURCHASE OF LOW INCOME HOUSING TAX CREDIT PROPERTY. The board by rule may develop and implement a program to purchase low income housing tax credit property that is not purchased by a qualified nonprofit organization or tenant organization. The department may not purchase low income housing tax credit

property if the board finds that the purchase is not in the best interest of the state.

Sec. ~~2306.6751~~ [2306.675]. ALLOCATION DECISION; REEVALUATION [OF LOW INCOME HOUSING TAX CREDIT]. (a) Department staff shall provide written, documented recommendations to the board concerning the financial or programmatic viability of each application for a low income housing tax credit before the board makes a decision relating to the allocation of tax credits. The board may not make without good cause an allocation decision that conflicts with the recommendations of department staff.

(b) Regardless of project stage, the board must reevaluate a project that undergoes a substantial change between the time of initial board approval of the project and the time of issuance of a tax credit commitment for the project. The board may revoke any tax credit commitment issued for a project that has been unfavorably reevaluated by the board under this subsection [Not later than the deadline specified in Section 2306.671(e), the board shall issue a commitment for tax credits available to the department. Concurrently with the issuance of a commitment for initial tax credits, the board shall establish a waiting list of additional applications, ranked in descending order of priority; to be issued a commitment for tax credits if additional credits become available].

[Sec. ~~2306.676~~. EQUAL ACCESS TO PROGRAM. The department shall establish procedures through the qualified allocation plan to ensure that each applicant for a low income housing tax credit has a fair and equal opportunity to submit or resubmit an application and submit for consideration any authorized supplementary materials and information.

[Sec. ~~2306.677~~. FEEES. (a) ~~A fee charged by the department to an applicant for a low income housing tax credit may not be excessive and must reflect the department's actual costs in processing applications and providing copies of documents in connection with the allocation process.~~

~~[(b) The department shall refund a fee charged to an applicant if the department does not score the applicant's application, except the department may retain a reasonable portion of the fee to compensate the department for costs associated with the application.]~~

Sec. ~~2306.6781~~ [2306.678]. PUBLIC INFORMATION [AND HEARINGS ON PROGRAM]. [(a)] The department shall provide information regarding the low income housing tax credit program, including notices of public hearings, meetings, and opening and closing dates for applications for a low income housing tax credit, to local housing departments, any appropriate newspapers of general or limited circulation that serve the community in which the proposed project is to be located, nonprofit organizations, on-site property managers of occupied projects that are the subject of tax credit applications for posting in prominent locations at those projects, and any other interested persons and community groups[;] who request the information. The department shall also publish the information on the department's website.

~~[(b) The department shall hold at least three public hearings in different regions of the state to receive public comments on low income housing tax credit applications.]~~

Representative Dukes offered the following amendment to Amendment No. 7:

Amend Floor Amendment by Ehrhardt to **CSHB 3449** as follows:

(1) On page 28, line 26, between "agree" and the bracket, insert "to equip the property that is the basis of the application with energy saving devices that meet the standards established by the state energy conservation office or".

(2) On page 28, line 31, strike "to which the tax credit applies".

Amendment No. 8 was adopted without objection.

Amendment No. 9

On behalf of Representative Hodge, Representative Giddings offered the following amendment to Amendment No. 7:

Amend Floor Amendment No. 7 to **CSHB 3449** as follows:

(1) On page 7, line 31, strike "five-year" and substitute "two-year".

(2) On page 8, line 3, strike sub-section (B) and Substitute:

"(B) the director, a deputy director, the director of housing programs, or the manager of tax credit programs employed by the department; or"

(3) On page 32, line 19 add a new section as follows:

Sec. 2306.6782. REPRESENTATION BY FORMER OFFICER OR EMPLOYEE

(a) A former board member, former executive director, former deputy director, former director of housing programs, or former manager of tax credit programs of the department may not:

(1) for compensation, represent a related party that has made or intends to make an application for low income housing tax credits before the second anniversary of the date that the person's service in office or employment with the department ceases, or

(2) represent any person or receive compensation for services rendered on behalf of any related party regarding the consideration of a tax credit application in which the former board member or employee participated during the period of service or employment with the department, either through personal involvement or because the matter was within the scope of the board member or employee's official responsibility; or

(3) for compensation communicate directly with a member of the legislative branch to influence legislation on behalf of a related party to any tax credit application, before the second anniversary of the date that the person's service in office or employment with the department ceases.

(b) A person commits an offense if the person violates this section. An offense under this section is a Class A misdemeanor.

Amendment No. 9 was adopted without objection.

Amendment No. 10

On behalf of Representative Hodge, Representative Giddings offered the following amendment to Amendment No. 7:

Amend Floor Amendment No. 7 by Ehrhardt to **CSHB 3449** in proposed Section 2306.6703(2), Government Code, between "application" and the period, by inserting ", unless:

(A) the applicant proposes to maintain for a period of 30 years or more 100 percent of the development units supported by low income housing tax credits as rent-restricted and exclusively for occupancy by individuals and families earning not more than 50 percent of the area median income, adjusted for family size; and

(B) at least one-third of all the units in the development are public housing units or Section 8 project-based units".

Amendment No. 10 was adopted without objection.

Amendment No. 11

Representative Edwards offered the following amendment to Amendment No. 7:

Amend Floor Amendment No. 7 by Ehrhardt to **CSHB 3449** in proposed Subchapter DD, Chapter 2306, Government Code, by adding an appropriately numbered section and renumbering the subsequent sections accordingly:

Sec. 2306.6791. MINORITY COMPANIES. (a) The department shall require that a person who receives an allocation of housing tax credits must attempt to ensure that at least 30% of the development, construction and management companies with which the person does business are minority-owned companies.

(b) A person who receives an allocation of housing tax credits must report to the department at least every ninety days regarding the percentage of minority-owned companies with which the person is doing business.

Amendment No. 11 was adopted without objection.

Amendment No. 7, as amended, was adopted without objection.

Amendment No. 12

Representative Dukes offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449** as follows:

(1) On page 113, line 12, between "that" and "is", insert "": (A)".

(2) On page 113, line 14, after the semicolon, add the following:

(B) breached a contract with a public agency; or

(C) misrepresented to a subcontractor the extent to which the developer has benefitted from contracts or financial assistance that has been awarded by a public agency, including the scope of the developer's participation in contracts with the agency and the amount of financial assistance awarded to the developer by the agency;

Amendment No. 12 was adopted without objection.

LEAVE OF ABSENCE GRANTED

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

Smithee on motion of R. Lewis.

CSHB 3449 - (consideration continued)

Amendment No. 13

Representative Carter offered the following amendment to **CSHB 3449**:

Amend **CSHB 3449** as follows:

- (1) On page 151, line 19, strike "31.5" and substitute "29.6".
- (2) On page 152, line 6, strike "24.1" and substitute "26".

Amendment No. 13 was adopted without objection.

CSHB 3449, as amended, was passed to engrossment. (Howard recorded voting no)

HR 931 - ADOPTED
(by Garcia)

Representative Garcia moved to suspend all necessary rules to take up and consider at this time **HR 931**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 931, Recognizing the Anita N. Martinez Ballet Folklorico of Dallas.

HR 931 was adopted without objection.

(Speaker pro tempore in the chair)

GENERAL STATE CALENDAR
HOUSE BILLS
THIRD READING

The following bills were laid before the house and read third time:

HB 658 ON THIRD READING
(by Junell, Gallego, T. King, Raymond, Coleman, et al.)

HB 658, A bill to be entitled An Act relating to authorizing the issuance of revenue bonds to fund capital projects at public institutions of higher education.

HB 658 was passed.

HB 2190 ON THIRD READING
(by Junell)

HB 2190, A bill to be entitled An Act relating to the establishment of debt issuance policies and guidelines by the Bond Review Board.

A record vote was requested.

HB 2190 was passed by (Record 262): 145 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Alexander; Allen; Averitt; Bailey; Berman; Bonnen; Bosse; Brimer; Brown, B.; Brown, F.; Burnam; Callegari; Capelo; Carter; Chavez; Chisum; Christian; Clark; Coleman; Cook; Corte; Counts; Crabb; Craddick; Crownover; Danburg; Davis, J.; Davis, Y.; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Ehrhardt; Eiland; Elkins; Ellis; Farabee; Farrar; Flores;

Gallego; Garcia; George; Geren; Giddings; Glaze; Goodman; Goolsby; Gray; Green; Grusendorf; Gutierrez; Haggerty; Hamric; Hardcastle; Hartnett; Hawley; Heflin; Hilderbran; Hill; Hinojosa; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hunter; Hupp; Isett; Janek; Jones, D.; Jones, E.; Jones, J.; Junell; Keel; Keffer; King, P.; King, T.; Kitchen; Kolkhorst; Krusee; Kuempel; Lewis, G.; Lewis, R.; Longoria; Luna; Madden; Marchant; Martinez Fischer; Maxey; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Najera; Nixon; Noriega; Oliveira; Olivo; Pickett; Pitts; Puente; Ramsay; Rangel; Raymond; Reyna, A.; Reyna, E.; Ritter; Salinas; Seaman; Shields; Smith; Solis; Solomons; Swinford; Talton; Telford; Thompson; Tillery; Truitt; Turner, B.; Turner, S.; Uresti; Villarreal; Walker; West; Williams; Wilson; Wise; Wohlgemuth; Wolens; Woolley; Yarbrough; Zbranek.

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

Absent, Excused — Hilbert; Sadler; Smithee.

HB 2262 ON THIRD READING
(by Danburg, et al.)

HB 2262, A bill to be entitled An Act relating to certain requirements for membership on the governing board of certain state agencies.

HB 2262 was passed.

HB 2531 ON THIRD READING
(by Junell and Coleman)

HB 2531, A bill to be entitled An Act relating to tuition rates at public institutions of higher education.

(Danburg in the chair)

HB 2531 was passed.

HB 2550 ON THIRD READING
(by Uher)

HB 2550, A bill to be entitled An Act relating to the application of the child support guidelines to certain children receiving social security old age benefits.

HB 2550 was passed.

HB 2691 ON THIRD READING
(by Madden and Danburg)

HB 2691, A bill to be entitled An Act relating to procedures for the electronic transfer of voter registration applications by certain voter registration agencies.

(Speaker pro tempore in the chair)

HB 2691 was passed.

LEAVE OF ABSENCE GRANTED

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

Janek on motion of Allen.

HB 3064 ON THIRD READING
(by Junell)

HB 3064, A bill to be entitled An Act relating to the issuance of general obligation bonds by the Texas Public Finance Authority for certain construction and repair projects.

HB 3064 was passed.

HB 1566 ON THIRD READING
(by Morrison)

HB 1566, A bill to be entitled An Act relating to the authority of a governmental entity to take emergency possession of a child and to the services provided for the child.

HB 1566 was passed.

HB 2097 ON THIRD READING
(by Morrison, et al.)

HB 2097, A bill to be entitled An Act relating to prosecuting and punishing certain individuals who violate the civil rights of persons in custody or engage in sexual conduct with persons in custody.

HB 2097 was passed.

HB 2312 ON THIRD READING
(by Bosse)

HB 2312, A bill to be entitled An Act relating to the resolution of certain contract claims against the state.

Amendment No. 1

Representative Bosse offered the following amendment to **HB 2312**:

Amend **HB 2312** on third reading by striking SECTION 3 of the bill and renumbering remaining SECTIONS of the bill appropriately.

Amendment No. 1 was adopted without objection.

A record vote was requested.

HB 2312, as amended, was passed by (Record 263): 144 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Alexander; Allen; Averitt; Bailey; Berman; Bonnen; Bosse; Brimer; Brown, B.; Brown, F.; Burnam; Callegari; Capelo; Carter; Chavez; Chisum; Christian; Clark; Coleman; Cook; Corte; Counts; Crabb; Craddick; Crownover; Danburg; Davis, J.; Davis, Y.; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Ehrhardt; Eiland; Elkins; Ellis; Farabee; Farrar; Flores; Gallego; Garcia; George; Geren; Giddings; Glaze; Goodman; Goolsby; Gray; Green; Grusendorf; Gutierrez; Haggerty; Hamric; Hardcastle; Hartnett; Hawley;

Heflin; Hilderbran; Hill; Hinojosa; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hunter; Hupp; Isett; Jones, D.; Jones, E.; Jones, J.; Junell; Keel; Keffer; King, P.; King, T.; Kitchen; Kolkhorst; Krusee; Kuempel; Lewis, G.; Lewis, R.; Longoria; Luna; Madden; Marchant; Martinez Fischer; Maxey; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Morrison; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Najera; Nixon; Noriega; Oliveira; Olivo; Pickett; Pitts; Puente; Ramsay; Rangel; Raymond; Reyna, A.; Reyna, E.; Ritter; Salinas; Seaman; Shields; Smith; Solis; Solomons; Swinford; Talton; Telford; Thompson; Tillery; Truitt; Turner, B.; Turner, S.; Uresti; Villarreal; Walker; West; Williams; Wilson; Wise; Wohlgemuth; Wolens; Woolley; Yarbrough; Zbranek.

