

HOUSE JOURNAL

SEVENTY-EIGHTH LEGISLATURE, REGULAR SESSION

PROCEEDINGS

SEVENTY-NINTH DAY — TUESDAY, MAY 27, 2003

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

The roll of the house was called and a quorum was announced present (Record 747).

Present — Mr. Speaker; Allen; Alonzo; Bailey; Baxter; Berman; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Burnam; Callegari; Campbell; Canales; Capelo; Casteel; Castro; Chavez; Chisum; Christian; Coleman; Cook, B.; Cook, R.; Corte; Crabb; Crownover; Davis, J.; Davis, Y.; Dawson; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Eiland; Eissler; Elkins; Ellis; Escobar; Farabee; Farrar; Flores; Flynn; Gallego; Garza; Gattis; Geren; Giddings; Goodman; Goolsby; Griggs; Grusendorf; Guillen; Gutierrez; Haggerty; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Heflin; Hegar; Hilderbran; Hill; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hughes; Hunter; Hupp; Isett; Jones, D.; Jones, E.; Jones, J.; Keel; Keffer, B.; Keffer, J.; King; Kolkhorst; Krusee; Kuempel; Laney; Laubenberg; Lewis; Luna; Mabry; Madden; Marchant; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Mercer; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Nixon; Noriega; Oliveira; Olivo; Paxton; Peña; Phillips; Pickett; Pitts; Puente; Quintanilla; Raymond; Reyna; Riddle; Ritter; Rodriguez; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solis; Solomons; Stick; Swinford; Talton; Taylor; Telford; Truitt; Turner; Uresti; Van Arsdale; Villarreal; West; Wilson; Wise; Wohlgemuth; Wolens; Wong; Woolley; Zedler.

Absent — Thompson.

The invocation was offered by Dr. Ed Young, pastor, Second Baptist Church, Houston, as follows:

Heavenly Father, we thank you for the great State of Texas and for these men and women who have been elected to serve their constituency in the house of representatives for such a time as this. Theirs is a tremendous responsibility, Father. Please give them your wisdom and discernment as they make decisions and vote on issues that will affect us, our children, and future generations of Texans.

We know that on a clear day, Lord, you enable us to see forever. May these assembled in this historic place look beyond partisan politics and have the clarity to see forever. Help them not to do that which is expedient, but that which is good and best.

Father, we ask your blessings on our governor, lieutenant governor, all who serve us in Austin and in Washington, as well as their staffs who support them. Please protect these and their families as they make the personal sacrifice of public service.

And now, bless this session, Father. As these servant leaders conduct the affairs of our state, may they be aware of your presence and interest in all that is said and done. We pray in the name of our Lord and Savior, Jesus Christ. Amen.

CAPITOL PHYSICIAN

The speaker pro tempore recognized Representative Farabee who presented Dr. Dale Moquist of Wichita Falls as the "Doctor for the Day."

The house welcomed Dr. Moquist 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).

HR 1183 - ADOPTED (by Hupp)

Representative Hupp moved to suspend all necessary rules to take up and consider at this time **HR 1183**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1183, Recognizing May 24, 2003, as Boerne Area Christian Homeschool Day and congratulating the school's 2003 graduating class.

HR 1183 was adopted without objection.

INTRODUCTION OF GUESTS

The chair recognized Representatives Hupp and Casteel who introduced students of the Boerne Area Christian Homeschool.

HCR 266 - ADOPTED (by Homer)

Representative Homer moved to suspend all necessary rules to take up and consider at this time **HCR 266**.

The motion prevailed without objection.

The following resolution was laid before the house:

HCR 266, In memory of Donald R. Lewis, M.D., of Paris, Texas.

HCR 266 was unanimously adopted by a rising vote.

HR 1509 - ADOPTED
(by Naishtat)

Representative Naishtat moved to suspend all necessary rules to take up and consider at this time **HR 1509**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1509, Congratulating Humboldt Mandell for his contributions to NASA.

HR 1509 was adopted without objection.

HR 1510 - ADOPTED
(by Naishtat)

Representative Naishtat moved to suspend all necessary rules to take up and consider at this time **HR 1510**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1510, Commending the members of the Sunday school class at David Chapel Baptist Church in Austin on their efforts to combat sickle cell anemia.

HR 1510 was adopted without objection.

HR 1511 - ADOPTED
(by Naishtat)

Representative Naishtat moved to suspend all necessary rules to take up and consider at this time **HR 1511**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1511, Honoring Rose Lancaster of Austin for her contributions to the community.

HR 1511 was adopted without objection.

HCR 264 - ADOPTED
(by Naishtat)

Representative Naishtat moved to suspend all necessary rules to take up and consider at this time **HCR 264**.

The motion prevailed without objection.

The following resolution was laid before the house:

HCR 264, Designating the Texas Music Museum the official music museum of the State of Texas.

HCR 264 was adopted without objection.

HR 1533 - ADOPTED
(by Wong)

Representative Wong moved to suspend all necessary rules to take up and consider at this time **HR 1533**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1533, Honoring Howard Fredrick Linn for his enduring service to the Boy Scouts of America.

HR 1533 was adopted without objection.

INTRODUCTION OF GUESTS

The chair recognized Representative Wong who introduced Howard Fredrick Linn and his family.

SCR 57 - ADOPTED
(Smithee - House Sponsor)

Representative Smithee moved to suspend all necessary rules to take up and consider at this time **SCR 57**.

The motion prevailed without objection.

The following resolution was laid before the house:

SCR 57, Extending sincere condolences to the bereaved family of Stanley Allen Wiley.

SCR 57 was unanimously adopted by a rising vote.

HR 1433 - ADOPTED
(by Kolkhorst)

Representative Kolkhorst moved to suspend all necessary rules to take up and consider at this time **HR 1433**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1433, Commending the Sheriff's Association of Texas for creating the Texas Peacemaker Award.

HR 1433 was adopted without objection.

INTRODUCTION OF GUESTS

The chair recognized Representatives Kolkhorst and R. Cook who introduced Joe Goodson, creator of the Texas Peacemaker Award, and his wife.

HR 1534 - ADOPTED
(by Stick)

Representative Stick moved to suspend all necessary rules to take up and consider at this time **HR 1534**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1534, Honoring five members of Girl Scout Senior Troop 539 in Austin on receiving the Girl Scout Gold Award.

HR 1534 was adopted without objection.

(Thompson now present)

INTRODUCTION OF GUESTS

The chair recognized Representative Uresti who introduced the family of Pablo Navarro.

HR 1476 - ADOPTED

(by B. Brown)

Representative B. Brown moved to suspend all necessary rules to take up and consider at this time **HR 1476**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1476, Congratulating Maggie Blue Hutchins and Adam Martin Wagner of San Marcos on their recent engagement.

HR 1476 was adopted without objection.

HR 1594 - ADOPTED

(by Y. Davis)

Representative Y. Davis moved to suspend all necessary rules to take up and consider at this time **HR 1594**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1594, Honoring Tim Brown for his athletic achievements and charitable endeavors.

HR 1594 was adopted without objection.

On motion of Representative Hodge, the names of all the members of the house were added to **HR 1594** as signers thereof.

INTRODUCTION OF GUESTS

The chair recognized Representative Y. Davis who introduced Tim Brown and his family.

HR 1032 - ADOPTED

(by Harper-Brown)

Representative Harper-Brown moved to suspend all necessary rules to take up and consider at this time **HR 1032**.

The motion prevailed without objection.

The following resolution was laid before the house:

HR 1032, Honoring the life of Charles P. Schulze, Jr., of Irving.

HR 1032 was unanimously adopted by a rising vote.

On motion of Representative Hodge, the names of all the members of the house were added to **HR 1032** as signers thereof.

INTRODUCTION OF GUESTS

The chair recognized Representative Harper-Brown who introduced representatives from the City of Irving.

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. 48).

LEAVE OF ABSENCE GRANTED

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

Escobar on motion of P. Moreno.

HR 1484 - ADOPTED (by Capelo)

The following privileged resolution was laid before the house:

HR 1484

BE IT RESOLVED by the House of Representatives of the State of Texas, 78th Legislature, Regular Session, 2003, That House Rule 13, Section 9(a), be suspended in part as provided by House Rule 13, Section 9(f), to enable the conference committee appointed to resolve the differences on **SB 880**, relating to the time allowed for disposition of certain charges regarding a violation of parole or other forms of release from prison, to consider and take action on the following matter:

House Rule 13, Section 9(a)(1), is suspended to permit the committee to change text that is not in disagreement by substituting "41st" for "31st" in two places in Section 508.282(a), Government Code, to read as follows:

(a) Except as provided by Subsection (b), a parole panel, a designee of the board, or the department shall dispose of the charges against an inmate or person described by Section 508.281(a):

(1) before the 41st ~~61st~~ day after the date on which:

(A) a warrant issued as provided by Section 508.251 is executed, if the inmate or person is arrested only on a charge that the inmate or person has committed an administrative violation of a condition of release, and the inmate or person is not charged before the 41st ~~61st~~ day with the commission of an offense described by Section 508.281(2)(B); or

(B) the sheriff having custody of an inmate or person alleged to have committed an offense after release notifies the department that:

(i) the inmate or person has discharged the sentence for the offense; or

(ii) the prosecution of the alleged offense has been dismissed by the attorney representing the state in the manner provided by Article 32.02, Code of Criminal Procedure; or

(2) within a reasonable time after the date on which the inmate or person is returned to the custody of the department, if:

(A) immediately before the return the inmate or person was in custody in another state or in a federal correctional system; or

(B) the inmate or person is transferred to the custody of the department under Section 508.284.

Explanation: This change is necessary to provide adequate time for the disposition of certain charges for the violation of parole or other forms of release from prison.

HR 1484 was adopted without objection.

SB 880 - ADOPTION OF CONFERENCE COMMITTEE REPORT

Representative Capelo submitted the conference committee report on **SB 880**.

Representative Capelo moved to adopt the conference committee report on **SB 880**.

The motion prevailed without objection.

HB 1387 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS

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

HB 1387, A bill to be entitled An Act relating to the regulation of on-premise signs in certain counties.

On motion of Representative Hamric, the house concurred in the senate amendments to **HB 1387**.

Senate Committee Substitute

HB 1387, A bill to be entitled An Act relating to the regulation of on-premise signs in certain counties.

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

SECTION 1. Section 394.063, Transportation Code, is amended by adding Subsection (f) to read as follows:

(f) A commissioners court of a county regulating on-premise signs under this section may recover from an applicant for a permit authorized by this section the cost of issuing the permit.

SECTION 2. This Act takes effect September 1, 2003, and the change in law made by this Act to Section 394.063, Transportation Code, applies only to an application for an on-premise sign permit filed on or after that date.

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

Amend **CSHB 1387** by inserting the following after "permit" (page 1, line 16):

provided the following are met:

(1) The auditor for the county shall review the program every two years to ensure that the fees being charged do not exceed the cost of the program, and;

(2) The county refunds to the permit holders any revenue determined by the auditor to exceed the cost of the program.

POSTPONED BUSINESS

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

SB 1131 ON SECOND READING

(Capelo, Truitt, Zedler, and McReynolds - House Sponsors)

SB 1131, A bill to be entitled An Act relating to funding of certain emergency medical services, trauma facilities, and trauma care systems.

SB 1131 was read second time on May 26 and was postponed until 8:30 a.m. today.

Representative Capelo moved to postpone consideration of **SB 1131** until noon today.

The motion prevailed without objection.

CSSB 265 ON SECOND READING

(Grusendorf - House Sponsor)

CSSB 265, A bill to be entitled An Act relating to continuation and functions of the State Board for Educator Certification.

CSSB 265 was read second time on May 25, postponed until May 26, and was again postponed until 10 a.m. today.

Representative Grusendorf moved to postpone consideration of **CSSB 265** until noon today.

The motion prevailed without objection.

CSSB 1678 ON SECOND READING

(Allen - House Sponsor)

CSSB 1678, A bill to be entitled An Act relating to the organization and duties of the Board of Pardons and Paroles.

CSSB 1678 was read second time on May 26, amended, failed to pass to third reading, reconsidered, and was postponed until 10 a.m. today.

Amendment No. 2

Representatives Keel and Talton offered the following amendment to **CSSB 1678**:

Amend the Talton Floor Amendment to **CSSB 1678** by striking the SECTION added by the amendment and substituting the following:

SECTION _____. Section 508.032, Government Code, is amended by adding Subsections (c), (d), and (e), to read as follows:

(c) A person who is a former employee of the department may not serve on the board before the second anniversary of the date the person terminated employment with the department.

(d) At any time not more than three members of the board may be former employees of the department.

(e) For purposes of Subsections (c) and (d), previous service as a board member is not considered to be employment with the department.

Amendment No. 2 was adopted without objection.

Amendment No. 3

Representative Ellis offered the following amendment to **CSSB 1678**:

Amend **CSSB 1678** in Section 3 of the bill, in amended Section 508.034(a)(4), Government Code (House committee printing, page 2, lines 8-9), by striking ", except when the absence is excused by ~~[majority vote of]~~ the presiding officer [board]" and substituting "~~[except when the absence is excused by majority vote of the board]~~".

Amendment No. 3 was adopted without objection.

Amendment No. 4

Representatives Talton and Gallego offered the following amendment to **CSSB 1678**:

Amend **CSSB 1678** in Section 7 of the bill, in amended Subsection (a), Section 508.040, Government Code (house committee report, page 7, line 21), by striking "presiding officer" and substituting "presiding officer, with the advice and consent of a majority of the board.".

Amendment No. 4 was adopted without objection.

Amendment No. 5

Representative Ellis offered the following amendment to **CSSB 1678**:

Amend **CSSB 1678** in Section 11 of the bill, by striking amended Section 508.045(b), Government Code (House committee printing, page 11, lines 14-17), and substituting the following:

(b) The presiding officer ~~[of the board]~~ shall designate the composition of each panel, and shall designate panels composed of at least one board member and any combination of board members and parole commissioners.

Amendment No. 5 was adopted without objection.

Amendment No. 6

Representative Hodge offered the following amendment to **CSSB 1678**:

Amend **CSSB 1678** (house committee printing) as follows:

(1) Strike the last sentence of SECTION 21 (page 14, line 27 through page 15, line 2, and substitute the following:

"The governor shall appoint as new members at least three persons who:

(1) have never been employed by the Texas Department of Criminal Justice; and

(2) were serving on the Board of Pardons and Paroles on May 1, 2003 or on that date had been nominated for board membership and were awaiting confirmation.

(2) Add an appropriately numbered SECTION to read as follows:

SECTION _____. It is the intent of the legislature that members serving on the Board of Pardons and Paroles on May 1, 2003, be offered the first opportunity to be hired as parole commissioners employed under Chapter 508, Government Code, as amended by this Act.

Amendment No. 6 was adopted without objection.

Amendment No. 7

Representative Kolkhorst offered the following amendment to **CSSB 1678**:

Amend **CSSB 1678** (house committee printing), by adding an appropriately numbered SECTION to read as follows and by renumbering existing SECTIONS accordingly:

SECTION _____. Section 508.040, Government Code, is amended by adding Subsection (f) to read as follows:

(f) The presiding officer must have the approval of a majority of the members of the board before hiring an applicant for the position of parole commissioner.

Amendment No. 7 was adopted without objection.

CSSB 1678, as amended, was passed to third reading.

HCR 271 - ADOPTED

(by Eissler)

Representative Eissler moved to suspend all necessary rules to take up and consider at this time **HCR 271**.

The motion prevailed without objection.

The following resolution was laid before the house:

HCR 271, Honoring Second Lieutenant Cory Steele of The Woodlands for his service in Iraq.

HCR 271 was adopted without objection.

EMERGENCY CALENDAR

SENATE BILLS

SECOND READING

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

SB 206 ON SECOND READING
(Pitts - House Sponsor)

SB 206, A bill to be entitled An Act relating to the composition of the permanent school fund and the available school fund and to transfers from the permanent school fund to the available school fund.

Amendment No. 1

Representative Pitts offered the following amendment to **SB 206**:

Amend **SB 206** by striking the language beginning on page 6, line 24, "**HJR 66** or **SJR 13**", and substituting "**HJR 68**".

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representative Laubenberg offered the following amendment to **SB 206**:

Amend **SB 206** by inserting the following new section and renumbering the subsequent sections accordingly.

Section 1. Sections 41.0021(a) and (e), Education Code, are amended to read as follows:

(a) Notwithstanding Section 41.002, for the ~~[2001-2002, 2002-2003, and]~~ 2003-2004 and 2004-2005 and 2005-2006 school years, a school district that in the 1999-2000 school year did not offer each grade level from kindergarten through 12 may elect to have its wealth per student determined under this section.

(e) This section expires September 1, 2006 ~~[2004]~~.

Amendment No. 2 was adopted without objection.

SB 206, as amended, was passed to third reading.

CSSB 945 ON SECOND READING
(Corte - House Sponsor)

CSSB 945, A bill to be entitled An Act relating to the manner of issuance of, and use of information in an application for, a driver's license or personal identification certificate issued by the Department of Public Safety of the State of Texas.

CSSB 945 - POINT OF ORDER

Representative Mabry raised a point of order against further consideration of **CSSB 945** under Rule 6, Section 7(a) of the House Rules on the grounds that the bill was originally placed on the general state calendar and is now on the emergency calendar but is not emergency in nature.

The chair overruled the point of order.

LEAVE OF ABSENCE GRANTED

The following member was granted leave of absence for the remainder of today because of a death in the family:

Hope on motion of Hardcastle.

CSSB 945 - (consideration continued)**Amendment No. 1**

Representative Isett offered the following amendment to **CSSB 945**:

Amend **CSSB 945** (House Committee Printing) as follows:

(1) In SECTION 1 of the bill, in amended Section 521.001(a), Transportation Code, strike proposed Subdivisions (9) and (10) (page 1, lines 10-15) and substitute the following:

(9) "Biometric identification" means an automated method of identifying a person based on a physiological characteristic, including facial recognition, thumbprinting, and fingerprinting.

(10) "Biometric identifier" means a physiological characteristic, including a person's facial image, thumbprints, and fingerprints, used in biometric identification.

(2) In SECTION 4 of the bill, in proposed Section 521.058, Transportation Code, strike Subsection (a) (page 2, lines 11-14) and substitute the following:

(a) The department shall establish an identification system based on the collection of the following biometric identifiers from each applicant:

(1) facial image;

(2) thumbprints; and

(3) fingerprints.

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representatives Chavez and Castro offered the following amendment to **CSSB 945**:

Amend **CSSB 945** (House Committee Printing) as follows:

(1) In SECTION 3 of the bill, in amended Section 521.044(a), Transportation Code, between "agency" and "for" (page 2, line 7), insert "only".

(2) In SECTION 6 of the bill, in amended Section 521.142(b), Transportation Code, strike Subdivision (3) (page 3, line 12), and substitute the following:

(3) the social security number of an applicant who has been issued a social security number from the United States Social Security Administration.

Amendment No. 2 was adopted without objection.

Amendment No. 3

Representative Geren offered the following amendment to **CSSB 945**:

Amend **CSSB 945** (House Committee Printing), in SECTION 6 of the bill, as follows:

(1) Strike the introductory language (page 3, lines 5 and 6) and substitute "Subsections (a) and (b), Section 521.142, Transportation Code, are amended to read as follows:".

(2) Before amended Subsection (b) (page 3, between lines 6 and 7), insert the following:

(a) An application for an original license must state the applicant's full name and place and date of birth. This information must be verified by presentation of proof of identity satisfactory to the department. The department shall accept as proof of the applicant's identity an identity document that is issued by the government of another country if the document contains the applicant's photograph, full name, and date of birth and the government of the other country has established reasonable procedures by which the department can verify the identity document. For purposes of this section, an identity document includes a passport, a consular identity document, and a national identity document.

Amendment No. 3 was adopted without objection.

A record vote was requested.

CSSB 945, as amended, failed to pass to third reading by (Record 748): 26 Yeas, 111 Nays, 2 Present, not voting.

Yeas — Berman; Brown, B.; Callegari; Campbell; Casteel; Chavez; Chisum; Corte; Dawson; Delisi; Driver; Hartnett; Isett; Jones, E.; King; Laubenberg; Mercer; Miller; Morrison; Mowery; Pitts; Riddle; Seaman; Swinford; West; Wohlgemuth.

Nays — Allen; Alonzo; Baxter; Bohac; Bonnen; Branch; Brown, F.; Burnam; Canales; Capelo; Castro; Christian; Coleman; Cook, B.; Cook, R.; Crownover; Davis, J.; Davis, Y.; Denny; Deshotel; Dukes; Dunnam; Dutton; Edwards; Eiland; Eissler; Elkins; Ellis; Farabee; Farrar; Flores; Gallego; Garza; Gattis; Geren; Giddings; Goodman; Goolsby; Griggs; Grusendorf; Guillen; Gutierrez; Haggerty; Hamilton; Hamric; Hardcastle; Harper-Brown; Hegar; Hilderbran; Hill; Hochberg; Hodge; Homer; Hopson; Howard; Hughes; Hunter; Hupp; Jones, D.; Jones, J.; Keel; Keffer, B.; Keffer, J.; Kolkhorst; Kuempel; Laney; Lewis; Luna; Mabry; Madden; Marchant; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Merritt; Moreno, J.; Moreno, P.; Naishtat; Nixon; Noriega; Olivo; Paxton; Peña; Phillips; Pickett; Puente; Quintanilla; Raymond; Reyna; Ritter; Rodriguez; Rose; Smith, T.; Smithee; Solis; Solomons; Stick; Taylor; Telford; Thompson; Truitt; Uresti; Van Arsdale; Villarreal; Wilson; Wise; Wong; Woolley; Zedler.

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

Absent, Excused — Escobar; Hope.

Absent — Bailey; Crabb; Flynn; Heflin; Krusee; Oliveira; Smith, W.; Talton; Wolens.

STATEMENTS OF VOTE

When Record No. 748 was taken, my vote failed to register. I would have voted no.

Flynn

I was shown voting yes on Record No. 748. I intended to vote no.

Isett

When Record No. 748 was taken, I was temporarily out of the house chamber. I would have voted no.

Talton

Representative Thompson moved to reconsider the vote by which **CSSB 945** failed to pass to third reading and to table the motion to reconsider.

A record vote was requested.

The motion to table prevailed by (Record 749): 73 Yeas, 58 Nays, 3 Present, not voting.

Yeas — Alonzo; Branch; Brown, B.; Burnam; Canales; Capelo; Castro; Coleman; Crownover; Davis, J.; Davis, Y.; Dawson; Deshotel; Dukes; Dunnam; Dutton; Eiland; Elkins; Farabee; Farrar; Flores; Garza; Geren; Giddings; Goolsby; Griggs; Guillen; Gutierrez; Haggerty; Hochberg; Hodge; Homer; Hopson; Howard; Hunter; Hupp; Isett; Jones, E.; Jones, J.; Keffer, J.; Kolkhorst; Luna; Mabry; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Merritt; Moreno, J.; Moreno, P.; Naishtat; Noriega; Olivo; Peña; Pickett; Puente; Quintanilla; Raymond; Riddle; Ritter; Rodriguez; Rose; Smithee; Solis; Solomons; Telford; Thompson; Truitt; Uresti; Villarreal; Wise; Wohlgemuth.

Nays — Allen; Baxter; Berman; Bohac; Brown, F.; Callegari; Campbell; Casteel; Chavez; Chisum; Cook, B.; Cook, R.; Corte; Denny; Driver; Edwards; Eissler; Ellis; Flynn; Gallego; Gattis; Goodman; Grusendorf; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Hegar; Hilderbran; Hill; Hughes; Jones, D.; Keel; Keffer, B.; King; Kuempel; Laney; Laubenberg; Lewis; Madden; Marchant; Mercer; Miller; Morrison; Nixon; Paxton; Phillips; Reyna; Stick; Swinford; Taylor; Van Arsdale; West; Wilson; Wong; Woolley; Zedler.

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

Absent, Excused — Escobar; Hope.

Absent — Bailey; Bonnen; Christian; Crabb; Delisi; Heflin; Krusee; Oliveira; Pitts; Seaman; Smith, T.; Smith, W.; Talton; Wolens.

RECESS

Representative Deshotel moved that the house recess until 2 p.m. today.

The motion prevailed without objection.

The house accordingly, at 12:21 p.m., recessed until 2 p.m. today.

AFTERNOON SESSION

The house met at 2 p.m. and was called to order by the speaker pro tempore.

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).

HCR 270 - ADOPTED
(by Homer)

Representative Homer moved to suspend all necessary rules to take up and consider at this time **HCR 270**.

The motion prevailed without objection.

The following resolution was laid before the house:

HCR 270, Honoring Wendell Moore of Paris on his act of heroism in rescuing Lenore Gonzalez.

HCR 270 was adopted without objection.

(Speaker in the chair)

POSTPONED BUSINESS

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

SB 1131 ON SECOND READING
(Capelo, Truitt, Zedler, and McReynolds - House Sponsors)

SB 1131, A bill to be entitled An Act relating to funding of certain emergency medical services, trauma facilities, and trauma care systems.

SB 1131 was read second time on May 26, postponed until 8:30 a.m. today, and was again postponed until noon today.

Amendment No. 1

Representative Delisi offered the following amendment to **SB 1131**:

Amend **SB 1131** as follows:

- (1) On page 1, line 10, strike "an account" and substitute "a dedicated account".
- (2) On page 2, line 3, strike "\$500,000" and substitute "\$300,000".
- (3) On page 2, line 6, strike "50" and substitute "25".
- (4) On page 3, line 10, strike "20" and substitute "3".
- (5) On page 4, line 7, add "to reimburse for direct services" after "year".
- (6) On page 4, line 21, strike "27" and substitute "72".

Amendment No. 1 was adopted without objection.

Amendment No. 2

On behalf of Representative Chisum, Representative Capelo offered the following amendment to **SB 1131**:

Amend **SB 1131** as follows:

- (1) In Section 4 of the bill, between proposed Subsections (e) and (f), Article 102.0185, Code of Criminal Procedure (house committee report, page 7, between lines 12 and 13), insert the following:

(f) A municipality or county that keeps records and remits money collected under this article as required by Subsection (e) may retain:

- (1) 10 percent of the money collected to cover the municipality's or county's costs in collecting the costs under this article; and

(2) any interest earned on that money before the money is remitted to the comptroller.

(2) In Section 4 of the bill, in proposed Subsection (f), Article 102.0185, Code of Criminal Procedure (house committee report, page 7, line 13), strike "(f)" and substitute "(g)".

Amendment No. 2 was adopted without objection.

Amendment No. 3

Representative Wise offered the following amendment to **SB 1131**:

Amend **SB 1131** (house committee printing) as follows:

(1) In SECTION 1 of the bill, strike new Section 773.006(b), Health and Safety Code. (page 1, lines 13-15), and substitute:

(b) The account is composed of money deposited to the account under Article 102.0185, Code of Criminal Procedure, Section 154.603(c), Tax Code, and the earnings of the account.

(2) Insert the following appropriately numbered SECTIONS and renumber the SECTIONS of the bill accordingly:

SECTION _____. Section 154.021(b), Tax Code, is amended to read as follows:

(b) The tax rates are:

(1) \$21.00 [~~\$20.50~~] per thousand on cigarettes weighing three pounds or less per thousand; and

(2) the rate provided by Subdivision (1) plus \$2.10 per thousand on cigarettes weighing more than three pounds per thousand.

SECTION _____. Section 154.603, Tax Code, is amended to read as follows:

Sec. 154.603. DISPOSITION OF REVENUE. (a) After the deductions for the purposes provided by Section 154.602 [~~of this code~~], the revenue remaining of the first \$2 of tax received per 1,000 cigarettes for cigarettes weighing three pounds or less per thousand and the first \$4.10 per 1,000 cigarettes of the tax received for cigarettes weighing more than three pounds per thousand is allocated:

(1) 18.75 percent to the foundation school fund; and

(2) 81.25 percent to the general revenue fund.

(b) The revenue remaining after the deductions for the purposes provided by Section 154.602 [~~of this code~~] and allocation under Subsection (a) [~~of this section~~] of the first \$20.50 of tax received per 1,000 cigarettes per cigarettes weighing three pounds or less per thousand and the first \$22.60 per 1,000 cigarettes of the tax received for cigarettes weighing more than three pounds per thousand is allocated to the general revenue fund.

(c) The revenue remaining after the deductions for the purposes provided by Section 154.602 and allocation under Subsections (a) and (b) shall be deposited to the credit of the fund for emergency medical services, trauma facilities, and trauma care systems created under Section 773.006, Health and Safety Code.

(Escobar now present)

Representative Capelo moved to table Amendment No. 3.

(Chisum in the chair)

A record vote was requested.

The motion to table prevailed by (Record 750): 81 Yeas, 51 Nays, 1 Present, not voting.

Yeas — Allen; Baxter; Berman; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Campbell; Capelo; Casteel; Chisum(C); Christian; Cook, B.; Corte; Crabb; Crownover; Dawson; Delisi; Denny; Driver; Edwards; Eissler; Elkins; Farabee; Flynn; Gattis; Goodman; Griggs; Grusendorf; Haggerty; Hamric; Harper-Brown; Hartnett; Heflin; Hegar; Hilderbran; Hill; Homer; Hughes; Hunter; Hupp; Isett; Jones, D.; Jones, E.; Jones, J.; Keel; Keffer, B.; Kolkhorst; Krusee; Kuempel; Laney; Laubenberg; Madden; Marchant; McCall; Merritt; Mowery; Nixon; Paxton; Phillips; Pitts; Reyna; Riddle; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solomons; Stick; Swinford; Talton; Taylor; Telford; Truitt; Turner; Van Arsdale; Wong; Woolley; Zedler.

Nays — Alonzo; Bailey; Burnam; Canales; Castro; Chavez; Coleman; Cook, R.; Davis, J.; Davis, Y.; Dunnam; Dutton; Eiland; Ellis; Escobar; Farrar; Gallego; Garza; Giddings; Guillen; Gutierrez; Hamilton; Hardcastle; Hochberg; Hopson; Lewis; Luna; Mabry; Martinez Fischer; Menendez; Mercer; Moreno, J.; Moreno, P.; Naishtat; Noriega; Oliveira; Olivo; Peña; Pickett; Puente; Quintanilla; Raymond; Ritter; Rodriguez; Solis; Thompson; Uresti; West; Wilson; Wise; Wolens.

Present, not voting — Mr. Speaker.

Absent, Excused — Hope.

Absent — Callegari; Deshotel; Dukes; Flores; Geren; Goolsby; Hodge; Howard; Keffer, J.; King; McClendon; McReynolds; Miller; Morrison; Villarreal; Wohlgemuth.

STATEMENTS OF VOTE

I was shown voting no on Record No. 750. I intended to vote yes.

J. Davis

I was shown voting yes on Record No. 750. I intended to vote no.

Haggerty

I was shown voting no on Record No. 750. I intended to vote yes.

Hopson

When Record No. 750 was taken, I was temporarily out of the house chamber. I would have voted yes.

Miller

SB 1131, as amended, was passed to third reading.

EMERGENCY STATE CALENDAR
(consideration continued)

CSSB 871 ON SECOND READING
(Allen and Wise - House Sponsors)

CSSB 871, A bill to be entitled An Act relating to the sex offender registration program and to requirements imposed on certain persons under the program.

Amendment No. 1

Representative Allen offered the following amendment to **CSSB 871**:

Amend **CSSB 871** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and by renumbering existing SECTIONS of the bill accordingly:

SECTION _____. Subdivision (4), Section 841.002, Health and Safety Code, is amended to read as follows:

(4) "Council" means the [~~Interagency~~] Council on Sex Offender Treatment.

SECTION _____. Sections 841.005, 841.006, and 841.007, Health and Safety Code, are amended to read as follows:

Sec. 841.005. OFFICE OF STATE COUNSEL FOR OFFENDERS.
(a) Except as provided by Subsection (b), the [The] Office of State Counsel for Offenders shall represent an indigent [a] person subject to a civil commitment proceeding under this chapter.

(b) If for any reason the Office of State Counsel for Offenders is unable to represent an indigent person described by Subsection (a) at a civil commitment proceeding under this chapter, the court shall appoint other counsel to represent the indigent person.

Sec. 841.006. APPLICATION OF CHAPTER. This chapter does not:

(1) prohibit a person committed under this chapter from filing at any time a petition for release under this chapter; or

(2) create for the committed person a cause of action against another person for failure to give notice within a period required by Subchapter B, C, or D.

Sec. 841.007. DUTIES OF [~~INTERAGENCY~~] COUNCIL ON SEX OFFENDER TREATMENT. The [~~Interagency~~] Council on Sex Offender Treatment is responsible for providing appropriate and necessary treatment and supervision through the case management system.

SECTION _____. Section 841.022, Health and Safety Code, is amended to read as follows:

Sec. 841.022. MULTIDISCIPLINARY TEAM. (a) The executive director of the Texas Department of Criminal Justice and the commissioner of the Texas Department of Mental Health and Mental Retardation jointly shall establish a multidisciplinary team to review available records of a person referred to the team under Section 841.021. The team must include:

(1) two persons from the Texas Department of Mental Health and Mental Retardation;

(2) two ~~three~~ persons from the Texas Department of Criminal Justice, one of whom must be from the victim services office of that department;

(3) one person from the Texas Department of Public Safety; and

(4) two persons ~~one person~~ from the council or council personnel.

(b) The multidisciplinary team may request the assistance of other persons in making an assessment ~~a determination~~ under this section.

(c) Not later than the 60th ~~30th~~ day after the date the multidisciplinary team receives notice under Section 841.021(a) or (b), the team shall:

(1) assess ~~determine~~ whether the person is a repeat sexually violent offender and whether the person is likely to commit a sexually violent offense after release or discharge;

(2) give notice of that assessment ~~determination~~ to the Texas Department of Criminal Justice or the Texas Department of Mental Health and Mental Retardation, as appropriate; and

(3) recommend the assessment of the person for a behavioral abnormality, as appropriate.

SECTION _____. Section 841.023, Health and Safety Code, is amended to read as follows:

Sec. 841.023. ASSESSMENT FOR BEHAVIORAL ABNORMALITY.