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

Absent, Excused — Hilbert; Janek; Sadler; Smithee.

HB 2273 ON THIRD READING
(by Y. Davis)

HB 2273, A bill to be entitled An Act relating to the hours worked during a week by police officers in certain municipalities.

HB 2273 was passed.

HB 2246 ON THIRD READING
(by Ellis and McReynolds)

HB 2246, A bill to be entitled An Act relating to the regulation of the purchase and sale of timber; providing a penalty.

HB 2246 was passed.

HB 2053 ON THIRD READING
(by Clark)

HB 2053, A bill to be entitled An Act relating to municipal courts of record.

A record vote was requested.

HB 2053 was passed by (Record 264): 115 Yeas, 26 Nays, 2 Present, not voting.

Yeas — Alexander; Allen; Averitt; Bailey; Berman; Bonnen; Bosse; Brimer; Brown, B.; Brown, F.; Burnam; Callegari; Capelo; Carter; Chavez; Chisum; Christian; Clark; Coleman; Cook; Corte; Counts; Crabb; Craddick; Crownover; Davis, J.; Davis, Y.; Delisi; Denny; Deshotel; Driver; Dunnam; Edwards; Ehrhardt; Elkins; Ellis; Farabee; Gallego; George; Geren; Giddings; Glaze; Goolsby; Green; Grusendorf; Gutierrez; Hamric; Hardcastle; Hawley; Heflin; Hilderbran; Hill; Hinojosa; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hunter; Hupp; Isett; Jones, D.; Jones, E.; Jones, J.; Junell; Keel; Keffer; King, P.; King, T.; Kitchen; Kolkhorst; Krusee; Kuempel; Lewis, G.; Lewis, R.; Luna; Madden; Marchant; McCall; Menendez; Merritt; Miller; Morrison; Mowery; Naishtat; Najera; Nixon; Noriega; Oliveira; Pickett; Pitts; Ramsay; Raymond; Reyna, E.; Ritter; Seaman; Shields; Smith; Solomons; Swinford; Talton; Thompson; Tillery; Turner, B.; Turner, S.; Walker; West; Williams; Wilson;

Wise; Wohlgemuth; Wolens; Woolley; Yarbrough.

Nays — Danburg; Dukes; Dutton; Eiland; Farrar; Flores; Garcia; Goodman; Gray; Haggerty; Hartnett; Longoria; Martinez Fischer; Maxey; McClendon; McReynolds; Moreno, J.; Moreno, P.; Olivo; Puente; Rangel; Reyna, A.; Salinas; Solis; Uresti; Villarreal.

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

Absent, Excused — Hilbert; Janek; Sadler; Smithee.

Absent — Telford; Truitt; Zbranek.

STATEMENT OF VOTE

I was shown voting no on Record No. 264. I intended to vote yes.

Hartnett

HB 2033 ON THIRD READING (by Pitts)

HB 2033, A bill to be entitled An Act relating to requiring notice to purchasers of real property located in a certificated service area of a utility service provider regarding the cost or availability of water or sewer service.

HB 2033 was passed.

HB 1004 ON THIRD READING (by Naishtat)

HB 1004, A bill to be entitled An Act relating to the work or employment activities required under the temporary assistance for needy families program.

HB 1004 was passed.

HB 3040 ON THIRD READING (by Geren)

HB 3040, A bill to be entitled An Act relating to air pollutant emissions permitting requirements for shipyard facilities.

HB 3040 was passed.

HB 2987 ON THIRD READING (by Deshotel, Luna, Allen, Dunnam, and Keel)

HB 2987, A bill to be entitled An Act relating to an exemption from sex offender registration for certain juvenile and adult offenders.

HB 2987 was passed.

HB 2888 ON THIRD READING (by Truitt, Sadler, Grusendorf, Brimer, Bonnen, et al.)

HB 2888, A bill to be entitled An Act relating to limitations on the issuance of tax-supported bonds by school districts.

A record vote was requested.

HB 2888 was passed by (Record 265): 142 Yeas, 0 Nays, 2 Present, not

voting.

Yeas — Alexander; Allen; Averitt; Bailey; Berman; Bonnen; Bosse; Brimer; Brown, B.; Brown, F.; Burnam; Callegari; Capelo; Carter; Chavez; Chisum; Christian; Clark; Coleman; Cook; Corte; Counts; Crabb; Craddick; Crownover; Danburg; Davis, J.; Davis, Y.; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Ehrhardt; Eiland; Elkins; Ellis; Farabee; Farrar; Flores; Gallego; Garcia; George; Geren; Giddings; Glaze; Goodman; Goolsby; Gray; Green; Grusendorf; Gutierrez; Haggerty; Hamric; Hardcastle; Hartnett; Hawley; Heflin; Hilderbran; Hill; Hinojosa; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hunter; Hupp; Isett; Jones, D.; Jones, E.; Jones, J.; Junell; Keel; Keffer; King, P.; King, T.; Kitchen; Kolkhorst; Krusee; Kuempel; Lewis, G.; Lewis, R.; Longoria; Luna; Madden; Marchant; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Najera; Nixon; Noriega; Oliveira; Olivo; Pickett; Pitts; Puente; Ramsay; Rangel; Raymond; Reyna, A.; Reyna, E.; Ritter; Salinas; Seaman; Shields; Smith; Solis; Solomons; Swinford; Talton; Telford; Thompson; Tillery; Truitt; Turner, B.; Uresti; Villarreal; Walker; West; Williams; Wilson; Wise; Wohlgemuth; Wolens; Woolley; Yarbrough; Zbranek.

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

Absent, Excused — Hilbert; Janek; Sadler; Smithee.

Absent — Maxey; Turner, S.

STATEMENT OF VOTE

When Record No. 265 was taken, my vote failed to register. I would have voted yes.

Maxey

HB 3149 ON THIRD READING (by Allen and B. Turner)

HB 3149, A bill to be entitled An Act relating to the collection and dissemination by the Texas Department of Public Safety of information relating to threats against peace officers.

HB 3149 was passed.

HB 3294 ON THIRD READING (by Wise, Swinford, Counts, Hinojosa, and Carter)

HB 3294, A bill to be entitled An Act relating to the provision of housing and related forms of assistance to residents of colonias and residents of other underserved regions of this state.

HB 3294 was passed.

HB 2809 ON THIRD READING (by Wolens)

~~HB 2809~~ bill STATEMENT OF A LEGISLATIVE COMMITTEE session and statutory construction

REPRESENTATIVE WOLENS: Mr. Speaker, members, **HB 2809** relates to statutory construction and statutory construction. **HB 2809** was passed (Dyten, Shields, and Talton recorded voting no)

REPRESENTATIVE SHIELDS: Chairman Wolens, I see this bill went through your committee. Did it go through another committee?

WOLENS: It went through the house legislative committee. That's not mine, that's the house state affairs committee.

SHIELDS: And, did you discuss the pending. . . ?

WOLENS: In our committee? Absolutely. That was the principal thing that we discussed. Because it was interesting. I don't think I mentioned this to you earlier. In the bill analysis you will see that after the Texas Supreme Court rejected the arguments, there was a brief that was filed by the Legislative Council along with individual members of the legislature and I signed on to it. I'm one of the legislators that signed on to that.

SHIELDS: Right. I noted that there were something like 19 members of the legislature that signed on to that.

WOLENS: The Council sent it to me at the law office, and there was a lot of reading to do, and I signed on to it pretty easily.

SHIELDS: As I read this, I'm reminded of one of those famous tunes by Woodward and Bernstein regarding some of the end of the Nixon years where they said yes meant no and stop meant go and. . .

WOLENS: . . .and it ain't necessarily so.

SHIELDS: Some things were a little bit hard to interpret. Would you agree with the Court, the Supreme Court, which by the way, that was a unanimous decision, wasn't it?

WOLENS: I think so. It was the summer of '99, so the decision came out after we were in session.

SHIELDS: Right. And so, what we're doing here in this legislation is overruling a unanimous supreme court decision. Prospectively.

WOLENS: It is fair to say that. That is not how I would characterize it.

SHIELDS: Right. And in that opinion the supreme court cited previous supreme court cases, 1922, 1967, 1990. So, in effect, we are going to be overturning 80 years of supreme court precedence. Isn't that correct?

WOLENS: Tell me the footnote. Are you discussing the doctrine of legislative acceptance? Because they cited a whole bunch of cases under the doctrine of legislative acceptance, so I want to get on the same page. Tell me the footnote that you're referring to.

SHIELDS: That's part of it.

WOLENS: I don't think that we're overturning the doctrine of legislative acceptance.

SHIELDS: The 1922 case.

WOLENS: Just tell me the name of the case, if you will.

SHIELDS: American Indemnity Company v. the City of Austin.

WOLENS: Tell me the footnote, if you will.

SHIELDS: It appears on my page eight, but that's not necessarily the page. It could be 284 or 285 of the actual decision.

WOLENS: Yeah, but if you lay this out, I see it here, they are quoting American Indemnity Company v. City of Austin. It's a 1922 case but they quote it in a somewhat different context. Do you see that? They are citing it to a different proposition. They're saying here that American Indemnity. . . a prior law was unconstitutional because the caption of the bill enacting it did not include an adequate description. In holding that a subsequent reenactment of the same provision supplanted the prior unconstitutional law and that the subsequent enactment was constitutional, the court observed that the new law, not the old, would govern, and then it went on to quote the general rule. And, I don't think that we're overruling American Indemnity at all. Nor the courts, they say, as to the general rule. So, I disagree that we are doing that.

SHIELDS: I think that the holding basically said that, and this is 286, the page after the American Indemnity case, we are compelled to conclude that when, as here, specific provisions of a nonsubstantive codification and the code as a whole are direct, unambiguous and cannot be reconciled with prior law, the codification rather than the prior repealed statute must be given effect. And, in fact, in this same paragraph, they mention that quotation. The legislature adopts codification, not the legislative council.

WOLENS: Correct.

SHIELDS: And, in effect, what your legislation offers to do is to delegate that authority to the legislative council. Is that correct?

WOLENS: No.

SHIELDS: Can you explain to me why not?

WOLENS: While I was equivocal yesterday, I am not equivocal now. This issue is on page one of the bill. It is not what we discussed yesterday with Arlene and the legislative council. This section only deals with the recodification of a statute, looking at page one, line seven. To have a recodification means that it's the legislature acting. It says on line 10, a court or other entity interpreting and applying the codified statute, John, on line 11, this only applies to a codified statute. To have a codified statute is only dealing with the legislature passing a law and letting it become law: shall give the codified statute the same effect and meaning that was or would have been given the statute before it's codification. We're only talking about what the legislature does. This has nothing to do with the legislative council. What the Fleming case was, was the taxpayer asking for a refund. And, in the Fleming case, the issue was, does the statute mean this, or does the statute mean that. They were never talking about what the legislative

council did or didn't do. They were trying to figure out in the subsequent law if it meant the same as the original law. The argument was that the subsequent law was the old law, just in different words, and the argument was, it was a nonsubstantive change. The court argued, it couldn't have been a nonsubstantive change, because the words were different. The words were indeed different, the supreme court gave it a different meaning, although the legislature did not intend to give it a different meaning because it was a nonsubstantive recodification. The court cannot look at legislative history. Correct?

SHIELDS: The court found that this was a substantive change.

WOLENS: I agree with you. That's what the court found. But, what we are saying is that when we recodify and we say this is a nonsubstantive change, then we intend for the court to treat it as a nonsubstantive change. And, let me tell you the policy reasons. The policy reason is that you have human beings recodifying it. The human beings do as best as they can to make sure that the meaning is the same, although sometimes the words are different. Look with me at the exact words that were used in the Fleming case. The old words that were used in the Fleming case dealing with the Tax Code, it was section 111.104, provided that a refund claim could be filed by any person who paid sales taxes directly to the state. The question was, does any person who files the taxes to the state mean the vendor, or does it mean the person paying the vendor. Case interpretation was that it meant the vendor. The legislature came back and changed 111.04, and it became 111.04, and instead of saying who paid sales taxes directly to the state, the new law said a tax refund may be filed with the comptroller by the person who paid the tax. So, you and I gotta wonder, that those folks sitting in the back, intended the same thing. It sounds pretty much the same to me. The old one was, could be filed by any person who paid the sales tax, the new one says, by the person who paid the tax. The court literally found that there was a difference between, any person who paid the sales tax, and the person who paid the sales tax. In retrospect, I agree with what the supreme court said, which is, there is a difference in the words. You guys in the legislature left off the word *any*. Well, I could see how they could read that differently. *Any* person is different from *the* person. However, I understand what we clearly meant when we said that this was a nonsubstantive recodification.