(a) Not later than the 60th ~~30th~~ day after the date of a recommendation under Section 841.022(c), the Texas Department of Criminal Justice or the Texas Department of Mental Health and Mental Retardation, as appropriate, shall assess ~~determine~~ whether the person suffers from a behavioral abnormality that makes the person likely to engage in a predatory act of sexual violence. To aid in the assessment ~~determination~~, the department required to make the assessment ~~determination~~ shall use an expert to examine the person. That department may contract for the expert services required by this subsection. The expert shall make a clinical assessment based on testing for psychopathy, a clinical interview, and other appropriate assessments and techniques to aid the department in its assessment ~~the determination~~.

(b) If as a result of the assessment the Texas Department of Criminal Justice or the Texas Department of Mental Health and Mental Retardation believes ~~determines~~ that the person suffers from a behavioral abnormality, the department making the assessment ~~determination~~ shall give notice of that assessment ~~determination~~ and provide corresponding documentation to the attorney representing the state not later than the 60th ~~30th~~ day after the date of a recommendation under Section 841.022(c).

SECTION _____. Subsection (b), Section 841.041, Health and Safety Code, is amended to read as follows:

(b) A petition described by Subsection (a) must be:

(1) filed not later than the 90th ~~60th~~ day after the date the person is referred to the attorney representing the state; and

(2) served on the person as soon as practicable after the date the petition is filed.

SECTION _____. Section 841.061, Health and Safety Code, is amended by amending Subsections (a), (c), and (d) and adding Subsection (f) to read as follows:

(a) Not later than the 270th ~~[60th]~~ day after the date a petition is served on the person ~~[filed]~~ under Section 841.041, the judge shall conduct a trial to determine whether the person is a sexually violent predator.

(c) The person and the state are each entitled to an immediate examination of the person by an expert. All components of the examination must be completed not later than the 90th day before the date the trial begins.

(d) Additional rights of the person at the trial include the following:

- (1) the right to appear at the trial;
- (2) except as provided by Subsection (f), the right to present evidence on the person's behalf;
- (3) the right to cross-examine a witness who testifies against the person; and
- (4) the right to view and copy all petitions and reports in the court file.

(f) A person who is on trial to determine the person's status as a sexually violent predator is required to submit to all expert examinations that are required or permitted of the state to prepare for the person's trial. A person who fails to submit to expert examination on the state's behalf as required by this subsection is subject to the following consequences:

(1) the person's failure to participate may be used as evidence against the person at trial;

(2) the person may be prohibited from offering into evidence the results of an expert examination performed on the person's behalf; and

(3) the person may be subject to contempt proceedings if the person violates a court order by failing to submit to an expert examination on the state's behalf.

SECTION _____. Section 841.063, Health and Safety Code, is amended to read as follows:

Sec. 841.063. CONTINUANCE. The judge may continue a trial or hearing conducted under this chapter ~~[Section 841.061]~~ if the person is not substantially prejudiced by the continuance and:

- (1) on the request of either party and a showing of good cause; or
- (2) on the judge's own motion in the due administration of justice.

SECTION _____. Section 841.081, Health and Safety Code, is amended to read as follows:

Sec. 841.081. CIVIL COMMITMENT OF PREDATOR. (a) If at a trial conducted under Subchapter D the judge or jury determines that the person is a sexually violent predator, the judge shall commit the person for outpatient treatment and supervision to be coordinated by the case manager. The commitment order is effective immediately on entry of the order, except that the ~~[The]~~ outpatient treatment and supervision begins ~~[must begin]~~ on the person's release from a secure correctional facility or discharge from a state hospital and

continues ~~[must continue]~~ until the person's behavioral abnormality has changed to the extent that the person is no longer likely to engage in a predatory act of sexual violence.

(b) At any time after entry of a commitment order under Subsection (a), the case manager may provide to the person instruction regarding the requirements associated with the order, regardless of whether the person is incarcerated at the time of the instruction.

SECTION _____. Section 841.082, Health and Safety Code, is amended to read as follows:

Sec. 841.082. COMMITMENT REQUIREMENTS. (a) Before entering an order directing a person's outpatient civil commitment, the judge shall impose on the person requirements necessary to ensure the person's compliance with treatment and supervision and to protect the community. The requirements shall include:

- (1) requiring the person to reside in a particular location;
- (2) prohibiting the person's contact with a victim or potential victim of the person;
- (3) prohibiting the person's use of alcohol or a controlled substance;
- (4) requiring the person's participation in a specific course of treatment;
- (5) requiring the person to submit to tracking under a particular type of tracking service and to any other appropriate supervision;
- (6) prohibiting the person from changing the person's residence without prior authorization from the judge and from leaving the state without that prior authorization;
- (7) if determined appropriate by the judge, establishing a child safety zone in the same manner as a child safety zone is established by a judge under Section 13B, Article 42.12, Code of Criminal Procedure, and requiring the person to comply with requirements related to the safety zone;
- (8) requiring the person to notify the case manager immediately but in any event within 24 ~~[48]~~ hours of any change in the person's status that affects proper treatment and supervision, including a change in the person's physical health or job status and including any incarceration of the person; and
- (9) any other requirements determined necessary by the judge.

(b) The judge may request assistance from the council in determining an appropriate residence for the person.

(c) The judge shall provide a copy of the requirements imposed under Subsection (a) to the person and to the council. The council shall provide a copy of those requirements to the case manager and to the service providers.

(d) ~~(c)~~ Immediately after the case becomes final for purposes of appeal ~~[person's commitment]~~, the judge shall transfer jurisdiction of the case to a district court, other than a family district court, having jurisdiction in the county in which the person ~~[defendant]~~ is residing, except that the judge retains jurisdiction of the case with respect to a civil commitment proceeding conducted under Subchapters F and G.

(e) The requirements imposed under Subsection (a) may be modified at any time after notice to each affected party to the proceedings and a hearing.

SECTION _____. Subsections (b), (c), and (d), Section 841.083, Health and Safety Code, are amended to read as follows:

(b) The case manager shall provide supervision to the person. The provision of supervision shall include a tracking service ~~[services]~~ and, if required by court order, supervised housing.

(c) The council shall enter into an interagency agreement with the Texas Department of Public Safety for the provision of a tracking service ~~[services]~~. If the equipment necessary to implement that service is available through a contract entered into by [The Department of Public Safety shall contract with] the Texas Building and Procurement [General Services] Commission, the Department of Public Safety shall acquire that equipment through that contract [for the equipment necessary to implement those services].

(d) The council shall enter into an interagency agreement with the Texas Department of Criminal Justice ~~[contract]~~ for any necessary supervised housing. The council shall reimburse that department for housing costs under this section. The committed person may not be housed for any period of time in a mental health facility, state school, or community center. In this subsection:

(1) "Community center" means a center established under Subchapter A, Chapter 534.

(2) "Mental health facility" has the meaning assigned by Section 571.003.

(3) "State school" has the meaning assigned by Section 531.002.

SECTION _____. Section 841.084, Health and Safety Code, is amended to read as follows:

Sec. 841.084. ~~[PROVIDER]~~ STATUS REPORTS. A treatment provider or tracking service personnel ~~[a supervision provider]~~ other than the case manager shall submit, monthly or more frequently if required by the case manager, a report to the case manager stating whether the person is complying with treatment or tracking ~~[supervision]~~ requirements, as applicable.

SECTION _____. Subsection (a), Section 841.141, Health and Safety Code, is amended to read as follows:

(a) The council by rule shall administer treatment and supervision under this chapter. Rules adopted by the council under this section must be:

(1) related to treatment and supervision under this chapter; and

(2) consistent with the purposes of this chapter.

SECTION _____. Subsections (a), (c), and (d), Section 841.142, Health and Safety Code, are amended to read as follows:

(a) To protect the public and to enable an assessment or ~~[a]~~ determination relating to whether a person is a sexually violent predator, any entity that possesses relevant information relating to the person shall release the information to an entity charged with making an assessment or ~~[a]~~ determination under this chapter.

(c) On the written request of any attorney for another state or for a political subdivision in another state, the Texas Department of Criminal Justice, the council, a service provider contracting with one of those agencies, the multidisciplinary team, and the attorney representing the state shall release to the

attorney any available information relating to a person that is sought in connection with an attempt to civilly commit the person as a sexually violent predator in another state.

(d) To protect the public and to enable an assessment or [a] determination relating to whether a person is a sexually violent predator or to enable the provision of supervision and treatment to a person who is a sexually violent predator, the Texas Department of Criminal Justice, the council, a service provider contracting with one of those agencies, the multidisciplinary team, and the attorney representing the state may exchange any available information relating to the person.

SECTION _____. Section 841.144, Health and Safety Code, is amended to read as follows:

Sec. 841.144. COUNSEL. (a) Immediately after the filing of a petition under Section 841.041 [At all stages of the civil commitment proceedings under this chapter], a person subject to a civil commitment proceeding under this chapter is entitled to the assistance of counsel at all stages of the proceeding.

(b) If the person is indigent, the court shall appoint counsel as appropriate under Section 841.005 [through the Office of State Counsel for Offenders] to assist the person.

SECTION _____. Subsections (b) and (c), Section 841.146, Health and Safety Code, are amended to read as follows:

(b) Except as otherwise provided by this subsection, a [A] civil commitment proceeding is subject to the rules of procedure and appeal for civil cases. To the extent of any conflict between this chapter and the rules of procedure and appeal for civil cases, this chapter controls.

(c) In an amount not to exceed \$2,500 [\$1,600], the State of Texas [state] shall pay all [the] costs associated with [of] a civil commitment proceeding conducted under Subchapter D. The State of Texas [For any civil commitment proceeding conducted under this chapter, the state] shall pay the reasonable costs of state or appointed counsel or experts for any other civil commitment proceeding conducted under this chapter and shall pay the reasonable costs of the person's outpatient treatment and supervision.

SECTION _____. Subchapter H, Chapter 841, Health and Safety Code, is amended by adding Sections 841.1461, 841.1462, 841.1463, and 841.150 to read as follows:

Sec. 841.1461. CERTAIN EXPERT TESTIMONY NOT REQUIRED FOR CIVIL COMMITMENT OF SEXUALLY VIOLENT PREDATOR. A person who suffers from a behavioral abnormality as determined under this chapter is not because of that abnormality a person of unsound mind for purposes of Section 15-a, Article I, Texas Constitution.

Sec. 841.1462. PRIVILEGE FOR PERSONAL INFORMATION THAT IDENTIFIES VICTIM. Personal information, including a home address, home telephone number, and social security account number, that identifies the victim of a person subject to a civil commitment proceeding under this chapter is privileged from discovery by that person.

Sec. 841.1463. FAILURE TO GIVE NOTICE WITHIN RELEVANT PERIOD NOT JURISDICTIONAL ERROR. The periods within which notice must be given under this chapter are binding on all appropriate persons as provided by this chapter, but a failure to give notice within the relevant period is not a jurisdictional error.

Sec. 841.150. EFFECT OF CERTAIN SUBSEQUENT CONVICTIONS, JUDGMENTS, OR VERDICTS ON ORDER OF CIVIL COMMITMENT. (a) Except as provided by Subsection (b), the following convictions, judgments, or verdicts do not affect an order of civil commitment under this chapter:

- (1) a conviction for a felony if a sentence is not imposed;
- (2) a conviction for a misdemeanor, regardless of whether a sentence is imposed; and
- (3) a judgment or verdict of not guilty by reason of insanity for any offense absent a corresponding commitment to the Texas Department of Mental Health and Mental Retardation.

(b) The statutory duties imposed by this chapter are suspended for the duration of any confinement of a person who receives a conviction described by Subsection (a)(2).

SECTION _____. Section 841.147, Health and Safety Code, is amended to read as follows:

Sec. 841.147. IMMUNITY. The following persons are immune from liability for good faith conduct under this chapter:

- (1) an employee or officer of the Texas Department of Criminal Justice, the Texas Department of Mental Health and Mental Retardation, the Texas Department of Health, or the council;
- (2) a member of the multidisciplinary team established under Section 841.022;
- (3) an employee of the division of the prison prosecution unit charged with initiating and pursuing civil commitment proceedings under this chapter ~~the attorney representing the state~~; and
- (4) a person contracting, appointed, or volunteering to perform a service under this chapter.

SECTION _____. The change in law made by this Act in amending Chapter 841, Health and Safety Code, applies to civil commitment proceedings initiated before, on, or after the effective date of this Act.

Amendment No. 2

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

Amend Amendment No. 1 by Allen to **CSSB 871** as follows:

(1) In amended Section 841.082(a), Health and Safety Code (page 6, lines 13-19), strike Subdivisions (3) - (5) and substitute the following:

- (3) prohibiting the person's possession or use of alcohol, inhalants, or a controlled substance;
- (4) requiring the person's participation in and compliance with a specific course of treatment;

(5) requiring the person to:

(A) submit to tracking under a particular type of tracking service and to any other appropriate supervision; and

(B) refrain from tampering with, altering, modifying, obstructing, or manipulating the tracking equipment;

(2) Strike amended Section 841.084, Health and Safety Code (page 8, lines 18-23), and substitute the following:

Sec. 841.084. ~~[PROVIDER]~~ STATUS REPORTS AND OTHER INFORMATION. (a) A treatment provider or a supervision provider, other than the case manager or tracking service personnel, shall submit, monthly or more frequently if required by the case manager, a report to the case manager stating whether the person is complying with treatment or supervision requirements, as applicable.

(b) Tracking service personnel may provide to the case manager specific information relating to the person, including the person's compliance with a tracking requirement or involvement in criminal activity, if:

(1) the council and the Department of Public Safety have entered into a memorandum of understanding governing:

(A) the release of the information by the tracking personnel; and

(B) the use or dissemination of the information by the case member;
and

(2) the release, use, or dissemination is not prohibited by other law or agreement.

(3) Strike the SECTION of the amendment that amends Section 841.141(a), Health and Safety Code (page 8, lines 24-31).

(4) In amended Section 841.147, Health and Safety Code (page 12, lines 4-5), strike Subdivision (4) and substitute the following:

(4) a person providing, or contracting, appointed, or volunteering to perform, a tracking service or another service under this chapter.

Amendment No. 2 was adopted without objection.

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

CSSB 871, as amended, was passed to third reading.

CSSB 1522 ON SECOND READING **(Luna - House Sponsor)**

CSSB 1522, A bill to be entitled An Act relating to the continuous eligibility of certain children for medical assistance benefits.

Amendment No. 1

On behalf of Representative Luna, Representative Uresti offered the following amendment to **CSSB 1522**:

Amend **CSSB 1522**, in SECTION 1 of the bill, in amended Section 10(c), Chapter 584, Acts of the 77th Legislature, Regular Session, 2001 (House Committee Printing, page 1, lines 12-13), by striking "June 1, 2005 [~~2003~~]" and substituting "September 1, 2005 [~~June 1, 2003~~]".

Amendment No. 1 was adopted without objection.

CSSB 1522, as amended, was passed to third reading.

POSTPONED BUSINESS

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

CSSB 265 ON SECOND READING
(Grusendorf - House Sponsor)

CSSB 265, A bill to be entitled An Act relating to continuation and functions of the State Board for Educator Certification.

CSSB 265 was read second time on May 25, postponed until May 26, postponed until 10 a.m. today, and was again postponed until noon today.

Representative Grusendorf moved to postpone consideration of **CSSB 265** until 9 p.m. today.

The motion prevailed without objection.

EMERGENCY STATE CALENDAR
(consideration continued)

CSSB 270 ON SECOND READING
(Wilson - House Sponsor)

CSSB 270, A bill to be entitled An Act relating to the continuation and functions of the Texas Lottery Commission.

CSSB 270 - POINT OF ORDER

Representative Van Arsdale raised a point of order against further consideration of **CSSB 270** under Rule 4, Section 20 and Rule 4, Section 32(b)(10) of the House Rules on the grounds that a witness statement is incorrect.

The point of order was withdrawn.

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. 38).

CSSB 270 - (consideration continued)

Amendment No. 1

Representative Van Arsdale offered the following amendment to **CSSB 270**:

Amend **CSSB 270** by striking all below the enacting clause.

Amendment No. 1 was withdrawn.

Amendment No. 2

Representative Flores offered the following amendment to **CSSB 270**:

Amend **CSSB 270** as follows:

1. On page 17, strike subsection (c), lines 3-9.
2. On page 17, line 10, strike "(c)" and substitute "(b)"

3. Strike page 25, line 24 through page 70, line 5
4. On page 70, line 7 after "2001.356," insert "and" and strike the word "and" that appears at the end of that line.
5. On page 70, line 8 strike "2001.416(d)"
6. On page 70, lines 12 and 13 strike "and Subchapters C-1 and I-1, Chapter 2001, Occupations Code,"
7. On page 70, strike lines 14 through 20 and substitute "(2) adopt the rules required by Section 466.158(d), Government Code, as added by this Act."
8. Strike page 70, line 21 through page 71, line 2 and substitute "(b) Not later than September 1, 2004, the Texas Lottery Commission shall adopt the comprehensive business plan required by Section 466.026, Government Code, as added by this Act."
9. On page 72, lines 1 and 2 strike "or Chapter 2001, Occupations Code, is amended by this Act,"
10. On page 72, lines 8 and 9 strike ", or Chapter 2001, Occupations Code, as amended by this Act"
11. On page 72, strike lines 10 through 17.

Representative Wilson moved to table Amendment No. 2.

A record vote was requested.

The motion to table prevailed by (Record 751): 86 Yeas, 52 Nays, 6 Present, not voting.

Yeas — Allen; Berman; Bohac; Bonnen; Brown, B.; Brown, F.; Burnam; Canales; Christian; Cook, B.; Cook, R.; Corte; Crabb; Crownover; Davis, J.; Dawson; Denny; Driver; Edwards; Eissler; Ellis; Flynn; Gallego; Gattis; Goodman; Goolsby; Griggs; Grusendorf; Hamilton; Hamric; Harper-Brown; Hartnett; Heflin; Hegar; Hilderbran; Hill; Hopson; Howard; Hunter; Hupp; Isett; Keel; Keffer, B.; King; Kolkhorst; Krusee; Laney; Laubenberg; Madden; Marchant; Martinez Fischer; Menendez; Mercer; Miller; Morrison; Mowery; Nixon; Olivo; Paxton; Peña; Pickett; Pitts; Reyna; Riddle; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solomons; Stick; Swinford; Talton; Taylor; Telford; Truitt; Uresti; Van Arsdale; Villarreal; West; Wilson; Wohlgemuth; Wolens; Wong; Woolley; Zedler.

Nays — Alonzo; Bailey; Baxter; Branch; Callegari; Campbell; Capelo; Casteel; Castro; Chavez; Davis, Y.; Delisi; Deshotel; Dunnam; Dutton; Eiland; Elkins; Farabee; Farrar; Garza; Guillen; Gutierrez; Haggerty; Hardcastle; Hochberg; Hodge; Homer; Hughes; Jones, D.; Keffer, J.; Kuempel; Lewis; Luna; Mabry; McCall; McClendon; McReynolds; Merritt; Moreno, J.; Moreno, P.; Naishtat; Noriega; Oliveira; Phillips; Puente; Quintanilla; Raymond; Ritter; Rodriguez; Solis; Thompson; Wise.

Present, not voting — Mr. Speaker; Chisum(C); Dukes; Giddings; Jones, J.; Turner.

Absent, Excused — Hope.

Absent — Coleman; Escobar; Flores; Geren; Jones, E.

STATEMENTS OF VOTE

When Record No. 751 was taken, my vote failed to register. I would have voted no.

Escobar

I was shown voting yes on Record No. 751. I intended to vote no.

Rose

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).

CSSB 270 - (consideration continued)

Amendment No. 3

Representative Howard offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (House Committee Report) as follows:

(1) Strike SECTION 1 of the bill, amending Section 466.014, Government Code (page 1, lines 5 through 9), and substitute the following:

SECTION __. Section 466.014, Government Code, is amended to read as follows:

Sec. 466.014. POWERS AND DUTIES OF COMMISSION, ~~[AND]~~ EXECUTIVE DIRECTOR, AND TEXAS BUILDING AND PROCUREMENT COMMISSION. (a) The commission and executive director have broad authority and shall exercise strict control and close supervision over all lottery games conducted in this state to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the lottery.

(b) The Texas Building and Procurement Commission ~~[executive director]~~ may contract with or the Texas Lottery Commission ~~may~~ employ a person to perform a function, activity, or service in connection with the operation of the lottery as prescribed by the executive director. A person with whom the Texas Building and Procurement Commission ~~[executive director]~~ contracts to operate a lottery must be eligible for a sales agent license under Section 466.155.

(c) The Texas Building and Procurement Commission ~~[executive director]~~ may award a contract for lottery supplies or services, including a contract under Subsection (b), pending the completion of any investigation authorized by this chapter. A contract awarded under this subsection must include a provision permitting the Texas Building and Procurement Commission ~~[executive director]~~ to terminate the contract without penalty if the investigation reveals that the person to whom the contract is awarded would not be eligible for a sales agent license under Section 466.155.

(2) Strike SECTION 5 of the bill, proposing Section 466.1005, Government Code (page 3, lines 12 through 25).

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

SECTION __. Section 466.101(a), Government Code, is amended to read as follows:

(a) The Texas Building and Procurement Commission shall ~~[executive director may establish procedures for the]~~ purchase or lease ~~[of]~~ facilities, goods, and services and make any purchases, leases, or contracts that are necessary for carrying out the purposes of this chapter. ~~[The procedures must, as determined feasible and appropriate by the executive director, promote competition to the maximum extent possible.]~~

(4) In SECTION 75 of the bill (page 70, line 6), strike "Section 466.003" and substitute "Sections 466.003, 466.101(b), (c), (d), and (e), 466.102, 466.103, 466.104, 466.105, 466.106, 466.107, and 466.108".

Representative Wilson moved to table Amendment No. 3.

(Nixon in the chair)

The motion to table prevailed.

(Speaker in the chair)

Amendment No. 4

Representative Solomons offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (house committee printing) by striking lines 6 through 10 on page 20.

CSSB 270 - STATEMENT OF LEGISLATIVE INTENT

Amendment No. 4

REPRESENTATIVE WILSON: Mr. Chairman, we did discuss this earlier. And, as I told you, it is my intention to give the members of the lottery commission at least the opportunity to have some semblance of an independent staff. You told me it was your understanding that under the current law, that was already possible with the limitation that they could not pay them any more than—I think it was \$56,000 a year. Is that a fair statement?

REPRESENTATIVE SOLOMONS: I believe the code—and, we did some research after our discussion—and general government agencies, which include the lottery commission, are under the statutes involving the Government Code—public officers, employees, etc. And then we looked at the—and pulled the scheduling for who they could hire and what grade levels—classifications, salary levels. And they go all the way from a salary roof of A10 up to \$30,972, and they go on Schedule B, classification salary schedule of B9, B11's. And if you go to B9, they go from \$34,308 to \$46,320, and B11's are \$38,832 to \$56,304. I think you can hire a pretty darn competent executive assistant that you trust for that kind of money. And I don't think that we ought to just allow them to pay a part-time staff, that's appointed, just whatever they want to pay them, and be exempt from the statutes.

WILSON: I think we agree. It's just that, I want to make sure that we establish the intention of this body on record, as allowing them to at least go and hire those—part-time, full-time, whatever it is, of \$56,000, and they can do that individually.

SOLOMONS: It's my understanding they can, and we can—and after this bill is over, and it has to go to third reading, from what I understand—in the meanwhile, we'll continue to research that. But I believe from—based on what we did during the lunch hour, that it's perfectly acceptable that they can hire an executive assistant and it would be under the classification caps.

REMARKS ORDERED PRINTED

Representative Wilson moved to print remarks between Representative Wilson and Representative Solomons.

The motion prevailed without objection.

Amendment No. 4 was adopted without objection.

Amendment No. 5

Representative Howard offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (House Committee Report) in SECTION 9 of the bill by striking Subdivision (4), Subsection (a), Section 466.155, Government Code (page 7, line 11, through page 8, line 1), and substituting the following:

(4) is a person whose location for the sales agency is:

(A) a location licensed for games of bingo under Chapter 2001, Occupations Code;

(B) on land that is owned by:

(i) this state; or

(ii) a political subdivision of this state and on which is located a public primary or secondary school, an institution of higher education, or an agency of the state; ~~or~~

(C) a location for which a person holds a wine and beer retailer's permit, mixed beverage permit, mixed beverage late hours permit, private club registration permit, or private club late hours permit issued under Chapter 25, 28, 29, 32, or 33, Alcoholic Beverage Code; or

(D) a location:

(i) in a facility that shares a common roof or common foundation with a location at which a gambling device, as defined by Section 47.01, Penal Code, is operated or located; or

(ii) within 150 feet of the facility that shares the common roof or common foundation described by Subparagraph (i); or

A record vote was requested.

Amendment No. 5 was adopted by (Record 752): 98 Yeas, 47 Nays, 1 Present, not voting.

Yeas — Allen; Baxter; Berman; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Burnam; Callegari; Campbell; Casteel; Chisum; Christian; Cook, B.; Corte; Crabb; Crownover; Davis, J.; Dawson; Delisi; Denny; Deshotel; Driver; Dunnam; Eiland; Eissler; Elkins; Ellis; Farabee; Flynn; Gattis; Giddings; Goodman; Goolsby; Griggs; Grusendorf; Gutierrez; Haggerty; Hamilton; Hamric; Harper-Brown; Hartnett; Heflin; Hegar; Hilderbran; Hill; Hochberg; Howard; Hughes; Hunter; Isett; Jones, D.; Jones, E.; Jones, J.; Keffer, B.; King;

Kolkhorst; Krusee; Kuempel; Laney; Laubenberg; Mabry; Madden; Marchant; McCall; McReynolds; Mercer; Miller; Morrison; Mowery; Nixon; Paxton; Peña; Phillips; Pitts; Puente; Quintanilla; Raymond; Reyna; Riddle; Seaman; Smith, T.; Smith, W.; Smithee; Solomons; Swinford; Talton; Taylor; Truitt; Turner; Van Arsdale; West; Wise; Wohlgemuth; Wong; Woolley; Zedler.

Nays — Alonzo; Bailey; Canales; Castro; Chavez; Coleman; Cook, R.; Davis, Y.; Dukes; Dutton; Edwards; Escobar; Farrar; Flores; Gallego; Garza; Guillen; Hardcastle; Hodge; Homer; Hopson; Hupp; Keel; Keffer, J.; Lewis; Luna; Martinez Fischer; McClendon; Menendez; Merritt; Moreno, J.; Moreno, P.; Naishtat; Oliveira; Olivo; Pickett; Ritter; Rodriguez; Rose; Solis; Stick; Telford; Thompson; Uresti; Villarreal; Wilson; Wolens.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Hope.

Absent — Capelo; Geren; Noriega.

Amendment No. 6

Representative Van Arsdale offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (house committee report) as follows:

(3) In SECTION 14 of the bill, strike proposed Subsection (e), Section 466.355, Government Code (page 10, lines 18-27 and page 11, lines 1-4).

(4) Strike Section 17 of the bill.

Amendment No. 7

Representative Van Arsdale offered the following amendment to Amendment No. 6:

Amend the Van Arsdale amendment to **CSSB 270** as follows:

(1) In Subdivision (1) of the amendment (page 1, line 2), strike "lines 16-26" and substitute "lines 14-26".

(4) Strike Section 17 of the bill (page 12, lines 6-27 through page 13, lines 1-5).

Amendment No. 7 was adopted without objection.

Representative Wilson moved to table Amendment No. 6.

A record vote was requested.

The motion to table prevailed by (Record 753): 78 Yeas, 59 Nays, 4 Present, not voting.

Yeas — Allen; Alonzo; Bailey; Bonnen; Brown, F.; Burnam; Canales; Capelo; Castro; Chavez; Coleman; Cook, B.; Cook, R.; Corte; Davis, Y.; Deshotel; Driver; Dunnam; Dutton; Edwards; Eiland; Ellis; Escobar; Farabee; Flores; Gallego; Garza; Goodman; Goolsby; Grusendorf; Guillen; Gutierrez; Hamilton; Hamric; Hardcastle; Heflin; Hilderbran; Hill; Hochberg; Hodge; Homer; Hunter; Hupp; Jones, E.; Keel; Keffer, J.; Kuempel; Lewis; Luna; Madden; Martinez Fischer; McClendon; Menendez; Merritt; Moreno, J.; Moreno,

P.; Morrison; Mowery; Naishtat; Noriega; Oliveira; Olivo; Pickett; Quintanilla; Raymond; Ritter; Rodriguez; Solis; Solomons; Stick; Thompson; Turner; Uresti; Villarreal; Wilson; Wise; Wolens; Woolley.

Nays — Baxter; Berman; Bohac; Branch; Brown, B.; Callegari; Campbell; Casteel; Christian; Crabb; Crownover; Davis, J.; Delisi; Denny; Eissler; Elkins; Flynn; Gattis; Griggs; Harper-Brown; Hartnett; Hegar; Hopson; Howard; Hughes; Isett; Jones, D.; Keffer, B.; King; Kolkhorst; Krusee; Laney; Laubenberg; Mabry; Marchant; McCall; McReynolds; Mercer; Miller; Nixon; Paxton; Peña; Phillips; Pitts; Reyna; Riddle; Seaman; Smith, T.; Smith, W.; Smithee; Talton; Taylor; Telford; Truitt; Van Arsdale; West; Wohlgemuth; Wong; Zedler.

Present, not voting — Mr. Speaker(C); Dawson; Farrar; Jones, J.

Absent, Excused — Hope.

Absent — Chisum; Dukes; Geren; Giddings; Haggerty; Puente; Rose; Swinford.

STATEMENTS OF VOTE

I was shown voting yes on Record No. 753. I intended to vote no.

F. Brown

When Record No. 753 was taken, I was in the house but away from my desk. I would have voted yes.

Puente

When Record No. 753 was taken, I was in the house but away from my desk. I would have voted yes.

Rose

Amendment No. 8

Representatives Hilderbran and Chisum offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (House Committee Report) as follows:

(1) In SECTION 34 of the bill, amending Section 2001.002, Occupations Code (page 25, lines 24 and 25), strike the introductory language and substitute "Section 2001.002, Occupations Code, is amended by amending Subdivisions (5) and (6) and adding Subdivision (9-a) to read as follows:".

(2) In SECTION 34 of the bill, immediately following amended Subdivision (6), Section 2001.002, Occupations Code (page 26, between lines 23 and 24), insert the following:

(9-a) "Electronic pull-tab bingo" means an electronic version of pull-tab bingo that is displayed on a card-minding device in which a person purchases from a point of sale station an electronic ticket face, instead of a ticket made of paper or paper products, that is issued from a finite deal of tickets in which some of the tickets have been designated in advance as winning tickets.

(3) Add the following appropriately numbered SECTIONS and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 2001.054, Occupations Code, is amended to read as follows:

Sec. 2001.054. RULEMAKING AUTHORITY. (a) The commission may adopt rules to enforce and administer this chapter.

(b) The commission has broad authority to adopt rules to administer Sections 2001.409(b) and 2001.4095.

SECTION _____. Section 2001.408, Occupations Code, is amended to read as follows:

Sec. 2001.408. OTHER METHODS FOR PLAYING BINGO. Subject to the commission's rules, bingo may be played using a pull-tab bingo ticket or an electronic pull-tab bingo ticket.

SECTION _____. Section 2001.409, Occupations Code, is amended to read as follows:

Sec. 2001.409. CARD-MINDING DEVICES. (a) A person may not use a card-minding device:

(1) to generate [~~or determine~~] the random letters, numbers, or other symbols used in playing the bingo card played with the device's assistance;

(2) as a receptacle for the deposit of tokens or money in payment for playing the bingo card played with the device's assistance; or

(3) as a dispenser for the payment of a bingo prize, including coins, paper currency, or a thing of value for the bingo card played with the device's assistance.

(b) A person may use a card-minding device to:

(1) account for and track electronic credits purchased at a point of sale station or won by playing bingo or electronic pull-tab bingo; and

(2) exchange electronic credits described by Subdivision (1) through an electronic communication with a point of sale station for electronic bingo card faces or electronic pull-tab bingo tickets that may be played by the person during a bingo occasion. [~~Not more than 40 percent of the individuals attending a bingo occasion, based on the average of two previously submitted quarterly reports, may use electronic or mechanical card-minding devices. This subsection does not apply to pull-tab bingo.~~]

SECTION _____. Subchapter I, Chapter 2001, Occupations Code, is amended by adding Section 2001.4095 to read as follows:

Sec. 2001.4095. CARD-MINDING DEVICE FOR DISPLAY OF ELECTRONIC PULL-TAB BINGO TICKET FACE. (a) A card-minding device used to display an electronic pull-tab bingo ticket face must be manufactured in accordance with the specifications provided by commission rule and is subject to testing by the commission.

(b) The commission may audit sales records relating to the sale of electronic pull-tab bingo ticket faces. The commission may investigate a violation or alleged violation of this section.

(c) The commission at any time may inspect a card-minding device used to display an electronic pull-tab bingo ticket face.

(d) The manufacturer of a card-minding device used to display an electronic pull-tab bingo ticket face shall maintain a central communications system or facility to provide the commission with the ability to review and audit electronic pull-tab bingo sales records.

SECTION _____. Section 2001.420(b), Occupations Code, is amended to read as follows:

(b) For bingo games other than pull-tab bingo and electronic pull-tab bingo, a person may not offer or award on a single bingo occasion prizes with an aggregate value of more than \$2,500.

SECTION _____. Subchapter I, Chapter 2001, Occupations Code, is amended by adding Section 2001.421 to read as follows:

Sec. 2001.421. PRIZE PAYOUT PERCENTAGE. The prize payout percentage for an electronic pull-tab bingo game may not be less than the prize payout percentage established for a paper pull-tab bingo game.

SECTION _____. Subchapter K, Chapter 2001, Occupations Code, is amended by adding Section 2001.5015 to read as follows:

Sec. 2001.5015. ELECTRONIC PULL-TAB BINGO TAX. (a) A tax is imposed on a manufacturer for each electronic pull-tab bingo ticket provided by the manufacturer to a distributor.

(b) The tax rate is one-quarter of one cent for each electronic pull-tab bingo ticket provided.