SHIELDS: Let me try to narrow my question down here. I think what is being. . .

Debate time having expired, Representative Shields was recognized to speak in opposition to the bill.

SHIELDS: Members, I'd like to continue this dialogue. This is very important. We're talking about overruling 80 years of well-settled law. These are supreme court cases of Texas. These are not district courts, or courts of appeals. In this decision, a unanimous decision, the court expressly overruled several courts of appeals which had ruled contrary. They also distinguished several other cases. Let me make a point that has not been made in this debate so far. We've been told that there was one sentence, or one line, and a word

was omitted. And it led to the result of *yes* meaning *no*, *stop* meaning *go*, *green* meaning *red*. In fact, that's not exactly all the story. Let me read to you from the opinion of the court. What effect should be given to clear, unambiguous statutes that were drafted by the legislative council, as part of the codification process, but that depart from prior law? Whether or not the statute is considered ambiguous, on its face, has to be a first key question asked. If prior law and legislative history cannot be used to alter or disregard the express terms of a code provision when its meaning is clear from the code itself when considered in its entirety, unless there is an error that is a typographical one. In fact, you'll see that word *typographical* is in this legislation. So this legislation is tailored to meet this opinion. Nor can the Code Construction Act directives to the legislative council to refrain from changing the sense, meaning, or effect of a previous statute, be used as a basis to alter the express terms of a code that the legislature enacts as law, even when the council's language does change the prior repealed law.

Members, now we're being told that this is an isolated sentence in this code. Listen to this paragraph by the supreme court. They're going to tell you that since that mistake was made, this body has enacted other legislation that takes the interpretation of the codes that the supreme court put on it. Here it comes. We note that the legislature itself appears to have relied on the plain meaning of this code section and not the prior law when it enacted a substantive amendment to the Tax Code in 1983 that was not part of the codification process. After the 1981 codification of the Tax Code at issue in this case, the legislature amended another section, for the first time allowed a taxpayer and the comptroller to agree, not only to extensions of time for assessing a tax, but also to extensions of time for filing refunds. So, members, if you read the entire opinion of the supreme court, what you learn is, it's not just simply one sentence in a code that did not correctly get copied from the previous session. What you find is, there were several sections of codes that were changed, and you can only understand those changes, if you understand that the new provision was considered at the time those changes were made. So, when the court considered the entirety of the code, that's one of my points here, the supreme court considered the entire code, not just the one sentence that had the omitted word. When they considered the entire code, they ruled in favor of the private citizen and the private entity. Members, what we're being asked today, is to rule in favor of the king. To rule in favor of the big dog over the little dog. My question to you is, if a mistake is made, who should bear the burden of that mistake? Should it be the little guy, the private citizen, or should it be the government? I'm asking you to say that it should be the government. We should take responsibility for our actions. I'm asking you to consider this. If there is a mistake, should it go in favor of the private citizen, or should it go in favor of the government? I'm saying it should go in favor of the private citizen and that's what the supreme court decision ruled. We are getting ready to directly overrule this decision.

Now, what we cannot foresee in the future is the type of situation like this that might arise. The Fleming case may never arise again exactly on that particular code section. I will grant that. However, here's the real question. Are we going to limit the authority of the court to rule in equity, to see that justice gets done. Members, if the court had ruled in favor of the government

in this case, injustice would have been done. I'm glad that the court, in its wisdom, was able to rule in favor of the private citizen. I think that's where the benefit of the doubt ought to go; if there's a mistake, don't charge it to the private citizen, charge it to the government, we can fix it.

Members, I was hoping for a discussion with Chairman Wolens. This is a great case, members, it is very well reasoned. Before we overrule this case, we need to look at it. How many of you have read this case, or at least parts of it? The Supreme Court of Texas. . .

WOLENS: Will the gentleman yield?

SPEAKER PRO TEMPORE: The gentleman yields.

SHIELDS: Ask me if we desire to limit the discretion of the court to effect justice, whether in law or equity.

WOLENS: That's a fair question. Let me rephrase it. Isn't it true, that we are really not overturning anything at all, any precedent of cases, except for this narrow ruling in the Fleming case. Number one, we're not affecting anything as to Mr. Fleming, and number two, we're only saying that where the legislature says it's a nonsubstantive change, that we really mean it.

SHIELDS: No, I disagree with that. I think that's part of our disagreement. Because in this opinion, the court quotes previous supreme court cases for their rationale, and one of those opinions is 1922, there's another one from 1967. As I read this opinion, in the mind of the court, and it's a unanimous decision, they believe that this is well-settled law. And what they overruled were lower court rulings.

Members, just a session or two ago, Representative Solomons had a bill and one of my staff members looked up the code section and it turned out that we were reversing a Texas Supreme Court case—it must have been two sessions, because I remember Chairman Stiles was here—and when I showed it to Representative Solomons, he said, no, we're not intending to reverse this decision, and so we made a small amendment and we took care of that. We need to look very carefully at overruling the Supreme Court of Texas. We have the power to do that. There's no doubt about that. We can overrule the supreme court. Prospectively. However, the exact rationale that has been given to you for why we ought to do that was fully considered in this opinion. And the Supreme Court of Texas says that that rationale will lead to absurd results where *yes* means *no*, *stop* means *go*, and *red* means *blue*. Members, please vote to keep the law to mean what it says on its face. Vote for the private citizen to get the benefit of the doubt and not the government. Put the burden on the government and not on the private citizen.

REMARKS ORDERED PRINTED

Representative Shields moved to print remarks by Representative Shields and Representative Wolens.

The motion prevailed without objection.

POSTPONED BUSINESS

The following bill was laid before the house as postponed business:

CSHB 2102 ON SECOND READING
(by Eiland and Seaman)

CSHB 2102, A bill to be entitled An Act relating to the determination of premium rates for certain lines of insurance.

CSHB 2102 was read second time on May 1, postponed until 10 a.m. this morning, and was again postponed until this time.

Amendment No. 1

Representative Eiland offered the following amendment to **CSHB 2102**:

Amend **CSHB 2102** by deleting the word "allocated" on page 1 line 24 and by deleting the words "to each line of insurance in proportion to the amount the net direct premiums of that line bear to the aggregate of net direct premiums for all lines assessed under that article," on page 2, lines 1-3.

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representative Eiland offered the following amendment to **CSHB 2102**:

Amend **CSHB 2102**, committee printing, as follows:

(1) On page 6, strike lines 24-27 and substitute the following:

Sec. 6. APPEAL. A person aggrieved by an order of the commissioner setting benchmark rates may, not later than the 30th day after the date on which the commissioner issued the order, appeal the order. An appeal of an order of the commissioner setting benchmark rates under this article must be made in accordance with Subchapter D, Chapter 36, of this code.

(2) On page 7, strike lines 1-4.

(3) On page 10, between lines 11 and 12, insert the following:

(i) A person aggrieved by a decision of the commissioner under this section may, not later than the 30th day after the date of the commissioner's decision, appeal the decision. An appeal of a commissioner's decision under this section must be made in accordance with Subchapter D, Chapter 36, of this code.

Amendment No. 2 was adopted without objection.

Amendment No. 3

Representative Eiland offered the following amendment to **CSHB 2102**:

CSHB 2102 is amended as follows:

(1) On page 10, between lines 23 and 24, insert the following:

SECTION 7. Subsection d, Section 37.052, Insurance Code, is amended to read as follows:

(d) The department may appear as a matter of right as a party, present evidence, or question a witness in a proceeding before the commissioner or the designated hearings officer in which insurance rates are set under this code. [~~This subsection expires September 1, 2001.~~]

(2) On page 10, line 24 strike "SECTION 7" and substitute "SECTION 8".

Amendment No. 3 was adopted without objection

Amendment No. 4

On behalf of Representative Smithee, Representative Eiland offered the following amendment to **CSHB 2102**:

Amend **CSHB 2102** as follows:

On page 5, delete lines 4-11.

Amendment No. 4 was adopted without objection.

Amendment No. 5

Representative Burnam offered the following amendment to **CSHB 2102**:

Amend **CSHB 2102**, committee printing, on page 10, between lines 11 and 12, by inserting the following:

(i) Notwithstanding Subsections (a)-(h) of this section or any other provision of this article, an applicant is eligible for insurance through the association if the applicant and the servicing agent certify that the applicant is unable to find coverage at a rate that is within the benchmark flexibility band adopted under Article 5.101 of this code and that the applicant is a good driver. The applicant shall be charged a rate for coverage that does not exceed a rate that is greater than the midway point between 115 percent of the benchmark rate adopted under Article 5.101 of this code and the rate adopted under this section. The commissioner may adopt rules as necessary to implement this subsection. In this subsection, "good driver" means an individual who:

(1) is over the age of:

(A) if male, 25 years of age; and

(B) if female, 21 years of age;

(2) has been licensed for at least three years to drive the type of motor vehicle to be insured;

(3) during the previous three years, has not:

(A) been at fault in a motor vehicle accident that resulted in bodily injury, death, or property damage;

(B) been convicted of a violation of a traffic safety regulation that involved a moving vehicle; or

(C) been convicted of an offense under Section 49.04, Penal Code, or Section 106.041, Alcoholic Beverage Code;

(4) has never made a fraudulent insurance claim; and

(5) does not drive a sports car or other high-performance vehicle.

Amendment No. 5 was adopted without objection.

Amendment No. 6

Representatives Ramsay and Smithee offered the following amendment to **CSHB 2102**:

Amend **CSHB 2102**, committee printing, as follows:

(1) On page 10, between lines 17 and 18, insert the following new SECTIONS:

SECTION 6. The heading to Article 5.131, Insurance Code, is amended to read as follows:

Art. 5.131. [TEMPORARY] RATE ROLLBACK FOR CERTAIN LINES OF INSURANCE.

SECTION 7. Section 1, Article 5.131, Insurance Code, is amended to read as follows:

Sec. 1. FINDINGS. The legislature finds that:

(1) the cost of litigation against insureds and their insurers, the possibility of large and unjust judgments, and the uncertainty created by a litigious environment within this state have been significant factors in the high cost of certain lines of insurance;

(2) legislation enacted by regular sessions of the 75th, 76th, and 77th [73rd and 74th] legislatures, and legislation passed by or pending in [which may be aided by legislation under consideration by] the [104th] Congress of the United States, is intended to meaningfully reform the civil justice system of this state and this nation and will result in reductions in the cost of litigation and in the size of judgments;

(3) certain decisions by the Supreme Court of Texas and federal appellate courts during the years 1995-2001 have resulted in reductions in the size of certain judgments;

(4) it can be reasonably anticipated that there will be additional legislation and court decisions in the future that will result in reductions in the cost of litigation and in the size of judgments;

(5) while the monetary effect of the legislative changes can be actuarially determined within a reasonable degree of certainty, insurers will delay implementation of rate reductions until they have data evidencing actual loss experience;

(6) [~~(4)~~] the delay described by Subdivision (5) [~~(3)~~] of this section will result in a windfall for the insurers benefited by the changes [legislation] described by Subdivisions [Subdivision] (2), (3), and (4) of this section, and this benefit should be passed on to their insureds; and

(7) [~~(5)~~] legislative action in the public interest and within the police power of the state is required to eliminate unnecessary delays to pass these benefits on to the insured public of this state.

SECTION 8. Section 2(c), Article 5.131, Insurance Code, is amended to read as follows:

(c) This article applies only to policies or coverages in the following lines or sublines that are issued, issued for delivery, or renewed on and after January 1, 2002 [~~1996~~]:

(1) professional liability insurance for a physician, other health care provider, or hospital;

(2) commercial liability insurance for damages arising out of the manufacture, design, importation, distribution, packaging, labeling, lease, or sale of a product or for completed operations coverage;

(3) private passenger automobile liability insurance for bodily injury;

(4) commercial automobile liability insurance for bodily injury;

(5) private umbrella and excess liability insurance;

(6) the liability portion of commercial multi-peril insurance;

(7) the liability portion of homeowner's, farm and ranch owner's, and renter's insurance;

(8) the employer's liability portion of workers' compensation insurance;

and

(9) other commercial liability insurance, including the following lines and sublines:

- (A) premises medical;
- (B) fire legal liability;
- (C) personal advertising injury;
- (D) contractual liability;
- (E) liability for all premises;
- (F) pollution liability;
- (G) owners and contractors protective liability;
- (H) railroad protective liability;
- (I) liquor liability;
- (J) farm liability;
- (K) commercial umbrella and excess liability;
- (L) professional liability other than insurance described by

Subdivision (1) of this subsection; and

- (M) garage liability.

SECTION 9. Sections 3(a), (b), (d), and (e), Article 5.131, Insurance Code, are amended to read as follows:

(a) Notwithstanding Chapter 40 [~~Article 1.33B~~] of this code, on or before September 1 of each year, the commissioner shall hold a rulemaking hearing under Chapter 2001, Government Code, to determine the percentage of equitable across-the-board reductions in insurance rates required of insurers writing the lines and sublines of liability coverage described by Section 2(c) of this article.