SECTION _____. Section 2001.510(a), Occupations Code, is amended to read as follows:

(a) If a license holder fails to make a required return, or if a person conducts bingo without a license, the commission shall make an estimate of the prizes awarded at a bingo occasion, ~~or of~~ the gross rentals received by a license holder for the rental of premises, or the number of electronic pull-tab bingo tickets sold. The commission shall make the estimate for the period in respect to which the license holder or other person failed to make a return.

SECTION _____. Section 2001.511(a), Occupations Code, is amended to read as follows:

(a) If the commission believes that the collection of a gross rental tax, tax on electronic pull-tab bingo tickets, or fee on prizes, an amount of the tax or fee on prizes required to be remitted to the state, or the amount of a determination will be jeopardized by delay, the commission shall make a determination of the tax or fee on prizes or amount of the tax or fee required to be collected, noting the finding of jeopardy on the determination. The determined amount is due and payable immediately.

SECTION _____. Section 2001.512, Occupations Code, is amended to read as follows:

Sec. 2001.512. APPLICATION OF TAX LAWS. (a) Subtitle B, Title 2, Tax Code, applies to the administration, collection, and enforcement of the gross rentals tax imposed under Section 2001.501, the tax on electronic pull-tab bingo tickets imposed under Section 2001.5015, and the fee on prizes imposed under Section 2001.502 except as modified by this chapter.

(b) In applying the provisions of Subtitle B, Title 2, Tax Code, to the gross rentals tax imposed under Section 2001.501, the tax on electronic pull-tab bingo tickets imposed under Section 2001.5015, and the fee on prizes imposed under Section 2001.502 only, the fee on prizes is treated as if it were a tax and the powers and duties assigned to the comptroller under that subtitle are assigned to the commission.

SECTION _____. Section 2001.513(a), Occupations Code, is amended to read as follows:

(a) At any time within three years after a person is delinquent in the payment of an amount of gross rentals tax, tax on electronic pull-tab bingo tickets, or fee on prizes, the commission may collect the amount under this section.

SECTION _____. Section 2001.514(a), Occupations Code, is amended to read as follows:

(a) To secure payment of the tax on gross rentals, the tax on electronic pull-tab bingo tickets, or the fee on prizes imposed under this subchapter, each license holder shall furnish to the commission:

- (1) a cash bond;
- (2) a bond from a surety company chartered or authorized to do business in this state;
- (3) certificates of deposit;
- (4) certificates of savings;
- (5) United States treasury bonds;
- (6) subject to the approval of the commission, an assignment of negotiable stocks or bonds; or
- (7) other security as the commission considers sufficient.

SECTION _____. The Texas Lottery Commission shall adopt rules to administer electronic pull-tab bingo and regulate electronic pull-tab minding devices under Chapter 2001, Occupations Code, as amended by this Act, not later than October 1, 2003, and may adopt the initial rules in the manner provided by law for emergency rules.

Amendment No. 9

Representative Hilderbran offered the following amendment to Amendment No. 8:

Amend floor Amendment No. 8 by Hilderbran to **CSSB 270** as follows:

(1) In Paragraph (2), at the end of the definition of "electronic pull-tab bingo" (page 1, at the end of the line 15) add the following: "The display on the card-minding device may not include images or sounds that resemble spinning wheels or otherwise resemble the display of a slot machine."

(2) In Paragraph (3), in added Subsection (b), Section 2001.054, Occupations Code (page 1, lines 22 and 23), strike "to administer" and substitute "and shall exercise strict control to administer and ensure compliance with".

(Krusee in the chair)

Amendment No. 9 was adopted without objection.

Amendment No. 8, as amended, was adopted without objection. (Hartnett and Phillips recorded voting no)

Amendment No. 10

Representative Howard offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (House Committee Printing) by striking SECTION 35 of the bill, amending Section 2001.055, Occupations Code (page 26, line 24, through page 27, line 5).

Amendment No. 11

Representative Howard offered the following amendment to Amendment No. 10:

Amend floor Amendment No. 10 by Howard to **CSSB 270** by striking the text of the amendment and substituting the following:

(1) In SECTION 35 of the bill, in added Subsection (b), Section 2001.055, Occupations Code (page 27, line 5), strike "and to apply new technology to bingo games".

Amendment No. 11 was adopted without objection.

Amendment No. 10, as amended, was adopted without objection.

Amendment No. 12

Representative Solomons offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (House Committee Printing) as follows:

(1) In SECTION 65 of the bill, amending Section 2001.454, Occupations Code (page 57, line 3), in the introductory language, strike "2001.454" and substitute "2001.454(a)".

(2) In SECTION 65 of the bill (page 57, line 5), strike "Sec. 2001.454. USE OF NET PROCEEDS FOR CHARITABLE PURPOSES."

(3) In SECTION 65 of the bill, strike amended Subsection (b), Section 2001.454, Occupations Code (page 57, line 9, through page 58, line 9).

(4) In SECTION 67 of the bill, amending Section 2001.458, Occupations Code (page 59, line 13), in the introductory language, strike "amending Subsection (a) and".

(5) In SECTION 67 of the bill, strike amended Subsection (a), Section 2001.458, Occupations Code (page 59, line 15, through page 60, line 11).

Amendment No. 12 was adopted without objection.

Amendment No. 13

Representative Howard offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (House Committee Printing) in SECTION 65 of the bill, by striking amended Subsection (b), Section 2001.454, Occupations Code (page 57, line 9, through page 58, line 9), and substituting the following:

(b) Except as otherwise provided by law, the [The] net proceeds derived from bingo and any rental of premises are dedicated to the [a] charitable purposes of the organization [purpose] only if directed to a cause, deed, or activity that:

(1) benefits an indefinite number of needy or deserving persons in this state by:

(A) enhancing their opportunity for religious or educational advancement;

(B) relieving them from disease, suffering, or distress;

(C) contributing to their physical well-being;

(D) assisting them in establishing themselves in life as worthy and useful citizens; or

(E) increasing their comprehension of and devotion to the principles on which this nation was founded and enhancing their loyalty to their government; [✗]

(2) initiates, performs, or fosters worthy public works in this state or enables or furthers the erection or maintenance of public structures in this state; or

(3) is consistent with the federal tax exemption provided by Section 501(c), Internal Revenue Code of 1986, under which the organization qualifies as a nonprofit organization as defined by Section 2001.002 or, for a licensed authorized organization other than a nonprofit organization, is consistent with the federal tax exemption provided by Section 501, Internal Revenue Code of 1986, under which the organization is exempt from federal income taxes and with the purposes and objectives for which the organization qualifies as an authorized organization.

Amendment No. 13 was withdrawn.

Amendment No. 14

Representative Solomons offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (House Committee Printing) as follows:

(1) In SECTION 78 of the bill, in Subsection (a) of that SECTION (page 72, line 18), strike "(a)".

(2) In SECTION 78 of the bill, strike Subsections (b) and (c) of that SECTION (page 72, line 23, through page 73, line 15).

Representative Wilson moved to table Amendment No. 14.

The motion to table was lost.

Amendment No. 14 was adopted without objection.

Amendment No. 15

Representative Bonnen offered the following amendment to **CSSB 270**:

Amend **CSSB 270** (Committee Printing) as follows:

Add the following appropriately numbered SECTION to ARTICLE 1:

SECTION 1. _____. SUBCHAPTER A, Chapter 466, Government Code is amended by adding Section 466.0035 to read as follows:

Sec. 466.0035. APPLICABILITY OF OTHER LAW. Chapter 43, Business & Commerce Code, as added by Chapter 1119, Acts of the 77th Legislature, Regular Session, 2001, does not apply to lottery games conducted under this chapter or to mailings conducted under 39 U.S.C. Section 3001.

Amendment No. 15 was withdrawn.

Amendment No. 16

Representative Hartnett offered the following amendment to **CSSB 270**:

Amend **CSSB 270** by adding the following appropriately numbered SECTIONS and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 466.024(c)(2), Government Code, is amended to read as follows:

(2) "Video lottery machine" or "machine" means:

(A) any electronic video game machine that, on ~~upon~~ insertion of cash or credit or for any other consideration, is available to play or simulate the play of a video ~~facsimile of~~ ~~[game, including video]~~ poker, keno, ~~[and]~~ blackjack, or slots; or

(B) a video device that uses ~~[using]~~ a video display and microprocessors and is designed, constructed, adapted, or maintained to afford a person who pays consideration to play or use the machine an opportunity to obtain a thing of value based solely or in substantial part on chance, including ~~[in which the player may receive free games or credits that can be redeemed for]~~ cash, coins, ~~merchandise, gift certificates, ~~[or]~~ tokens, and free games or credits that can be redeemed for ~~[or that directly dispenses]~~~~ cash, coins, ~~merchandise, gift certificates,~~ or tokens.

SECTION _____. The heading to Subchapter G, Chapter 466, Government Code, is amended to read as follows:

SUBCHAPTER G. OFFENSES, PENALTIES, AND ENFORCEMENT

SECTION _____. Subchapter G, Chapter 466, Government Code, is amended by adding Section 466.318 to read as follows:

Sec. 466.318. PROHIBITED VIDEO GAMES. (a) A person commits an offense if the person violates a rule adopted by the commission under Section 466.024(b).

(b) An offense under Subsection (a) is a Class B misdemeanor.

(c) Venue for prosecution of an offense under Subsection (a), in addition to venue under other law, is in Travis County.

(d) A person who violates a rule adopted by the commission under Section 466.024(b) is liable to the state for a civil penalty in an amount not to exceed \$1,000 for each violation. Each act of violation and each day a violation continues is a separate violation for purposes of this subsection.

(e) A penalty imposed under Subsection (d) may be recovered by:

(1) the county attorney of the county in which the violation occurred; or

(2) the attorney general in a suit filed in Travis County.

(f) A person who resides or owns real property located within two miles of a place where a violation or threatened violation of a rule adopted by the commission under Section 466.024(b) occurs may bring an action to enjoin a person from continuing the violation or threatened violation.

(g) Any person may bring a complaint to the commission, the attorney general, or a prosecuting attorney of an alleged or suspected violation of a rule adopted by the commission under Section 466.024(b).

Amendment No. 16 was adopted without objection.

Amendment No. 17

Representative Gattis offered the following amendment to **CSSB 270**:

Amend **CSSB 270** as follows:

(1) In SECTION 14 of the bill, in the introductory language (House committee report, page 10, line 11), strike "Subsections (d) and (e)" and substitute "Subsection (d)".

(2) In SECTION 14 of the bill, strike proposed Subsection (e), Section 466.355, Government Code (House committee report, page 10, line 18, through page 11, line 4)

Representative Wilson moved to table Amendment No. 17.

A record vote was requested.

The motion to table was lost by (Record 754): 61 Yeas, 81 Nays, 2 Present, not voting.

Yeas — Alonzo; Bailey; Brown, B.; Canales; Castro; Chavez; Chisum; Coleman; Davis, Y.; Deshotel; Dukes; Dunnam; Edwards; Eiland; Escobar; Farrar; Gallego; Garza; Giddings; Goodman; Goolsby; Guillen; Gutierrez; Hamilton; Hartnett; Heflin; Hilderbran; Hochberg; Hodge; Hunter; Keel; Kolkhorst; Kuempel; Laney; Lewis; Luna; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Moreno, J.; Moreno, P.; Naishtat; Noriega; Oliveira; Olivo; Phillips; Pickett; Pitts; Quintanilla; Raymond; Rodriguez; Rose; Thompson; Turner; Uresti; Villarreal; Wilson; Wise; Wolens.

Nays — Allen; Baxter; Berman; Bohac; Bonnen; Branch; Brown, F.; Burnam; Callegari; Campbell; Casteel; Christian; Cook, B.; Cook, R.; Corte; Crabb; Crownover; Davis, J.; Dawson; Denny; Driver; Eissler; Elkins; Ellis; Farabee; Flores; Flynn; Gattis; Geren; Griggs; Grusendorf; Haggerty; Hamric; Hardcastle; Harper-Brown; Hegar; Hill; Homer; Hopson; Howard; Hughes; Hupp; Isett; Jones, D.; Jones, E.; Keffer, B.; Keffer, J.; King; Laubenber; Mabry; Madden; Marchant; Mercer; Merritt; Miller; Morrison; Mowery; Nixon; Paxton; Peña; Puente; Reyna; Riddle; Ritter; Seaman; Smith, T.; Smith, W.; Smithee; Solis; Solomons; Stick; Talton; Taylor; Telford; Truitt; Van Arsdale; West; Wohlgemuth; Wong; Woolley; Zedler.

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

Absent, Excused — Hope.

Absent — Capelo; Delisi; Dutton; Jones, J.; Swinford.

Amendment No. 17 was adopted without objection.

COMMITTEE GRANTED PERMISSION TO MEET

Representative Woolley requested permission for the Committee on Calendars to meet while the house is in session.

Permission to meet was granted without objection.

COMMITTEE MEETING ANNOUNCEMENT

The following committee meeting was announced:

Calendars, 6:30 p.m. today, speakers committee room, for a formal meeting.

CSSB 270 - (consideration continued)

Amendment No. 18

Representative Homer offered the following amendment to **CSSB 270**:

Amend **CSSB 270** by adding the following appropriately numbered section to the bill and renumbering subsequent sections as appropriate:

SECTION _____. (a) Section 466.156, Government Code, is amended to read as follows:

Sec. 466.156. BOND; INSURANCE. (a) Each sales agent shall post a cash bond, surety bond, letter of credit, certificate of deposit, and/or other security approved by the executive director, including the contribution of cash to a pooled bond fund established by the executive director to protect the state from possible losses, including losses of a sales agent due to bankruptcy, theft, or loss of lottery tickets, supplies, or equipment. The amount of the security shall be determined by the executive director and must reflect the possible losses to the state from the operation of the sales agent. The total amount retained in a pooled bond fund established under this subsection may not exceed \$5 million. All losses to the state resulting from a sales agent's loss must be paid from the bond fund. The executive director may not charge a sales agent for a loss reimbursed from the bond fund.

(b) The executive director may ~~[also]~~ require a sales agent to maintain insurance ~~[if necessary]~~ to protect the interests of the state if the sales agent has not complied with the requirements of Subsection (a).

(b) This section takes effect September 1, 2003.

Amendment No. 18 was adopted without objection.

Amendment No. 19

Representatives Menendez and Corte offered the following amendment to **CSSB 270**:

Amend **CSSB 270** by adding the following SECTION and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 466.101, Government Code, is amended by adding Subsections (f) through (i) to read as follows:

(f) In awarding a contract under this chapter or evaluating a bid or proposal relating to a contract, the executive director may consider a vendor's economic impact to the state or a political subdivision of the state.

(g) For contracts for which the executive director will consider a vendor's economic impact under Subsection (f), the commission by rule shall prescribe:

(1) the type of documentation a vendor must submit to demonstrate the vendor's potential economic impact; and

(2) the manner and methodology by which the executive director will evaluate a vendor's economic impact.

(h) The methodology developed under Subsection (g) to determine a vendor's economic impact to this state or a political subdivision of this state is subject to audit by the state auditor based on a risk assessment performed by the state auditor and subject to the legislative audit committee's approval for inclusion of the work in the audit plan under Section 321.013(c).

(i) In this section, "economic impact" means the number of:

(1) current employees in this state and the amount of wages being paid to those employees, including any subcontractors' employees and wages; and

(2) full-time equivalent positions to be created in this state and the additional amount of wages to be paid to employees in this state as a result of awarding a contract, including a proposed subcontractor's employees and wages.

Amendment No. 19 was adopted without objection.

Amendment No. 20

Representative Pitts offered the following amendment to **CSSB 270**:

Amend **CSSB 270** by adding the following subsection as follows:

SECTION _____. The TexasOnline Authority and the Texas Lottery Commission shall study the fiscal and administrative impact of offering lottery retail sales via Internet based PIN debit transaction. The study findings shall be reported to the Legislature no later than September 15, 2003.

Amendment No. 20 was adopted without objection.

Amendment No. 21

Representative Haggerty offered the following amendment to **CSSB 270**:

On page 3, insert the following on line 12 and renumber the subsequent lines appropriately.

(f) Prizes allowed for machines not prohibited under this section shall include a gift certificate, when the certificate is used only for merchandise.

Amendment No. 21 - Point of Order

Representative Hartnett raised a point of order against further consideration of Amendment No. 21 under Rule 11, Section 6(e) of the House Rules on the grounds that the amendment was not filed in a timely manner.

The chair sustained the point of order.

The ruling precluded further consideration of Amendment No. 21.

Amendment No. 22

Representative Flores offered the following amendment to **CSSB 270**:

Amend **CSSB 270** by adding appropriately numbered SECTIONS to read as follows and renumbering existing SECTIONS accordingly:

Section _____. Section 2001.002, Occupations Code, is amended by adding Subsection (30) to read as follows:

(29) "Satellite bingo game" means a single bingo game in which players participate simultaneously at two or more locations and for which there is a common prize pool and a common selection of numbers or symbols conducted at a single location, with the results of the selection transmitted electronically to each participating location by satellite, telephone, or other means.

SECTION 2. Subchapter I, Chapter 2001, Occupations Code, is amended by adding Section 2001.421 to read as follows:

Sec. 2001.421. REGULATION OF SATELLITE BINGO. (a) Sections 2001.402 and 2001.420 do not apply to a satellite bingo game.

(b) The commission by rule may exempt a satellite bingo game or a person who conducts or participates in a satellite bingo game or who holds a license under this chapter from any other provision of this chapter if the commission determines the exemption is necessary to facilitate the operation and administration of satellite bingo games.

SECTION 3. Subchapter C, Chapter 2001, Occupations Code, is amended by adding Section 2001.108 to read as follows:

Sec. 2001.108. SATELLITE BINGO SERVICE PROVIDER'S LICENSE. (a) To provide satellite bingo services, in any manner, for the use of licensed authorized organizations, a person must obtain a satellite bingo service provider's license from the commission.

(b) An applicant for a license under this section must file with the commission a written application that includes:

(1) the name and address of the applicant;
(2) if a noncorporate entity, the name and address of each owner;
(3) if a corporation, the name and address of each officer and director and each person owning 10 percent or more of any class of stock in the corporation;

(4) information regarding whether the applicant or any person who is required to be named in the application has been convicted of a felony, criminal fraud, a gambling or gambling-related offense, or a crime of moral turpitude; and

(5) information regarding whether the application or any person required to be named in the application is an owner, officer, director, shareholder, agent, or employee of a commercial lessor licensed under this chapter.

c) A person is not eligible for a license under this section if:

(1) the person has been convicted of a felony, criminal fraud, a gambling or gambling-related offense, or a crime of moral turpitude and it has been less than 10 years since the termination of the sentence, parole, or probation related to the offense; or

(2) the person is an owner, officer, or director of a holder of a commercial lessor, manufacturer, or distributor licensed under this chapter.

(d) The fee for a satellite bingo service provider's license is \$5,000 plus an amount to cover any cost incurred to conduct criminal background checks in connection with the application for the license or license renewal.

(e) The commission shall revoke the license of a satellite bingo service provider if any disqualification under this section occurs within the license period.

(f) A satellite bingo service provider may purchase goods or services from a licensed manufacturer.

(g) The commission may inspect the satellite bingo service provider's services. The satellite bingo service provider shall provide to the commission any information requested that relates to the complaint. The commission shall prescribe procedures for investigating and resolving complaints against a satellite bingo service provider.

(h) A satellite bingo service provider shall be bonded in an amount established by rule of the commission. The amount of the bond may not be less than \$50,000 or more than \$250,000.

(I) A satellite bingo service provider shall establish a bank account into which all proceeds from each satellite bingo game shall be deposited, less any prizes paid and payments to the participating licensed, authorized organization. Only the following disbursements may be made from the satellite bingo bank account:

(1) payment of prizes;

(2) payment of taxes and fees on prizes;

(3) allocation payments to participating licensed authorized organizations;

(4) payments for facility access fees; and

(5) payments to a satellite bingo service provider for operating costs.

(j) The amount of allocation payments made to a participating licensed authorized organization may not be less than 25 percent of gross receipt derived from the satellite bingo game.

(k) The satellite bingo service provider shall pay a facility access fee to a lessor or licensed authorized entity for the purpose of installing satellite equipment. The fee may not be less than five percent of the gross receipts derived from satellite bingo games conducted at a facility.

SECTION 4. Subchapter K, Chapter 2001, Occupations Code, is amended by adding Section 2001.516 to read as follows:

Sec. 2001.516. FEES ON SATELLITE BINGO GAME. (a) Sections 2001.502, 2001.503, and 2001.504 do not apply to a satellite bingo game.

(b) A satellite bingo service provider shall collect a fee from each person who wins a prize in a satellite bingo game for which that provider provides services.

c) The fee imposed by this section is 10 percent of the amount or value of the prize.

(d) The commission shall prescribe procedures for delivery to the commission of fees imposed under this section. Revenue collected by the commission under this section shall first be used by the commission to offset the cost of administering the provisions of this chapter regulating satellite bingo and satellite bingo games. The commission shall transfer any revenue remaining after those administrative costs have been recovered by the commission to the comptroller.

Representative Hartnett moved to table Amendment No. 22.

A record vote was requested.

The motion to table prevailed by (Record 755): 83 Yeas, 38 Nays, 3 Present, not voting.

Yeas — Allen; Bailey; Baxter; Berman; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Callegari; Campbell; Chisum; Christian; Cook, B.; Cook, R.; Crabb; Crownover; Dawson; Delisi; Denny; Driver; Eissler; Elkins; Ellis; Farabee; Flynn; Gattis; Geren; Giddings; Goodman; Griggs; Grusendorf; Hamilton; Hamric; Harper-Brown; Hartnett; Heflin; Hegar; Hilderbran; Hill; Hochberg; Homer; Howard; Hughes; Hunter; Isett; Jones, E.; Keel; Keffer, B.; Keffer, J.; King; Kolkhorst; Laney; Laubenberg; Madden; Marchant; Martinez Fischer; McCall; McReynolds; Mercer; Merritt; Miller; Morrison; Nixon; Paxton; Peña; Phillips; Puente; Reyna; Riddle; Ritter; Smith, W.; Solomons; Talton; Taylor; Truitt; Van Arsdale; Villarreal; West; Wohlgemuth; Wong; Woolley; Zedler.

Nays — Alonzo; Chavez; Davis, J.; Davis, Y.; Deshotel; Dunnam; Dutton; Eiland; Escobar; Farrar; Flores; Garza; Goolsby; Guillen; Haggerty; Hodge; Hupp; Kuempel; Luna; Mabry; McClendon; Menendez; Moreno, J.; Moreno, P.; Noriega; Pickett; Quintanilla; Raymond; Rodriguez; Rose; Seaman; Solis; Stick; Thompson; Turner; Uresti; Wilson; Wise.

Present, not voting — Mr. Speaker; Jones, J.; Krusee(C).

Absent, Excused — Hope.

Absent — Burnam; Canales; Capelo; Casteel; Castro; Coleman; Corte; Dukes; Edwards; Gallego; Gutierrez; Hardcastle; Hopson; Jones, D.; Lewis; Mowery; Naishtat; Oliveira; Olivo; Pitts; Smith, T.; Smithee; Swinford; Telford; Wolens.

STATEMENTS OF VOTE

When Record No. 755 was taken, my vote failed to register. I would have voted yes.

Casteel

When Record No. 755 was taken, I was temporarily out of the house chamber. I would have voted yes.

T. Smith

I was shown voting no on Record No. 755. I intended to vote yes.

Turner

Amendment No. 19 - Vote Reconsidered

Representative Solomons moved to reconsider the vote by which Amendment No. 19 was adopted.

The motion to reconsider prevailed.

Amendment No. 23

Representatives Solomons and Dunnam offered the following amendment to Amendment No. 19:

Substitute for the Menendez Amendment:

Amend **CSSB 270** by adding the following SECTION and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 466.101, Government Code, is amended by adding Subsections (f) through (i) to read as follows:

(f) In awarding a contract under this chapter or evaluating a bid or proposal relating to a contract, the executive director may consider a vendor's economic impact to the state or a political subdivision of the state.

Amendment No. 23 was adopted without objection.

Amendment No. 19, as amended, was adopted without objection.

CSSB 270, as amended, was passed to third reading. (Berman, Bohac, Burnam, Casteel, Crabb, Dawson, Eissler, Flynn, Hopson, Howard, Hughes, Isett, Marchant, Merritt, Miller, Paxton, Phillips, Talton, Taylor, and Zedler recorded voting no)

CSSB 1952 ON SECOND READING

(Swinford, Allen, Casteel, R. Cook, and Gallego - House Sponsors)

CSSB 1952, A bill to be entitled An Act relating to the reorganization of, efficiency in, and other reform measures applying to state government.

(Speaker in the chair)

Amendment No. 1

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding a new SECTION 13A.113 and renumbering all subsequent SECTIONS:

SECTION 13A.113. Section 42.221, Tax Code, is amended to read as follows:

Sec. 42.221. CONSOLIDATED APPEALS FOR MULTICOUNTY PROPERTY ~~PIPELINE OR ELECTRIC LINE~~. (a) The owner of property of telecommunications providers under Section 51.002, Utility Code, or owner of

property regulated by the Railroad Commission, Surface Transportation Board, or the Federal Energy Regulatory Commission ~~an oil or gas pipeline or electric transmission or distribution line~~ that runs through or operates in more than one county and is appraised by more than one appraisal district may appeal an order of an appraisal review board relating to the property that runs through or operates in more than one county ~~pipeline or electric line, to property attached to or connected with the pipeline or electric line, or to an easement or other real property on which the pipeline or electric line is located~~ to the district court of any county in which a portion of the property ~~pipeline or electric line~~ is located or operates if the order relating to that portion of the property ~~the pipeline or electric line~~ is appealed.

(b) A petition for review of each appraisal review board order under this section must be filed with the court as provided by Section 42.21. The fee for filing each additional petition for review under this section ~~relating to a pipeline or electric line~~ after the first petition for review relating to the same property ~~pipeline or electric line~~ is filed for a tax year is \$5.

(c) If only one appeal by the owner of property subject to this section ~~an oil or gas pipeline or electric line~~ is pending before the court in an appeal from the decision of an appraisal review board of a district other than the appraisal district for that county, any party to the suit may, not earlier than the 30th day before and not later than the 10th day before the date set for the hearing, make a motion to transfer the suit to a district court of the county in which the appraisal review board from which the appeal is taken is located. In the absence of a showing that further appeals under this section will be filed, the court shall transfer the suit.

(d) When the owner files the first petition for review under this section ~~for a pipeline or electric line~~ for a tax year, the owner shall include with the petition a list of each appraisal district in which the property ~~pipeline or electric line~~ is appraised for taxation in that tax year.

(e) The court shall consolidate all the appeals for a tax year relating to a single property subject to this section ~~pipeline or electric line~~ for which a petition for review is filed with the court and may consolidate other appeals relating to other property subject to this section ~~pipelines or electric lines~~ of the same owner if the property is ~~pipelines or electric lines are~~ located in one or more of the counties on the list required by Subsection (d). Except as provided by this subsection, on the motion of the owner of a property subject to this section ~~pipeline or electric line owner~~ the court shall grant a continuance to provide the owner with an opportunity to include in the proceeding appeals of appraisal review board orders from additional appraisal districts. The court may not grant a continuance to include an appeal of an appraisal review board order that relates to a property ~~the pipeline or electric line~~ in that tax year after the time for filing a petition for review of that order has expired.

(f) This section does not affect the property owner's right to file a petition for review of an individual appraisal district's order relating to a property subject to this section ~~pipeline or electric line~~ in the district court in the county in which the appraisal review board is located.

(g) On a joint motion or the separate motions of at least 60 percent of the appraisal districts that are defendants in a consolidated suit filed before the 45th day after the date on which the property owner's petitions for review of the appraisal review board orders relating to property subject to this section ~~a pipeline or electric line~~ for that tax year must be filed, the court shall transfer the suit to a district court of the county named in the motion or motions if that county is one in which one of the appraisal review boards from which an appeal was taken is located.

(h) An outlet, facility, ~~or location,~~ or property that is subject to Section 321.002(a)(3), and that was first opened before June 1, 2003, is not subject to Section 321.203(1), and shall be governed by the law in effect at the time such outlet, facility, ~~or location,~~ or property was first opened, and that law shall be continued in effect for that purpose.

Amendment No. 1 was adopted without objection.

Amendment No. 2

Representatives Mabry, Swinford, and Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

(1) In SECTION 8A.01 of the bill, in added Section 5.851, Water Code (House committee printing, page 174, line 26), between "Health and Safety Code" and the period, insert ", except that this subchapter does not apply to permits issued under Subchapter L, Chapter 26".

(2) In SECTION 8B.01 of the bill, in added Section 5.132(a)(4), Water Code (House committee printing, page 177, line 18), strike "and".

(3) In SECTION 8B.01 of the bill, in added Section 5.132(a)(5), Water Code (House committee printing, page 177, line 20), between "authorization" and the period, insert the following:
; and

(6) the category of entities does not include concentrated animal feeding operations in a major sole source impairment zone that are subject to Subchapter L, Chapter 26

(4) In SECTION 8B.03 of the bill, in added Section 5.5515(b)(1), Water Code (House committee printing, page 180, line 14), between "proposed to be located" and "and any other", insert the following:
, any local government potentially affected by a concentrated animal feeding operation located or proposed to be located in a major sole source impairment zone that is subject to Subchapter L, Chapter 26,

(5) In the recital of SECTION 8B.09 of the bill (House committee printing, page 183, line 10), strike "Subsections (d-1)-(d-9)" and substitute "Subsections (d-1)-(d-10)".

(6) In SECTION 8B.09 of the bill, following added Section 5.556(d-6), Water Code (House committee printing, page 185, between lines 15 and 16), insert the following new subsection and renumber the subsequent subsections accordingly:

(d-7) For water quality applications for a permit for a concentrated animal feeding operation located or proposed to be located in a major sole source impairment zone that is subject to Subchapter L, Chapter 26, any local government whose sole source of drinking water is downstream of a discharge or proposed discharge is an affected person.

Amendment No. 2 was adopted without objection.

Amendment No. 3

On behalf of Representatives Swinford and Chisum, Representative Gallego offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in Part 8 of the bill (house committee printing) as follows:

(1) In Section 8A.01 of the bill, in proposed Subsection (b), Section 5.852, Water Code (page 175, line 4), strike "Section 5.854" and substitute "Section 5.853".

(2) In Section 8B.20 of the bill, in proposed Subsection (a-1), Section 382.056, Health and Safety Code (page 194, line 20), strike "Subsection (e)" and substitute "Subsection (o)".

(3) Strike Section 8C.12 (page 205, lines 14-25).

Amendment No. 3 was adopted without objection.

Amendment No. 4

Representatives Casteel and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952**

On page 61, line 17, strike "obligate" and insert "redirect."

Amendment No. 4 was adopted without objection.

Amendment No. 5

On behalf of Representatives Swinford and Hodge, Representative Gallego offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) by striking Article 1E (Page 3, line 14 through page 4, line 7) in Part 1 of the bill.

Amendment No. 5 was adopted without objection.

Amendment No. 6

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

Amend SECTION 2A.01 as follows:

On page 50, line 11, strike "and"

On page 50, line 13 strike "." and add "; and"

On page 50, line 14 insert the following:

"(4) interest earned on the investment of money in the fund."

Amendment No. 6 was adopted without objection.

Amendment No. 7

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

In SECTION 2A.01, on page 50, line 5, strike the word "an" and insert the words "a dedicated" before the word "account."

Amendment No. 7 was adopted without objection.

Amendment No. 8

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) as follows:

(1) Strike ARTICLE 1J (page 6, line 16 through page 23, line 21) of the bill.
(2) Strike SECTION 8B.25 (page 197, lines 25-26) of the bill and substitute the following:

SECTION 8B.25. Sections 361.0791, 361.088(d), and 361.122, Health and Safety Code, are repealed.

Amendment No. 8 was adopted without objection.

Amendment No. 9

Representatives Swinford and Heflin offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) by adding the following appropriately numbered article to Part 2 of the bill:

ARTICLE _____. REPAYMENT TO THE ECONOMIC STABILIZATION
FUND

SECTION _____.01 Subchapter G, Government Code, is amended by adding Section 403.107 to read as follows:

Section 403.107. REPAYMENT TO THE ECONOMIC STABILIZATION FUND.

(a) Appropriations from the economic stabilization fund shall be repaid to the fund during the succeeding biennium. Except as provided by Subsection (b) of this section, the comptroller during the succeeding biennium shall transfer from the general revenue fund to the economic stabilization fund an amount equal to the amount appropriated from the economic stabilization fund for all or part of the biennium. The comptroller shall transfer one-half of the required amount during the first fiscal year of the succeeding biennium and one-half of the required amount during the second fiscal year of the succeeding biennium, except that the amount transferred during the first fiscal year may be unequal to the amount transferred during the second fiscal year if the comptroller determines that the financial condition of the state makes it necessary to transfer unequal amounts.

(b) The comptroller shall reduce the amount otherwise required to be repaid under this section as necessary to ensure that the amount in the economic stabilization fund does not exceed the limit prescribed by Subsection (g), Section 49-g, Article III, Texas Constitution.

SECTION _____.02 The change in law made by this article takes effect January 1, 2004, and appropriations made from the economic stabilization fund by the 78th Legislature shall be repaid to the fund during the state fiscal biennium beginning September 1, 2005, including appropriations made from the fund for the state fiscal year ending August 31, 2003.

Amendment No. 9 was adopted without objection.

Amendment No. 10

Representative Swinford offered the following amendment to **CSSB 1952**:

Delete Article 2E beginning on page 57 and replace with the following:

SECTION 2E.01. The heading to Section 391.009, Local Government Code, is amended to read as follows:

Sec. 391.009. ROLE OF ~~STATE AUDITOR~~, GOVERNOR, AND STATE AGENCIES.

SECTION 2E.02. Section 391.009, Local Government Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (a-2) to read as follows:

(a) To protect the public interest and ~~[or]~~ promote the efficient use of public funds, the governor, with the technical assistance of the state auditor, may draft and [shall] adopt:

(1) rules relating to the operation and oversight of a commission;

(2) rules relating to the receipt or expenditure of funds by a commission, including:

(A) restrictions on the expenditure of any portion of commission funds for certain classes of expenses; and

(B) restrictions on the maximum amount of or percentage of commission funds that may be expended on a class of expenses, including indirect costs or travel expenses;

(3) annual reporting requirements for a commission;

(4) annual audit requirements on funds received or expended by a commission from any source;

(5) rules relating to the establishment and use of standards by which the productivity and performance of each commission can be evaluated; and

(6) guidelines that commissions and governmental units shall follow in carrying out the provisions of this chapter relating to review and comment procedures.