(b) Not later than October 1, 2001 [~~1995~~], the commissioner shall issue rules mandating the appropriate rate reductions to rates for the lines and sublines of liability coverage described by Section 2(c) of this article and developed without consideration of the effect of the changes [~~legislation~~] described by Section 1 of this article.

(d) The rate reductions adopted under this section are applicable to each policy or coverage issued, issued for delivery, or renewed on and after January 1, 2002 [~~1996~~], and to each policy or coverage issued, issued for delivery, or renewed on and after the 90th day after the date of each subsequent rule adopted under Subsection (a) of this section.

(e) Notwithstanding Subsection (d) of this section, if, on January 1, 2002 [~~1996~~], the commissioner has not issued an order establishing rate reductions for a line or subline under this section, the following reductions, as measured from the base rates in effect on April 1, 2001 [~~1995~~], apply to each insurer for each affected policy or coverage issued, issued for delivery, or renewed on and after January 1, 2002 [~~1996~~]:

LINE or SUBLINE	PERCENTAGE REDUCTION
(1) professional liability insurance for physician, other health care provider, or hospital:	30%
(2) commercial liability insurance for damages arising out of the manufacture, design, importation, distribution, packaging, labeling, lease, or sale of a product or for completed operations coverage:	25%

- (3) private passenger automobile liability insurance for bodily injury: 15%
- (4) commercial automobile liability insurance for bodily injury: 20%
- (5) private umbrella and excess liability insurance: 20%
- (6) the liability portion of commercial multi-peril insurance: 10%
- (7) the liability portion of homeowner's, farm and ranch owner's, and renter's insurance: 5%
- (8) the employer's liability portion of workers' compensation insurance: 10%
- (9) all lines and sublines of other commercial liability insurance: 15%

SECTION 10. Section 4(a), Article 5.131, Insurance Code, is amended to read as follows:

(a) Except as provided by Subsection (b) of this section, a rate filed as to a line or subline of insurance coverage affected by this article on and after January 1, 2002 [~~1996~~], and a rate filed on and after the 90th day following the effective date of a subsequent rule adopted under Section 3(a) of this article, shall reflect the rate reduction imposed by Section 3 of this article. The commissioner shall disapprove a rate, subject to the procedures established by Section 7, Article 5.13-2, of this code if the commissioner finds that the filed rate does not reflect that reduction.

SECTION 11. Section 6, Article 5.131, Insurance Code, is amended to read as follows:

Sec. 6. CONTINUATION [DURATION] OF REDUCTION. After the conclusion of each regular biennial legislative session, beginning with the 78th legislative session, the commissioner shall conduct a review of state and federal legislation and court decisions analogous to that conducted under Section 3 of this article to determine if that legislation and those court decisions can reasonably be anticipated to reduce the cost of litigation or the amount of damages. If the commissioner finds that those reductions are likely, the commissioner shall order an additional rate rollback, as provided by this article, to begin on January 1 of each even-numbered year. [Unless the commissioner grants relief under Section 4 or 5 of this article, each rate resulting from the reduction required under Section 3 of this article remains in effect until January 1, 2001.]

SECTION 12. Section 8, Article 5.131, Insurance Code, is amended to read as follows:

Sec. 8. HEARINGS AND ORDERS. Notwithstanding Chapter 40 [Article 1.33B] of this code, a rulemaking hearing under this article shall be held before the commissioner or the commissioner's designee. [Article 1.09-5 of this code does not apply to hearings under this article.] The rulemaking procedures established by this section do not apply to any other rate promulgation proceeding.

SECTION 13. Section 9, Article 5.131, Insurance Code, is amended to read as follows:

Sec. 9. PENDING RATE MATTERS. A rate filed pursuant to a commissioner's order issued before May 1, 2001 [~~1995~~], is not subject to the rate reductions required by this article before January 1, 2002 [~~1996~~].

(2) On page 10, line 18, strike "SECTION 6" and substitute "SECTION 14".

(3) On page 10, line 24, strike "SECTION 7" and substitute "SECTION 15".

Amendment No. 6 was adopted without objection.

Amendment No. 7

Representative Eiland offered the following amendment to **CSHB 2102**:

Amend **CSHB 2102** as follows:

(1) On page 1, line 5, insert: "ARTICLE 1. AMENDMENTS WITH NO EXPIRATION DATE"

(2) On page 1, line 5, strike "SECTION 1" and substitute "SECTION 1.01" and renumber the subsequent sections appropriately.

(3) On page 10, line 18, strike "Act" and substitute "article".

(4) On page 10, line 23, strike "Act" and substitute "article".

(5) On page 10, line 24, strike "Act" and substitute "article".

(6) On page 10, line 24, after the period create a new line and insert the following:

ARTICLE 2. AMENDMENTS EFFECTIVE UNTIL SEPTEMBER 1, 2005

SECTION 2.01. Sections 1 and 2, Article 5.13-2, Insurance Code, are amended to read as follows:

Sec. 1. PURPOSE. (a) This article governs the regulation of general liability, commercial automobile, commercial property, which shall include farm and ranch owners and farm and ranch policies, all commercial casualty, and medical professional liability insurance rates and forms. It does not govern personal automobile insurance or fidelity, surety, or guaranty bonds.

(b) The purposes of this article are to :

(1) promote the public welfare by regulating insurance rates to prohibit excessive, inadequate, or unfairly discriminatory rates;

(2) promote availability of insurance;

(3) promote price competition among insurers to provide rates and premiums that are responsive to competitive market conditions;

(4) prohibit price-fixing agreements and other anticompetitive behavior by insurers;

(5) regulate the insurance forms used for lines of insurance subject to this article to ensure that they are not unjust, unfair, inequitable, misleading, or deceptive; and

(6) provide regulatory procedures for the maintenance of appropriate information reporting systems.

Sec. 2. SCOPE. This article applies to all lines of general liability, commercial automobile, commercial property, all commercial casualty, and medical professional liability insurance written under policies or contracts of insurance issued by a licensed insurer, other than a fidelity, surety, or guaranty bond [~~or an automobile insurance policy~~].

SECTION 2.02. Section 5, Article 5.13-2, Insurance Code, is amended by amending Subsection (a) and adding Subsections (f) and (g) to read as follows: Each [Each] insurer shall file with the commissioner all rate, supplementary rating information, and reasonable and pertinent supporting information for risks written in this state.

(g) A commercial automobile insurance rate may not be used without the prior approval of the commissioner. A filing made by an insurer subject to the approval of the commissioner under this subsection is considered approved unless the commissioner disapproves the filing not later than the 60th day after the date of filing, or if the commissioner requests additional information regarding the filing, not later than the 60th day after the date the commissioner receives the response to the request for additional information. This subsection expires September 1, 2003.

SECTION 2.04. Article 5.13-2, Insurance Code, is amended by adding Section 11 to read as follows:

Sec. 11. RULES. The commissioner may adopt rules necessary to implement this article.

SECTION 2.05. Article 5.01(f), Insurance Code, is amended to read as follows:

(f) Notwithstanding Subsections (a) through (d) of this article, ~~[on and after March 1, 1992,]~~ rates for motor vehicle insurance in this state are determined as provided by Article 5.13-2 of this code or by the flexible rating program adopted under Subchapter M of this chapter, as applicable.

SECTION 2.06. Article 5.01-2(b), Insurance Code, is amended to read as follows:

(b) Rates ~~[On and after March 1, 1992, rates]~~ for motor vehicle insurance written by a Lloyd's plan insurer or a reciprocal or interinsurance exchange are determined as provided by Article 5.13-2 of this code or by the flexible rating program adopted under Subchapter M of this chapter, as applicable.

SECTION 2.07. Article 5.03(g), Insurance Code, is amended to read as follows:

(g) Notwithstanding Subsections [Sections] (a) through (e) of this article, ~~[on and after March 1, 1992,]~~ rates for motor vehicles are determined as provided by Article 5.13-2 of this code or by the flexible rating program adopted under Subchapter M of this chapter, as applicable.

SECTION 2.08. Article 5.04(c), Insurance Code, is amended to read as follows:

(c) Notwithstanding Subsections (a) and (b) of this article, ~~[on and after March 1, 1992]~~ rates for motor vehicles are determined as provided by Article 5.13-2 of this code or by the flexible rating program adopted under Subchapter M of this chapter, as applicable.

SECTION 2.09. Article 5.09(c), Insurance Code, is amended to read as follows:

(c) Notwithstanding Subsection (a) of this article, ~~[on and after March 1, 1992,]~~ rates for motor vehicles are determined as provided by Article 5.13-2 of this code or by the flexible rating program adopted under Subchapter M of this chapter, as applicable.

SECTION 2.10. Article 5.11(c), Insurance Code, is amended to read as follows:

(c) Notwithstanding Subsections (a) and (b) of this article, [~~on and after March 1, 1992,~~] rates for motor vehicles are determined as provided by Article 5.13-2 of this code or by the flexible rating program adopted under Subchapter M of this chapter, as applicable.

SECTION 2.11. Article 5.14(b), Insurance Code, is amended to read as follows:

(b) Notwithstanding Subsection (a) of this article, [~~on and after October 1, 1991,~~] rates and forms from general liability, commercial automobile, and commercial property insurance coverage subject to this subchapter are determined as provided by Article 5.13-2 of this code.

SECTION 2.12. Article 5.15(h), Insurance Code, is amended to read as follows:

(h) Notwithstanding Subsections (a)-(g) of this article, rates for general liability, commercial automobile, commercial property, and all commercial casualty insurance coverage under this article are determined, and hearings related to those rates are conducted, as provided by Article 5.13-2 of this code.

SECTION 2.13. Article 5.96(a-1), Insurance Code, is amended to read as follows:

(a-1) This article does not apply to commercial automobile insurance. Except as provided by Section 5(d), Article 5.101, of this code, this article does not apply to the setting of benchmark rates for motor vehicle insurance and fire and allied lines insurance under Subchapter M of this chapter.

SECTION 2.14. Section 1, Article 5.101, Insurance Code, is amended to read as follows:

Sec. 1. PURPOSE. (a) The program on flexible rating is designed to help stabilize the rates charged for insurance in lines of property and casualty insurance covered by Subchapters A and C of this chapter.

(b) This article does not apply to:

- (1) ocean marine insurance;
- (2) inland marine insurance;
- (3) fidelity, surety and guaranty bond insurance;
- (4) errors and omissions insurance;
- (5) director's and officers' liability insurance;
- (6) general liability insurance;
- (7) commercial property insurance or commercial automobile insurance;
- (8) workers' compensation insurance;
- (9) professional liability insurance for physicians and health care providers as defined in Article 5.15-1 of this code; or
- (10) attorney's professional liability insurance.

SECTION 2.15. (a) The commissioner of insurance shall assemble information, conduct hearings, and take any other measures necessary to assess changes in the insurance marketplace resulting from the implementation of this article in relation to commercial automobile insurance.

(b) Not later than January 1 of each odd-numbered year, the commissioner shall report on the assessment made under Subsection (a) of this section and include recommendations to the legislature. The commissioner shall provide the report to:

(1) the presiding officer of each house of the legislature; and
(2) the presiding officer of each committee in the legislature that has primary jurisdiction over the Texas Department of Insurance.

SECTION 2.16. Section 5.01B, Insurance Code, is repealed.

SECTION 2.17. (a) This article takes effect September 1, 2001, and applies only to an insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2002. A policy that is delivered, issued for delivery, or renewed before January 1, 2002, is governed by the law as it existed immediately before the effective date of this article, and that law is continued in effect for this purpose.

(b) This article expires September 1, 2005.

ARTICLE 3. REENACTMENT OF LAW EFFECTIVE ON SEPTEMBER 1, 2005

SECTION 3.01. Sections 1 and 2, Article 5.13-2, Insurance Code, are reenacted to read as follows:

Sec. 1. PURPOSE. This article governs the regulation of general liability, commercial property, which shall include farm and ranch owners and farm and ranch policies, all commercial casualty, and medical professional liability insurance rates and forms. It does not govern automobile, fidelity, surety, or guaranty bonds. The purposes of this article are to:

- (1) promote the public welfare by regulating insurance rates to prohibit excessive, inadequate, or unfairly discriminatory rates;
- (2) promote availability of insurance;
- (3) promote price competition among insurers to provide rates and premiums that are responsive to competitive market conditions;
- (4) prohibit price-fixing agreements and other anticompetitive behavior by insurers;
- (5) regulate the insurance forms used for lines of insurance subject to this article to ensure that they are not unjust, unfair, inequitable, misleading, or deceptive; and
- (6) provide regulatory procedures for the maintenance of appropriate information reporting systems.