(a-1) The governor may draft and adopt rules under Subsection (a) using negotiated rulemaking procedures under Chapter 2008, Government Code.

(a-2) Based on a risk assessment performed by the state auditor and subject to the legislative audit committee's approval for inclusion in the audit plan under Section 321.013, Government Code, the state auditor's office shall assist the governor as provided by Subsection (a).

SECTION 2E.03. Section 391.0095, Local Government Code, is amended to read as follows:

Sec. 391.0095. AUDIT AND REPORTING REQUIREMENTS. (a) The audit and reporting requirements under Section 391.009(a) shall include a requirement that a commission annually report to the state auditor ~~[governor]~~:

- (1) the amount and source of funds received by the commission;
- (2) the amount and source of funds expended by the commission;
- (3) an explanation of any method used by the commission to compute an expense of the commission, including computation of any indirect cost of the commission;

- (4) a report of the commission's productivity and performance during the annual reporting period;

- (5) a projection of the commission's productivity and performance during the next annual reporting period;

- (6) the results of an audit of the commission's affairs prepared by an independent certified public accountant; and

- (7) a report of any assets disposed of by the commission.

(b) The annual audit of a commission may be commissioned ~~[by the governor's office or]~~ by the commission or at the direction of the governor's office, as determined by the governor's office, and shall be paid for from the commission's funds.

(c) A commission shall submit any other report or an audit to the state auditor and ~~[required by]~~ the governor.

(d) If a commission fails to submit a report or audit required under this section or is determined by the state auditor ~~[governor]~~ to have failed to comply with a rule, requirement, or guideline adopted under Section 391.009, the state auditor shall report the failure to the governor's office. The governor may, until the failure is corrected:

- (1) appoint a receiver to operate or oversee the commission; or

- (2) withhold any appropriated funds of the commission.

(e) A commission shall send to the governor, the state auditor, the comptroller, and the Legislative Budget Board a copy of each report and audit required under this section or under Section 391.009. Subject to a risk assessment performed by the state auditor and to the legislative audit committee's approval for inclusion in the audit plan under Section 321.013, Government Code, the ~~[The]~~ state auditor may ~~[shall]~~ review each audit and report. If the state auditor reviews an audit or report, the state auditor ~~[and]~~ must be given access to working papers and other supporting documentation that the state auditor determines is necessary to perform the review. If the state auditor finds significant issues involving the administration or operation of a commission or its programs, the state auditor shall report its findings and related recommendations to the legislative audit committee, the governor, and the commission. The governor and the legislative audit committee may direct the commission to prepare a corrective action plan or other response to the state auditor's findings or

recommendations. The legislative audit committee may direct the state auditor to perform any additional audit or investigative work that the committee determines is necessary.

SECTION 2E.04. Subsection (e), Section 391.0117, Local Government Code, is amended to read as follows:

(e) A commission shall submit to the state auditor ~~[governor]~~ the commission's salary schedule, including the salaries of all exempt positions, not later than the 45th day before the date of the beginning of the commission's fiscal year. If the state auditor, subject to the legislative audit committee's approval for inclusion in the audit plan under Section 321.013, Government Code, has recommendations to improve ~~[governor objects to]~~ a commission's salary schedule or a portion of the schedule, the state auditor shall report the recommendations to the governor's office. The governor's office may not allow the portion of the schedule for which ~~[that]~~ the state auditor has recommendations to ~~[governor objects to may not]~~ go into effect until revisions or explanations are given that are satisfactory to the governor based on recommendations from the state auditor ~~[and the governor approves that portion of the schedule]~~.

SECTION 2E.05. On the effective date of this Act, a rule, requirement, or guideline adopted by the governor relating to the oversight of regional planning commissions remains in effect until amended or repealed by the governor.

Amendment No. 10 was adopted without objection.

Amendment No. 11

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952**, by adding the following on page 103 at the end of Section 4C.01:

(f) An institution of higher education, as defined by Section 61.003, Education Code, may elect to participate in the system described in this section in the same manner as a state agency. If the institution makes this election and the comptroller approves the election, the institution:

(1) shall comply with this chapter in the same manner as a state agency;
and

(2) may not withdraw from the system described in this section without the approval of the comptroller.

(Noriega in the chair)

Amendment No. 11 was adopted without objection.

Amendment No. 12

Representatives Swinford and Callegari offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking Article 2G (page 62, line 9, through page 63, line 5, house committee report).

Amendment No. 12 was adopted without objection.

Amendment No. 13

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking Article 11 (page 5, line 11, through page 6, line 15, house committee report).

Amendment No. 13 was adopted without objection.

Amendment No. 14

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

Delete Sections 10A.01 and 10A.02 on page 230 and substitute new Sections 10A.01 and 10A.02 to read as follows:

SECTION 10A.01. Section 72.101, Property Code, is amended by adding Subsections (c) and (d) to read as follows:

"(c) Property distributable in the course of demutualization, rehabilitation, or related reorganization of an insurance company is deemed abandoned one year after the date the property is first distributable if, at the time of the first distribution, the last known address of the owner on the books and records of the holder is known to be incorrect, or the distribution or statements are returned by the post office as undeliverable; and the owner:

(1). has not communicated in writing with the holder or its agent regarding the interest; or

(2). otherwise communicated with the holder regarding the interest as evidenced by a memorandum or other record on file with the holder or its agents.

(d) Property distributable in the course of demutualization, rehabilitation or related reorganization of a mutual insurance company that is not subject to subsection (c) shall be reportable as otherwise provided by this law."

SECTION 10A.02. TRANSITION. New subsection (c) and (d) to Section 72.101, Property Code added by this Act shall be effective June 30, 2003 and reportable as otherwise provided by this law.

Amendment No. 14 was adopted without objection.

Amendment No. 15

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered ARTICLE to PART 1 of the bill and renumbering existing ARTICLES in PART 1 appropriately:

ARTICLE _____. GUBERNATORIAL APPOINTMENTS TO ADVISORY
BODIES

SECTION _____. Subchapter F, Chapter 401, Government Code, is amended by adding Section 401.105 to read as follows:

Sec. 401.105. NOTICE OF APPOINTMENT TO ADVISORY BODIES. Before the governor appoints an individual to serve on an advisory board, advisory council, or advisory committee for which senate confirmation of the

appointment is or is not required, the governor must inform the member of the house of representatives in whose district the proposed appointee resides of the proposed appointment.

Amendment No. 15 was adopted without objection.

Amendment No. 16

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in PART 1 of the bill by inserting the following appropriately numbered ARTICLE and renumbering ARTICLES appropriately:

ARTICLE ____ . ALCOHOLIC BEVERAGE REGULATION; WINE
BOTTLER'S PERMITS

SECTION __.01. Chapter 18, Alcoholic Beverage Code, is amended by adding Section 18.04 to read as follows:

Sec. 18.04. LOCATION OF PREMISES. A wine bottler's permit may be issued for a premises in a dry area if the premises is also covered by a winery permit.

SECTION __.02. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2003.

Amendment No. 16 was withdrawn.

Amendment No. 17

Representatives Callegari and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (house committee report) as follows:

(1) Strike SECTIONS 1J.17 and 1J.18 (page 11, lines 8-26).

(2) In SECTION 1J.19(11) of the bill (page 12, line 22), after the semicolon, insert "and".

(3) In SECTION 1J.19(12) of the bill (page 12, line 24), strike the semicolon and substitute a period.

(4) Strike SECTIONS 1J.19(13) and (14) (page 12, line 25, through page 13, line 2).

(5) Strike SECTION 1J.28 (page 22, line 3, through page 23, line 15).

(6) In SECTION 1J.29 of the bill, strike ", and Section 1.06, Texas Geoscience Practice Act (Article 3271b, Vernon's Texas Civil Statutes), as added by this Act" (page 23, lines 19-21).

(7) Renumber the SECTIONS of Article 1J appropriately.

Amendment No. 17 was adopted without objection.

Amendment No. 18

Representative Allen offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking Section 1P.01 of the bill (page 45, line 22, through page 46, line 9) and substituting:

SECTION 1P.01. Section 1702.002, Occupations Code, is amended by adding Subdivisions (1-a) and (5-a) to read as follows:

(1-a) "Board" means the Texas Private Security Board.

(5-a) "Department" means the Department of Public Safety of the State of Texas.

SECTION 1P.02. Subchapter A, Chapter 1702, Occupations Code, is amended by adding Section 1702.005 to read as follows:

Sec. 1702.005. DEPARTMENT OF PUBLIC SAFETY. (a) The board created under Section 1702.021 is a part of the department. The department shall administer this chapter through the board.

(b) A reference in this chapter or another law to the Texas Commission on Private Security means the board.

SECTION 1P.03. Section 1702.021(a), Occupations Code, is amended to read as follows:

(a) The Texas ~~[Commission on]~~ Private Security Board consists of seven ~~[nine]~~ members appointed by the governor with the advice and consent of the senate as follows:

(1) four ~~[five]~~ public members, each of whom is a citizen of the United States;

(2) one member who[~~±~~

~~[(A)] is licensed under this chapter as a private investigator;~~

~~[(B) has been engaged as a private investigator for at least the five years preceding appointment; and~~

~~[(C) is not employed by a person who employs another member of the commission;]~~

(3) one member who is licensed under this chapter as an alarm systems company; and ~~[who:~~

~~[(A) has been engaged as an alarm systems company for at least the five years preceding appointment; and~~

~~[(B) is not employed by a person who employs another member of the commission;]~~

(4) one member who[~~±~~

~~[(A)] is licensed under this chapter as the owner or operator of a guard company[~~±~~~~

~~[(B) has been the owner or operator of the guard company for at least the five years preceding appointment; and~~

~~[(C) is not employed by a person who employs another member of the commission; and~~

~~[(5) one member who:~~

~~[(A) holds a license, security officer commission, or registration under this chapter;~~

~~[(B) has been engaged in activity regulated by the commission under this chapter for at least the five years preceding appointment; and~~

~~[(C) is not employed by a person who employs another member of the commission].~~

SECTION 1P.04. Section 1702.025(a), Occupations Code, is amended to read as follows:

(a) The appointed board [~~commission~~] members serve staggered six-year terms, with the terms of two or three appointed members expiring on January 31 of each odd-numbered year.

SECTION 1P.05. Not later than November 1, 2003, the governor shall appoint the members of the Texas Private Security Board, as required under Section 1702.021, Occupations Code, as amended by this Act. The governor shall stagger the terms of the initial board members, as required under Section 1702.025, Occupations Code, as amended by this Act.

SECTION 1P.06. (a) On November 1, 2003:

(1) all functions and activities performed by the Texas Commission on Private Security immediately before that date are transferred to the Texas Private Security Board of the Department of Public Safety of the State of Texas;

(2) a rule or form adopted by the Texas Commission on Private Security is a rule or form of the Texas Private Security Board and remains in effect until amended or replaced by that board;

(3) a reference in law or an administrative rule to the Texas Commission on Private Security means the Texas Private Security Board;

(4) a complaint, investigation, or other proceeding before the Texas Commission on Private Security is transferred without change in status to the Texas Private Security Board, and the Texas Private Security Board assumes, as appropriate and without a change in status, the position of the Texas Commission on Private Security in an action or proceeding to which the Texas Commission on Private Security is a party;

(5) all money, contracts, leases, property, and obligations of the Texas Commission on Private Security are transferred to the Texas Private Security Board;

(6) all property in the custody of the Texas Commission on Private Security is transferred to the Texas Private Security Board; and

(7) the unexpended and unobligated balance of any money appropriated by the legislature for the Texas Commission on Private Security is transferred to the Texas Private Security Board.

(b) Before November 1, 2003, the Texas Commission on Private Security may agree with the Department of Public Safety of the State of Texas to transfer any property of the Texas Commission on Private Security to the Department of Public Safety of the State of Texas to implement the transfer required by this Act.

(c) In the period beginning on the effective date of this Act and ending on November 1, 2003, the Texas Commission on Private Security shall continue to perform functions and activities under Chapter 1702, Occupations Code, as if that chapter had not been amended by this Act, and the former law is continued in effect for that purpose.

Amendment No. 18 was adopted without objection.

Amendment No. 19

Representative Allen offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952**, (house committee printing), in Part 1, (page 3, line 14 through page 4, line 7), by striking Article 1E and renumbering existing articles accordingly.

Amendment No. 19 was adopted without objection.

Amendment No. 20

Representative Allen offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

(1) In the heading to ARTICLE 3A of the bill (House Committee Printing page 68, line 22), strike "FUEL" and substitute "ENERGY".

(2) In the recital to SECTION 3A.01 of the bill (House Committee Printing page 68, line 25), strike "447.012 and 447.013" and substitute "447.012, 447.013, and 447.014".

(3) At the end of SECTION 3A.01 of the bill (House Committee Printing page 74, following line 2) add the following:

Sec. 447.014. REDUCTION OF ENERGY CONSUMPTION BY AIR CONDITIONING AND REFRIGERATION EQUIPMENT OF STATE AGENCIES. (a) If an additive is shown in tests conducted by the state energy conservation office to reduce energy consumption by air conditioning and refrigeration equipment by at least 10 percent, each state agency shall initiate efforts to use the additive to reduce energy consumption by the agency's air conditioning and refrigeration equipment. An additive used to achieve this reduction must meet the following criteria:

(1) the additive must have been shown in tests conducted by the state energy conservation office to reduce energy consumption by air conditioning and refrigeration equipment by at least 10 percent;

(2) the provider of the technology must enter into an energy service agreement to pay for the deployment at no net cost to the state;

(3) the payback on the cost of deployment must be achieved, through the reduction in energy consumption, in 24 months or less; and

(4) the additive must be environmentally safe and comply with 40 C.F.R. Sections 261.22, 268.3, and 279.10 and 40 C.F.R. Part 261 Appendix VIII as those regulations existed on September 1, 2003.

(b) Each state agency shall consult the state energy conservation office regarding the deployment of an additive to reduce energy consumption by the agency's air conditioning and refrigeration equipment.

Amendment No. 20 was withdrawn.

Amendment No. 21

Representative Dukes offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking ARTICLE 3F of the bill (committee printing page 84 line 10, through page 85, line 21) and renumbering the ARTICLES of the bill as appropriate.

Amendment No. 21 was adopted without objection.

Amendment No. 22

On behalf of Representative Allen, Representative Gallego offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in PART 7 of the bill by adding the following appropriately numbered ARTICLE and SECTION to the bill and renumbering subsequent ARTICLES and SECTIONS in PART 7 accordingly:

ARTICLE ____ MAILINGS BY EMPLOYEES RETIREMENT SYSTEM OF
TEXAS

ON BEHALF OF CERTAIN NONPROFIT ASSOCIATIONS

SECTION ____ Section 815.503, Government Code, is amended by adding Subsection (e) to read as follows:

(e) The retirement system may make not more than two mailings a year on behalf of a nonprofit association to persons identified in information contained in records that are in the custody of the retirement system. A nonprofit association requesting a mailing must have at least 2,000 members who are annuitants of the retirement system and must be an eligible state employee organization, as that term is defined by Section 403.0165. A mailing may only include information on membership in the nonprofit association and policy issues affecting annuitants. The nonprofit association must pay the expense of the mailing.

Amendment No. 22 was withdrawn.

Amendment No. 23

Representatives Chisum and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Printing) in Part 8 of the bill as follows:

(1) In the introductory language to Section 8B.02 of the bill (page 179, line 14) strike "Subsection (a)" and substitute "Subsections (a) and (b)".

(2) In Section 8B.02 of the bill, in amended Subsection (a), Section 5.551, Water Code (page 179, line 21), strike "or 382" and substitute ", 382, or 401".

(3) In Section 8B.02 of the bill, in amended Subsection (a), Section 5.551, Water Code (page 179, line 26), strike "or 382" and substitute ", 382, or 401".

(4) In Section 8B.02 of the bill, following amended Subsection (a), Section 5.551, Water Code (page 179, between lines 26 and 27), insert:

(b) The commission by rule shall provide for additional notice, opportunity for public comment, or opportunity for hearing to the extent necessary to satisfy a requirement for United States Environmental Protection Agency authorization of a state permit program or United States Nuclear Regulatory Commission authorization of a state permit program.

(5) In Section 8B.02 of the bill, in proposed Subsection (d), Section 5.551, Water Code (page 180, lines 2 and 3), strike "or 382" and substitute ", 382, or 401".

(6) In the introductory language to Section 8B.09 of the bill (page 183, line 10), strike "Subsections (d-1)-(d-9)" and substitute "Subsections (d-1)-(d-10)".

(7) In Section 8B.09 of the bill, in amended Subsection (c), Section 5.556, Water Code (page 183, line 22), strike "(d-1)-(d-5)" and substitute "(d-1)-(d-8)".

(8) In Section 8B.09 of the bill, between proposed Subsections (d-5) and (d-6), Section 5.556, Water Code (page 185, between lines 12 and 13), insert:

(d-6) For applications under Chapter 401, Health and Safety Code, an affected person is a person who resides on or owns property in this state and within two miles of the facility or proposed facility.

(9) In Section 8B.09 of the bill, at the beginning of proposed Subsection (d-6), Section 5.556, Water Code (page 185, line 13), strike "(d-6)" and substitute "(d-7)".

(10) In Section 8B.09 of the bill, in proposed Subsection (d-6), Section 5.556, Water Code (page 185, line 14), strike "(d-1)-(d-5)" and substitute "(d-1)-(d-6)".

(11) In Section 8B.09 of the bill, at the beginning of proposed Subsection (d-7), Section 5.556, Water Code (page 185, line 16), strike "(d-7)" and substitute "(d-8)".

(12) In Section 8B.09 of the bill, at the beginning of proposed Subsection (d-8), Section 5.556, Water Code (page 185, line 24), strike "(d-8)" and substitute "(d-9)".

(13) In Section 8B.09 of the bill, at the beginning of proposed Subsection (d-9), Section 5.556, Water Code (page 185, line 27), strike "(d-9)" and substitute "(d-10)".

Amendment No. 23 was adopted without objection.

Amendment No. 24

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) by adding the following appropriately numbered ARTICLE to PART 8 and renumbering subsequent ARTICLES in PART 8 accordingly:

ARTICLE ____ . MEDICAL WASTE

SECTION __.01. Section 361.560, Health and Safety Code, is amended by adding Subdivisions (2) and (4) to read as follows:

(2) "Health care related facility" includes:

(A) ambulatory surgical centers;

(B) birthing centers;

(C) blood banks and blood drawing centers;

(D) clinics, including medical, dental, and veterinary clinics;

(E) funeral establishments;

(F) hospitals;

(G) pharmacies;

(H) professional offices, including the offices of physicians, dentists, and acupuncturists; and

(I) other facilities included by commission rule.

(4) "Special waste" includes:

(A) animal wastes and bedding materials that have been exposed to pathogens;

(B) bulk blood, bulk blood products, or bulk human body fluids;

(C) microbiological waste, including discarded cultures, vaccines, disposable culture dishes, and other disposable devices used in microbiological laboratories;

(D) pathological wastes, including human materials removed during surgery, autopsy, or other medical procedures; and

(E) sharps, including hypodermic needles, hypodermic syringes with attached needles, and contaminated items including scalpel blades, razor blades, disposable razors, disposable scissors used in medical procedures, intravenous stylets, rigid introducers, and broken glass.

SECTION __.02. Subchapter S, Chapter 361, Health and Safety Code, is amended by adding Section 361.562 to read as follows:

Sec. 361.562. MOBILE VEHICLES USED FOR TREATMENT OF SPECIAL WASTE FROM HEALTH CARE RELATED FACILITIES. A person who, in accordance with commission rules, uses a mobile vehicle to provide on-site treatment of special waste from health care related facilities may treat, on the site of a hospital registered with the commission as a medical waste collection station, special waste:

(1) generated at the hospital; or

(2) generated at another health care related facility and transported to the hospital site by the mobile unit if the hospital agrees.

SECTION __.03. Not later than December 1, 2003, the Texas Commission on Environmental Quality shall adopt all rules necessary to implement Section 361.562, Health and Safety Code, as added by this article.

(Speaker in the chair)

Amendment No. 24 was adopted without objection.

Amendment No. 25

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (house committee report) in Part 8 of the bill by adding the following appropriately numbered article and renumbering the other articles appropriately:

ARTICLE ____ . AIR QUALITY STANDARDS

SECTION ____ . Subchapter H, Chapter 2155, Government Code, is amended by adding Section 2155.451 to read as follows:

Sec. 2155.451. VENDORS THAT MEET OR EXCEED AIR QUALITY STANDARDS. (a) This section applies only to a contract to be performed, wholly or partly, in an affected county, as that term is defined by Section 386.001, Health and Safety Code.

(b) The commission and other state agencies procuring goods or services may give preference to goods or services of a vendor that demonstrates that the vendor meets or exceeds any state or federal environmental standards, including voluntary standards, relating to air quality.

(c) The preference may be given only if the cost to the state for the goods or services would not exceed 105 percent of the cost of the goods or services provided by a vendor who does not meet the standards.

SECTION _____. Subchapter Z, Chapter 271, Local Government Code, is amended by adding Section 271.907 to read as follows:

Sec. 271.907. VENDORS THAT MEET OR EXCEED AIR QUALITY STANDARDS. (a) In this section, "governmental agency" has the meaning assigned by Section 271.003.

(b) This section applies only to a contract to be performed, wholly or partly, in an affected county, as that term is defined by Section 386.001, Health and Safety Code.

(c) A governmental agency procuring goods or services may give preference to goods or services of a vendor that demonstrates that the vendor meets or exceeds any state or federal environmental standards, including voluntary standards, relating to air quality.

(d) The preference may be given only if the cost to the governmental agency for the goods or services would not exceed 105 percent of the cost of the goods or services provided by a vendor who does not meet the standards.

Amendment No. 25 was adopted without objection.

Amendment No. 26

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Printing) in PART 8 of the bill by adding the following appropriately numbered ARTICLE to PART 8 and renumbering subsequent ARTICLES in PART 8 accordingly:

ARTICLE ____ REGULATORY FLEXIBILITY AND REGULATORY STRUCTURE

SECTION _____. Subchapter D, Chapter 5, Water Code, is amended by adding Sections 5.135 and 5.136 to read as follows:

Sec. 5.135. REGULATORY FLEXIBILITY. (a) The commission by order may exempt an applicant from a requirement of a statute or commission rule regarding the control or abatement of pollution if the applicant proposes to control or abate pollution by an alternative method or by applying an alternative standard that is:

(1) as protective of the environment and the public health as the method or standard prescribed by the statute or commission rule that would otherwise apply; and

(2) not inconsistent with federal law.

(b) The commission may not exempt an applicant under this section unless the applicant can demonstrate to the commission that the applicant's proposed project will result in a level of protection of environmental quality that is equal to or greater than the level of protection afforded by existing standards.

(c) The commission by rule shall specify the procedure for obtaining an exemption under this section.

(d) The commission's order must describe the alternative method or standard and must condition the exemption on compliance with the method or standard as the order prescribes.

(e) The commission by rule may establish a reasonable fee for applying for an exemption under this section.

(f) The violation of an order issued under this section is punishable as if it were a violation of the statute or rule from which the order grants an exemption.

(g) The commission may not exempt an applicant from a requirement of a statute or regulation regarding the storing, handling, processing, or disposing of low-level radioactive materials.

(h) In implementing the program of regulatory flexibility authorized by this section, the commission shall:

(1) endorse alternative methods that will comply with legal requirements and impose the least onerous restrictions on business, including economic benefit; and

(2) work to achieve consistent and predictable results for the regulated community and shorter waits for permit issuance.

Sec. 5.136. STRATEGICALLY DIRECTED REGULATORY STRUCTURE. (a) The commission may develop a strategically directed regulatory structure that is designed to use innovative programs to provide enhanced environmental benefit and reward compliance performance.

(b) The strategically directed regulatory structure may offer incentives based on a person's compliance performance and any voluntary measures undertaken by the person to improve environmental quality.

(c) An innovative program offered as part of a strategically directed regulatory structure must:

(1) provide incentives to a person in return for benefits to the environment that exceed benefits that would result from compliance with applicable legal requirements under the commission's jurisdiction; and

(2) be consistent with other law and any requirement necessary to maintain federal program authorization.

Amendment No. 26 was adopted without objection.

Amendment No. 27

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

(1) In SECTION 8A.01 of the bill, in proposed Subchapter S, Chapter 5, Water Code, between Sections 5.851 and 5.852 (House Committee Printing page 174, between lines 26 and 27), insert the following:

Sec. 5.8515. DEFINITION. In this subchapter, "permit" means a permit, approval, registration, or other form of authorization required by law for a person to engage in an action.

(2) In SECTION 8A.01 of the bill, in proposed Subsection (b), Section 5.852, Water Code (House Committee Printing page 175, line 4), strike "5.854" and substitute "5.853".

(3) In SECTION 8A.01 of the bill, in proposed Subsection (c), Section 5.852, Water Code, between "review" and "a" (House Committee Printing page 175, line 5), insert "and for copying".

(4) In SECTION 8A.01 of the bill, in proposed Section 5.853, Water Code, following Subsection (c) (House Committee Printing page 176, between lines 6 and 7), insert the following:

(d) An applicant for a permit under Chapter 382, Health and Safety Code, shall also publish notice of the preliminary decision in an alternative language newspaper as required by commission rule. This requirement is waived if such a publication does not exist or if the publisher refuses to publish notice.

(5) In SECTION 8A.01 of the bill, in proposed Subsection (b), Section 5.855, Water Code (House Committee Printing page 177, line 4), strike "statement" and substitute "fact sheet".

(6) At the end of ARTICLE 8A of the bill (House Committee Printing page 177, between lines 5 and 6), insert the following:

SECTION 8A.02. The changes in law made by this article apply only to an application for a permit that is filed with the Texas Commission on Environmental Quality on or after September 1, 2003. An application for a permit that is filed before that date is governed by the law in effect on the date it was filed, and that law is continued for that purpose.

(7) In SECTION 8B.01 of the bill, in proposed Subsection (d), Section 5.132, Water Code (House Committee Printing page 178, line 10), strike "the comments" and substitute "written comments".

(8) In SECTION 8B.03 of the bill, in proposed Subsection (a), Section 5.5515, Water Code (House Committee Printing page 180, line 10), strike "the notice" and substitute "notice".

(9) In SECTION 8B.03 of the bill, at the end of proposed Section 5.5515, Water Code (House Committee Printing page 181, between lines 4 and 5), insert the following:

(d) An applicant for a permit under Chapter 382, Health and Safety Code, shall also publish notice of the preliminary decision in an alternative language newspaper as required by commission rule. This requirement is waived if such a publication does not exist or if the publisher refuses to publish notice.

(10) In the recital to SECTION 8B.09 of the bill, between "(d-1)-(d-9)" and "to" (House Committee Printing page 183, line 10), insert "and (g)".

(11) In SECTION 8B.09 of the bill, in amended Subsection (c), Section 5.556, Water Code (House Committee Printing page 183, line 22), strike "(d-1)-(d-5)" and substitute "(d-1)-(d-7)".

(12) In SECTION 8B.09 of the bill, in amended Subsection (c), Section 5.556, Water Code (House Committee Printing page 183, lines 23 and 24), strike "commission's office of hearings examiners" and substitute "State Office of Administrative Hearings".

(13) In SECTION 8B.09 of the bill, in amended Section 5.556, Water Code (House Committee Printing page 185, lines 16-23), strike Subsection (d-7) and substitute the following:

(d-7) A group or association may be an affected person if it is composed of one or more members who would otherwise have standing to request a hearing in their own right, the interests the group or association seeks to protect are germane to the organization's purpose, and neither the claim asserted nor the relief requested requires the participation of the individual members. A governmental entity with authority under state law over issues relating to the permit application may be an affected person. The commission by rule shall establish criteria for determining whether a group, association, or governmental entity is an affected person.

(14) In SECTION 8B.09 of the bill, in proposed Subsection (d-8), Section 5.556, Water Code (House Committee Printing page 185, line 25), strike "commission's office of hearings examiners" and substitute "State Office of Administrative Hearings".

(15) In SECTION 8B.09 of the bill, at the end of amended Section 5.556, Water Code (House Committee Printing page 186, between lines 8 and 9), insert the following:

(g) Notice of a contested case hearing granted under this subchapter shall be mailed to the applicant, the office of public interest counsel, the executive director, and the persons whose hearing requests have been granted. Public notice of a contested case hearing is not required.

(16) In SECTION 8B.10 of the bill, in amended Subsection (d), Section 26.028, Water Code (House Committee Printing page 187, lines 1-15), strike Subdivisions (3), (4), and (5) and substitute the following:

(3) for NPDES permits, notice and the opportunity to request a public meeting shall be given in compliance with NPDES program requirements, and the commission shall consider and respond to all timely received and significant written public comment; and

(4) the commission determines that an applicant's compliance history for the preceding five years ~~[under the method for evaluating compliance history developed by the commission under Section 5.754]~~ raises no issues regarding the applicant's ability to comply with a material term of its permit.

(17) Strike SECTION 8B.12 of the bill (House Committee Printing page 188, line 21, through page 189, line 19) and substitute the following:

SECTION 8B.12. Section 361.088, Health and Safety Code, is amended by amending Subsection (e) and adding Subsection (h) to read as follows:

(e) After complying with Sections 5.5515-5.555 ~~[5.552-5.555]~~, Water Code, the commission, without providing an opportunity for a contested case hearing, may act on an application to renew a permit for:

(1) storage of hazardous waste in containers, tanks, or other closed vessels if the waste:

(A) was generated on-site; and

(B) does not include waste generated from other waste transported to the site; ~~[and]~~

(2) processing of hazardous waste if:

(A) the waste was generated on-site;

(B) the waste does not include waste generated from other waste transported to the site; and

(C) the processing does not include thermal processing; or

(3) treatment, storage, or disposal of solid waste if the renewal application does not include any changes to authorization provided by the existing permit.

(h) The commission may act on an application for a new permit, Class 3 modification, or major amendment for post-closure care or corrective action at a solid waste management facility if notice and opportunity to request a nonadjudicative hearing under Subchapter S, Chapter 5, Water Code, have been given.

(18) In SECTION 8B.17 of the bill, in amended Section 382.05191, Health and Safety Code (House Committee Printing page 191, lines 20-26), strike Subsection (a) and substitute the following:

(a) An applicant for a permit under Section 382.05183, 382.05185(c) or (d), 382.05186, or 382.0519 shall publish notice, including notice of the opportunity for nonadjudicative hearing [of intent to obtain the permit] in accordance with Subchapter S, Chapter 5, Water Code [Section 382.056]. An applicant for a permit under Section 382.05186(b) shall publish notice, including notice of an opportunity for nonadjudicative hearing under Section 382.05197.

(19) In SECTION 8B.20 of the bill, in proposed Subsection (a-1), Section 382.056, Health and Safety Code (House Committee Printing page 194, line 18), strike "notice but" and substitute "notice, but".

(20) In SECTION 8B.20 of the bill, in proposed Subsection (a-1), Section 382.056, Health and Safety Code (House Committee Printing page 194, line 20), strike "(e)" and substitute "(o)".

(21) In SECTION 8B.20 of the bill, in amended Section 382.056, Health and Safety Code (House Committee Printing page 194, line 21, through page 195, line 6), strike Subsection (a-2) and substitute the following:

(a-2) An application for a permit amendment under this section is not subject to notice or contested case hearing if the total emissions increase from all facilities authorized under the amended permit will meet the de minimis criteria established by commission rule and the emissions will not change in character. An application for a permit amendment for a facility affected by Section 382.020 is not subject to notice or contested case hearing if the total emissions increase from all facilities authorized under the permit amendment is not significant and will not change in character. A finding under this subsection that a total emissions increase is not significant must be made in the same manner as a finding made under Section 382.05196.

(22) Strike SECTION 8B.26 of the bill (House Committee Printing page 197, line 27, through page 198, line 5), and substitute the following:

SECTION 8B.26. Sections 361.534(b), 382.0518(h) and (i), 382.05191(b) and (c), 382.05197(b) and (c), 382.056(b)-(n) and (p), and 382.058, Health and Safety Code, are repealed.

SECTION 8B.27. The changes in law made by this article apply only to an application for a permit that is filed with the Texas Commission on Environmental Quality on or after September 1, 2003. An application for a permit that is filed before that date is governed by the law in effect on the date it was filed, and that law is continued for that purpose.

(23) At the end of ARTICLE 8C of the bill (House Committee Printing page 207, between lines 25 and 26), insert the following:

SECTION 8C.15. (a) The changes in law made by this article apply only to an action taken by the Texas Commission on Environmental Quality on or after the effective date of this article.

(b) This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2003.

Amendment No. 28

Representatives Chisum and Swinford offered the following amendment to Amendment No. 27:

Amend Amendment No. 27 as follows:

- 1) On page 2, Strike lines 25 through 29.
- 2) On page 3, strike lines 12 through 15.

Amendment No. 28 was adopted without objection.

Amendment No. 27, as amended, was adopted without objection.

Amendment No. 29

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

(1) In SECTION 8B.09 of the bill (House Committee Report, page 183, line 12), strike "State Office of Administrative Hearings" and substitute "commission's office of hearings examiners".

(2) Add the following article to Part 8 of the bill:

ARTICLE 8J. ADMINISTRATIVE HEARINGS

SECTION 8J.01. Subchapter H, Chapter 5, Water Code, is amended to read as follows:

SUBCHAPTER H. DELEGATION OF HEARINGS; OFFICE OF HEARING EXAMINERS

Sec. 5.311. DEFINITION. In this subchapter, "office" means the office of hearing examiners created under Section 5.312.

Sec. 5.312. OFFICE OF HEARING EXAMINERS. (a) The commission shall create an office of hearing examiners to assist the commission in carrying out its powers and duties.

(b) The office is:

(1) independent of the executive director and the divisions of the commission; and

(2) under the exclusive control of the commission.

Sec. 5.313. ORGANIZATION OF OFFICE OF HEARING EXAMINERS. The office is under the direction of a chief hearing examiner. The chief hearing examiner and all assistant hearing examiners employed in the office must be:

- (1) attorneys licensed to practice law in this state; and
- (2) employees of the commission.

Sec. 5.314. DELEGATION OF RESPONSIBILITY. (a) The commission may delegate to a hearing examiner the responsibility to hear any matter before the commission.

(b) A hearing examiner shall:

- (1) prepare for and hold any contested case hearing as directed by the commission; and
- (2) report to the commission on the hearing in the manner provided by law.

Sec. 5.315. DEADLINE TO COMPLETE HEARING; DOCKET CONTROL. (a) In referring a matter for hearing, the executive director by rule shall specify to a hearing examiner the date by which the hearing examiner is expected to complete a proceeding and submit a proposal for decision to the commission.

(b) A hearing examiner may extend a proceeding past the date specified under Subsection (a) if the hearing examiner determines that the failure to grant the extension would deprive a party of due process or another constitutionally granted right.

(c) A hearing examiner shall establish a docket control order designed to complete the proceeding by the date specified under Subsection (a).

Sec. 5.316. HEARINGS; SCOPE. The scope of a hearing may be limited by stipulations of the parties or summary dispositions as provided by commission rule.

Sec. 5.317. COMMISSION RULES FOR HEARINGS. (a) The commission by rule shall:

- (1) provide for subpoenas and commissions for depositions;
- (2) require that discovery be conducted in accordance with the Texas Rules of Civil Procedure and determine the level of discovery under Rule 190, Texas Rules of Civil Procedure, appropriate for each type of case considered by the commission, considering the nature and complexity of the case; and
- (3) provide for certification to the commission of an issue that involves an ultimate finding of compliance with or satisfaction of a statutory standard the determination of which is committed to the discretion or judgment of the commission by law.

(b) Rules adopted under Subsection (a)(3) must address, at a minimum:

- (1) the issues that are appropriate for certification; and
- (2) the procedure to be used in certifying the issue.

Sec. 5.318. HEARINGS; SANCTIONS. (a) A hearing examiner hearing a case on behalf of the commission may impose sanctions as provided under Subsection (c) against a party or its representative for:

- (1) filing a motion or pleading that is groundless and brought:
 - (A) in bad faith;

(B) for the purpose of harassment; or
(C) for any other improper purpose to cause unnecessary delay or
needless increase in the cost of the proceeding;

(2) abuse of the discovery process in seeking, making, or resisting
discovery; or

(3) failure to obey an order of the hearing examiner or the commission.

(b) A hearing examiner may impose a sanction under Subsection (a):

(1) on the motion of:

(A) a party; or

(B) the hearing examiner; and

(2) only after notice and an opportunity for a hearing.

(c) A sanction imposed under Subsection (a) may include issuance of an
order:

(1) disallowing further discovery of any kind or any particular kind by
the offending party;

(2) charging all or part of the expenses of discovery against the
offending party or its representative;

(3) holding that designated facts be considered admitted for the
purposes of the hearing;

(4) refusing to allow the offending party to support or oppose a
designated claim or defense or prohibiting the party from introducing designated
matters in evidence;

(5) disallowing wholly or partly requests for relief by the offending
party and excluding evidence in support of those requests; and

(6) wholly or partly striking pleadings or testimony or both pleadings
and testimony.

Sec. 5.319. FINDINGS AND PROPOSAL FOR DECISION; ORDER OF
COMMISSION. (a) After hearing evidence and receiving legal argument, a
hearing examiner shall make findings of fact, conclusions of law, and any
ultimate finding required by statute, all of which shall be separately stated.

(b) The hearing examiner shall make a proposal for decision to the
commission and shall serve the proposal for decision on all parties.

(c) The commission shall give each party an opportunity to file:

(1) exceptions to the proposal for decision; and

(2) briefs related to the issues addressed in the proposal for decision.

(d) Except as provided by Section 361.0832, Health and Safety Code, the
commission shall consider:

(1) a proposal for decision prepared by a hearing examiner;

(2) any exceptions by the parties; and

(3) briefs of the parties.

(e) The commission may amend a proposal for decision, including any
finding of fact, but any amendment to the proposal or order from the amended
proposal must be based solely on the record made before the hearing examiner.
Any amendment to a proposal must be accompanied by an explanation of the
basis of the amendment.

(f) The commission may refer a matter back to the hearing examiner to:

- (1) reconsider a finding or conclusion stated in a proposal for decision;
- (2) receive additional evidence; or
- (3) make additional findings of fact or conclusions of law.

(g) The commission shall serve a copy of the commission's order, including its findings of fact and conclusions of law, on each party.

Sec. 5.320. APPLICABILITY OF ADMINISTRATIVE PROCEDURE ACT. Chapter 2001, Government Code, applies to a hearing under this subchapter except to the extent that it conflicts with this subchapter.

Sec. 5.321. ALTERNATIVE DISPUTE RESOLUTION. (a) If the commission has conducted an unsuccessful alternative dispute resolution procedure, a hearing examiner may not refer a case to an alternative dispute resolution procedure unless each party agrees to the referral.

(b) If the commission has not conducted an alternative dispute resolution procedure, the hearing examiner shall consider the commission's recommendation in determining whether to order the referral of the case to an alternative dispute resolution procedure.

Sec. 5.322. REFERENCE TO ADMINISTRATIVE LAW JUDGE. A reference to an administrative law judge in this chapter or Chapter 26 or 31 of this code, or Chapter 361 or 382, Health and Safety Code, means a hearing examiner under this subchapter. ~~[DELEGATION OF RESPONSIBILITY. (a) The commission may delegate to an administrative law judge of the State Office of Administrative Hearings the responsibility to hear any matter before the commission and to issue interlocutory orders related to interim rates under Chapter 13.~~

~~[(b) Except as provided in Subsection (a), the administrative law judge shall report to the commission on the hearing in the manner provided by law.~~

~~[Sec. 5.312. TIME LIMIT FOR ISSUANCE OR DENIAL OF PERMITS. (a) Except as provided in Subsection (b), all permit decisions shall be made within 180 days of the receipt of the permit application or application amendment or the determination of administrative completeness, whichever is later.~~

~~[(b) This section does not apply to permits issued under federally delegated or approved programs unless allowed under that program.~~

~~[Sec. 5.313. HEARING EXAMINERS REFERENCED IN LAW. Any reference in law to a hearing examiner who has a duty related to a case pending before the commission means an administrative law judge of the State Office of Administrative Hearings.]~~

SECTION 8J.02. (a) On January 1, 2004, all equipment, data, facilities, case files, records, and other items of the Natural Resources Division of the State Office of Administrative Hearings are transferred to the Texas Commission on Environmental Quality. The Natural Resources Division of the State Office of Administrative Hearings is abolished.

(b) Not later than January 1, 2004, the Texas Commission on Environmental Quality shall:

- (1) employ hearing examiners who have the expertise necessary to conduct hearings with technical and other specialized subject matters that may come before the commission; and

(2) implement all administrative changes necessary for the commission to assume the functions of the administrative law judges in the Natural Resources Division of the State Office of Administrative Hearings.

(c) Except as provided in Subsections (d) and (e) of this section, the State Office of Administrative Hearings shall continue to employ an administrative law judge who is hearing a case pending before the State Office of Administrative Hearings on behalf of the Texas Commission on Environmental Quality on January 1, 2004, until the judge renders a proposal for decision in the case, and the judge shall continue to hear a case assigned to the judge as if the abolition of the Natural Resources Division of the State Office of Administrative Hearings had not occurred.

(d) If a hearing examiner or administrative law judge employed by the State Office of Administrative Hearings is hearing a case pending before the Texas Commission on Environmental Quality on the effective date of this Act and that examiner or judge is offered and accepts a position as a hearing examiner of the commission, the chief hearing examiner of the Office of Hearing Examiners of the Texas Commission on Environmental Quality shall assign that case to that hearing examiner to render a proposal for decision.

(e) If an administrative law judge accepts a position as a hearing examiner in the Office of Hearing Examiners of the Texas Commission on Environmental Quality, the State Office of Administrative Hearings shall transfer any case pending before that office to the Office of Hearing Examiners of the Texas Commission on Environmental Quality and the commission shall assign the case to the judge to render a proposal for decision.

(f) As soon as practicable, but not later than January 1, 2004, the chief administrative law judge of the State Office of Administrative Hearings shall consult with the Texas Commission on Environmental Quality to:

(1) assist the commission in determining the number of and requirements for hearing examiners needed for the commission to conduct hearings effectively; and

(2) make necessary administrative changes in that office and the commission.

Amendment No. 29 was withdrawn.

Amendment No. 30

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) as follows:

(1) In SECTION 8B.16, in the introductory language (page 191, line 2), strike "Section 382.0518(b)" and substitute "Section 382.0518".

(2) In SECTION 8B.16, in the introductory language (page 191, line 3), between "amended" and "to", insert "by adding Subsection (a-1) and amending Subsection (b)".

(3) In SECTION 8B.16, in amended Section 382.0518, Health and Safety Code (page 191, between lines 3 and 4), insert the following:

(a-1) To promote administrative efficiency in the permitting process, the commission may provide alternate means of complying with the requirements of this section by adopting rules to establish a plant-wide applicability limitations program or a clean unit program implementing regulations adopted by the United States Environmental Protection Agency under Parts C and D, Title I, of the federal Clean Air Act (42 U.S.C. Sections 7470-7515), as amended, that allows for:

(1) the construction of a new facility at a group of facilities for which a preconstruction permit under this section has been issued if the group of facilities, according to the program adopted:

(A) has been designated a clean unit; or

(B) is subject to a plant-wide applicability limit; or

(2) the modification of an existing facility for which a preconstruction permit under this section has been issued, if the facility, according to the program adopted:

(A) has been designated a clean unit; or

(B) is subject to a plant-wide applicability limit.

Amendment No. 30 was adopted without objection.

Amendment No. 31

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking Section 382.056(a), Health and Safety Code, as amended by SECTION 8B.20 of the bill (Committee Printing page 193, line 7 through page 194, line 14), and substituting the following:

(a) ~~An [Except as provided by Section 382.0518(h), an] applicant for a permit or permit amendment under Section 382.0518 or a permit renewal review under Section 382.055 shall publish notice of a preliminary decision on [intent to obtain] the permit, permit amendment, or permit review and provide an opportunity for a contested case hearing as provided by Subchapter M, Chapter 5, Water Code [not later than the 30th day after the date the commission determines the application to be administratively complete. The commission by rule shall require an applicant for a federal operating permit under Section 382.054 to publish notice of intent to obtain a permit, permit amendment, or permit review consistent with federal requirements and with the requirements of Subsection (b). The applicant shall publish the notice at least once in a newspaper of general circulation in the municipality in which the facility or federal source is located or is proposed to be located or in the municipality nearest to the location or proposed location of the facility or federal source. If the elementary or middle school nearest to the facility or proposed facility provides a bilingual education program as required by Subchapter B, Chapter 29, Education Code, the applicant shall also publish the notice at least once in an additional publication of general circulation in the municipality or county in which the facility is located or proposed to be located that is published in the language taught in the bilingual education program. This requirement is waived if such a publication does not exist or if the publisher refuses to publish the notice. The commission by rule shall prescribe the form and content of the notice and when notice must be~~

~~published. The commission may require publication of additional notice]. The commission by rule shall prescribe alternative procedures for publication of the notice in a newspaper if the applicant is a small business stationary source as defined by Section 382.0365 and will not have a significant effect on air quality. The alternative procedures must be cost-effective while ensuring adequate notice. [Notice required to be published under this section shall only be required to be published in the United States.]~~

Amendment No. 31 was adopted without objection.

Amendment No. 32

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in PART 8 of the bill, ARTICLE 8B (House Committee Report, page 197, lines 11-19), by striking SECTION 8B.23 and substituting the following:

SECTION 8B.23. (a) Section 382.065, Health and Safety Code, as added by Chapter 965, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 382.065. CERTAIN LOCATIONS FOR OPERATING CONCRETE CRUSHING FACILITY PROHIBITED. (a) The commission by rule shall prohibit the ~~[location of or]~~ operation of a concrete crushing facility within 440 yards of a building in use ~~[used]~~ as a single or multifamily residence, school, or place of worship at the time the application for a permit to operate the facility at a site near the residence, school, or place of worship is filed with the commission. The measurement of distance for purposes of this subsection shall be taken from the point on the concrete crushing facility that is nearest to the residence, school, or place of worship toward the point on the residence, school, or place of worship that is nearest the concrete crushing facility.

(b) Subsection (a) ~~[This section]~~ does not apply to a ~~[an existing]~~ concrete crushing facility;

(1) at a location for which commission authorization for the operation of a concrete crushing facility was in effect on September 1, 2001; or

(2) at a location that satisfies the distance requirements of Subsection (a) at the time the application for the initial authorization for the operation of that facility at that location is filed with the commission, provided that the authorization is granted and maintained, regardless of whether a single or multifamily residence, school, or place of worship is subsequently built or put to use within 440 yards of the facility.

(b) A change in law made by this section the effect of which is to restrict the location or operation of a concrete crushing facility does not apply to a facility for which an application for authorization to operate at a particular location is filed before the effective date of this section.

Amendment No. 32 was adopted without objection.

Amendment No. 33

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

(1) In SECTION 8C.06 of the bill, in amended Subsection (d), Section 27.051, Water Code, between "injection well" and "is in the public interest" (House Committee Printing page 199, line 24), insert "for the disposal of hazardous waste".

(2) In SECTION 8C.06 of the bill, in amended Subdivision (2), Subsection (d), Section 27.051, Water Code, between "available" and the semicolon (House Committee Printing page 200, line 5), insert "to manage the pertinent type and class of hazardous waste".

(3) In SECTION 8C.06 of the bill, in amended Subdivision (3), Subsection (d), Section 27.051, Water Code (House Committee Printing page 200, lines 6 and 7), strike "if the injection well will be used for the disposal of hazardous waste," and substitute "~~[if the injection well will be used for the disposal of hazardous waste,]~~".

(4) At the end of ARTICLE 8C of the bill (House Committee Printing page 207, between lines 25 and 26), insert the following:

SECTION 8C.15. Section 27.051(d), Water Code, as amended by this article, applies only to an application for a disposal or injection well permit that is pending on or is filed on or after the effective date of this article.

SECTION 8C.16. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2003.

Amendment No. 33 was adopted without objection. (Canales recorded voting no)

Amendment No. 34

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) by adding the following appropriately numbered ARTICLE to PART 8 of the bill and renumbering subsequent ARTICLES in PART 8 accordingly:

ARTICLE __. VALIDATION OF CERTAIN WATER QUALITY RULES

SECTION _____.01. VALIDATION OF CERTAIN WATER QUALITY RULES. Rules adopted by the Texas Commission on Environmental Quality under Section 26.040, Water Code, before the effective date of this Act are validated as of the dates they were adopted and remain valid until they are modified or repealed by the commission.

Amendment No. 34 was adopted without objection.

Amendment No. 35

On behalf of Representative Bonnen, Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in PART 8 of the bill by adding the following appropriately numbered section and renumbering subsequent sections accordingly:

SECTION _____. Section 361.122, Health and Safety Code, is amended to read as follows:

Sec. 361.122. DENIAL OF CERTAIN LANDFILL PERMITS. (a) The commission may not issue a permit for a Type IV landfill if:

(1) the proposed site is located within 100 feet of a canal that is used as a public drinking water source or for irrigation of crops used for human or animal consumption;

(2) the proposed site is located in a county with a population of more than 225,000 that is located adjacent to the Gulf of Mexico; and

(3) prior to final consideration of the application by the commission, the commissioners of the county in which the facility is located have adopted a resolution recommending denial of the application.

(b) In addition to the restriction on the location of a Type IV landfill under Subsection (a), the commission may not issue a permit for a Type IV landfill if, on or before January 13, 2003, the proposed facility was determined by the applicable regional planning commission created under Chapter 391, Local Government Code, to be incompatible with a regional solid waste management plan adopted under Section 363.062 of this code.

Amendment No. 35 - Point of Order

Representative Elkins raised a point of order against further consideration of Amendment No. 35 under Rule 8, Section 10(b) of the House Rules and Article III, Section 56 of the Texas Constitution on the grounds that the amendment is limited to one or more political subdivisions by means of population brackets or other artificial devices in lieu of identifying the political subdivision or subdivisions by name.

The speaker sustained the point of order.

The ruling precluded further consideration of Amendment No. 35.

Amendment No. 36

Representatives Swinford and Farabee offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in PART 8 of the bill by inserting the following appropriately numbered ARTICLE and renumbering the subsequent ARTICLES of the bill accordingly:

ARTICLE 8. FINANCIAL SECURITY REQUIREMENTS FOR CERTAIN PERSONS PERFORMING OPERATIONS WITHIN THE JURISDICTION OF THE RAILROAD COMMISSION OF TEXAS

SECTION 8____.01. Effective September 1, 2004, Section 85.2021, Natural Resources Code, is amended to read as follows:

Sec. 85.2021. DRILLING PERMIT FEE. (a) With each application or materially amended application for a permit to drill, deepen, plug back, or reenter a well, the applicant shall submit to the commission a nonrefundable fee of:

(1) \$200 if the total depth of the well is 2,000 feet or less;

(2) \$225 if the total depth of the well is greater than 2,000 feet but less than or equal to 4,000 feet;

(3) \$250 if the total depth of the well is greater than 4,000 feet but less than or equal to 9,000 feet;

(4) \$300 if the total depth of the well is greater than 9,000 feet.

(b) An applicant shall submit an additional nonrefundable fee of \$200 when a Rule 37 spacing or a Rule 38 density exception review is requested ~~[required]~~.

(c) An applicant shall submit an additional nonrefundable fee of \$150 when requesting that the commission expedite the application for a permit to drill, deepen, plug back, or reenter a well.

(d) With each application for an extension of time to plug a well pursuant to commission rules, an applicant shall submit to the commission a nonrefundable fee of \$300, unless the applicant has filed a bond, letter of credit, or cash deposit under Section 91.104(b)(1), (2), or (3).

(e) All fees collected under this section shall be deposited in the state oil-field cleanup fund.

SECTION 8 __.02. Section 91.104, Natural Resources Code, is amended to read as follows:

Sec. 91.104. BONDS AND ALTERNATE FORMS OF FINANCIAL SECURITY. (a) The commission shall require a bond or an alternate form of financial security to be filed with the commission as provided by Subsection (b) ~~[of this section]~~.

(b) A person required to file a bond or alternate form of financial security under Section 91.103 may choose to file:

(1) an individual bond as provided under Section 91.1041;

(2) a blanket bond as provided under Section 91.1042;

(3) a letter of credit or cash deposit in the same amount as required for an individual bond under Section 91.1041 or a blanket bond under Section 91.1042;

(4) a nonrefundable annual fee of \$1,000, if~~+~~

~~[(A) the commission determines that individual and blanket bonds as specified by Subdivisions (1) and (2) are not obtainable at reasonable prices; and~~

~~[(B)]~~ the person states and commission records confirm that the person has ~~[can demonstrate to the commission]~~ an acceptable record of compliance with all commission rules, orders, licenses, permits, or certificates that relate to safety or the prevention or control of pollution for the previous 48 months and the person and, if a firm, partnership, joint stock association, corporation, or other organization, its officers, directors, general partners, or owners of more than 25 percent ownership interest or any trustee:

(A) ~~[(A)]~~ has no outstanding violations of such commission rules, orders, licenses, permits, or certificates;

(B) ~~[(B)]~~ has paid all administrative, civil, and criminal penalties, if any, relating to any violation of such commission rules, orders, licenses, permits, or certificates; and

(C) ~~[(C)]~~ has paid all reimbursements of any costs and expenses incurred by the commission in relation to any violation of such commission rules, orders, licenses, permits, or certificates; ~~[or]~~

(5) a nonrefundable annual fee equal to seven ~~[12-1/2]~~ percent of the bond that otherwise would be required; or

(6) if the person operates wells, another form of financial security authorized by rules adopted by the commission under Subsection (b-1).

(b-1) The commission by rule may authorize a person who operates wells to file a form of financial security other than those provided by Subsections (b)(1)-(5), including insurance. The rules must require the security to be in an amount sufficient to ensure the plugging of the person's wells.

(c) A person who chooses to file a form of financial security other than a bond, letter of credit, or cash deposit shall also submit a fee of \$300 for each application to extend the time to plug a well in accordance with Section 85.2021. A person may not be required to file a bond, letter of credit, or cash deposit as a condition of receiving an extension under that section.

(d) This subsection does not apply to the operation of bay or offshore wells or the storage, handling, treatment, reclamation, or disposal of oil and gas waste. A person who engages in more than one activity or operation for which a bond or alternate form of financial security is required under this subchapter is not required to file a separate bond or alternate form of financial security for each activity or operation in which the person is engaged. The person is required to file a bond or alternate form of financial security only in the amount required for the activity or operation in which the person engages for which a bond or alternate form of financial security in the greatest amount is required. The bond or alternate form of financial security filed covers all of the activities and operations for which a bond or alternate form of financial security is required under this subchapter.

SECTION 8 __.03. Effective September 1, 2004, Section 91.104, Natural Resources Code, is amended to read as follows:

Sec. 91.104. BONDS AND ALTERNATE FORMS OF FINANCIAL SECURITY. (a) The commission shall require a bond or an alternate form of financial security to be filed with the commission as provided by Subsection (b) ~~[of this section]~~.

(b) A person required to file a bond or alternate form of financial security under Section 91.103 may choose to file:

(1) an individual bond as provided under Section 91.1041;

(2) a blanket bond as provided under Section 91.1042;

(3) a letter of credit or cash deposit in the same amount as required for an individual bond under Section 91.1041 or a blanket bond under Section 91.1042;

(4) a nonrefundable annual fee ~~[of \$1,000, if:~~

~~[(A) the commission determines that individual and blanket bonds as specified by Subdivisions (1) and (2) are not obtainable at reasonable prices; and~~

~~[(B) the person can demonstrate to the commission an acceptable record of compliance with all commission rules, orders, licenses, permits, or certificates that relate to safety or the prevention or control of pollution for the~~

~~previous 48 months and the person and, if a firm, partnership, joint stock association, corporation, or other organization, its officers, directors, general partners, or owners of more than 25 percent ownership interest or any trustee:~~

~~[(i) has no outstanding violations of such commission rules, orders, licenses, permits, or certificates;~~

~~[(ii) has paid all administrative, civil, and criminal penalties, if any, relating to any violation of such commission rules, orders, licenses, permits, or certificates; and~~

~~[(iii) has paid all reimbursements of any costs and expenses incurred by the commission in relation to any violation of such commission rules, orders, licenses, permits, or certificates; or~~

~~[(5) a nonrefundable annual fee] equal to:~~

~~(A) eight [42-1/2] percent of the bond that otherwise would be required if the financial security is required to be filed before September 1, 2005;~~

~~(B) nine percent of the bond that otherwise would be required if the financial security is required to be filed on or after September 1, 2005, and before September 1, 2006; and~~

~~(C) 10 percent of the bond that otherwise would be required if the financial security is required to be filed on or after September 1, 2006; or~~

~~(5) if the person operates wells, another form of financial security authorized by rules adopted by the commission under Subsection (b-1).~~

~~(b-1) The commission by rule may authorize a person who operates wells to file a form of financial security other than those provided by Subsections (b)(1)-(5), including insurance. The rules must require the security to be in an amount sufficient to ensure the plugging of the person's wells.~~

~~(c) A person who chooses to file a form of financial security other than a bond, letter of credit, or cash deposit shall also submit a fee of \$300 for each application to extend the time to plug a well in accordance with Section 85.2021. A person may not be required to file a bond, letter of credit, or cash deposit as a condition of receiving an extension under that section.~~

~~(d) This subsection does not apply to the operation of bay or offshore wells or the storage, handling, treatment, reclamation, or disposal of oil and gas waste. A person who engages in more than one activity or operation for which a bond or alternate form of financial security is required under this subchapter is not required to file a separate bond or alternate form of financial security for each activity or operation in which the person is engaged. The person is required to file a bond or alternate form of financial security only in the amount required for the activity or operation in which the person engages for which a bond or alternate form of financial security in the greatest amount is required. The bond or alternate form of financial security filed covers all of the activities and operations for which a bond or alternate form of financial security is required under this subchapter.~~

SECTION 8__04. Section 91.1042, Natural Resources Code, is amended to read as follows:

Sec. 91.1042. BLANKET BOND. (a) A person required to file a bond or alternate form of financial security under Section 91.103 who operates wells may file a blanket bond to cover all wells and operations for which a bond or alternate form of financial security is required as follows:

(1) a person who operates at least one well but not more than 10 wells ~~[10 or fewer wells or performs other operations]~~ shall file a \$15,000 ~~[\$25,000]~~ blanket bond;

(2) a person who operates more than 10 but fewer than 25 ~~[100]~~ wells shall file a \$35,000 ~~[\$50,000]~~ blanket bond; ~~and~~

(3) a person who operates 25 ~~[100]~~ or more wells but fewer than 100 wells shall file a \$50,000 ~~[\$250,000]~~ blanket bond;

(4) a person who operates 100 or more wells but fewer than 150 wells shall file a \$100,000 blanket bond;

(5) a person who operates 150 or more wells but fewer than 200 wells shall file a \$175,000 blanket bond; and

(6) a person who operates 200 or more wells shall file a \$250,000 blanket bond.

(b) Notwithstanding Subsection (a), the commission by rule shall set the amount of the bond for an operator of bay or offshore wells at a reasonable amount that exceeds the amount provided by Subsection (a)(1), (2), ~~or~~ (3), (4), (5), or (6), as applicable.

SECTION 8 __.05. Section 91.107, Natural Resources Code, is amended to read as follows:

Sec. 91.107. NEW BOND, LETTER OF CREDIT, OR CASH DEPOSIT. Notwithstanding Section 91.104, if an active or inactive well is transferred, sold, or assigned by its operator, the commission shall require the party acquiring the well to provide financial security by means of a ~~[file a new]~~ bond, letter of credit, or cash deposit in an appropriate amount as provided by Section 91.104(b)(1), (2), or (3), and the financial security of the prior operator shall continue to be required and to remain in effect, and the commission may not approve the transfer of operatorship, until a ~~[the new]~~ bond, letter of credit, or cash deposit is provided or the commission determines that the bond, letter of credit, or cash deposit previously submitted to the commission by the person acquiring the well complies with this subchapter. A transfer of a well from one entity to another entity under common ownership is a transfer for purposes of this section.

SECTION 8 __.06. Section 91.109(b), Natural Resources Code, as effective September 1, 2004, is amended to read as follows:

(b) In addition to the financial security requirements of Subsection (a) and Section 91.104(b), a person required to file a bond, letter of credit, or cash deposit under Section 91.103 who is involved in activities other than the ownership or operation of wells must file the bond, letter of credit, or cash deposit at the time of filing or renewing an organization report required by Section 91.142 according to the following schedule ~~[in an amount equal to]~~:

(1) no bond, letter of credit, or cash deposit if the person is a:

- (A) local distribution company;
- (B) gas marketer;
- (C) crude oil nominator;
- (D) first purchaser;
- (E) well servicing company;
- (F) survey company;
- (G) saltwater hauler;
- (H) gas nominator;
- (I) gas purchaser; or
- (J) well plugger [~~\$250,000~~]; or

(2) a bond, letter of credit, or cash deposit in an amount not to exceed \$25,000 if the person is involved in an activity that is not associated with the ownership or operation of wells and is not listed in Subdivision (1) [a lesser amount determined by the commission if the person is able to demonstrate that the risk associated with an operation or group of operations warrants a lesser amount].

SECTION 8__07. Sections 10, 18, 20, 22, 24, and 27, Chapter 1233, Acts of the 77th Legislature, Regular Session, 2001, are repealed.

SECTION 8__08. The changes in law made by this article apply only to a person required to file a bond or alternate form of financial security under Section 91.103 or 91.107, Natural Resources Code, on or after the effective date of this article. A person required to file a bond or alternate form of financial security under Section 91.103 or 91.107, Natural Resources Code, before the effective date of this article is governed by the law as it existed immediately before the effective date of this article, and that law is continued in effect for that purpose.

SECTION 8__09. (a) Except as provided by Subsection (b) of this section, this article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2003.

(b) Section 91.109(b), Natural Resources Code, as amended by this article, takes effect September 1, 2004.

Amendment No. 36 was adopted without objection.

Amendment No. 37

Representatives Swinford and Callegari offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following and renumbering the subsequent sections accordingly:

Section 49.067, Water Code is amended to read as follows:

(a) A district shall contract, and be contracted with, in the name of the district.

(b) Notwithstanding any other law, a contract for technical, scientific, legal, fiscal, or other professional services must be approved by the board unless specifically delegated by board action, and terms and conditions of such contract,

including the terms for payment, are subject to the decision of the board unless specifically delegated by board actions. The Board through this action cannot abrogate its fiscal responsibility.

Amendment No. 37 was adopted without objection.

MESSAGE FROM THE SENATE

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 4).

CSSB 1952 - (consideration continued)

Amendment No. 38

Representatives West and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House committee printing) by adding the following appropriately numbered ARTICLE to PART 8 of the bill and renumbering subsequent ARTICLES in PART 8 accordingly:

ARTICLE __. CONSTRUCTION NEAR PIPELINE

SECTION __. Chapter 756, Health and Safety Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. CONSTRUCTION AFFECTING PIPELINE EASEMENTS AND RIGHTS-OF-WAY

Sec. 756.101. DEFINITIONS. In this subchapter:

(1) "Construction" means a building, structure, driveway, roadway, or other construction any part of which is physically located on, across, over, or under the easement or right-of-way of a pipeline facility or that physically impacts or creates a risk to a pipeline facility.

(2) "Constructor" means a person that builds, operates, repairs, replaces, or maintains a construction or causes a construction to be built, operated, repaired, maintained, or replaced.

(3) "Pipeline facility" means a pipeline used to transmit or distribute natural gas or to gather or transmit oil, gas, or the products of oil or gas.

Sec. 756.102. APPLICABILITY. This subchapter applies to a construction or the repair, replacement, or maintenance of a construction unless there is a written agreement, including a Texas Department of Transportation right-of-way agreement, to the contrary between the owner or operator of the affected pipeline facility and the person that places or causes a construction to be placed on the easement or right-of-way of a pipeline facility.

Sec. 756.103. PROHIBITION OF CONSTRUCTION WITHOUT NOTICE. A person may not build, repair, replace, or maintain a construction on, across, over, or under the easement or right-of-way for a pipeline facility unless notice of the construction is given the operator of the pipeline facility and:

(1) the operator of the pipeline facility determines that the construction will not increase a risk to the public or increase a risk of a break, leak, rupture, or other damage to the pipeline facility;

(2) if the operator of the pipeline facility determines that the construction will increase risk to the public or the pipeline facility, the constructor pays the cost of the additional fortifications, barriers, conduits, or other changes or improvements necessary to protect the public or pipeline facility from that risk before proceeding with the construction; or

(3) the building, repair, replacement, or maintenance is conducted under an existing written agreement.

Sec. 756.104. NO NOTICE REQUIRED IN EVENT OF NATURAL DISASTER. A person may build, repair, replace, or maintain a construction on, across, over, or under the easement or right-of-way for a pipeline facility without notice if the building, repair, replacement, or maintenance is required to be done promptly by a regulated utility company because of the effects of a natural disaster.

SECTION __. The change in law made by Subchapter G, Chapter 756, Health and Safety Code, as added by this article, applies only to an activity described by Section 756.103, Health and Safety Code, as added by this article, that is initiated on or after the effective date of this Act.

Amendment No. 38 was adopted without objection.

Amendment No. 39

Representative McClendon offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

Strike Article 8B.09 in its entirety.

Amendment No. 39 was withdrawn.

Amendment No. 40

Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by inserting a new appropriately numbered SECTION of the bill to read as follows and by renumbering subsequent SECTIONS accordingly:

SECTION _____. Subchapter C, Chapter 105, Utilities Code, is amended by adding Section 105.052 to read as follows:

Sec. 105.052. REIMBURSEMENT OF REASONABLE COSTS. (a) To the extent the regulatory authority determines the costs are reasonable, a gas utility shall reimburse the costs of an affected person or a state agency or municipality that is a party to a proceeding that results from a complaint filed against the utility under Section 105.051 if the affected person or party is wholly or partially successful in prosecuting the complaint before a regulatory authority or a court.

(b) Costs for which an affected person or a state agency or municipality may receive reimbursement under this section include any reasonable expenses related to the investigation, preparation, and prosecution of the complaint, including the reasonable costs of consultants, accountants, auditors, attorneys, and engineers.

(c) For purposes of this section, an affected person or a state agency or municipality may recover reasonable costs not yet paid because payment has been deferred pending a determination of reasonableness by the regulatory authority.

(d) Notwithstanding any other provision of this subtitle, a gas utility may not recover any amounts paid as reimbursement under this section as or through a charge to the utility's customers.

Amendment No. 40 was adopted without objection.

Amendment No. 41

Representative E. Jones offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Printing) in PART 8 of the bill by adding the following appropriately numbered ARTICLE to PART 8 of the bill and renumbering subsequent ARTICLES in PART 8 accordingly:

ARTICLE __. APPLICATION OF AIR QUALITY PERMIT REQUIREMENTS

SECTION __. (a) The siting, location, and operation of a facility, as defined by Section 382.003, Health and Safety Code, for which an application for a permit to construct the facility is pending with the Texas Commission on Environmental Quality on the effective date of this article are governed by Chapter 382, Health and Safety Code, as that chapter existed on the date the application was filed.

(b) This section prevails over any conflicting Act of the 78th Legislature, Regular Session, 2003, regardless of the relative dates of enactment.

Amendment No. 41 was adopted without objection.

Amendment No. 42

Representative Allen offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (house committee report) by adding an appropriately numbered part to the bill as follows and renumbering the parts of the bill appropriately:

PART __. NURSING

ARTICLE __. SINGLE NURSING BOARD

SECTION __. The heading to Chapter 301, Occupations Code, is amended to read as follows:

CHAPTER 301. ~~[REGISTERED]~~ NURSES

SECTION __. Section 301.002, Occupations Code, is amended by adding Subdivisions (3), (4), and (5) to read as follows:

(3) "Nurse" means a person required to be licensed under this chapter to engage in professional or vocational nursing.