Sec. 2. SCOPE. This article applies to all lines of general liability, commercial property, all commercial casualty, and medical professional liability insurance written under policies or contracts of insurance issued by a licensed insurer, other than a fidelity, surety, or guaranty bond or an automobile insurance policy.

SECTION 3.02. Section 5(a), Article 5.13-2, Insurance Code, is reenacted to read as follows:

(a) Each insurer shall file with the commissioner all rates, supplementary rating information, and reasonable and pertinent supporting information for risks written in this state.

SECTION 3.03. Article 5.01(f), Insurance Code, is reenacted to read as follows:

(f) Notwithstanding Subsections (a) through (d) of this article, on and after March 1, 1992, rates for motor vehicle insurance in this state are determined as provided by the flexible rating program adopted under Subchapter M of this chapter.

SECTION 3.04. Article 5.01-2(b), Insurance Code is reenacted to read as follows:

(b) On and after March 1, 1992, rates for motor vehicle insurance written by a Lloyd's plan insurer or a reciprocal or interinsurance exchange are determined as provided by the flexible rating program adopted under Subchapter M of this chapter.

SECTION 3.05. Article 5.03(g), Insurance Code, is reenacted to read as follows:

(g) Notwithstanding Sections (a) through (e) of this article, on and after March 1, 1992, rates for motor vehicles are determined as provided by Subchapter M of this chapter.

SECTION 3.06. Article 5.04(c), Insurance Code, is reenacted to read as follows:

(c) Notwithstanding Subsections (a) and (b) of this article, on and after March 1, 1992, rates for motor vehicles are determined as provided by Subchapter M of this chapter.

SECTION 3.07. Article 5.09(c), Insurance Code, is reenacted to read as follows:

(c) Notwithstanding Section (a) of this article, on and after March 1, 1992, rates for motor vehicles are determined as provided by Subchapter M of this chapter.

SECTION 3.08. Article 5.11(c), Insurance Code, is reenacted to read as follows:

(c) Notwithstanding Subsections (a) and (b) of this article, on and after March 1, 1992, rates for motor vehicles are determined as provided by Subchapter M of this chapter.

SECTION 3.09. Article 5.14(b), Insurance Code, is reenacted to read as follows:

(b) Notwithstanding Subsection (a) of this article, on and after October 1, 1991, rates and forms for general liability and commercial property insurance coverage subject to this subchapter are determined as provided by Article 5.13-2 of this code.

SECTION 3.10. Article 5.15(h), Insurance Code, is reenacted to read as follows:

(b) Notwithstanding Subsections (a)-(g) of this article, rates for general liability, commercial property, and all commercial casualty insurance coverage under this article are determined, and hearings related to those rates are conducted, as provided by Article 5.13-2 of this code.

SECTION 3.11. Article 5.96(a-1), Insurance Code, is reenacted to read as follows:

(a-1) Except as proved by Section 5(d), Article 5.101, of this code, this article does not apply to the setting of benchmark rates for motor vehicle insurance and fire and allied lines insurance under Subchapter M of this chapter.

SECTION 3.12. Section 1, Article 5.101, Insurance Code, is reenacted to read as follows:

Sec 1. PURPOSE. The program on flexible rating is designed to help stabilize the rates charged for insurance in lines of property and casualty insurance covered by Subchapters A and C of this chapter. This article does not apply to:

- (1) ocean marine insurance;
- (2) inland marine insurance;
- (3) fidelity, surety, and guaranty bond insurance;
- (4) errors and omissions insurance;
- (5) directors' and officers' liability insurance;
- (6) general liability insurance;
- (7) commercial property insurance;
- (8) workers' compensation insurance;
- (9) professional liability insurance for physicians and health care providers as defined in Article 5.15-1 of this code; or
- (10) attorney's professional liability insurance.

SECTION 3.13. Section 5.01B, Insurance Code, is reenacted and amended to read as follows:

Art. 5.01B. PUBLIC INFORMATION. (a) Information filed or otherwise provided by an insurer to the department [~~State Board of Insurance~~] for the purpose of determining, fixing, prescribing, promulgating, altering, or amending commercial automobile liability insurance rates under Article 5.01 of this code, obtaining a rate deviation under Article 5.03 of this code, or reporting losses under Article 5.04-1 of this code is public information unless it is exempt under Chapter 551, Government Code [~~Section 3(a), Chapter 424, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-17a, Vernon's Texas Civil Statutes)~~], or Section (b) of this article.

(b) Information provided with an application under Section (d), Article 5.03, of this code is exempt from the disclosure requirements of this article.

SECTION 3.14. Rates for commercial automobile insurance may not be increased for a period of two years after the effective date of this Act.

SECTION 3.15. This article takes effect September 1, 2005, and applies only to an insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2006. Notwithstanding Section 1.20(b) of this Act, a policy that is delivered, issued for delivery, or renewed before January 1, 2006, is governed by the law as it existed immediately before September 1, 2005, and that law is continued in effect for that purpose.

Representative Counts raised a point of order against further consideration of Amendment No. 7 under Rule 11, Section 2 of the House Rules on the grounds that it is not germane to the bill.

The chair sustained the point of order.

The ruling precluded further consideration of the amendment.

CSHB 2102, as amended, was passed to engrossment.

**GENERAL STATE CALENDAR
HOUSE BILLS
SECOND READING**

The following bills were laid before the house and read second time:

**CSHB 2684 ON SECOND READING
(by Kuempel)**

CSHB 2684, A bill to be entitled An Act relating to the authority of the Texas Transportation Commission to acquire certain protected property.

Amendment No. 1

Representative Elkins offered the following amendment to **CSHB 2684**:

Amend **CSHB 2684** on page 1, line 14, by striking "September 1, 2005" and substituting "September 1, 2003".

Amendment No. 1 was adopted without objection.

CSHB 2684, as amended, was passed to engrossment.

CSHB 1096 ON SECOND READING
(by Luna)

CSHB 1096, A bill to be entitled An Act relating to the creation of fire control, prevention, and emergency medical services districts by certain municipalities.

(Speaker in the chair)

Amendment No. 1

Representative Denny offered the following amendment to **CSHB 1096**:

Amend **CSHB 1096** (Committee Printing) on page 5 by striking lines 13-17 and substituting the following:

Sec. 344.057. ELECTION DATE. The election shall be held on the next uniform election date authorized by Section 41.001(a), Election Code, after the date on which the election is ordered that affords sufficient time for election procedures to be carried out.

Amendment No. 1 was adopted without objection.

A record vote was requested.

CSHB 1096, as amended, was passed to engrossment by (Record 266): 93 Yeas, 52 Nays, 1 Present, not voting.

Yeas — Alexander; Bailey; Bosse; Brown, F.; Burnam; Capelo; Carter; Chavez; Coleman; Cook; Counts; Danburg; Davis, Y.; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Ehrhardt; Eiland; Elkins; Ellis; Farabee; Farrar; Flores; Gallego; Garcia; Geren; Giddings; Glaze; Gray; Gutierrez; Haggerty; Hardcastle; Hawley; Hinojosa; Hochberg; Hodge; Homer; Hopson; Hunter; Jones, E.; Jones, J.; Junell; King, P.; King, T.; Kitchen; Kolkhorst; Kuempel; Lewis, G.; Lewis, R.; Longoria; Luna; Martinez Fischer; Maxey; McClendon; McReynolds; Menendez; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Najera; Noriega; Olivo; Pickett; Pitts; Puente; Ramsay; Rangel; Raymond; Reyna, A.; Reyna, E.; Ritter; Salinas; Seaman; Solis; Telford; Thompson; Tillery; Turner, B.; Turner, S.; Uher; Uresti; Villarreal; Walker; West; Wilson; Wise; Yarbrough; Zbranek.

Nays — Allen; Averitt; Berman; Bonnen; Brimer; Brown, B.; Callegari; Chisum; Christian; Clark; Corte; Crabb; Craddick; Crownover; Davis, J.; Delisi; Denny; George; Goodman; Goolsby; Green; Grusendorf; Hamric; Hartnett; Heflin; Hilderbran; Hill; Hope; Howard; Hupp; Isett; Jones, D.; Keel; Keffer; Krusee; Madden; Marchant; McCall; Merritt; Miller; Nixon; Oliveira; Shields; Smith; Solomons; Swinford; Talton; Truitt; Williams; Wohlgemuth; Wolens; Woolley.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Hilbert; Janek; Sadler; Smithee.

STATEMENT OF VOTE

I was shown voting yes on Record No. 266. I intended to vote no.

E. Reyna

CSHB 1721 ON SECOND READING (by Martinez Fischer and Menendez)

CSHB 1721, A bill to be entitled An Act relating to certification examinations for educators certified in other jurisdictions.

Amendment No. 1

On behalf of Representative Garcia, Representative Puente offered the following amendment to **CSHB 1721**:

Amend **CSHB 1721** as follows:

1. On Page 1, Line 21, after the word "state" insert the following: "or country".

Amendment No. 1 was adopted without objection.

CSHB 1721, as amended, was passed to engrossment. (Howard recorded voting no)

CSSB 1196 ON SECOND READING (Hochberg - House Sponsor)

CSSB 1196, A bill to be entitled An Act relating to the use of certain practices in disciplining or techniques in managing the behavior of public school students.

CSSB 1196 was considered in lieu of **HB 692**.

CSSB 1196 was passed to third reading. (Howard recorded voting no)

HB 692 - LAID ON THE TABLE SUBJECT TO CALL

Representative Hochberg moved to lay **HB 692** on the table subject to call.

The motion prevailed without objection.

HB 2614 ON SECOND READING (by Solis)

HB 2614, A bill to be entitled An Act relating to a dental services pilot program in border-region counties.

Amendment No. 1

Representative Solis offered the following amendment to **HB 2614**:

Amend **HB 2614** (House Committee Printing) as follows:

(1) On page 1, line 7, between "indigent" and "residents", insert "children who are".

(2) On page 1, line 11, strike "residents of" and substitute "children in".

- (3) On page 1, line 13, strike "individuals" and substitute "children".
- (4) On page 1, line 15, strike "by rule".
- (5) On page 1, strike lines 19-22, and substitute the following:
- (2) have a family income at or below 185 percent of the federal poverty level; and
- (3) provide a parent's or guardian's written consent to receipt of dental service.
- (6) On page 2, strike lines 11 and 12, and substitute the following:
- (f) As soon as practicable after the effective date of this Act, the Texas Board of Health shall establish eligibility criteria as required by Subsection (c) of this section and shall establish any other procedures or requirements necessary to implement this Act. The requirements of Chapter 2001, Government Code, relating to rulemaking do not apply to an action of the board under this subsection.

Amendment No. 1 was adopted without objection.

HB 2614, as amended, was passed to engrossment. (Chisum recorded voting no)

HB 2382 ON SECOND READING

(by Thompson, Gray, Villarreal, Wohlgemuth, Danburg, et al.)

HB 2382, A bill to be entitled An Act relating to coverage under a health benefit plan for prescription contraceptive drugs and devices and related services.

Amendment No. 1 (Committee Amendment No. 1)

On behalf of Representative Smithee, Representative Thompson offered the following committee amendment to **HB 2382**:

Amend **HB 2382** as follows:

(1) On page 5, between lines 5 and 6, insert the following:

Sec. 7. EXEMPTION. (a) This article does not require a health benefit plan that is issued by an entity associated with a religious organization or any physician or health care provider providing medical or health care services under the health benefit plan to offer, recommend, offer advice concerning, pay for, provide, assist in, perform, arrange, or participate in providing or performing a medical or health care service that violates the religious convictions of the organization.

(b) The issuer of a health benefit plan that limits or excludes coverage for medical or health care services under this section must state the limitation or exclusion in the coverage document for the health benefit plan.

(2) On page 5, line 6, strike "Sec. 7" and substitute "Sec. 8".

Amendment No. 2

Representative Thompson offered the following amendment to Amendment No. 1:

Amend Committee Amendment to **HB 2382** on line 10 between "organization" and "." by inserting ", except if the prescription contraceptive coverage is necessary to preserve the life or health of the insured individual".

Amendment No. 2 was adopted without objection

Amendment No. 3

Representative Thompson offered the following amendment to Amendment No. 1:

Amend Committee Amendment to **HB 2382** on line 14 between "document" and "for" by inserting ", the plan's statement of benefits, brochures, and other informational materials".

Amendment No. 3 was adopted without objection.

Amendment No. 1, as amended, was adopted without objection.

Amendment No. 4

Representative Wohlgemuth offered the following amendment to **HB 2382**:

Amend **HB 2382** on page 3, between lines 22 and 23, by adding a new subsection (c) to read as follows:

(c) This section does not provide coverage for abortifacients or any other drug or device which terminates a pregnancy.

Amendment No. 4 was adopted without objection.

HB 2382, as amended, was passed to engrossment. (Berman, B. Brown, Howard, Madden, and Shields recorded voting no)

CSHB 1839 ON SECOND READING

(by Junell, Coleman, Thompson, D. Jones, Crownover, et al.)