(4) "Nursing" means professional or vocational nursing.

(5) "Vocational nursing" means nursing, other than professional nursing, that generally requires experience and education in biological, physical, and social sciences sufficient to qualify as a licensed vocational nurse.

SECTION __. Section 301.003, Occupations Code, is amended to read as follows:

Sec. 301.003. APPLICATION OF SUNSET ACT. The Board of Nurse Examiners is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished September 1, 2007 ~~[2005]~~.

SECTION _____. Section 301.004(a), Occupations Code, is amended to read as follows:

(a) This chapter does not apply to:

(1) gratuitous nursing care of the sick that is provided by a friend;
(2) ~~[nursing care by a licensed vocational nurse licensed under Chapter 302;~~

~~[(3)]~~ nursing care provided during a disaster under the state emergency management plan adopted under Section 418.042, Government Code, if the person providing the care does not hold the person out as a ~~[registered or professional]~~ nurse unless the person is licensed in another state;

(3) ~~[(4)]~~ nursing care in which treatment is solely by prayer or spiritual means;

(4) ~~[(5)]~~ an act performed by a person under the delegated authority ~~[control or supervision or at the instruction]~~ of a person licensed by the Texas State Board of Medical Examiners;

(5) ~~[(6)]~~ an act performed by a person licensed by another state agency if the act is authorized by the statute under which the person is licensed;

(6) ~~[(7)]~~ the practice of nursing that is incidental to a program of study by a student enrolled in a board-approved ~~[board-accredited]~~ nursing education program leading to an initial license as a ~~[professional]~~ nurse; or

(7) ~~[(8)]~~ the practice of nursing by a person ~~[registered nurse]~~ licensed in another state who is in this state on a nonroutine basis for a period not to exceed 72 hours to:

(A) provide care to a patient being transported into, out of, or through this state;

(B) provide ~~[professional]~~ nursing consulting services; or

(C) attend or present a continuing nursing education program.

SECTION _____. Subchapter A, Chapter 301, Occupations Code, is amended by adding Section 301.005 to read as follows:

Sec. 301.005. OCCUPATION TAX AND FEE EXEMPTION. A vocational nurse organization that operates a nonprofit registry to enroll members to provide nursing to the public is not liable for the payment of an occupation tax or license fee unless the law imposing the tax or fee specifically imposes the tax or fee on vocational nurse organizations that operate nonprofit registries.

SECTION _____. Section 301.051(a), Occupations Code, is amended to read as follows:

(a) The Board of Nurse Examiners consists of 13 ~~[nine]~~ members appointed by the governor with the advice and consent of the senate as follows:

(1) six ~~[registered]~~ nurse members, including:

(A) one advanced practice nurse;

(B) two registered nurses who are not advanced practice nurses or members of a nurse faculty; and

(C) three vocational nurses who are not members of a nurse faculty;

(2) three members who are nurse faculty members of schools of nursing;

(A) one of whom is a nurse faculty member of a school of nursing offering a [the] baccalaureate degree program in preparing registered nurses;

(B) one of whom is a nurse faculty member of a school of nursing offering an [the] associate degree program in preparing registered nurses; and

(C) one of whom is a nurse faculty member of a [graduate] school of nursing at an institution of higher education preparing vocational [advanced practice] nurses; and

(3) four [(2) three] members who represent the public.

SECTION _____. Section 301.052(a), Occupations Code, is amended to read as follows:

(a) A person is not eligible for appointment as a registered nurse or vocational nurse member of the board unless the person has practiced [engaged in the] nursing in the role for which the member was appointed [profession] for at least three of the five years preceding the date of appointment.

SECTION _____. Section 301.054, Occupations Code, is amended to read as follows:

Sec. 301.054. TERMS. Members of the board serve staggered six-year terms, with the terms of as near to one-third of the members as possible [one member who is a practicing registered nurse, one member who is a registered nurse engaged in nurse education, and one member who is a representative of the public] expiring on January 31 of each odd-numbered year.

SECTION _____. Section 301.151, Occupations Code, is amended to read as follows:

Sec. 301.151. GENERAL RULEMAKING AUTHORITY. The board may adopt and enforce rules consistent with this chapter and necessary to:

(1) perform its duties and conduct proceedings before the board;

(2) regulate the practice of professional nursing and vocational nursing;

(3) establish standards of professional conduct for license holders under this chapter; and

(4) determine whether an act constitutes the practice of professional nursing or vocational nursing.

SECTION _____. Section 301.154(a), Occupations Code, is amended to read as follows:

(a) The board may recommend to the Texas State Board of Medical Examiners the adoption of rules relating to the delegation by physicians of medical acts to registered nurses and vocational nurses licensed by the board. In making a recommendation, the board may distinguish between nurses on the basis of special training and education.

SECTION _____. The heading to Section 301.157, Occupations Code, is amended to read as follows:

Sec. 301.157. PROGRAMS OF STUDY AND APPROVAL [ACCREDITATION].

SECTION _____. Sections 301.157(b), (c), and (d), Occupations Code, are amended to read as follows:

(b) The board shall:

(1) prescribe two programs of study to prepare vocational nurses as follows:

(A) a program conducted by an educational unit in nursing within the structure of a school, including a college, university, or proprietary school; and

(B) a program conducted by a hospital;

(2) prescribe and publish the minimum requirements and standards for a course of study in each program that prepares registered nurses or vocational ~~professional~~ nurses;

(3) ~~(2)~~ prescribe other rules as necessary to conduct approved ~~accredited~~ schools of nursing and educational programs for the preparation of registered nurses or vocational ~~professional~~ nurses;

(4) approve ~~(3) accredited~~ schools of nursing and educational programs that meet the board's requirements; and

(5) ~~(4)~~ deny or withdraw approval ~~accreditation~~ from a school of nursing or educational program that fails to meet the prescribed course of study or other standard.

(c) A program approved to prepare registered nurses ~~The board~~ may not ~~be [require a program that is composed of]~~ less than two academic years or more than four calendar years.

(d) A person may not be certified as a graduate of any school of nursing or educational program unless the person has completed the requirements of the prescribed course of study, including clinical practice, of an approved ~~accredited~~ school of nursing or educational program.

SECTION _____. Section 301.158, Occupations Code, is amended to read as follows:

Sec. 301.158. DISSEMINATION OF INFORMATION. The board shall disseminate, at least twice a year and at other times the board determines necessary, information that is of significant interest to ~~professional~~ nurses and employers of ~~professional~~ nurses in this state, including summaries of final disciplinary action taken against ~~registered~~ nurses by the board since its last dissemination of information.

SECTION _____. Section 301.251, Occupations Code, is amended to read as follows:

Sec. 301.251. LICENSE REQUIRED. (a) A person may not practice or offer to practice professional nursing or vocational nursing in this state unless the person is licensed as provided by this chapter.

(b) Unless the person holds a license under this chapter, a person may not use, in connection with the person's name:

(1) the title "Registered Nurse," "Professional Nurse," "Licensed Vocational Nurse," "Vocational Nurse," "Licensed Practical Nurse," "Practical Nurse," or "Graduate Nurse";

(2) the abbreviation "R.N.," "L.V.N.," "V.N.," "L.P.N.," or "P.N.;" or

(3) any other designation tending to imply that the person is a licensed registered nurse or vocational nurse.

(c) This section does not apply to a person entitled to practice professional nursing or vocational nursing in this state under Chapter 304, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001.

SECTION _____. Section 301.252, Occupations Code, is amended to read as follows:

Sec. 301.252. LICENSE APPLICATION. (a) Each applicant for a registered nurse license or a vocational nurse license must submit to the board a sworn application that demonstrates the applicant's qualifications under this chapter, accompanied by evidence that the applicant ~~has~~:

(1) has good professional character; and

(2) has successfully completed an approved ~~[accredited]~~ program of professional or vocational nursing education.

(b) The board may waive the requirement of Subsection (a)(2) for a vocational nurse applicant if the applicant provides satisfactory sworn evidence that the applicant has completed an acceptable level of education in:

(1) a professional nursing school approved by the board; or

(2) a school of professional nurse education located in another state or a foreign country.

(c) The board by rule shall determine acceptable levels of education under Subsection (b).

SECTION _____. Section 301.253(c), Occupations Code, is amended to read as follows:

(c) The examination shall be designed to determine the fitness of the applicant to practice professional nursing or vocational nursing.

SECTION _____. Section 301.256, Occupations Code, is amended to read as follows:

Sec. 301.256. ISSUANCE OF LICENSE. If the results of an examination taken under Section 301.253 or 301.255 satisfy the criteria established by the board under that section, the board shall issue to the applicant a license to practice professional nursing or vocational nursing in this state. The license must be signed by the board's presiding officer and the executive director and attested by the board's seal.

SECTION _____. Sections 301.257(a) and (g), Occupations Code, are amended to read as follows:

(a) A person may petition the board for a declaratory order as to the person's eligibility for a license under this chapter if the person:

(1) is enrolled or planning to enroll in an educational program that prepares a person for an initial license as a registered nurse or vocational nurse; and

(2) has reason to believe that the person is ineligible for the license.

(g) The board may require an individual accepted for enrollment or enrolled in an educational program preparing a student for initial licensure as a registered nurse or vocational nurse to submit information to the board to permit the board to determine whether the person is aware of the conditions that may disqualify

the person from licensure as a registered nurse or vocational nurse on graduation and of the person's right to petition the board for a declaratory order under this section. Instead of requiring the person to submit the information, the board may require the educational program to collect and submit the information on each person accepted for enrollment or enrolled in the program.

SECTION _____. Sections 301.258(a), (d), and (f), Occupations Code, are amended to read as follows:

(a) Pending the results of a licensing examination, the board may issue to an applicant who is a graduate of an approved educational program a permit to practice professional nursing under the direct supervision of a registered nurse or to practice vocational nursing under the direct supervision of a registered nurse or vocational nurse.

(d) The board may issue a temporary permit to practice professional nursing or vocational nursing for the limited purpose of allowing a nurse to satisfy a requirement imposed by the board necessary for:

- (1) renewal of an expired license;
- (2) reactivation of an inactive license; or
- (3) reissuance of a suspended, revoked, or surrendered license.

(f) A person who holds a temporary permit issued under this section is considered to be a licensed registered nurse or vocational nurse for all purposes except to the extent of any stipulation or limitation on practice imposed by the board as a condition of issuing the permit.

SECTION _____. Section 301.259, Occupations Code, is amended to read as follows:

Sec. 301.259. RECIPROCAL LICENSE BY ENDORSEMENT FOR CERTAIN FOREIGN APPLICANTS. On payment of a fee established by the board, the board may issue a license to practice as a registered nurse or vocational nurse in this state by endorsement without examination to an applicant who holds a registration certificate as a registered nurse or vocational nurse, as applicable, issued by a territory or possession of the United States or a foreign country if the board determines that the issuing agency of the territory or possession of the United States or foreign country required in its examination the same general degree of fitness required by this state.

SECTION _____. Section 301.260(a), Occupations Code, is amended to read as follows:

(a) An applicant for a license under this chapter who is licensed as a registered nurse or vocational nurse by another state may qualify for a temporary license by endorsement to practice as a registered nurse or vocational nurse, as applicable, by submitting to the board:

(1) an endorsement fee as determined by the board and a completed sworn application in the form prescribed by the board;

(2) evidence that the person possessed, at the time of initial licensing as a ~~[registered]~~ nurse, the other qualifications necessary at that time to have been eligible for licensing in this state; and

(3) proof of initial licensing by examination and proof that the license and any other license issued to the applicant by another state have not been suspended, revoked, canceled, surrendered, or otherwise restricted.

SECTION _____. Sections 301.261(a), (c), and (e), Occupations Code, are amended to read as follows:

(a) The board may place on inactive status the license of a person under this chapter who is not actively engaged in the practice of professional nursing or vocational nursing if the person submits a written request to the board in the form and manner determined by the board. The inactive status begins on the expiration date of the person's license.

(c) A person whose license is on inactive status may not perform any professional nursing or vocational nursing service or work.

(e) The board by rule shall permit a person whose license is on inactive status and who is 65 years or older to use, as applicable, the title "Registered Nurse Retired," ~~or~~ "R.N. Retired," "Licensed Vocational Nurse Retired," "Vocational Nurse Retired," "L.V.N. Retired," or "V.N. Retired."

SECTION _____. Section 301.301(f), Occupations Code, is amended to read as follows:

(f) A registered nurse who practices professional nursing or a vocational nurse who practices vocational nursing after the expiration of the nurse's license is an illegal practitioner whose license may be revoked or suspended.

SECTION _____. Section 301.302(a), Occupations Code, is amended to read as follows:

(a) The board may renew without examination the expired license of a person who was licensed to practice professional nursing or vocational nursing in this state, moved to another state, and is currently licensed and has been in practice in the other state for the two years preceding application.

SECTION _____. Section 301.304(a), Occupations Code, is amended to read as follows:

(a) As part of any continuing education requirements under Section 301.303, a registered nurse ~~[license holder]~~ shall participate in not less than two hours of continuing education relating to hepatitis C. This subsection applies only to a registered nurse ~~[license holder]~~ who renews a license on or after June 1, 2002.

SECTION _____. Subchapter G, Chapter 301, Occupations Code, is amended by adding Section 301.305 to read as follows:

Sec. 301.305. BIOTERRORISM RESPONSE COMPONENT IN CONTINUING EDUCATION. (a) As part of continuing education requirements under Section 301.303, a license holder shall participate during each two-year licensing period in at least two hours of continuing education relating to preparing for, reporting medical events resulting from, and responding to the consequences of an incident of bioterrorism.

(b) The continuing education required under Subsection (a) must be part of a program approved under Section 301.303(c).

(c) A license holder who does not comply with the continuing education required under Subsection (a) is subject only to one or both of the following sanctions:

(1) completion of the instruction in a period set by the board of 30 days or less; or

(2) an administrative penalty imposed under Subchapter K.

(d) A license holder who fails to comply with a sanction imposed under Subsection (c) is subject to any sanction imposed under Section 301.453 or Subchapter K.

(e) The board, in consultation with the Texas Department of Health, shall adopt rules establishing the content of the continuing education required under Subsection (a). The board may adopt other rules to implement this section, including rules under Section 301.303(c) for the approval of education programs and providers.

(f) The board may divide the content of the continuing education required under Subsection (a) into one-hour segments and may require that those segments be taken in a certain sequence.

(g) This section expires September 1, 2007.

SECTION _____. Section 301.351, Occupations Code, is amended to read as follows:

Sec. 301.351. DESIGNATIONS. (a) A person who holds a license as a registered nurse under this chapter:

(1) is referred to as a registered nurse; and

(2) may use the abbreviation "R.N."

(b) A person who holds a license as a vocational nurse under this chapter:

(1) is referred to as a licensed vocational nurse or vocational nurse; and

(2) may use the abbreviation "L.V.N." or "V.N."

(c) While on duty providing direct care to a patient, each licensed registered nurse shall wear an insignia identifying the nurse as a registered nurse and each licensed vocational nurse shall wear an insignia identifying the nurse as a vocational nurse.

SECTION _____. Sections 301.352(a) and (c), Occupations Code, are amended to read as follows:

(a) A person may not suspend, terminate, or otherwise discipline or discriminate against a ~~[registered]~~ nurse who refuses to engage in an act or omission relating to patient care that would constitute grounds for reporting the nurse to the board under Subchapter I if the nurse notifies the person at the time of the refusal that the reason for refusing is that the act or omission:

(1) constitutes grounds for reporting the nurse to the board; or

(2) is a violation of this chapter or a rule of the board.

(c) A ~~[registered]~~ nurse's rights under this section may not be nullified by a contract.

SECTION _____. Section 301.401, Occupations Code, is amended to read as follows:

Sec. 301.401. GROUNDS FOR REPORTING ~~[REGISTERED]~~ NURSE. The following are grounds for reporting a ~~[registered]~~ nurse under Section 301.402, 301.403, 301.405, or 301.407:

- (1) unnecessary or likely exposure by the ~~[registered]~~ nurse of a patient or other person to a risk of harm;
- (2) unprofessional conduct by the ~~[registered]~~ nurse;
- (3) failure by the ~~[registered]~~ nurse to adequately care for a patient;
- (4) failure by the ~~[registered]~~ nurse to conform to the minimum standards of acceptable professional nursing practice; or
- (5) impairment or likely impairment of the ~~[registered]~~ nurse's practice by chemical dependency.

SECTION _____. Section 301.402, Occupations Code, is amended to read as follows:

Sec. 301.402. DUTY OF ~~[REGISTERED]~~ NURSE TO REPORT. (a) In this section:

(1) "Nursing ~~[Professional nursing]~~ educational program" means a board-approved ~~[board-accredited]~~ educational program leading to initial licensure as a registered nurse or vocational nurse.

(2) "Nursing ~~[Professional nursing]~~ student" means an individual who is enrolled in a professional nursing or vocational nursing educational program.

(b) A ~~[registered]~~ nurse shall report to the board in the manner prescribed under Subsection (d) if the nurse has reasonable cause to suspect that:

(1) another ~~[registered]~~ nurse is subject to a ground for reporting under Section 301.401; or

(2) the ability of a ~~[professional]~~ nursing student to perform the services of the nursing profession would be, or would reasonably be expected to be, impaired by chemical dependency.

(c) In a written, signed report to the appropriate licensing board, a ~~[registered]~~ nurse may report a licensed health care practitioner, agency, or facility that the nurse has reasonable cause to believe has exposed a patient to substantial risk of harm as a result of failing to provide patient care that conforms to the minimum standards of acceptable and prevailing nursing ~~[professional]~~ practice.

(d) A report by a ~~[registered]~~ nurse under Subsection (b) must:

(1) be written and signed; and

(2) include the identity of the ~~[registered]~~ nurse or student and any additional information required by the board.

(e) A ~~[registered]~~ nurse may make a report required under Subsection (b)(2) to the ~~[professional]~~ nursing educational program in which the student is enrolled instead of reporting to the board.

SECTION _____. Section 301.403, Occupations Code, is amended to read as follows:

Sec. 301.403. DUTY OF PEER REVIEW COMMITTEE TO REPORT. A ~~[professional]~~ nursing peer review committee operating under Chapter 303 that has a ground for reporting a ~~[registered]~~ nurse under Section 301.401 shall file with the board a written, signed report that includes:

- (1) the identity of the nurse;
- (2) a description of any corrective action taken against the nurse;
- (3) a statement whether the ~~[professional]~~ nursing peer review committee recommends that the board take formal disciplinary action against the nurse; and
- (4) any additional information the board requires.

SECTION _____. Section 301.404, Occupations Code, is amended to read as follows:

Sec. 301.404. DUTY OF NURSING EDUCATIONAL PROGRAM TO REPORT. (a) In this section, "~~[professional]~~ nursing educational program" and "~~[professional]~~ nursing student" have the meanings assigned by Section 301.402(a).

(b) A ~~[professional]~~ nursing educational program that has reasonable cause to suspect that the ability of a ~~[professional]~~ nursing student to perform the services of the nursing profession would be, or would reasonably be expected to be, impaired by chemical dependency shall file with the board a written, signed report that includes the identity of the student and any additional information the board requires.

SECTION _____. Section 301.405, Occupations Code, is amended to read as follows:

Sec. 301.405. DUTY OF PERSON EMPLOYING ~~[REGISTERED]~~ NURSE TO REPORT. (a) This section applies only to a person who employs, hires, or contracts for the services of a ~~[registered]~~ nurse, including:

- (1) a health care facility, including a hospital, health science center, nursing home, or home health agency;
- (2) a state agency;
- (3) a political subdivision;
- (4) a school of ~~[professional]~~ nursing; and
- (5) a temporary nursing service.

(b) A person that terminates, suspends for more than seven days, or takes other substantive disciplinary action, as defined by the board, against a ~~[registered]~~ nurse because a ground under Section 301.401 exists to report the nurse shall report in writing to the board the identity of the nurse and any additional information the board requires.

(c) Except as provided by Subsection (g), each ~~[Each]~~ person subject to this section that regularly employs, hires, or otherwise contracts for the services of 10 or more ~~[registered]~~ nurses shall develop a written plan for identifying and reporting a ~~[registered]~~ nurse in its service against whom a ground under Section 301.401 exists. The plan must include an appropriate process for the review by a ~~[professional]~~ nursing peer review committee established and operated under Chapter 303 of any incident reportable under this section and for the affected nurse to submit rebuttal information to that committee. Review by the committee is only advisory.

(d) The review by the peer review committee must include a determination as to whether a ground under Section 301.401 exists to report the [registered] nurse undergoing review. The peer review committee's determination must be included in the report made to the board under Subsection (b).

(e) The requirement that a report to the board be reviewed by a [professional] nursing peer review committee:

(1) applies only to a required report; and

(2) does not subject a person's administrative decision to discipline a [registered] nurse to the peer review process or prevent a person from taking disciplinary action before review by the peer review committee is conducted.

(f) The board shall enter into memoranda of understanding with each state agency that licenses, registers, or certifies a health care facility or agency or surveys that facility or agency with respect to [professional] nursing care as to how that state agency can promote compliance with Subsection (c).

(g) A person is not required to develop a written plan under Subsection (c) for peer review of:

(1) a registered nurse, unless the person regularly employs, hires, or otherwise contracts for the services of at least five registered nurses; or

(2) a vocational nurse, unless the person regularly employs, hires, or otherwise contracts for the services of at least five vocational nurses.

SECTION _____. Section 301.406, Occupations Code, is amended to read as follows:

Sec. 301.406. DUTY OF CERTAIN PROFESSIONAL ASSOCIATIONS AND ORGANIZATIONS TO REPORT. A professional association of [registered] nurses or an organization that conducts a certification or accreditation program for [registered] nurses and that expels, decertifies, or takes any other substantive disciplinary action, as defined by the board, against a [registered] nurse as a result of the nurse's failure to conform to the minimum standards of acceptable [professional] nursing practice shall report in writing to the board the identity of the nurse and any additional information the board requires.

SECTION _____. Section 301.407, Occupations Code, is amended to read as follows:

Sec. 301.407. DUTY OF STATE AGENCY TO REPORT. (a) This section applies only to a state agency that:

(1) licenses, registers, or certifies:

(A) a hospital;

(B) a nursing home;

(C) a health science center;

(D) a home health agency; or

(E) another health care facility or agency; or

(2) surveys a facility or agency listed in Subdivision (1) regarding the quality of [professional] nursing care provided by the facility or agency.

(b) Unless expressly prohibited by state or federal law, a state agency that has reason to believe a ground for reporting a [registered] nurse exists under Section 301.401 shall report in writing to the board the identity of that [registered] nurse.

SECTION _____. Section 301.408, Occupations Code, is amended to read as follows:

Sec. 301.408. DUTY OF [~~PROFESSIONAL~~] LIABILITY INSURER TO REPORT. (a) Each insurer that provides to a [~~registered~~] nurse [~~professional~~] liability insurance that covers claims arising from providing or failing to provide [~~professional~~] nursing care shall submit to the board the report or data required by this section at the time prescribed.

(b) The report or data must be provided for:

(1) a complaint filed in court against a [~~registered~~] nurse that seeks damages related to the nurse's conduct in providing or failing to provide [~~professional~~] nursing care; and

(2) a settlement of a claim or lawsuit made on behalf of a nurse.

(c) Not later than the 30th day after the date the insurer receives a complaint subject to Subsection (b), the insurer shall provide to the board:

(1) the name of the [~~registered~~] nurse against whom the claim is filed;

(2) the policy number;

(3) the policy limits;

(4) a copy of the petition;

(5) a copy of the answer; and

(6) other relevant information known by the insurer, as required by the board.

(d) Not later than the 30th day after the date of a judgment, dismissal, or settlement of a suit involving an insured [~~registered~~] nurse or settlement of a claim on behalf of the nurse without the filing of a lawsuit, the insurer shall provide to the board information regarding the date of the judgment, dismissal, or settlement and, if appropriate:

(1) whether an appeal has been taken from the judgment and by which party;

(2) the amount of the settlement or judgment against the nurse; and

(3) other relevant information known by the insurer, as required by the board.

(e) A [~~registered~~] nurse shall report the information required to be reported under this section if the nurse is named as a defendant in a claim arising from providing or failing to provide [~~professional~~] nursing care and the nurse:

(1) does not carry or is not covered by [~~professional~~] liability insurance; or

(2) is insured by a nonadmitted carrier.

SECTION _____. Section 301.409(a), Occupations Code, is amended to read as follows:

(a) The attorney representing the state shall cause the clerk of the court of record in which the conviction, adjudication, or finding is entered to prepare and forward to the board a certified true and correct abstract of the court record of the case not later than the 30th day after the date:

(1) a person known to be a [~~registered~~] nurse who is licensed, otherwise lawfully practicing in this state, or applying to be licensed to practice is convicted of:

- (A) a felony;
 - (B) a misdemeanor involving moral turpitude;
 - (C) a violation of a state or federal narcotics or controlled substance law; or
 - (D) an offense involving fraud or abuse under the Medicare or Medicaid program; or
- (2) a court finds that a ~~[registered]~~ nurse is mentally ill or mentally incompetent.

SECTION _____. Section 301.410, Occupations Code, is amended to read as follows:

Sec. 301.410. REPORT REGARDING IMPAIRMENT BY CHEMICAL DEPENDENCY OR MENTAL ILLNESS. A person who is required to report a ~~[registered]~~ nurse under this subchapter because the nurse is impaired or suspected of being impaired by chemical dependency or mental illness may report to a peer assistance program approved by the board under Chapter 467, Health and Safety Code, instead of reporting to the board or requesting review by a ~~[professional]~~ nursing peer review committee.

SECTION _____. Section 301.414, Occupations Code, is amended to read as follows:

Sec. 301.414. NOTICE AND REVIEW OF REPORT. (a) The board shall notify each ~~[registered]~~ nurse who is reported to the board under Section 301.402, 301.403, 301.405, 301.406, 301.407, 301.408, or 301.409 of the filing of the report unless the notification would jeopardize an active investigation.

(b) The ~~[registered]~~ nurse or the nurse's authorized representative is entitled on request to review any report submitted to the board under a section specified under Subsection (a) unless doing so would jeopardize an active investigation. The board may not reveal the identity of the person making or signing the report.

SECTION _____. Section 301.415(a), Occupations Code, is amended to read as follows:

(a) A ~~[registered]~~ nurse who is entitled to receive notice under Section 301.414 or the authorized representative of the nurse may file with the board a statement of reasonable length containing the nurse's rebuttal of any information in the report to the board.

SECTION _____. Section 301.416(b), Occupations Code, is amended to read as follows:

(b) If the board determines that the reported conduct does not indicate that the continued practice of ~~[professional]~~ nursing by the nurse poses a risk of harm to a client or other person, the board, with the written consent of the nurse and the person making the report, may elect not to proceed with an investigation or to file formal charges. The board shall:

- (1) maintain a record of the report; and
- (2) investigate the report if it receives two or more reports involving separate incidents regarding the nurse in any five-year period.

SECTION _____. Sections 301.418(b) and (c), Occupations Code, are amended to read as follows:

(b) A report or information submitted as required or authorized by this subchapter arising out of the provision or failure to provide ~~[professional]~~ nursing services may not be made available in a liability action for:

- (1) discovery;
- (2) court subpoena; or
- (3) introduction into evidence.

(c) A person is not prevented from taking disciplinary action against a ~~[registered]~~ nurse by:

- (1) the filing of a report under this subchapter with the board;
- (2) an investigation by the board; or
- (3) the disposition of a matter by the board.

SECTION _____. Sections 301.419(a), (c), and (d), Occupations Code, are amended to read as follows:

(a) In this section, "minor incident" means conduct that does not indicate that the continuing practice of ~~[professional]~~ nursing by an affected nurse poses a risk of harm to a client or other person.

(c) If the board determines that a report submitted under this subchapter is without merit, the board shall expunge the report from the ~~[registered]~~ nurse's file.

(d) The board shall inform, in the manner the board determines appropriate, ~~[registered]~~ nurses, facilities, agencies, and other persons of their duty to report under this subchapter.

SECTION _____. Section 301.451, Occupations Code, is amended to read as follows:

Sec. 301.451. CERTAIN PROHIBITED PRACTICES. A person may not:

- (1) sell, fraudulently obtain, or fraudulently furnish a nursing diploma, license, renewal license, or record;
- (2) assist another person in selling, fraudulently obtaining, or fraudulently furnishing a nursing diploma, license, renewal license, or record;
- (3) practice ~~[professional]~~ nursing under a diploma, license, or record that was:

(A) obtained unlawfully or fraudulently; or

(B) signed or issued unlawfully or under false representation; or

- (4) practice ~~[professional]~~ nursing in a period in which the person's license is suspended or revoked.

SECTION _____. Sections 301.452(a) and (b), Occupations Code, are amended to read as follows:

(a) In this section, "intemperate use" includes practicing ~~[professional]~~ nursing or being on duty or on call while under the influence of alcohol or drugs.

(b) A person is subject to denial of a license or to disciplinary action under this subchapter for:

(1) a violation of this chapter, a rule or regulation not inconsistent with this chapter, or an order issued under this chapter;

(2) fraud or deceit in procuring or attempting to procure a license to practice professional nursing or vocational nursing;

(3) a conviction for a felony or for a misdemeanor involving moral turpitude;

(4) conduct that results in the revocation of probation imposed because of conviction for a felony or for a misdemeanor involving moral turpitude;

(5) use of a nursing license, diploma, or permit, or the transcript of such a document, that has been fraudulently purchased, issued, counterfeited, or materially altered;

(6) impersonating or acting as a proxy for another person in the licensing examination required under Section 301.253 or 301.255;

(7) directly or indirectly aiding or abetting an unlicensed person in connection with the unauthorized practice of ~~[professional]~~ nursing;

(8) revocation, suspension, or denial of, or any other action relating to, the person's license or privilege to practice nursing in another jurisdiction;

(9) intemperate use of alcohol or drugs that the board determines endangers or could endanger a patient;

(10) unprofessional or dishonorable conduct that, in the board's opinion, is likely to deceive, defraud, or injure a patient or the public;

(11) adjudication of mental incompetency;

(12) lack of fitness to practice because of a mental or physical health condition that could result in injury to a patient or the public; or

(13) failure to care adequately for a patient or to conform to the minimum standards of acceptable ~~[professional]~~ nursing practice in a manner that, in the board's opinion, exposes a patient or other person unnecessarily to risk of harm.

SECTION _____. Sections 301.453(a), (b), and (c), Occupations Code, are amended to read as follows:

(a) If the board determines that a person has committed an act listed in Section 301.452(b), the board shall enter an order imposing one or more of the following:

(1) denial of the person's application for a license, license renewal, or temporary permit;

(2) issuance of a written warning;

(3) administration of a public reprimand;

(4) limitation or restriction of the person's license, including:

(A) limiting to or excluding from the person's practice one or more specified activities of ~~[professional]~~ nursing; or

(B) stipulating periodic board review;

(5) suspension of the person's license for a period not to exceed five years;

(6) revocation of the person's license; or

(7) assessment of a fine.

(b) In addition to or instead of an action under Subsection (a), the board, by order, may require the person to:

(1) submit to care, counseling, or treatment by a health provider designated by the board as a condition for the issuance or renewal of a license;

(2) participate in a program of education or counseling prescribed by the board;

(3) practice for a specified period under the direction of a registered nurse or vocational nurse designated by the board; or

(4) perform public service the board considers appropriate.

(c) The board may probate any penalty imposed on a ~~[registered]~~ nurse and may accept the voluntary surrender of a license. The board may not reinstate a surrendered license unless it determines that the person is competent to resume practice.

SECTION _____. Section 301.455(a), Occupations Code, is amended to read as follows:

(a) The license of a ~~[registered]~~ nurse shall be temporarily suspended on a determination by a majority of the board or a three-member committee of board members designated by the board that, from the evidence or information presented, the continued practice of the ~~[registered]~~ nurse would constitute a continuing and imminent threat to the public welfare.

SECTION _____. Section 301.457, Occupations Code, is amended to read as follows:

Sec. 301.457. COMPLAINT AND INVESTIGATION. (a) The board or any person may initiate a proceeding under this subchapter by filing with the board a complaint against a ~~[registered]~~ nurse. The complaint must be in writing and signed by the complainant.

(b) Except as otherwise provided by this section, the board or a person authorized by the board shall conduct each investigation. Each complaint against a ~~[registered]~~ nurse that requires a determination of ~~[professional]~~ nursing competency shall be reviewed by a board member, consultant, or employee with a ~~[professional]~~ nursing background the board considers sufficient.

(c) On the filing of a complaint, the board:

(1) may conduct a preliminary investigation into the identity of the ~~[registered]~~ nurse named or described in the complaint;

(2) shall make a timely and appropriate preliminary investigation of the complaint; and

(3) may issue a warning or reprimand to the ~~[registered]~~ nurse.

(d) After any preliminary investigation to determine the identity of the subject of the complaint, unless it would jeopardize an investigation, the board shall notify the ~~[registered]~~ nurse that a complaint has been filed and the nature of the complaint. If the investigation reveals probable cause to take further disciplinary action, the board shall either attempt an informal disposition of the complaint or file a formal charge against the ~~[registered]~~ nurse stating the provision of this chapter or board rule that is alleged to have been violated and a brief description of each act or omission that constitutes the violation.

(e) The board shall conduct an investigation of the complaint to determine:

(1) whether the ~~[registered]~~ nurse's continued practice of ~~[professional]~~ nursing poses a risk of harm to clients or other persons; and

(2) whether probable cause exists that a ~~[registered]~~ nurse committed an act listed in Section 301.452(b) or that violates other law.

SECTION _____. Sections 301.458(a) and (c), Occupations Code, are amended to read as follows:

(a) Unless there is an agreed disposition of the complaint under Section 301.463, and if probable cause is found under Section 301.457(e)(2), the board or the board's authorized representative shall initiate proceedings by filing formal charges against the [registered] nurse.

(c) A copy of the formal charge shall be served on the [registered] nurse or the nurse's counsel of record.

SECTION _____. Section 301.459(b), Occupations Code, is amended to read as follows:

(b) In any hearing under this section, a [registered] nurse is entitled to appear in person or by counsel.

SECTION _____. Section 301.462, Occupations Code, is amended to read as follows:

Sec. 301.462. VOLUNTARY SURRENDER OF LICENSE. The board may revoke a [registered] nurse's license without formal charges, notice, or opportunity of hearing if the nurse voluntarily surrenders the nurse's license to the board and executes a sworn statement that the nurse does not desire to be licensed.

SECTION _____. Section 301.463(b), Occupations Code, is amended to read as follows:

(b) An agreed disposition of a complaint is considered to be a disciplinary order for purposes of reporting under this chapter and an administrative hearing and proceeding by a state or federal regulatory agency regarding the practice of [professional] nursing.

SECTION _____. Section 301.466, Occupations Code, is amended to read as follows:

Sec. 301.466. CONFIDENTIALITY. (a) A complaint and investigation concerning a [registered] nurse under this subchapter and all information and material compiled by the board in connection with the complaint and investigation are:

(1) confidential and not subject to disclosure under Chapter 552, Government Code; and

(2) not subject to disclosure, discovery, subpoena, or other means of legal compulsion for release to anyone other than the board or a board employee or agent involved in license holder discipline.

(b) Notwithstanding Subsection (a), information regarding a complaint and an investigation may be disclosed to:

(1) a person involved with the board in a disciplinary action against the nurse;

(2) a [professional] nursing licensing or disciplinary board in another jurisdiction;

(3) a peer assistance program approved by the board under Chapter 467, Health and Safety Code;

(4) a law enforcement agency; or

(5) a person engaged in bona fide research, if all information identifying a specific individual has been deleted.

(c) The filing of formal charges against a [~~registered~~] nurse by the board, the nature of those charges, disciplinary proceedings of the board, and final disciplinary actions, including warnings and reprimands, by the board are not confidential and are subject to disclosure in accordance with Chapter 552, Government Code.

SECTION _____. Section 301.467(a), Occupations Code, is amended to read as follows:

(a) On application, the board may reinstate a license to practice professional nursing or vocational nursing to a person whose license has been revoked, suspended, or surrendered.

SECTION _____. Section 301.468(a), Occupations Code, is amended to read as follows:

(a) The board may determine that an order denying a license application or suspending a license be probated. A person subject to a probation order shall conform to each condition the board sets as the terms of probation, including a condition:

(1) limiting the practice of the person to, or excluding, one or more specified activities of professional nursing or vocational nursing; or

(2) requiring the person to submit to supervision, care, counseling, or treatment by a practitioner designated by the board.

SECTION _____. Section 301.469, Occupations Code, is amended to read as follows:

Sec. 301.469. NOTICE OF FINAL ACTION. If the board takes a final disciplinary action, including a warning or reprimand, against a [~~registered~~] nurse under this subchapter, the board shall immediately send a copy of the board's final order to the nurse and to the last known employer of the nurse.

ARTICLE _____. CONFORMING AMENDMENTS FOR SINGLE NURSING BOARD

SECTION _____. Section 84.003(5), Civil Practice and Remedies Code, is amended to read as follows:

(5) "Volunteer health care provider" means an individual who voluntarily provides health care services without compensation or expectation of compensation and who is:

(A) an individual who is licensed to practice medicine under Subtitle B, Title 3, Occupations Code;

(B) a retired physician who is eligible to provide health care services, including a retired physician who is licensed but exempt from paying the required annual registration fee under Section 156.002, Occupations Code;

(C) a physician assistant licensed under Chapter 204, Occupations Code, or a retired physician assistant who is eligible to provide health care services under the law of this state;

(D) a registered nurse, including an advanced nurse practitioner, or vocational nurse, licensed under Chapter 301, Occupations Code, or a retired vocational nurse or registered nurse, including a retired advanced nurse practitioner, who is eligible to provide health care services under the law of this state;

(E) ~~a licensed vocational nurse licensed under Chapter 302, Occupations Code, or a retired licensed vocational nurse who is eligible to provide health care services under the law of this state;~~

~~(F)~~ a pharmacist licensed under Subtitle J, Title 3, Occupations Code, or a retired pharmacist who is eligible to provide health care services under the law of this state;

(F) ~~(G)~~ a podiatrist licensed under Chapter 202, Occupations Code, or a retired podiatrist who is eligible to provide health care services under the law of this state;

(G) ~~(H)~~ a dentist licensed under Subtitle D, Title 3, Occupations Code, or a retired dentist who is eligible to provide health care services under the law of this state;

(H) ~~(I)~~ a dental hygienist licensed under Subtitle D, Title 3, Occupations Code, or a retired dental hygienist who is eligible to provide health care services under the law of this state; or

(I) ~~(J)~~ an optometrist or therapeutic optometrist licensed under Chapter 351, Occupations Code, or a retired optometrist or therapeutic optometrist who is eligible to provide health care services under the law of this state.

SECTION _____. Section 61.657(b), Education Code, is amended to read as follows:

(b) The board shall appoint an eight-member advisory committee to advise the board concerning assistance provided under this subchapter to vocational nursing students. The advisory committee consists of:

(1) a chair named by the board;

(2) one representative named by the Licensed Vocational Nurses Association of Texas;

(3) one representative named by the Texas Organization of Nurse Executives;

(4) one representative named by the Board of ~~Vocational~~ Nurse Examiners;

(5) two representatives of vocational nursing educational programs named by the Texas Association of Vocational Nurse Educators;

(6) one representative named by the Texas Health Care Association; and

(7) one representative named by the Texas Association of Homes for the Aging.

SECTION _____. Section 232.002, Family Code, is amended to read as follows:

Sec. 232.002. LICENSING AUTHORITIES SUBJECT TO CHAPTER. The following are licensing authorities subject to this chapter:

- (1) Department of Agriculture;
- (2) Texas Commission on Alcohol and Drug Abuse;
- (3) Texas Alcoholic Beverage Commission;
- (4) Texas Appraiser Licensing and Certification Board;
- (5) Texas Board of Architectural Examiners;
- (6) State Board of Barber Examiners;
- (7) Texas Board of Chiropractic Examiners;
- (8) Comptroller of Public Accounts;
- (9) Texas Cosmetology Commission;
- (10) Court Reporters Certification Board;
- (11) State Board of Dental Examiners;
- (12) Texas State Board of Examiners of Dietitians;
- (13) Texas Funeral Service Commission;
- (14) Texas Department of Health;
- (15) Texas Department of Human Services;
- (16) Texas Board of Professional Land Surveying;
- (17) Texas Department of Licensing and Regulation;
- (18) Texas State Board of Examiners of Marriage and Family Therapists;
- (19) Texas State Board of Medical Examiners;
- (20) Midwifery Board;
- (21) Texas Commission on Environmental Quality [~~Natural Resource Conservation Commission~~];
- (22) Board of Nurse Examiners;
- (23) Texas Board of Occupational Therapy Examiners;
- (24) Texas Optometry Board;
- (25) Parks and Wildlife Department;
- (26) Texas State Board of Examiners of Perfusionists;
- (27) Texas State Board of Pharmacy;
- (28) Texas Board of Physical Therapy Examiners;
- (29) Texas State Board of Plumbing Examiners;
- (30) Texas State Board of Podiatric Medical Examiners;
- (31) Polygraph Examiners Board;
- (32) Texas Commission on Private Security;
- (33) Texas State Board of Examiners of Professional Counselors;
- (34) Texas Board of Professional Engineers;
- (35) Department of Protective and Regulatory Services;
- (36) Texas State Board of Examiners of Psychologists;
- (37) Texas State Board of Public Accountancy;
- (38) Department of Public Safety of the State of Texas;
- (39) Public Utility Commission of Texas;
- (40) Railroad Commission of Texas;
- (41) Texas Real Estate Commission;
- (42) State Bar of Texas;
- (43) Texas State Board of Social Worker Examiners;

(44) State Board of Examiners for Speech-Language Pathology and Audiology;

(45) Texas Structural Pest Control Board;

(46) Board of Tax Professional Examiners;

(47) Secretary of State;

(48) Supreme Court of Texas;

(49) Texas Transportation Commission;

(50) State Board of Veterinary Medical Examiners;

(51) ~~Board of Vocational Nurse Examiners;~~

~~(52)~~ Texas Ethics Commission;

(52) ~~(53)~~ Advisory Board of Athletic Trainers;

(53) ~~(54)~~ State Committee of Examiners in the Fitting and Dispensing of Hearing Instruments;

(54) ~~(55)~~ Texas Board of Licensure for Professional Medical Physicists;

(55) ~~(56)~~ Texas Department of Insurance;

(56) ~~(57)~~ Texas Board of Orthotics and Prosthetics;

(57) ~~(58)~~ savings and loan commissioner;

(58) ~~(59)~~ Texas Juvenile Probation Commission; and

(59) ~~(60)~~ Texas Lottery Commission under Chapter 466, Government Code.

SECTION _____. Section 487.101(3), Government Code, is amended to read as follows:

(3) "Postsecondary educational institution" means:

(A) an institution of higher education, as defined by Section 61.003, Education Code;

(B) a nonprofit, independent institution approved under Section 61.222, Education Code; or

(C) a nonprofit, health-related school or program accredited by the Southern Association of Colleges and Schools, the Liaison Committee on Medical Education, the American Osteopathic Association, the Board of Nurse Examiners, ~~the Board of Vocational Nurse Examiners,~~ or, in the case of allied health, an accrediting body recognized by the United States Department of Education.

SECTION _____. Section 487.151(2), Government Code, is amended to read as follows:

(2) "Postsecondary educational institution" means:

(A) an institution of higher education, as defined by Section 61.003, Education Code;

(B) a nonprofit, independent institution approved under Section 61.222, Education Code; or

(C) a nonprofit, health-related school or program accredited by the Southern Association of Colleges and Schools, the Liaison Committee on Medical Education, the American Osteopathic Association, the Board of Nurse

Examiners, ~~[the Board of Vocational Nurse Examiners,]~~ or, in the case of allied health, an accrediting body recognized by the United States Department of Education.

SECTION _____. Section 531.051(f), Government Code, is amended to read as follows:

(f) Section 301.251(a), Occupations Code, does not apply to delivery of a service for which payment is provided under the voucher payment program developed under this section if:

(1) the person who delivers the service:

(A) has not been denied a license under Chapter 301 ~~[or 302]~~, Occupations Code;

(B) has not been issued a license under Chapter 301, Occupations Code, that is revoked or suspended; and

(C) provides a service listed under Subsection (h); and

(2) the consumer who receives the service:

(A) has a functional disability and the service would have been performed by the consumer, or the parent or guardian for the consumer, except for that disability; and

(B) if:

(i) the consumer is capable of training the person in the proper performance of the service, the consumer directs the person to deliver the service; or

(ii) the consumer is not capable of training the person in the proper performance of the service, the consumer's parent or guardian is capable of training the person in the proper performance of the service and directs the person to deliver the service.

SECTION _____. Section 2054.252(a), Government Code, as added by Chapter 353, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(a) The following licensing authorities shall participate in the system established under Section 2054.253, as added by Chapter 353, Acts of the 77th Legislature, Regular Session, 2001:

(1) State Board of Barber Examiners;

(2) Texas Board of Chiropractic Examiners;

(3) Texas Cosmetology Commission;

(4) Court Reporters Certification Board;

(5) State Board of Dental Examiners;

(6) Texas Funeral Service Commission;

(7) Texas Board of Professional Land Surveying;

(8) Texas State Board of Medical Examiners;

(9) Board of Nurse Examiners;

(10) ~~[Board of Vocational Nurse Examiners;~~

~~[(11)]~~ Texas Optometry Board;

[(11)] ~~[(12)]~~ Texas Structural Pest Control Board;

[(12)] ~~[(13)]~~ Texas State Board of Pharmacy;

(13) ~~[(14)]~~ Executive Council of Physical Therapy and Occupational Therapy Examiners;

(14) ~~[(15)]~~ Texas State Board of Plumbing Examiners;

(15) ~~[(16)]~~ Texas State Board of Podiatric Medical Examiners;

(16) ~~[(17)]~~ Board of Tax Professional Examiners;

(17) ~~[(18)]~~ Polygraph Examiners Board;

(18) ~~[(19)]~~ Texas State Board of Examiners of Psychologists;

(19) ~~[(20)]~~ State Board of Veterinary Medical Examiners;

(20) ~~[(21)]~~ Texas Real Estate Commission;

(21) ~~[(22)]~~ Texas Appraiser Licensing and Certification Board; and

(22) ~~[(23)]~~ Texas Department of Licensing and Regulation.

SECTION _____. Section 81.010(c), Health and Safety Code, is amended to read as follows:

(c) The council consists of one representative from each of the following agencies appointed by the executive director or commissioner of each agency:

- (1) the department;
- (2) the Texas Department of Mental Health and Mental Retardation;
- (3) the Texas Department of Human Services;
- (4) the Texas Commission on Alcohol and Drug Abuse;
- (5) the Texas Rehabilitation Commission;
- (6) the Texas Youth Commission;
- (7) the Texas Department of Criminal Justice;
- (8) the Texas Juvenile Probation Commission;
- (9) the Texas Commission for the Blind;
- (10) the Texas Commission for the Deaf and Hard of Hearing;
- (11) the Department of Protective and Regulatory Services;
- (12) the Texas Education Agency;
- (13) the Texas State Board of Medical Examiners;
- (14) the Board of Nurse Examiners;
- (15) ~~the Board of Vocational Nurse Examiners;~~
- (16) ~~[(17)]~~ the State Board of Dental Examiners;
- (16) ~~[(17)]~~ the Health and Human Services Commission;
- (17) ~~[(18)]~~ the Texas Department on Aging; and
- (18) ~~[(19)]~~ the Texas Workforce Commission.

SECTION _____. Section 142.022, Health and Safety Code, is amended to read as follows:

Sec. 142.022. EXEMPTIONS FOR NURSING STUDENTS AND MEDICATION AIDE TRAINEES. (a) Sections 142.021 and 142.029 do not apply to:

- (1) a graduate nurse holding a temporary permit issued by the Board of Nurse Examiners;
- (2) a student enrolled in an accredited school of nursing or program for the education of registered nurses who is administering medications as part of the student's clinical experience;
- (3) a graduate vocational nurse holding a temporary permit issued by the Board of ~~Vocational~~ Nurse Examiners;

(4) a student enrolled in an accredited school of vocational nursing or program for the education of vocational nurses who is administering medications as part of the student's clinical experience; or

(5) a trainee in a medication aide training program approved by the department under Section 142.024 who is administering medications as part of the trainee's clinical experience.

(b) The administration of medications by persons exempted under Subdivisions (1) through (4) of Subsection (a) is governed by the terms of the memorandum of understanding executed by the department and the Board of Nurse Examiners [~~or the department and the Board of Vocational Nurse Examiners, as appropriate~~].

SECTION _____. Section 164.003(6), Health and Safety Code, is amended to read as follows:

(6) "Mental health professional" means a:

(A) "physician" as defined by Section 571.003;

(B) "licensed professional counselor" as defined by Section 503.002, Occupations Code;

(C) "chemical dependency counselor" as defined by Section 504.001, Occupations Code;

(D) "psychologist" offering "psychological services" as defined by Section 501.003, Occupations Code;

(E) "registered nurse" licensed under Chapter 301, Occupations Code;

(F) "~~licensed~~ vocational nurse" licensed under Chapter 301 [~~as defined by Section 302.001~~], Occupations Code;

(G) "licensed marriage and family therapist" as defined by Section 502.002, Occupations Code; and

(H) "social worker" as defined by Section 505.002, Occupations Code.

SECTION _____. Section 242.607, Health and Safety Code, is amended to read as follows:

Sec. 242.607. EXEMPTIONS FOR NURSING STUDENTS AND MEDICATION AIDE TRAINEES. (a) Sections 242.606 and 242.614 do not apply to:

(1) a graduate nurse holding a temporary permit issued by the Board of Nurse Examiners;

(2) a student enrolled in an accredited school of nursing or program for the education of registered nurses who is administering medications as part of the student's clinical experience;

(3) a graduate vocational nurse holding a temporary permit issued by the Board of [~~Vocational~~] Nurse Examiners;

(4) a student enrolled in an accredited school of vocational nursing or program for the education of vocational nurses who is administering medications as part of the student's clinical experience; or

(5) a trainee in a medication aide training program approved by the department under this subchapter who is administering medications as part of the trainee's clinical experience.

(b) The administration of medications by persons exempted under Subdivisions (1) through (4) of Subsection (a) is governed by the terms of the memorandum of understanding executed by the department and the Board of Nurse Examiners [~~or the department and the Board of Vocational Nurse Examiners, as appropriate~~].

SECTION _____. Section 36.132(a)(2), Human Resources Code, is amended to read as follows:

(2) "Licensing authority" means:

(A) the Texas State Board of Medical Examiners;

(B) the State Board of Dental Examiners;

(C) the Texas State Board of Examiners of Psychologists;

(D) the Texas State Board of Social Worker Examiners;

(E) the Board of Nurse Examiners;

(F) [~~the Board of Vocational Nurse Examiners;~~

~~(G)]~~ the Texas Board of Physical Therapy Examiners;

(G) ~~(H)~~ the Texas Board of Occupational Therapy Examiners; or

(H) ~~(I)~~ another state agency authorized to regulate a provider who receives or is eligible to receive payment for a health care service under the Medicaid program.

SECTION _____. Section 101.002, Occupations Code, is amended to read as follows:

Sec. 101.002. COMPOSITION OF COUNCIL. The council consists of 14 ~~[15]~~ members, with one member appointed by each of the following:

(1) the Texas Board of Chiropractic Examiners;

(2) the State Board of Dental Examiners;

(3) the Texas Optometry Board;

(4) the Texas State Board of Pharmacy;

(5) the Texas State Board of Podiatric Medical Examiners;

(6) the State Board of Veterinary Medical Examiners;

(7) the Texas State Board of Medical Examiners;

(8) the Board of Nurse Examiners;

(9) the Texas State Board of Examiners of Psychologists;

(10) [~~the Board of Vocational Nurse Examiners;~~

(11) ~~(12)~~ the Texas Funeral Service Commission;

(12) ~~(13)~~ the entity that regulates the practice of physical therapy;

(13) ~~(14)~~ the entity that regulates the practice of occupational therapy;

(14) ~~(15)~~ the health licensing division of the Texas Department of Health; and

(15) ~~(16)~~ the governor's office.

SECTION _____. Section 201.003(a), Occupations Code, is amended to read as follows:

(a) This chapter does not apply to a registered nurse licensed under Chapter 301, a vocational nurse licensed under Chapter 301 ~~[302]~~, a person who provides spinal screening services as authorized by Chapter 37, Health and Safety Code, a physical therapist licensed under Chapter 453, or a massage therapist or a massage therapy instructor qualified and registered under Chapter 455 if:

(1) the person does not represent to the public that the person is a chiropractor or use the term "chiropractor," "chiropractic," "doctor of chiropractic," "D.C.," or any derivative of those terms or initials in connection with the person's name or practice; and

(2) the person practices strictly within the scope of the license or registration held in compliance with all laws relating to the license and registration.

SECTION _____. Section 203.402, Occupations Code, is amended to read as follows:

Sec. 203.402. PROHIBITED REPRESENTATION. A midwife may not:

(1) except as provided by Section 203.403, use in connection with the midwife's name a title, abbreviation, or designation tending to imply that the midwife is a "registered" or "certified" midwife as opposed to one who is documented under this chapter;

(2) advertise or represent that the midwife is a physician or a graduate of a medical school unless the midwife is licensed to practice medicine by the Texas State Board of Medical Examiners;

(3) use advertising or an identification statement that is false, misleading, or deceptive; or

(4) except as authorized by rules adopted by the Board of Nurse Examiners ~~[and the Board of Vocational Nurse Examiners]~~, use in combination with the term "midwife" the term "nurse" or another title, initial, or designation that implies that the midwife is licensed as a registered nurse or ~~[licensed]~~ vocational nurse.

SECTION _____. Section 206.253(a), Occupations Code, is amended to read as follows:

(a) This chapter does not authorize a person who holds a license issued under this chapter to engage in the practice of:

(1) medicine, as defined by Subtitle B~~[, Title 3, Occupations Code]~~; or

(2) ~~[professional]~~ nursing, as defined by Chapter 301~~[, Occupations Code; or~~

~~(3) nursing, as defined by Chapter 302, Occupations Code].~~

SECTION _____. Section 22.011(c)(3), Penal Code, is amended to read as follows:

(3) "Health care services provider" means:

(A) a physician licensed under Subtitle B, Title 3, Occupations Code;

(B) a chiropractor licensed under Chapter 201, Occupations Code;

(C) ~~[a licensed vocational nurse licensed under Chapter 302, Occupations Code;~~

~~[(D)]~~ a physical therapist licensed under Chapter 453, Occupations Code;

(D) ~~[(E)]~~ a physician assistant licensed under Chapter 204, Occupations Code; or

(E) ~~[(F)]~~ a registered nurse, a vocational nurse, or an advanced practice nurse licensed under Chapter 301, Occupations Code.

SECTION _____. Sections 303.001(2) and (3), Occupations Code, are amended to read as follows:

(2) "Nurse" means a registered nurse ~~[licensed under Chapter 301]~~ or a ~~[licensed]~~ vocational nurse licensed under Chapter 301 ~~[302]~~.

(3) "Nursing" has the meaning assigned by Section 301.002 ~~[means professional nursing as defined by Chapter 301 or vocational nursing as defined by Chapter 302]~~.

SECTION _____. Section 303.002(b), Occupations Code, is amended to read as follows:

(b) The board shall enter into a memorandum of understanding with each state agency that licenses, registers, or certifies a facility required by law to have a nursing ~~[registered nurse]~~ peer review committee. The memorandum of understanding must:

(1) state the actions the board and agency are to take to encourage compliance with the requirement to have a nursing ~~[registered nurse]~~ peer review committee; and

(2) be adopted as a rule of the board and the agency.

SECTION _____. Sections 303.003(b) and (c), Occupations Code, are amended to read as follows:

(b) A nursing peer review committee that conducts a peer review that involves only the practice of vocational nursing must have registered nurses and ~~[licensed]~~ vocational nurses as three-fourths of its members, to the extent feasible must include ~~[licensed]~~ vocational nurses as members, and may have only registered nurses and ~~[licensed]~~ vocational nurses as voting members.

(c) A nursing peer review committee that conducts a peer review that involves the practice of both professional nursing and ~~[licensed]~~ vocational nursing:

(1) must have registered nurses and ~~[licensed]~~ vocational nurses as four-fifths of its members, with registered nurses as three-fifths of its members;

(2) to the extent feasible must include ~~[licensed]~~ vocational nurses as members; and

(3) may have only:

(A) registered nurses and ~~[licensed]~~ vocational nurses as voting members when a ~~[licensed]~~ vocational nurse is being reviewed; and

(B) registered nurses as voting members when a registered nurse is being reviewed.

SECTION _____. Section 303.005, Occupations Code, is amended by amending Subsections (a), (b), (c), (d), and (f) and adding Subsection (h) to read as follows:

(a) In this section, "duty to a patient" means conduct required by standards of practice or professional conduct adopted by the board for nurses. The term includes administrative decisions directly affecting a ~~[registered]~~ nurse's ability to comply with that duty.

(b) If a person who regularly employs, hires, or otherwise contracts for the services of at least 10 ~~[registered]~~ nurses requests one of those nurses to engage in conduct that the nurse believes violates a ~~[registered]~~ nurse's duty to a patient, the nurse may request, on a form produced by the board, a determination by a nursing peer review committee under this chapter of whether the conduct violates a ~~[registered]~~ nurse's duty to a patient.

(c) A ~~[registered]~~ nurse who in good faith requests a peer review determination under Subsection (b):

(1) may not be disciplined or discriminated against for making the request;

(2) may engage in the requested conduct pending the peer review;

(3) is not subject to the reporting requirement under Subchapter I, Chapter 301; and

(4) may not be disciplined by the board for engaging in that conduct while the peer review is pending.

(d) The determinations of the peer review committee shall be considered in a decision to discipline the nurse, but the determinations are not binding if a ~~[registered]~~ nurse administrator believes in good faith that the peer review committee has incorrectly determined a ~~[registered]~~ nurse's duty.

(f) A ~~[registered]~~ nurse's rights under this section may not be nullified by a contract.

(h) A person is not required to provide a peer review determination under this section for a request made by:

(1) a registered nurse, unless the person regularly employs, hires, or otherwise contracts for the services of at least five registered nurses; or

(2) a vocational nurse, unless the person regularly employs, hires, or otherwise contracts for the services of at least five vocational nurses.

SECTION _____. Section 304.002, Occupations Code, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 304.002. ADMINISTRATION OF COMPACT. The executive director ~~[directors]~~ of the Board of Nurse Examiners is ~~[and the Board of Vocational Nurse Examiners are]~~ the Nurse Licensure Compact administrator ~~[administrators]~~ for this state. ~~[The executive director of the Board of Nurse Examiners is responsible for administering matters relating to registered nurses. The executive director of the Board of Vocational Nurse Examiners is responsible for administering matters relating to licensed vocational nurses.]~~

SECTION _____. Section 304.003, Occupations Code, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 304.003. RULES. The Board of Nurse Examiners ~~[and the Board of Vocational Nurse Examiners]~~ may adopt rules necessary to implement this chapter.

SECTION _____. Sections 304.004(b) and (c), Occupations Code, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, are amended to read as follows:

(b) Unless the context indicates otherwise or doing so would be inconsistent with the Nurse Licensure Compact, nurses practicing in this state under a license issued by a state that is a party to the Nurse Licensure Compact have the same rights and obligations as imposed by the laws of this state on license holders of the Board of Nurse Examiners ~~[or the Board of Vocational Nurse Examiners]~~.

(c) The Board of Nurse Examiners has ~~[and the Board of Vocational Nurse Examiners have]~~ the authority to determine whether a right or obligation imposed on license holders applies to nurses practicing in this state under a license issued by a state that is a party to the Nurse Licensure Compact unless that determination is inconsistent with the Nurse Licensure Compact.

SECTION _____. Section 304.005, Occupations Code, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 304.005. ENFORCEMENT. The Board of Nurse Examiners is ~~[and the Board of Vocational Nurse Examiners are]~~ the state agency ~~[agencies]~~ responsible for taking action against registered and vocational nurses practicing in this state under a license issued by a state that is a party to the Nurse Licensure Compact as authorized by the Nurse Licensure Compact. The action shall be taken in accordance with the same procedures for taking action against registered and vocational nurses licensed by this state.

SECTION _____. Section 304.006(a), Occupations Code, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(a) On request and payment of a reasonable fee, the Board of Nurse Examiners ~~[and the Board of Vocational Nurse Examiners]~~ shall provide a registered or vocational nurse licensed by this state with a copy of information regarding the nurse maintained by the coordinated licensure information system under Article 7 of the Nurse Licensure Compact.

SECTION _____. Section 304.007, Occupations Code, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 304.007. ACCESS TO PRACTICE-RELATED INFORMATION. Practice-related information provided by the Board of Nurse Examiners ~~[or the Board of Vocational Nurse Examiners]~~ to registered or vocational nurses licensed by this state shall be made available by the board ~~[boards]~~ on request and at a reasonable cost to nurses practicing in this state under a license issued by a state that is a party to the Nurse Licensure Compact.

SECTION _____. Section 304.008(a), Occupations Code, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(a) In reporting information to the coordinated licensure information system under Article 7 of the Nurse Licensure Compact, the Board of Nurse Examiners ~~[and the Board of Vocational Nurse Examiners]~~ may disclose personally identifiable information about the nurse, including social security number.

SECTION _____. Section 304.009, Occupations Code, as added by Chapter 1420, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 304.009. WITHDRAWAL FROM COMPACT. (a) The governor may withdraw this state from the Nurse Licensure Compact if the Board of Nurse Examiners ~~[or the Board of Vocational Nurse Examiners]~~ notifies the governor that a state that is party to the compact changed, after January 1, 1999, the state's requirements for licensing a nurse and that the state's requirements, as changed, are substantially lower than the requirements for licensing a nurse in this state.

(b) The governor may completely withdraw this state from the Nurse Licensure Compact or may limit withdrawal to the application of the compact to registered nurses or ~~[licensed]~~ vocational nurses.

SECTION _____. Section 304.001(3), Occupations Code, as added by Chapter 1489, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:

(3) "Nurse" means a registered nurse or a ~~[licensed]~~ vocational nurse.

ARTICLE _____. TEMPORARY LICENSE SUSPENSIONS

SECTION _____. Sections 301.455(c) and (d), Occupations Code, are amended to read as follows:

(c) The State Office of Administrative Hearings shall hold a preliminary hearing not later than the 30th ~~[44th]~~ day after the date of the temporary suspension to determine, de novo, whether probable cause exists that a continuing and imminent threat to the public welfare exists.

(d) A final hearing on the matter shall be held not later than the 91st ~~[61st]~~ day after the date of the temporary suspension.

SECTION _____. This article applies only to a hearing held on or after the effective date of this part.

ARTICLE _____. CRIMINAL HISTORY RECORDS

SECTION _____. Subchapter D, Chapter 301, Occupations Code, is amended by adding Section 301.1615 to read as follows:

Sec. 301.1615. OBTAINING CRIMINAL HISTORY RECORD INFORMATION; HEARING. (a) In addition to the information to which the board is entitled under Section 411.125, Government Code, the board may request and receive criminal history record information from the Federal Bureau of Investigation as provided by Section 411.087, Government Code.

(b) Criminal history record information received by the board may be used only by the board and is privileged. The information may not be disclosed to any person other than:

(1) as required under a court order; or

(2) to a nursing board that is a member of the nurse licensure compact under Chapter 304.

(c) If, on the basis of criminal history record information obtained by the board, the board proposes to deny an application for a license, refuse to renew a license, or suspend or revoke a license or temporary permit, the applicant or license holder is entitled to a hearing under Section 301.454.

SECTION _____. Subchapter F, Chapter 301, Occupations Code, is amended by adding Section 301.2511 to read as follows:

Sec. 301.2511. CRIMINAL HISTORY RECORD INFORMATION FOR LICENSE APPLICANTS. (a) An applicant for a registered nurse license must submit to the board, in addition to satisfying the other requirements of this subchapter, a complete and legible set of fingerprints, on a form prescribed by the board, for the purpose of obtaining criminal history record information from the Department of Public Safety and the Federal Bureau of Investigation.

(b) The board may deny a license to an applicant who does not comply with the requirement of Subsection (a). Issuance of a license by the board is conditioned on the board obtaining the applicant's criminal history record information under this section.

(c) The board by rule may develop a system for initiating the process of obtaining criminal history record information for applicants for a license under this chapter by requiring persons who enroll or plan to enroll in an educational program that prepares a person for a license as a registered nurse to submit to the board a set of fingerprints that meets the requirements of Subsection (a). The board may require payment of a fee by a person who is required to submit a set of fingerprints under this subsection.

SECTION _____. Subchapter G, Chapter 301, Occupations Code, is amended by adding Section 301.3011 to read as follows:

Sec. 301.3011. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR RENEWAL. (a) The board may require that an applicant for renewal of an unexpired license submit to the board, in addition to satisfying any other requirements for license renewal, a complete and legible set of fingerprints, on a form prescribed by the board, for the purpose of obtaining criminal history record information from the Department of Public Safety and the Federal Bureau of Investigation.

(b) The board may refuse to renew the license of a person who does not comply with the requirement of Subsection (a). Renewal of a license by the board is conditioned on the board obtaining the person's criminal history record information under this section.

SECTION _____. Section 411.125(a), Government Code, is amended to read as follows:

(a) The Board of Nurse Examiners is entitled to obtain from the department criminal history record information maintained by the department that relates to a person who:

(1) is an applicant for or the holder of a license issued by ~~[from]~~ the board;

(2) has requested a determination of eligibility for a license from the board; or

(3) is subject to investigation by the board in connection with a complaint or formal charge against the person.

SECTION _____. The change in law made by this article applies only to an application for the issuance or renewal of a license that is filed with the Board of Nurse Examiners on or after the effective date of this part. An application for the issuance or renewal of a license that is filed before the effective date of this part is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

ARTICLE _____. REPEALER; TRANSITION; EFFECTIVE DATE

SECTION _____. On February 1, 2004, the following laws are repealed:

- (1) Chapter 302, Occupations Code; and
- (2) Section 303.002(a), Occupations Code.

SECTION _____. (a) This section provides for the appointment of members to the Board of Nurse Examiners for terms beginning February 1, 2004, to establish the staggering of members' terms in accordance with Sections 301.051 and 301.054, Occupations Code, as amended by this part.

(b) The term of one of two registered nurse members of the Board of Nurse Examiners scheduled to expire in 2007 expires January 31, 2004. Those members shall agree or draw lots to determine whose term expires on that date. Effective February 1, 2004, the governor shall appoint one person who is a nurse faculty member of a school of nursing offering vocational nurse training to fill that vacancy and to serve a term expiring January 31, 2007.

(c) Effective February 1, 2004, the governor shall appoint one person who shall serve as a public member of the Board of Nurse Examiners with a term expiring January 31, 2009, as provided under Section 301.051, Occupations Code, as amended by this part.

(d) Effective February 1, 2004, the governor shall appoint three additional members to the Board of Nurse Examiners to serve in the position of vocational nurse, as provided under Section 301.051, Occupations Code, as amended by this part. In appointing those members, the governor shall appoint one person to a term expiring January 31, 2005, one to a term expiring January 31, 2007, and one to a term expiring January 31, 2009.

SECTION _____. (a) On February 1, 2004:

(1) all functions and activities performed by the Board of Vocational Nurse Examiners immediately before that date are transferred to the Board of Nurse Examiners;

(2) a rule or form adopted by the Board of Vocational Nurse Examiners is a rule or form of the Board of Nurse Examiners and remains in effect until amended or replaced by that board;

(3) a reference in law or an administrative rule to the Board of Vocational Nurse Examiners means the Board of Nurse Examiners;

(4) a complaint, investigation, or other proceeding before the Board of Vocational Nurse Examiners is transferred without change in status to the Board of Nurse Examiners, and the Board of Nurse Examiners assumes, as appropriate

and without a change in status, the position of the Board of Vocational Nurse Examiners in an action or proceeding to which the Board of Vocational Nurse Examiners is a party;

(5) all money, contracts, leases, property, and obligations of the Board of Vocational Nurse Examiners are transferred to the Board of Nurse Examiners;

(6) a license issued by the Board of Vocational Nurse Examiners is a license of the Board of Nurse Examiners;

(7) an employee of the Board of Vocational Nurse Examiners, except for the Board of Vocational Nurse Examiners' executive director, becomes an employee of the Board of Nurse Examiners; and

(8) the unexpended and unobligated balance of any money appropriated by the legislature for the Board of Vocational Nurse Examiners is transferred to the Board of Nurse Examiners.