CSHB 1839, A bill to be entitled An Act relating to research and excellence funding at certain institutions of higher education.

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).

CSHB 1839 (consideration continued)

CSHB 1839 was passed to engrossment.

CSHB 2117 ON SECOND READING

(by Walker)

CSHB 2117, A bill to be entitled An Act relating to the imposition by a municipality of a moratorium on property development in certain circumstances.

Representative Walker moved to postpone consideration of **CSHB 2117** until 10 a.m. Tuesday, May 8.

The motion prevailed without objection.

CSHB 2456 ON SECOND READING

(by Gray, Eiland, et al.)

CSHB 2456, A bill to be entitled An Act relating to the authority of certain counties to implement a pilot program to provide certain indigent health care services and to the funding of the program.

CSHB 2456 was passed to engrossment. (Delisi recorded voting no)

CSHB 598 ON SECOND READING
(by Goodman and Truitt)

CSHB 598, A bill to be entitled An Act relating to fees imposed on defendants placed on community supervision.

Amendment No. 1

Representative Puento offered the following amendment to **CSHB 598**:

Amend **CSHB 598** on page 1, line 8, by striking "\$25" and substituting "\$10 [\$25]".

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representative Dutton offered the following amendment to **CSHB 598**:

Amend **CSHB 598** by adding an appropriately numbered SECTION to read as follows and by renumbering existing SECTIONS accordingly:

SECTION __. Section 21(c), Article 42.12, Code of Criminal Procedure, is amended to read as follows:

(c) In a community supervision revocation hearing at which it is alleged only that the defendant violated the conditions of community supervision by failing to pay compensation paid to appointed counsel, community supervision fees, court costs, restitution, or reparations, the attorney representing the state must prove beyond a reasonable doubt the ability [~~inability~~] of the defendant to pay as ordered by the judge [~~is an affirmative defense to revocation, which the defendant must prove by a preponderance of evidence~~].

Amendment No. 2 was withdrawn.

CSHB 598, as amended, was passed to engrossment.

CSHB 877 ON SECOND READING
(by Flores)

CSHB 877, A bill to be entitled An Act relating to the benefits provided to the surviving spouse and minor children of certain public employees killed in the line of duty.

CSHB 877 was passed to engrossment.

CSHB 1099 ON SECOND READING
(by Chisum)

CSHB 1099, A bill to be entitled An Act relating to regulation of radioactive materials and other sources of radiation.

CSHB 1099 was passed to engrossment.

HB 1053 ON SECOND READING
(by Coleman)

HB 1053, A bill to be entitled An Act relating to the creation of commercial and industrial development zones in certain populous counties; providing for taxes and the issuance of bonds.

Amendment No. 1

Representative Coleman offered the following amendment to **HB 1053**:

Amend **HB 1053** as follows:

(1) On page 3, line 16, strike "the improvement of competitiveness in education" and substitute "excellence in education through cooperation with public schools, junior colleges, and institutions of higher education".

(2) On page 5, strike lines 5 through 10 and substitute:

Sec. 386.035. TAX INCREMENT. (a) A creating body may use tax increment financing to fund a development zone, as provided by Chapter 311, Tax Code, and as modified by this section.

(b) On adoption of an order or ordinance by each creating body, the fund may be used to pay salaries of employees of the board and administrative expenses of the development zone.

(c) For the purpose of tax increment financing under this section, the board is considered the board of directors of the reinvestment zone under Chapter 311, Tax Code. Section 311.009, Tax Code, does not apply to this chapter.

Amendment No. 1 was adopted without objection.

HB 1053, as amended, was passed to engrossment.

HB 1852 ON SECOND READING

(by J. Jones)

HB 1852, A bill to be entitled An Act relating to voting by presidential electors; providing a criminal penalty.

HB 1852 was passed to engrossment.

CSHB 1491 ON SECOND READING

(by Farabee, Thompson, Goodman, Coleman, Brimer, et al.)

CSHB 1491, A bill to be entitled An Act relating to health benefit plan coverage for certain mental disorders in children.

A record vote was requested.

CSHB 1491 was passed to engrossment by (Record 267): 96 Yeas, 45 Nays, 1 Present, not voting.

Yeas — Alexander; Allen; Averitt; Bailey; Bosse; Brimer; Brown, F.; Burnam; Capelo; Carter; Chavez; Clark; Coleman; Cook; Counts; Crownover; Danburg; Davis, Y.; Denny; Deshotel; Dukes; Dunnam; Dutton; Edwards; Ehrhardt; Ellis; Farabee; Farrar; Flores; Gallego; Garcia; Geren; Giddings; Glaze; Goodman; Gray; Gutierrez; Haggerty; Hamric; Hawley; Hinojosa; Hochberg; Hodge; Homer; Hope; Hopson; Hunter; Jones, D.; Jones, J.; Junell; Keel; King, T.; Kitchen; Lewis, G.; Lewis, R.; Longoria; Luna; Martinez Fischer; Maxey; McClendon; McReynolds; Menendez; Moreno, J.; Moreno, P.; Mowery; Naishtat; Najera; Noriega; Oliveira; Olivo; Pickett; Puente; Ramsay; Rangel; Raymond; Reyna, A.; Reyna, E.; Ritter; Salinas; Solis; Solomons; Swinford; Telford; Thompson; Tillery; Truitt; Turner, B.; Turner, S.; Uher; Uresti; Villarreal; Wilson; Wise; Wolens; Yarbrough; Zbranek.

Nays — Berman; Bonnen; Brown, B.; Callegari; Chisum; Christian; Corte; Crabb; Craddick; Davis, J.; Delisi; Driver; Elkins; George; Goolsby; Green; Grusendorf; Hartnett; Heflin; Hilderbran; Hill; Howard; Hupp; Isett; Jones, E.; Keffer; King, P.; Kolkhorst; Krusee; Kuempel; Madden; Marchant; McCall; Merritt; Miller; Morrison; Nixon; Seaman; Shields; Smith; Talton; West; Williams; Wohlgemuth; Woolley.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Hilbert; Janek; Sadler; Smithee.

Absent — Eiland; Hardcastle; Pitts; Walker.

STATEMENTS OF VOTE

I was shown voting no on Record No. 267. I intended to vote yes.

Hilderbran

I was shown voting yes on Record No. 267. I intended to vote no.

Hope

I was shown voting no on Record No. 267. I intended to vote yes.

Morrison

I was shown voting no on Record No. 267. I intended to vote yes.

Smith

CSHB 3041 ON SECOND READING

(by Geren, Driver, Dunnam, P. King, and G. Lewis)

CSHB 3041, A bill to be entitled An Act relating to the creation of a missing persons DNA database at the University of North Texas Health Science Center at Fort Worth; providing a penalty.

Representative Geren moved to postpone consideration of **CSHB 3041** until 11 a.m. Friday, May 4.

The motion prevailed without objection.

CSHB 2997 ON SECOND READING

(by Callegari and Chisum)

CSHB 2997, A bill to be entitled An Act relating to the implementation by the Texas Natural Resource Conservation Commission of a program to encourage the use of environmental management systems.

Amendment No. 1

Representative Callegari offered the following amendment to **CSHB 2997**:

Amend **CSHB 2997**, SECTION 1 by adding the following language to Section 5.127(c) at page 2, line 15 after the word "performance" and before the ";

and for ensuring compliance with environmental laws, regulations and permit terms applicable to the facility

and by adding the following language to page 2, line 17 after the word "action" and before the ";

and for ensuring compliance with environmental laws, regulations and permit terms applicable to the facility

Amendment No. 1 was adopted without objection.

CSHB 2997, as amended, was passed to engrossment.

CSHB 1363 ON SECOND READING
(by Goodman, et al.)

CSHB 1363, A bill to be entitled An Act relating to the mediation of certain disputes by collaborative law procedures.

CSHB 1363 was passed to engrossment.

CSHB 849 ON SECOND READING
(by Coleman and Farrar)

CSHB 849, A bill to be entitled An Act relating to coverage of anorexia and bulimia as serious mental illnesses under certain group health benefit plans.

(Goolsby in the chair)

CSHB 849 was passed to engrossment. (Berman, B. Brown, Chisum, Clark, Corte, Crabb, Delisi, Heflin, Hill, Hope, Howard, Hupp, Madden, Shields, Talton, and Woolley recorded voting no)

CSHB 3507 ON SECOND READING
(by Maxey, Thompson, Flores, Gallego, and Gray)

CSHB 3507, A bill to be entitled An Act relating to the regulation of dentistry and the provision of dental services.

Amendment No. 1

Representative Flores offered the following amendment to **CSHB 3507**:

Amend **CSHB 3507** as follows:

(1) On page 13, lines 10-12, strike "or the dentist practices in an area that the Texas Department of Health has determined is underserved".

(2) On page 16, lines 12-13, strike "IN MEDICALLY UNDERSERVED AREAS".

(3) On page 16, lines 16-17, strike "IN MEDICALLY UNDERSERVED AREAS".

(4) On page 16, line 23, after the semicolon, insert "and".

(5) On page 16, line 25, strike "; and" and substitute ";".

(6) On page 16, strike lines 26 and 27.

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representative Gray offered the following amendment to **CSHB 3507**:

Amend **CSHB 3507** on page 13, line 4 as follows:

SECTION 3.05 The board may not issue a license to a graduate of an alternative training program under Section 256.0531 of this chapter unless the program is accredited by the Commission on Dental Accreditation.

Amendment No. 2 was adopted without objection.

HB 3507 — STATEMENT OF LEGISLATIVE INTENT

REPRESENTATIVE FLORES: Mr. Maxey, we certainly appreciate the effort that you and Chairman Gray have worked on, but, I'd like to ask a few questions to ensure legislative intent on your bill, if I may? Is it the intent for the teledentistry to go into school districts, at the request of the school districts, that they be involved?

REPRESENTATIVE MAXEY: Yes, there is a teledentistry project in your area of the state today, but this bill has one pilot project that gets good data about teledentistry in one school district. That school district may be anywhere in the state. I assure you that a number of us are going to be talking to the Health and Human Services Commission to try to get that to come to our districts. It's not mandated on anyone. The school district is going to have to be in agreement, the local folks are going to have to be in agreement. So, it is our intent to have just one pilot in one school district to get data about whether technology through teledentistry would be. . . .

FLORES: Thank you. And, is this also the intent of the teledentistry to go to an area without a dentist?

MAXEY: Absolutely not. Teledentistry is the kind of business like telemedicine where a dentist is on one side and the patient is on the other side. Dentists must be involved in a teledentistry project.

FLORES: Also in the bill it talks about the typical licensing process. Is it the intent of this bill to establish two levels of license, and are these people going to have to adhere to the same stringent guidelines that are posed today?

MAXEY: Absolutely. Any dentist who comes from out of state into Texas has to meet all requirements the State of Texas requires. That is current law. We don't change that at all. This only says the dentist from out of state does not have to practice out of state for five years. If they have the credentials, they take the test in Texas, they're licensed in Texas, they do everything in Texas they have to do to make the qualifications of a Texas dentist.

FLORES: And, also, Mr. Maxey, is it the intent of this legislation to try to increase the number of dentists who are out there so we can have more Medicaid providers out there?

MAXEY: Absolutely. We have a severe shortage of dentists and providers because Medicaid. . . to get dentists, dental assistants, dental hygienists, all giving more access to care in the state.

FLORES: And, also, I think this is very important, members, please bear with me, this is my last question. In this legislation, is it the intent of this bill to disrupt any existing doctor-patient-dentist relationship?

MAXEY: Absolutely not.

REMARKS ORDERED PRINTED

Representative Flores moved to print remarks by Representative Flores and Representative Maxey.

The motion prevailed without objection.

CSHB 3507, as amended, was passed to engrossment. (F.Brown, Chisum, Flores, Junell, and Oliveira recorded voting no)

CSHB 370 ON SECOND READING
(by Hinojosa)

CSHB 370, A bill to be entitled An Act relating to the fees imposed by certain counties for the preservation, restoration, and management of certain county records.

CSHB 370 was passed to engrossment. (Talton recorded voting no)

CSHB 1005 ON SECOND READING
(by Naishtat, et al.)

CSHB 1005, A bill to be entitled An Act relating to the creation of a state program of temporary assistance and related support services for needy persons.

CSHB 1005 was passed to engrossment. (Berman, B.Brown, and Delisi recorded voting no)

CSHB 1056 ON SECOND READING
(by Gallego)

CSHB 1056, A bill to be entitled An Act relating to the composition of the general investigating committee of the house of representatives and to certain records of a legislative general investigating committee.

CSHB 1056 was passed to engrossment.

HB 1234 ON SECOND READING
(by Naishtat and E. Reyna)

HB 1234, A bill to be entitled An Act relating to the presence of certain advocates during forensic medical examinations of alleged victims of sexual assaults.

Amendment No. 1

Representative Naishtat offered the following amendment to **HB 1234**:

Amend **HB 1234** as follows:

(1) On page 1, line 7, between "ADVOCATE" and "DURING", insert "OR OTHER REPRESENTATIVE".

(2) On page 2, between lines 6 and 7, insert the following subsection:

(f) If a person alleging to have sustained injuries as the victim of a sexual assault was confined in a penal institution, as defined by Section 1.07, Penal Code, at the time of the alleged assault, the penal institution shall provide, at the person's request, a representative to be present with the person at any forensic medical examination conducted for the purpose of collecting and preserving evidence related to the investigation or prosecution of the alleged assault. The representative may only provide the injured person with counseling and other support services and with information regarding the rights of crime victims under Article 56.02 and may not delay or otherwise impede the screening or stabilization of an emergency medical condition. The

representative must be approved by the penal institution and must be a:

(1) psychologist;

(2) sociologist;

(3) chaplain;

(4) case manager; or

(5) volunteer who has completed a sexual assault training program described by Section 420.011(b), Government Code.

Amendment No. 1 was adopted without objection.

HB 1234, as amended, was passed to engrossment.

CSHB 1856 ON SECOND READING
(by Danburg and Madden)

CSHB 1856, A bill to be entitled An Act relating to the use of certain voting systems.

CSHB 1856 was passed to engrossment.

CSSB 1380 ON SECOND READING
(Allen - House Sponsor)

CSSB 1380, A bill to be entitled An Act relating to the administration and application of the sex offender registration program and to other requirements imposed on persons by the sex offender registration program.

CSSB 1380 was considered in lieu of **HB 2113**.

Amendment No. 1

Representative Noriega offered the following amendment to **CSSB 1380**:

Amend **CSSB 1380** by adding appropriately numbered SECTIONS to read as follows and renumbering existing SECTIONS accordingly:

SECTION _____. Article 62.045(b), Code of Criminal Procedure, is amended to read as follows:

(b) The department shall provide the notice in English and Spanish and shall include in the notice any information that is public information under this chapter. The department may not include any information that is not public information under this chapter.

SECTION _____. Article 62.0451(b), Code of Criminal Procedure, is amended to read as follows:

(b) The department shall provide the notice in English and Spanish and shall include in the notice any information that is public information under this chapter. The department may not include any information that is not public information under this chapter.

Amendment No. 1 was adopted without objection.

CSSB 1380, as amended, was passed to third reading.

HB 2113 - LAID ON THE TABLE SUBJECT TO CALL

Representative Allen moved to lay **HB 2113** on the table subject to call.

The motion prevailed without objection.

CSHB 2313 ON SECOND READING
(by Bosse)

CSHB 2313, A bill to be entitled An Act relating to the disposing of abandoned motor vehicles.

Amendment No. 1

Representative Bosse offered the following amendment to **CSHB 2313**:

Amend **CSHB 2313**, on page 1 of the bill, by striking lines 7 and 8 and substituting "that is at least 15 years old and is of a condition only to be demolished, wrecked, or dismantled."

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representative Bosse offered the following amendment to **CSHB 2313**:

Amend **CSHB 2313** as follows:

(1) On page 1, strike lines 18 and 19 and substitute "has or will be submitted to the department or a law enforcement agency for the disposal of an abandoned nuisance vehicle".

(2) Strike SECTION 4 of the bill and renumber subsequent SECTIONS accordingly.

Amendment No. 2 was adopted without objection.

CSHB 2313, as amended, was passed to engrossment.

HB 3303 ON SECOND READING
(by Counts)

HB 3303, A bill to be entitled An Act relating to the service area of the Vernon Regional Junior College District.

HB 3303 was passed to engrossment.

CSHB 2649 ON SECOND READING
(by Capelo)

CSHB 2649, A bill to be entitled An Act relating to prohibiting the Texas Natural Resource Conservation Commission from imposing controls more stringent than federal controls on motor fuel content.

Amendment No. 1

Representative Capelo offered the following amendment to **CSHB 2649**:

Amend **CSHB 2649** as follows:

1. Amend SECTION 2 by striking Section 382.037(g), Health and Safety Code, and substituting in lieu thereof the following new Section 382.037(g), Health and Safety Code, to read as follows:

g) The commission may not establish, before January 1, 2004, vehicle fuel content standards to provide for vehicle fuel content for clean motor vehicle fuels for any area of the state that are more stringent or restrictive [~~other~~] than those standards promulgated by the United States Environmental

Protection Agency applicable to that area, except for the fuel described in Subsection (h), unless the fuel is specifically authorized by the legislature [or unless it is demonstrated to be necessary for the attainment of federal ozone ambient air quality standards or, following appropriate health studies and in consultation with the Texas Department of Health, it is determined to be necessary for the protection of public health].

Amendment No. 1 was adopted without objection.

CSHB 2649, as amended, was passed to engrossment. (Burnam recorded voting no)

CSHB 2503 ON SECOND READING
(by Homer)

CSHB 2503, A bill to be entitled An Act relating to a career development center's assessment of the job skills of certain persons.

Amendment No. 1

Representative Homer offered the following amendment to **CSHB 2503**:

AMEND **CSHB 2503** on page 1, by deleting subsection (c) lines 20 through 24 and page 2, line 1 and replacing it with a new paragraph (c) and on page 2 line 5 by deleting the sentence beginning with "If" and deleting lines 6 through 8

~~(c) A career development center shall use the WorkKeys assessment test developed by the American College Testing program or another equivalent assessment test to assess a person's job skills. A center that uses the WorkKeys assessment test shall become licensed as a WorkKeys service center or contract with a licensed WorkKeys service center to administer the test.~~

(c) The local workforce development boards shall ensure that any assessment tests utilized shall be used as counseling tools. Because a single assessment test provides only partial information about future job performance, the centers shall also examine the profile of the targeted recipient of public assistance in determining the appropriate referral and job placement. Each local workforce development board shall ensure that the assessment tools utilized result in no adverse impact for the individual being tested.

(d) A local workforce development board may apply for, receive, and use state and federal funds to administer job skills assessment tests through career development centers in the local workforce development area. If those funds are insufficient to pay the cost of the assessment tests, a career development center may charge a fee to an employer to whom the center refers a person for an interview or job placement for administering the test.

Amendment No. 1 was adopted without objection.

CSHB 2503, as amended, was passed to engrossment.

CSHB 2510 ON SECOND READING
(by Chavez, D. Jones, P. Moreno, Haggerty, Noriega, et al.)

CSHB 2510, A bill to be entitled An Act relating to the establishment of a diabetes research center at a regional academic health center of the Texas Tech University Health Sciences Center.

CSHB 2510 was passed to engrossment.

CSSB 179 ON SECOND READING
(Hupp - House Sponsor)

CSSB 179, A bill to be entitled An Act relating to exempting military personnel and their dependents from the testing requirements of the Texas Academic Skills Program and from other similar testing requirements.

CSSB 179 was considered in lieu of **HB 439**.

Amendment No. 1

Representative Deshotel offered the following amendment to **CSSB 179**:

Amend **CSSB 179** by adding an appropriately numbered SECTION to read as follows and by renumbering existing SECTIONS accordingly:

SECTION __. Section 51.306, Education Code, is amended by amending Subsection (t) and adding Subsection (t-1) to read as follows:

(t) A student is exempt from this section if the student graduated from a public or an accredited private high school in this state or outside this state at least 10 years before the date of the student's enrollment at an institution of higher education. The student may voluntarily take the test required of other students by Subsection (b). Unless the student's test results indicate that developmental education is not necessary or the student is otherwise exempt under this section, the institution shall require the student to successfully complete developmental courses or other developmental programs as described by Subsection (f) but may not require the student on successful completion of those courses or programs to take the test required by this section.

(t-1) An institution may exempt a non-degree-seeking or non-certificate-seeking student who is not otherwise exempt under this section and who will be 55 years of age or older on the first class day of a term or semester from the testing requirements imposed by this section as a condition for enrollment at the institution ~~[during that term or semester in a course]~~.

Amendment No. 1 was adopted without objection.

CSSB 179, as amended, was passed to third reading.

HB 439 - LAID ON THE TABLE SUBJECT TO CALL

Representative Hupp moved to lay **HB 439** on the table subject to call.

The motion prevailed without objection.

HB 2553 ON SECOND READING
(by Uher)

HB 2553, A bill to be entitled An Act relating to repayment assistance for certain law school loans of attorneys employed by district or county attorney's offices in rural counties.

Amendment No. 1

Representative Uher offered the following amendment to **HB 2553**:

Amend **HB 2553** as follows:

(1) On page 1, lines 23-24, strike "the district or county attorney's office" and substitute "a district or county attorney's office".

(2) Strike page 2, line 21, through page 3, line 11, and substitute the following:

(c) Except as provided by Subsection (d), the agreement must provide that the repayment assistance the person receives before the person has been employed for five years as required by the agreement constitutes a loan that must be repaid unless the person completes the five years of employment and satisfies any other applicable conditions of the agreement.

(d) The agreement must provide that the person is required to repay the amount of repayment assistance received, plus applicable interest and reasonable collection costs, if, before the person has been employed for five years as required by the agreement, the person's employment is terminated for a reason related to the person's job performance or the person voluntarily terminates employment. The agreement must provide that the person is not required to repay the amount of repayment assistance received if, before the person has been employed for five years, the person's employment is terminated for a reason that is not related to the person's job performance. The agreement must also provide that a person whose employment is terminated for a reason not related to the person's job performance is not eligible for additional repayment assistance unless the person is subsequently employed as an attorney by a district or county attorney's office that serves a rural county not later than the 91st day after the person's previous employment was terminated, and the person is not eligible for repayment assistance during the period between the date the person's previous employment was terminated and the date the person's subsequent employment begins.

(e) The agreement must require the person to sign a promissory note acknowledging the conditional nature of the repayment assistance received and promising to repay the amount of that assistance received as provided by Subsection (d), plus applicable interest and reasonable collection costs, if the person does not satisfy the applicable conditions. The board shall determine the terms of the promissory note. To the extent practicable, the terms must be the same as those applicable to state or federally guaranteed student loans made at the same time. All amounts collected in repayment of a loan under this section, including interest, but excluding collection costs paid by the board to another person to collect or assist in collecting the amount, shall be deposited to the credit of the trust fund established by Section 61.958.

(3) On page 3, line 22, strike "the third 12-month period" and substitute "the third, fourth, and fifth 12-month periods".

Representative Dutton raised a point of order against further consideration of **HB 2553** under Rule 4, Section 32(c)(10) of the House Rules on the grounds that the witness list indicated that the witness testified at 4 p.m. when the minutes indicate that the committee hearing did not convene until 4:05 p.m.

The point of order was withdrawn.

Amendment No. 1 was adopted without objection.

LEAVES OF ABSENCE GRANTED

The following members were granted leaves of absence for the remainder of today to attend a meeting of the conference committee on **SB 1**:

Junell on motion of Hinojosa.

Coleman on motion of Hinojosa.

HB 2553 - (consideration continued)

A record vote was requested.

HB 2553, as amended, failed to pass to engrossment by (Record 268): 47 Yeas, 90 Nays, 2 Present, not voting.

Yeas — Bosse; Brown, F.; Capelo; Chavez; Chisum; Cook; Counts; Danburg; Davis, J.; Dukes; Edwards; Ehrhardt; Ellis; Farabee; Flores; Geren; Glaze; Gray; Gutierrez; Hardcastle; Hartnett; Hawley; Hinojosa; Isett; Kitchen; Kolkhorst; Luna; Martinez Fischer; McReynolds; Menendez; Morrison; Naishtat; Oliveira; Pickett; Pitts; Rangel; Raymond; Reyna, A.; Salinas; Solis; Telford; Turner, B.; Uher; Walker; West; Yarbrough; Zbranek.

Nays — Allen; Averitt; Berman; Bonnen; Brimer; Brown, B.; Burnam; Callegari; Carter; Christian; Clark; Corte; Crabb; Craddick; Crownover; Davis, Y.; Denny; Deshotel; Driver; Dunnam; Dutton; Eiland; Elkins; Farrar; Gallego; Garcia; George; Giddings; Goodman; Green; Grusendorf; Haggerty; Hamric; Heflin; Hilderbran; Hill; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hunter; Hupp; Jones, D.; Jones, E.; Keel; Keffer; King, P.; King, T.; Krusee; Kuempel; Lewis, G.; Lewis, R.; Longoria; Madden; Marchant; Maxey; McCall; McClendon; Merritt; Miller; Moreno, J.; Moreno, P.; Mowery; Najera; Nixon; Noriega; Olivo; Puente; Ramsay; Reyna, E.; Ritter; Seaman; Shields; Smith; Solomons; Swinford; Talton; Thompson; Truitt; Turner, S.; Uresti; Villarreal; Williams; Wilson; Wise; Wohlgemuth; Wolens; Woolley.

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

Absent, Excused — Hilbert; Janek; Sadler; Smithee.

Absent, Excused, Committee Meeting — Coleman; Junell.

Absent — Alexander; Bailey; Delisi; Jones, J.; Tillery.

STATEMENT OF VOTE

When Record No. 268 was taken, I was in the house but away from my desk. I would have voted no.

Delisi

HB 2553 - REASON FOR VOTE

I support **HB 2553** by Representative Uher. I changed my vote to no on the bill so that, under the rules of the house, I would be recognized on a motion to reconsider.

Gallego

POSTPONED BUSINESS

The following bill was laid before the house as postponed business:

SB 15 ON SECOND READING (Danburg - House Sponsor)

SB 15, A bill to be entitled An Act relating to excepting certain information maintained by family violence shelter centers and sexual assault programs from disclosure under the public information law.

SB 15 was read second time earlier today and was postponed until this time.

(Speaker in the chair)

SB 15 was passed to third reading.

PROVIDING FOR A CONGRATULATORY AND MEMORIAL CALENDAR

Representative Edwards moved to set a congratulatory and memorial calendar for 8:30 a.m. instead of 10 a.m. Saturday, May 5.

The motion prevailed without objection.

PROVIDING FOR A LOCAL, CONSENT, AND RESOLUTIONS CALENDAR

Representative Y. Davis moved to set a local, consent, and resolutions calendar for 8:30 a.m. instead of 10 a.m. Saturday, May 5.

The motion prevailed without objection.

RULES SUSPENDED

Representative Carter moved to suspend the 5-day posting rule to allow the Committee on Urban Affairs to consider **SJR 50** and **SB 1760** at today's meeting, upon adjournment, in E1.014.

The motion prevailed without objection.

Representative Naishtat moved to suspend the 5-day posting rule to allow the Committee on Human Services to consider **SB 962** and **SB 1245** at the posted meeting time.

The motion prevailed without objection.

Representative Counts moved to suspend the 5-day posting rule to allow the Committee on Natural Resources to consider **HCR 270** and **HB 3698**.

The motion prevailed without objection.

COMMITTEE MEETING ANNOUNCEMENTS

The following committee meetings were announced:

Criminal Jurisprudence, upon adjournment today, Desk 12, for a formal meeting, to consider pending bills.

Land and Resource Management, upon adjournment today, Desk 107, for a formal meeting, to consider pending business.

Higher Education, upon adjournment today, Desk 118, for a formal meeting, to consider **SB 572**.

Energy Resources, upon adjournment today, Desk 4, for a formal meeting, to consider pending business.

Local and Consent Calendars, 8 a.m. tomorrow, E2.024, for a formal meeting.

ADJOURNMENT

Representative McReynolds moved that the house adjourn until 10 a.m. tomorrow.

The motion prevailed without objection.

The house accordingly, at 6:54 p.m., adjourned until 10 a.m. tomorrow.

ADDENDUM

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 265 (By Walker), Designating Balmorhea as the "Oasis of West Texas."

To State, Federal & International Relations.

HCR 270 (By Chisum), Directing the Panhandle Regional Water Planning Group to examine the Sweetwater Creek Reservoir site, and encouraging the Texas Water Development Board to make money available to fund the study.

To Natural Resources.

HCR 271 (By Oliveira), Encouraging school districts to develop and implement dual language bilingual programs.

To Public Education.

HCR 272 (By Ramsay), Honoring the educators of the Mount Vernon Independent School District for their outstanding service.

To Rules & Resolutions.

HR 901 (By Tillery), Honoring Dr. Leslie Green on his retirement from the Garland ISD.

To Rules & Resolutions.

HR 916 (By E. Jones), Recognizing May 21, 2001, as Ferdinand Jacob Lindheimer Day in the State of Texas.

To Rules & Resolutions.

HR 917 (By Hardcastle), Honoring the 150th anniversary of Fort Belknap on June 23, 2001.

To Rules & Resolutions.

HR 918 (By Hopson), Honoring the marriage of Lisa Hopson Cohen and Anthony Lee Harris on July 14, 2001.

To Rules & Resolutions.

HR 919 (By Goodman), Congratulating Joshua D. Stewart of Arlington.

To Rules & Resolutions.

HR 920 (By Gray), Honoring Sharon Denise Conlee on her retirement from the Texas City Independent School District.

To Rules & Resolutions.

HR 921 (By Hilderbran), In memory of Charles Schreiner III of Mountain Home.

To Rules & Resolutions.

HR 923 (By Gallego), In memory of Juliana Bermudez Chavez of Alpine.

To Rules & Resolutions.

HR 924 (By Krusee), Honoring John and Joan Figlan of Austin on their 50th wedding anniversary.

To Rules & Resolutions.

HR 925 (By J. Jones), In memory of Minnie Ruth White Bouldin of Dallas.

To Rules & Resolutions.

SB 382 to Urban Affairs.

SB 512 to Public Education.

SB 819 to Public Safety.

SB 910 to Land & Resource Management.

SB 980 to Land & Resource Management.

SB 986 to Ways & Means.

SB 1114 to Ways & Means.

SB 1224 to Public Safety.

SB 1330 to Natural Resources.

SB 1514 to Business & Industry.

SB 1545 to Pensions & Investments.

SB 1575 to Transportation.

SB 1615 to State Affairs.

SB 1626 to Higher Education.

SB 1653 to Insurance.

SB 1689 to Ways & Means.

SB 1728 to Public Education.

SB 1788 to Transportation.

SB 1799 to State, Federal & International Relations.

SB 1815 to State, Federal & International Relations.

SB 1825 to Energy Resources.

SIGNED BY THE SPEAKER

The following bills and resolutions were today signed in the presence of the house by the speaker:

House List No. 41

HB 82, HB 536, HB 538, HB 630, HB 666, HB 906, HB 1179, HCR 20, HCR 22, HCR 23, HCR 53, HCR 69, HCR 70, HCR 170, HCR 173, HCR 266

House List No. 43

HB 360, HB 372, HB 440, HB 453, HB 537, HB 642, HB 675, HB 924, HB 957, HB 1083, HB 1130, HB 1664, HCR 14, HCR 15, HCR 16, HCR 17, HCR 18, HCR 19, HCR 21, HCR 24, HCR 25, HCR 26, HCR 27, HCR 28, HCR 51, HCR 52, HCR 54, HCR 55, HCR 56, HCR 57, HCR 58, HCR 60, HCR 61, HCR 62, HCR 63, HCR 64, HCR 65, HCR 66, HCR 67, HCR 68, HCR 71, HCR 72, HCR 73, HCR 146, HCR 147, HCR 148, HCR 149, HCR 150, HCR 153, HCR 154, HCR 155, HCR 156, HCR 157, HCR 158, HCR 159, HCR 160, HCR 162, HCR 163, HCR 165, HCR 168, HCR 169, HCR 171, HCR 172, HCR 253

Senate List No. 20

SB 84, SB 361, SB 399, SB 743, SB 817

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

Wednesday, May 2, 2001

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 PASSED THE FOLLOWING MEASURES:

SB 344 Bivins

Relating to the rates of the gas and oil severance taxes.

SB 1100 Moncrief

Relating to the establishment and operation of pilot centers for the advancement of quality in long-term care.

SB 1160 Truan

Relating to the location of new veterans homes.

SB 1377 Armbrister

Relating to the authority of the state auditor to review the use of money collected as court costs.

SB 1413 Lindsay

Relating to the limit on compensation paid by the state to certain crime victims.

SB 1432 West, Royce

Relating to truancy and the authority of justice and municipal courts in relation to children; providing criminal penalties.

SB 1467 Moncrief

Relating to coverage for tests for the detection of colorectal cancer under certain health benefit plans.

SB 1485 Carona

Relating to state financing of the development and production of Texas biotechnological and biomedical products and small businesses; providing for the issuance of bonds.

SB 1520 Lucio

Relating to the fee collected for the registration of vehicles in certain counties.

SB 1564 Duncan

Relating to the funding of emergency medical services by municipalities with a population of 5,000 or more in counties with a population of less than 60,000.

SB 1569 West, Royce

Relating to the Judicial Retirement System of Texas Plan One and the Judicial Retirement System of Texas Plan Two.

SB 1581 West, Royce

Relating to certain practices in connection with a home loan.

SB 1654 Bernsen

Relating to the provision of defense counsel to insureds by liability insurers; providing a civil penalty.

SB 1797 Carona

Relating to an exemption from the licensure provisions of The Texas Engineering Practice Act for certain research or instructional work.

SJR 49 Armbrister

Proposing a constitutional amendment to promote uniformity in the collection, deposit, reporting, and remitting of civil and criminal fees.

Respectfully,

Betty King
Secretary of the Senate

Message No. 2

MESSAGE FROM THE SENATE
SENATE CHAMBER

Austin, Texas

Wednesday, May 2, 2001 - 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 PASSED THE FOLLOWING MEASURES:

SCR 50 Zaffirini

Encouraging school districts to develop and implement dual language bilingual programs.

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

SB 693 (viva-voce vote)

Respectfully,

Betty King
Secretary of the Senate

Message No. 3

MESSAGE FROM THE SENATE
SENATE CHAMBER

Austin, Texas

Wednesday, May 2, 2001 - 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 PASSED THE FOLLOWING MEASURES:

SB 101 Nelson
Relating to an evaluation of required copayments from recipients of medical assistance through managed care.

SB 579 Van de Putte
Relating to procedures and standards for providing health care services in public schools.

SB 929 Bernsen
Relating to a restriction on the financing of multifamily residential developments by housing authorities and housing finance corporations.

SB 1173 Wentworth
Relating to authorizing the issuance of not more than \$9 million in revenue bonds for the benefit of the Fleet Admiral Chester W. Nimitz Memorial Naval Museum.

SB 1246 Gallegos
Relating to the establishment of a community health center revolving loan fund program.

SB 1488 Haywood
Relating to performance expectations and compensation systems for state employees.

SB 1571 Nelson
Relating to standard physician contract forms for use in managed care plans.

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

SB 247 (viva-voce vote)

SB 365 (viva-voce vote)

SB 522 (viva-voce vote)

SB 523 (viva-voce vote)

SB 862 (viva-voce vote)

SB 1171 (29 Yeas, 0 Nays and 1 Present Not Voting)

Respectfully,

Betty King
Secretary of the Senate

APPENDIX

STANDING COMMITTEE REPORTS

Favorable reports have been filed by committees as follows:

May 1

Civil Practices - **HB 3152, HCR 242, SB 486, SB 1319, SB 1419**

Criminal Jurisprudence - **HB 2798, SB 610, SB 753, SB 1126**
Economic Development - **HB 1931, HB 3452, HCR 249**
Elections - **SB 1023**
Energy Resources - **SCR 34**
Insurance - **HB 956, HB 1865, HB 2100, SB 1143**
Judicial Affairs - **HB 485, HB 2106, HB 2322, HB 3171, HB 3666, HB 3696, SB 960, SB 1094, SB 1113, SB 1433, SB 1640**
Land & Resource Management - **HCR 102, SB 517**
Natural Resources - **HB 3693**
Pensions & Investments - **HB 3434**
Public Health - **HB 393, HB 398, HB 455, HB 964, HB 1463, HB 1497, HB 1887, HB 2729, HB 3600, HCR 235, SB 261, SB 280, SB 282, SB 424, SB 558, SB 643, SB 684, SB 766, SB 1300**
State Affairs - **HB 1872, HB 2778**
State, Federal & International Relations - **HCR 245, HCR 256, SB 939**
Transportation - **HB 3433**
Urban Affairs - **HB 2706, SB 379, SB 782**
Ways & Means - **HB 1447, HB 2076, HB 3001, HB 3005, HB 3391, HJR 44, SB 1095**

ENGROSSED

May 1 - HB 915, HB 1006, HB 1187, HB 1599, HB 1697, HB 1869, HB 1902, HB 2029, HB 2071, HB 2087, HB 2111, HB 2114, HB 2153, HB 2184, HB 2243, HB 2250, HB 2301, HB 2331, HB 2336, HB 2409, HB 2475, HB 2477, HB 2543, HB 2677, HB 2769, HB 2810, HB 2811, HB 2852, HB 3067, HB 3185, HB 3312, HB 3333, HB 3343, HB 3351, HB 3458, HB 3558, HB 3572, HB 3590, HB 3603, HB 3671, HJR 2, HJR 85

ENROLLED

May 1 - HCR 252, HCR 259, HCR 261

SENT TO THE GOVERNOR

May 1 - HCR 252, HCR 259, HCR 261

RECOMMENDATIONS FILED WITH THE SPEAKER

May 1 - HB 3665, HB 3670, HB 3679

SIGNED BY THE GOVERNOR

May 1 - HB 121