(b) Before February 1, 2004, the Board of Vocational Nurse Examiners may agree with the Board of Nurse Examiners to transfer any property of the Board of Vocational Nurse Examiners to the Board of Nurse Examiners to implement the transfer required by this section.

(c) In the period beginning on the effective date of this Act and ending on January 31, 2004, the Board of Vocational Nurse Examiners shall continue to perform functions and activities under Chapter 302, Occupations Code, or other law as if that chapter had not been repealed or other law had not been amended by this part, and the former law is continued in effect for that purpose.

SECTION _____. (a) Not later than June 1, 2004, the Board of Nurse Examiners shall adopt the rules required by Section 301.305, Occupations Code, as added by this part.

(b) A license holder may not be required to complete the continuing education requirements imposed by Section 301.305, Occupations Code, as added by this part, before June 1, 2006.

(c) As part of the next review conducted under Section 301.003, Occupations Code, as amended by this part, the Sunset Advisory Commission shall evaluate the necessity and effectiveness of mandating continuing education courses for nurses on specific topics.

SECTION _____. In the event of a conflict between a provision of this Act and another Act passed by the 78th Legislature, Regular Session, 2003, that becomes law, this Act prevails and controls regardless of the relative dates of enactment.

SECTION _____. (a) Except as provided by Subsection (b) of this section, this part takes effect September 1, 2003.

(b) Article ____ of this part (Conforming Amendments For Single Nursing Board) takes effect February 1, 2004.

Amendment No. 42 was adopted without objection.

Amendment No. 43

Representatives Uresti, Swinford, and Solis offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS of the bill accordingly:

SECTION __. (a) Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.063 to read as follows:

Sec. 531.063. JOINT PURCHASING OF PRESCRIPTION DRUGS AND OTHER MEDICATIONS. (a) Notwithstanding any other law, the commission and each health and human services agency authorized by the commission may enter into an agreement with one or more other states for the joint bulk purchasing of prescription drugs and other medications to be used in the Medicaid program or another government-funded health program in this state.

(b) The commission shall adopt procedures applicable to an agreement and joint purchase authorized by this section. The procedures must ensure that this state receives:

(1) all prescription drugs and other medications purchased with money provided by this state; and

(2) an equitable share of any price benefits resulting from the joint bulk purchase.

(b) If before implementing any provision of this section a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

Amendment No. 43 was adopted without objection.

Amendment No. 44

Representatives Uresti, Swinford, and Solis offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding a new section with the following:

SECTION 1. Section 62.053, Health and Safety Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) Notwithstanding Section 62.055 and subject to Subsection (e), the Texas Department of Human Services shall assume responsibility for eligibility screening and enrollment under the child health plan and may not contract for those services with a third party administrator or other entity, if the commission, after conducting a cost-benefit analysis of requiring the department to assume responsibility for these services, determines that the department is able to:

(1) satisfy the same performance standards applicable to a third party administrator or other entity; and

(2) perform these services less expensively than a third party administrator.

(e) The Texas Department of Human Services may not assume responsibility for eligibility screening and enrollment under the child health plan before the Texas Integrated Eligibility Redesign System is developed and the child health plan is integrated into that system.

SECTION 2. This Act takes effect September 1, 2003.

Amendment No. 44 was adopted without objection.

Amendment No. 45

Representative Hamric offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered ARTICLE to PART 1 of the bill:

ARTICLE __. STATE AIRCRAFT POOLING BOARD

SECTION __. The heading to Chapter 2205, Government Code, is amended to read as follows:

CHAPTER 2205. STATE-OPERATED AIRCRAFT ~~[POOLING]~~

SECTION __. Subchapter B, Chapter 2205, Government Code, is amended by adding Section 2205.0315 to read as follows:

Sec. 2205.0315. DEFINITION. In this chapter, "department" means the Department of Public Safety of the State of Texas.

SECTION __. Section 2205.032, Government Code, is amended to read as follows:

Sec. 2205.032. TRANSPORTATION ~~[CUSTODY, CONTROL, OPERATION,]~~ AND MAINTENANCE. (a) The department shall maintain ~~[board shall operate a pool for the custody, control, operation, and maintenance of]~~ all aircraft owned or leased by the state.

(b) The department [board] may provide aircraft transportation under Section 2205.036 [purchase aircraft with funds appropriated for that purpose].

~~[(c) As part of the strategic plan that the board develops and submits under Chapter 2056, the board shall develop a long-range plan for its pool of aircraft. The board shall include appropriate portions of the long-range plan in its legislative appropriations request. The long-range plan must include estimates of future aircraft replacement needs and other fleet management needs, including any projected need to increase or decrease the number of aircraft in the pool. In developing the long-range plan, the board shall consider at a minimum for each aircraft in the pool:~~

~~[(1) how much the aircraft is used and the purposes for which it is used;~~

~~[(2) the cost of operating the aircraft and the revenue generated by the aircraft; and~~

~~[(3) the demand for the aircraft or for that type of aircraft.]~~

SECTION __. Section 2205.034, Government Code, is amended to read as follows:

Sec. 2205.034. FACILITIES. (a) The department ~~[board]~~ may acquire appropriate facilities for the accommodation of all aircraft owned or leased by the state. The facilities may be purchased or leased as determined by the department ~~[board]~~ to be most economical for the state and as provided by legislative

appropriations. The facilities may include adequate hangar space, an indoor passenger waiting area, a flight-planning area, communications facilities, and other related and necessary facilities.

(b) A state agency that operates an aircraft may not use a facility in Austin other than a facility operated by the department [~~board~~] for the storage, parking, fueling, or maintenance of the aircraft, whether or not the aircraft is based in Austin. In a situation the department [~~board~~] determines to be an emergency, the department [~~board~~] may authorize a state agency to use a facility in Austin other than a department [~~board~~] facility for the storage, parking, fueling, or maintenance of an aircraft.

SECTION __. Section 2205.036, Government Code, is amended to read as follows:

Sec. 2205.036. PASSENGER TRANSPORTATION. (a) The department ~~may~~ [~~board shall~~] provide aircraft transportation, to the extent that its aircraft are available, to:

(1) state officers and employees who are traveling on official business according to the coordinated passenger scheduling system and the priority scheduling system developed as part of the aircraft operations manual under Section 2205.038;

(2) persons in the care or custody of state officers or employees described by Subdivision (1); and

(3) persons whose transportation furthers official state business.

(b) The department [~~board~~] may not provide aircraft transportation to a passenger if the passenger is to be transported to or from a place where the passenger:

(1) will make or has made a speech not related to official state business;

(2) will attend or has attended an event sponsored by a political party;

(3) will perform a service or has performed a service for which the passenger is to receive an honorarium, unless the passenger reimburses the board for the cost of transportation;

(4) will attend or has attended an event at which money is raised for private or political purposes; or

(5) will attend or has attended an event at which an audience was charged an admission fee to see or hear the passenger.

(c) The department [~~board~~] may not provide aircraft transportation to a destination unless:

(1) the destination is not served by a commercial carrier;

(2) the time required to use a commercial carrier interferes with passenger obligations; or

(3) the number of passengers traveling makes the use of state aircraft cost-effective.

(d) The department shall monitor and ensure compliance with the requirements of this section.

SECTION __. Subchapter B, Chapter 2205, Government Code, is amended by adding Section 2205.0365 to read as follows:

Sec. 2205.0365. CONTRACTS. (a) The department may negotiate contracts with private charter aircraft providers to obtain the most cost-effective rates possible for transportation of state officers and employees traveling on official business.

(b) The department may contract with a flight safety consultant in developing safety guidelines for charter aircraft providers.

(c) A contract described by Subsection (a) may provide that:

(1) a state agency using charter services shall pay the charter aircraft provider directly for charter services; or

(2) the department shall pay the charter aircraft provider for services and be reimbursed by state agencies using the charter services.

SECTION __. Section 2205.038, Government Code, is amended to read as follows:

Sec. 2205.038. AIRCRAFT OPERATIONS MANUAL. (a) The department ~~[board]~~ shall:

(1) prepare a manual that establishes minimum standards for the operation of aircraft by state agencies; and

(2) adopt procedures for the distribution of the manual to state agencies.

(b) The manual must include provisions for:

(1) pilot certification standards, including medical requirements for pilots;

(2) recurring training programs for pilots;

(3) general operating and flight rules;

(4) coordinated passenger scheduling; and

(5) other issues the department ~~[board]~~ determines are necessary to ensure the efficient and safe operation of aircraft by a state agency.

(c) The department ~~[board]~~ shall confer with and solicit the written advice of state agencies that operate state-owned aircraft and state agencies the department ~~[board]~~ determines are principal users of aircraft operated by the department ~~[board]~~ and, to the extent practicable, incorporate that advice in the development of the manual and subsequent changes to the manual.

(d) The department ~~[board]~~ shall give an officer normally elected by statewide election priority in the scheduling of aircraft. The department ~~[board]~~ by rule may require appropriate advance ~~[a 12 hour]~~ notice by the officer to obtain the priority in scheduling.

SECTION __. Section 2205.039, Government Code, is amended to read as follows:

Sec. 2205.039. TRAVEL LOG. (a) The Legislative Budget Board, in cooperation with the department ~~[board]~~, shall prescribe:

(1) a travel log form for gathering information about the use of state-operated aircraft;

(2) procedures to ensure that individuals who travel as passengers on or operate state-operated aircraft provide in a legible manner the information requested of them by the form; and

(3) procedures for each state agency that operates an aircraft for sending the form to the department [board] and the Legislative Budget Board.

(b) The travel log form must request the following information about a state-operated aircraft each time the aircraft is flown:

(1) a mission statement, which may appear as a selection to be identified from general categories appearing on the form;

(2) the name, state agency represented, destination, and signature of each person who is a passenger or crew member of the aircraft;

(3) the date of each flight;

(4) a detailed and specific description of the official business purpose of each flight; and

(5) other information determined by the Legislative Budget Board and the department [board] to be necessary to monitor the proper use of the aircraft.

(c) A state agency other than the department [board] shall send travel logs to the department [board] each month in which the agency operates an aircraft.

(d) The department shall monitor and ensure compliance by state agencies with the requirements of this section.

(e) The department shall annually report to the Legislative Budget Board on air travel information received under this section.

SECTION __. Section 2205.040, Government Code, is amended to read as follows:

Sec. 2205.040. RATES AND BILLING PROCEDURES. (a) The department [board] shall adopt rates for interagency aircraft services that are sufficient to recover, in the aggregate and to the extent possible, all direct and indirect costs for the services provided, including a state agency's pro rata share of major maintenance, overhauls of equipment and facilities, and pilots' salaries.

(b) The Legislative Budget Board, in cooperation with the department [board] and the state auditor, shall prescribe a billing procedure for passenger travel on state-operated aircraft.

SECTION __. Section 2205.041(a), Government Code, is amended to read as follows:

(a) The Legislative Budget Board, in cooperation with the department [board], shall prescribe:

(1) an annual aircraft use form for gathering information about the use of state-operated aircraft, including the extent to which and the methods by which the goal provided by Section 2205.031(b) is being met; and

(2) procedures for each state agency that operates an aircraft for sending the form to the department [board] and the Legislative Budget Board.

SECTION __. Section 2205.043(b), Government Code, is amended to read as follows:

(b) The department [board] shall adopt rules, consistent with federal regulations and Subtitle A, Title 11 [Article 6139f, Revised Statutes], governing the color, size, and location of marks of identification required by this section.

SECTION __. Section 2205.044, Government Code, is amended to read as follows:

Sec. 2205.044. FUEL AND MAINTENANCE CONTRACTS. The department ~~[board]~~ may contract with a state or federal governmental agency or a political subdivision to provide aircraft fuel or to provide aircraft maintenance services.

SECTION __. Section 2205.045(a), Government Code, is amended to read as follows:

(a) The department shall negotiate ~~[board may purchase]~~ insurance contracts to protect the state ~~[board]~~ from loss caused by damage, loss, theft, or destruction of aircraft owned or leased by the state and shall negotiate ~~[purchase]~~ liability insurance contracts to protect the officers and employees of each state agency from loss arising from the operation of state-owned aircraft.

SECTION __. Section 2205.047, Government Code, is amended to read as follows:

Sec. 2205.047. INFORMATION POSTED ON THE INTERNET. The department ~~[board]~~ shall post information related to travel and other services provided by the department under this chapter ~~[board]~~ on an Internet site maintained by or for the department ~~[board]~~. The site must be generally accessible to state agencies, persons who use the department's ~~[board's]~~ services, and, to the extent appropriate, the general public.

SECTION __. The following laws are repealed:

- (1) Subchapter A, Chapter 2205, Government Code;
- (2) Section 2205.035, Government Code;
- (3) Section 2205.042, Government Code; and
- (4) Section 2205.046, Government Code.

SECTION __. (a) The Department of Public Safety of the State of Texas, the State Aircraft Pooling Board, and the Texas Public Finance Authority, in consultation with the Texas Building and Procurement Commission and the General Land Office, shall establish a transition team to oversee the orderly transition of property, services, and certain employees from the State Aircraft Pooling Board to the Department of Public Safety of the State of Texas. The team shall:

- (1) determine when:

(A) the Department of Public Safety of the State of Texas will begin to perform a function or activity of the State Aircraft Pooling Board;

(B) the State Aircraft Pooling Board will cease to perform a function that is discontinued under Chapter 2205, Government Code, as amended by this Act;

(C) an employee of the board whose primary duties involve maintenance of aircraft becomes an employee of the department; and

(D) a King Air 200 aircraft with an aircraft identification number of N808WD becomes property of the Department of Public Safety of the State of Texas;

- (2) inventory all equipment and other property required to be transferred or sold;

(3) determine any continued support and cooperation the board must provide the department before the board is abolished to ensure an efficient continuation of service and of planning for future needs; and

(4) ensure that:

(A) the transition is complete by January 1, 2004; and

(B) all board employee positions, except the positions of employees serving on the transition team or employees whose primary duties involve maintenance of aircraft, are eliminated by September 1, 2003.

(b) The transition team and the State Aircraft Pooling Board are abolished on January 1, 2004.

SECTION __. (a) By September 1, 2004, the Texas Building and Procurement Commission, in consultation with the Department of Public Safety of the State of Texas, shall sell for fair market value all state aircraft and aircraft-related equipment, other than equipment used in the maintenance of aircraft formerly under the custody of the State Aircraft Pooling Board and a King Air 200 aircraft with an aircraft identification number of N808WD. If bonds were issued in connection with acquiring or maintaining the aircraft or equipment or in connection with other board purposes, the proceeds from the sale of the aircraft and equipment shall be used to pay off the bonds to the extent the proceeds of the bonds were expended for those purposes.

(b) By September 1, 2005, the General Land Office, in consultation with the Texas Public Finance Authority, shall sell all State Aircraft Pooling Board facilities, other than facilities used for maintenance or housing of aircraft owned or operated by state agencies other than the board, located at the Austin-Bergstrom International Airport for not less than the amount contained in the current market value assessment of the property that shall be made by the General Land Office. If bonds were issued, the proceeds of which were expended for the purchase, maintenance, or construction of the Austin-Bergstrom facilities, the proceeds from the sale of the facilities shall be used to pay off the state bond obligations as the Texas Public Finance Authority determines to be appropriate. The General Land Office, at the discretion of the commissioner of the General Land Office, may offer the facilities for sale by competitive bid in accordance with Section 31.158, Natural Resources Code. Alternatively, the General Land Office may negotiate a direct sale of the facilities to:

(1) a current lessee of the facilities;

(2) a neighboring property owner of the facilities; or

(3) a political subdivision of the state, including Travis County or the City of Austin.

(c) By September 1, 2005, the General Land Office shall sell all State Aircraft Pooling Board facilities located at the site of the former Robert Mueller Municipal Airport for not less than the amount contained in the current market value assessment of the property that shall be made by the General Land Office. If bonds were issued in connection with acquiring or maintaining the facilities located at the site of the former Robert Mueller Municipal Airport, the proceeds from the sale of the facilities shall be used to pay off the bonds to the extent the proceeds of the bonds were expended for acquiring or maintaining the facilities.

The General Land Office, at the discretion of the commissioner of the General Land Office, may offer the facilities for sale by competitive bid in accordance with Section 31.158, Natural Resources Code. Alternatively, the General Land Office may negotiate a direct sale of the facilities to:

- (1) a current lessee of the facilities;
- (2) a neighboring property owner of the facilities; or
- (3) a political subdivision of the state, including Travis County or the City of Austin.

Amendment No. 46

Representative Hamric offered the following amendment to Amendment No. 45:

Amend the Hamric amendment to **CSSB 1952** as follows:

- (1) on page 9, line 29, insert the following after "sell": "or lease";
- (2) on page 10, strike line 3;
- (3) on page 10, line 4, strike "that shall be made" and substitute "determined"; and
- (4) on page 10, line 7, between "sale" and "of", insert "or lease".

Amendment No. 46 was adopted without objection.

A record vote was requested.

Amendment No. 45, as amended, was adopted by (Record 756): 78 Yeas, 58 Nays, 2 Present, not voting.

Yeas — Allen; Baxter; Berman; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Callegari; Campbell; Casteel; Chisum; Christian; Cook, B.; Corte; Crowover; Davis, J.; Dawson; Delisi; Denny; Driver; Eissler; Farabee; Flynn; Griggs; Grusendorf; Hamric; Hardcastle; Harper-Brown; Hartnett; Heflin; Hegar; Hilderbran; Hill; Hochberg; Howard; Hughes; Hunter; Hupp; Isett; Jones, D.; Jones, E.; Keel; Keffer, B.; Keffer, J.; King; Kolkhorst; Krusee; Laubenberg; Luna; Madden; Marchant; McCall; Mercer; Miller; Morrison; Mowery; Nixon; Paxton; Phillips; Reyna; Riddle; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solomons; Stick; Talton; Taylor; Truitt; Turner; Van Arsdale; Wilson; Wong; Woolley; Zedler.

Nays — Alonzo; Bailey; Burnam; Canales; Capelo; Castro; Coleman; Cook, R.; Davis, Y.; Deshotel; Dunnam; Dutton; Eiland; Elkins; Ellis; Farrar; Gallego; Garza; Gattis; Guillen; Gutierrez; Haggerty; Hamilton; Hodge; Homer; Hopson; Jones, J.; Kuempel; Laney; Lewis; Mabry; Martinez Fischer; McClendon; McReynolds; Menendez; Merritt; Moreno, J.; Naishtat; Noriega; Oliveira; Olivo; Peña; Pickett; Pitts; Puente; Quintanilla; Raymond; Ritter; Rodriguez; Solis; Telford; Thompson; Uresti; Villarreal; West; Wise; Wohlgemuth; Wolens.

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

Absent, Excused — Hope.

Absent — Chavez; Crabb; Dukes; Escobar; Flores; Geren; Giddings; Goodman; Goolsby; Moreno, P.; Swinford.

Amendment No. 47

Representatives Swinford, Allen, Ellis, Farrar, Gallego, Hamilton, Hodge, Kolkhorst, McReynolds, and Turner offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (house committee printing), by striking Article 5B (page 110, line 16, through page 138, line 24) and adding a new Article 5B to read as follows:

ARTICLE 5B. PRISON PRIVATIZATION STUDY

SECTION 5B.01. CREATION. The select committee on prison privatization is created.

SECTION 5B.02. COMPOSITION. (a) The select committee is composed of:

- (1) three members appointed by the governor;
- (2) three members appointed by the lieutenant governor;
- (3) three members appointed by the speaker of the house of representatives;
- (4) one member employed by the Legislative Budget Board and appointed by the executive director of that board;
- (5) one member employed by and appointed by the comptroller;
- (6) one member employed by and appointed by the state auditor; and
- (7) one member employed by the Criminal Justice Policy Council and appointed by the executive director of that council.

(b) Each individual required to make an appointment under Subsection (a) shall make the appointment as soon as possible after the effective date of this Act, but not later than October 1, 2003.

SECTION 5B.03. DUTIES. (a) The select committee on prison privatization shall prepare a report that, for the purposes of comparing cost effectiveness and program effectiveness of prison facilities operated by the Texas Department of Criminal Justice and prison facilities operated by or potentially operated by private contractors, analyzes the following issues:

- (1) the best possible methods and processes for administering and monitoring contracts for prison privatization;
- (2) whether an existing agency of the state or a newly created agency should administer future prison privatization contracts;
- (3) the probable cost savings to the state if prison privatization is increased;
- (4) the standards that should be used to compare program effectiveness and the best methods for comparing costs for provision of programs by the department and costs for provision of programs by contractors;
- (5) the history of prison privatization efforts in this state and in other populous states, with special emphasis on subissues related to program effectiveness, performance records, cost savings, ethical concerns, and impact on relevant communities;
- (6) as to potential contractors, the backgrounds and past achievements of those contractors;

(7) which facilities or services currently provided primarily by the Texas Department of Criminal Justice could best be performed by a contractor; and

(8) whether ethical standards could be adopted to protect the state from corruption or ethical conflicts.

(b) In addition to the issues described by Subsection (a) of this section, the report must analyze the impact that privatization of a Texas Department of Criminal Justice facility or function would have on the community in which the function is performed or the facility is located, including economic impact, workforce impact, impact caused by higher employee turnover rates, and impact on community facilities and services.

(c) The select committee shall present copies of the report not later than November 1, 2004, to the governor, the lieutenant governor, and the speaker of the house of representatives.

SECTION 5B.04. HEARINGS. The select committee on prison privatization, for the purpose of gathering information necessary for the preparation of the report required by Section 5B.03 of this article, shall hold at least four public hearings. At least one of the hearings must be held in a municipality with a population greater than one million and at least two of the hearings must be held in a municipality or county in which more than one division of the Texas Department of Criminal Justice operates a facility or performs a function.

SECTION 5B.05. EXPIRATION. The select committee on prison privatization is abolished and this article expires November 30, 2004.

Amendment No. 48

Representative Kolkhorst offered the following amendment to Amendment No. 47:

Amend the Swinford Amendment No. 47 to **CSSB 1952** as follows:

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

SECTION 5B.05. FUNDS TRANSFER. The Texas Department of Criminal Justice shall enter into a memorandum of understanding with the select committee on prison privatization to provide the committee with not less than \$250,000 from the department's budget for the biennium ending August 31, 2005. The select committee shall use funds received from the department under this section to hire technical assistance that is professional and unbiased and that will assist the committee in performing its duties under this Article. The department and the committee shall enter into the memorandum of understanding not later than October 1, 2003. The memorandum must specify that the funds will be transferred to the select committee according to a schedule established by the committee.

(2) On page 3, line 12, strike "5B.05" and substitute "5B.06".

Amendment No. 48 was adopted without objection.

Amendment No. 49

Representative Gallego offered the following amendment to Amendment No. 47:

Amend Amendment No. 47 by Swinford to **CSSB 1952** in SECTION 5B.03 by inserting the following after Subsection (b) and relettering the subsequent subsections accordingly:

(b) In addition to the information required by Subsection (a), the report must contain a qualitative and quantitative comparison of the performance of vendors operating facilities under this subtitle and the performance of facilities operated by the department that provide the same level of programs and services. The comparison must provide information on the operations of each vendor and comparable department programs and facilities, including information about treatment programs implemented, numbers of escapes, major disciplinary events, and other matters determined to be important by the commission.

Amendment No. 49 was adopted without objection.

Amendment No. 50

Representative Gallego offered the following amendment to Amendment No. 47:

Amend the Kolkhorst Amendment No. 47 to **CSSB 1952** (house committee printing), in Article 5B.01, as follows:

(1) In Section 495.017, Government Code, strike existing Subsection (b) (page 113, line 22, through page 114, line 2), and substitute a new Subsection (b) to read as follows:

(b) In addition to the information required by Subsection (a), the report must contain a qualitative and quantitative comparison of the performance of vendors operating facilities under this subtitle and the performance of facilities operated by the department that provide the same level of programs and services. The comparison must provide information on the operations of each vendor and comparable department programs and facilities, including information about treatment programs implemented, numbers of escapes, major disciplinary events, and other matters determined to be important by the commission.

(2) Strike added Section 495.046 (page 119, lines 8 through 11) and substitute the following:

Amendment No. 50 was withdrawn.

Amendment No. 47, as amended, was adopted without objection.

Amendment No. 51

On behalf of Representative Swinford, Representative Gallego offered the following amendment to **CSSB 1952**:

Amend SECTION 9 of **CSSB 1952** by inserting the following language (page 229, line 27):

SECTION 9B.01. Subchapter A, Chapter 52, Education Code, is amended by adding Section 52.015 to read as follows:

Sec. 52.015. Performance Review of Student Loan Program. The Comptroller of Public Accounts shall conduct a performance review of the student loan program authorized under this chapter. The performance review shall address whether or not the program should continue to be administered by the state or if the program should be discontinued and sold to one or more qualified buyers. The review shall include a valuation of the student loan portfolio, the potential proceeds from the sale of the board's student loan portfolio, the amount of money needed to redeem the outstanding debt on bonds issued by the board under this chapter, and the likely impact of a sale on student borrowers. In conducting the performance review, the Comptroller shall consult with the board, the Bond Review Board, and the Governor's Office of Budget, Planning, and Policy. The Comptroller shall report the results of the performance review to the Governor, the appropriate Senate and House Committees, and the Legislative Budget Board by November 1, 2004.

Amendment No. 51 was adopted without objection.

Amendment No. 52

On behalf of Representative Swinford, Representative Chisum offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House committee printing) as follows:

(1) In SECTION 2E.03 of the bill, in amended Section 391.0095(a)(6), Local Government Code (page 59, line 1), strike "and" and substitute "~~and~~".

(2) In SECTION 2E.03 of the bill, in amended Section 391.0095(a)(7), Local Government Code (page 59, line 3), between "commission" and the period, insert the following:

; and

(8) a statement of whether the restrictions on the use of revenue prescribed by Section 361.014(b), Health and Safety Code, have been followed, if the commission has used funds provided under that section

(3) In SECTION 2E.03 of the bill, in amended Section 391.0095(d), Local Government Code (page 59, lines 12 and 13), strike "state auditor ~~[governor]~~" and substitute "governor".

(4) In SECTION 2E.03 of the bill, in amended Section 391.0095(d), Local Government Code (page 59, line 13), between "comply with" and "a rule", insert "state law or".

(5) In SECTION 2E.03 of the bill, in amended Section 391.0095(d), Local Government Code (page 59, lines 14 and 15), strike "state auditor shall report the failure to the governor. The".

Amendment No. 53

On behalf of Representative Swinford, Representative Chisum offered the following amendment to Amendment No. 52:

Amend Amendment No. 52 by Swinford to **CSSB 1952** by striking Item (3) of the amendment.

Amendment No. 53 was adopted without objection.

Amendment No. 52, as amended, was adopted without objection.

Amendment No. 54

Representatives Grusendorf, Hochberg, and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report), in PART 9 of the bill by adding the following appropriately numbered ARTICLE to read as follows:

ARTICLE 9 _____. GENERAL EDUCATION PROVISIONS

SECTION 9 _____.01. Subchapter B, Chapter 7, Education Code, is amended by adding Section 7.027 to read as follows:

Sec. 7.027. GRANTS. (a) The agency may accept grants for the benefit of public education.

(b) Unless otherwise required by federal law or by the terms of a private grant, the agency may award grants in accordance with a formula or other criteria adopted by agency rule instead of using a competitive process.

SECTION 9 _____.02. Section 7.102(c)(15), Education Code, is amended to read as follows:

(15) The board shall adopt criteria for identifying gifted and talented students ~~[and shall develop and update a state plan for the education of gifted and talented students]~~ as required under Subchapter D, Chapter 29.

SECTION 9 _____.03. Section 8.103, Education Code, is amended to read as follows:

Sec. 8.103. ANNUAL EVALUATION. The commissioner shall conduct an annual evaluation of each executive director and regional education service center. Each evaluation must include:

(1) an audit of the center's finances;

(2) a review of the center's performance on the indicators adopted under Section 8.101; and

(3) ~~[a review of client satisfaction with services provided under Subchapter B; and~~

~~[(4)]~~ a review of any other factor the commissioner determines to be appropriate.

SECTION 9 _____.04. Section 21.004(a), Education Code, is amended to read as follows:

(a) To the extent that funds are available, the agency, the State Board for Educator Certification, and the Texas Higher Education Coordinating Board shall develop and implement coordinated programs to identify talented students and recruit those students and persons, including high school and undergraduate students, mid-career and retired professionals, honorably discharged and retired military personnel, and members of underrepresented gender and ethnic groups, into the teaching profession.

SECTION 9 _____.05. Section 21.355, Education Code, is amended to read as follows:

Sec. 21.355. CONFIDENTIALITY. (a) A document evaluating the performance of a teacher or administrator is confidential.

(b) This section does not restrict the use of aggregate results of student performance on academic skills assessment instruments for the purposes of evaluating teacher preparation and training programs as provided by Section 39.030(b).

SECTION 9 _____.06. Section 29.903, as added by Chapter 795, Acts of the 77th Legislature, Regular Session, 2001, is amended by adding Subsection (h) to read as follows:

(h) This section must be implemented only to the extent that funds are specifically appropriated for the purpose.

SECTION 9 _____.07. Sections 31.1011(a), (d), and (e), Education Code, are amended to read as follows:

(a) The commissioner shall implement a program to study the use of credits for textbooks. The program shall be designed to allow a participating school district or open-enrollment charter school to receive credit for textbooks purchased at a cost below the cost limit established under Section 31.025(a). The commissioner shall allow any school district or open-enrollment charter school to participate in the program.

(d) The commissioner shall prepare a report relating to the use of the textbook credit system and deliver the report to the 80th ~~[79th]~~ Legislature.

(e) This section expires September 1, 2007 ~~[2005]~~.

SECTION 9 _____.08. Section 32.033(a), Education Code, is amended to read as follows:

(a) The agency, in coordination with institutions of higher education and other public or private entities, may ~~[shall]~~ maintain and expand, as needed, the telecommunications capabilities of school districts and regional education service centers. The agency shall design and implement a telecommunications system for distance learning throughout the state.

SECTION 9 _____.09. Section 39.030(b), Education Code, is amended to read as follows:

(b) The results of individual student performance on academic skills assessment instruments administered under this subchapter are confidential and may be released only in accordance with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g). However, overall student performance data shall be aggregated by ethnicity, sex, grade level, subject area, campus, and district and made available to the public, with appropriate interpretations, at regularly scheduled meetings of the board of trustees of each school district. The information may not contain the names of individual students ~~[or teachers]~~. Except as otherwise required by the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), this subsection does not restrict the use of aggregate results of student performance on academic skills assessment instruments for the purpose of evaluating teacher preparation and training programs, including:

- (1) traditional educator preparation programs;
- (2) alternative certification programs; and
- (3) continuing education courses and programs.

SECTION 9 _____.10. Section 39.075(a), Education Code, is amended to read as follows:

(a) The commissioner may [~~shall~~] authorize special accreditation investigations to be conducted:

(1) when excessive numbers of absences of students eligible to be tested on state assessment instruments are determined;

(2) when excessive numbers of allowable exemptions from the required state assessment are determined;

(3) in response to complaints submitted to the agency with respect to alleged violations of civil rights or other requirements imposed on the state by federal law or court order;

(4) in response to established compliance reviews of the district's financial accounting practices and state and federal program requirements;

(5) when extraordinary numbers of student placements in alternative education programs, other than placements under Sections 37.006 and 37.007, are determined;

(6) in response to an allegation involving a conflict between members of the board of trustees or between the board and the district administration if it appears that the conflict involves a violation of a role or duty of the board members or the administration clearly defined by this code; or

(7) as the commissioner otherwise determines necessary.

SECTION 9 _____.11. Section 39.131, Education Code, is amended by adding subsection (k) to read as follows:

(k) The commissioner may take action under Subsection (a) or (b) against an entity to which a charter is granted under Subchapter B, Chapter 12, based on the failure of one or more campuses operated by that charter holder to satisfy accreditation criteria.

SECTION 9 _____.12. The heading to Section 39.182, Education Code, is amended to read as follows:

Sec. 39.182. COMPREHENSIVE [~~ANNUAL~~] REPORT.

SECTION 9 _____.13. Section 39.182(a), Education Code, is amended to read as follows:

(a) Not later than December 1 of each even-numbered year, the agency shall prepare and deliver to the governor, the lieutenant governor, the speaker of the house of representatives, each member of the legislature, the Legislative Budget Board, and the clerks of the standing committees of the senate and house of representatives with primary jurisdiction over the public school system a comprehensive report covering the preceding two school years [year] and containing;

(1) an evaluation of the achievements of the state educational program in relation to the statutory goals for the public education system under Section 4.002;

(2) an evaluation of the status of education in the state as reflected by the academic excellence indicators adopted under Section 39.051;

(3) a summary compilation of overall student performance on academic skills assessment instruments required by Section 39.023 with the number and percentage of students exempted from the administration of those instruments and the basis of the exemptions, aggregated by grade level, subject area, campus, and district, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status;

(4) a summary compilation of overall performance of students placed in an alternative education program established under Section 37.008 on academic skills assessment instruments required by Section 39.023 with the number of those students exempted from the administration of those instruments and the basis of the exemptions, aggregated by district, grade level, and subject area, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status;

(5) a summary compilation of overall performance of students at risk of dropping out of school, as defined by Section 29.081(d), on academic skills assessment instruments required by Section 39.023 with the number of those students exempted from the administration of those instruments and the basis of the exemptions, aggregated by district, grade level, and subject area, with appropriate interpretations and analysis, and disaggregated by race, ethnicity, gender, and socioeconomic status;

(6) an evaluation of the correlation between student grades and student performance on academic skills assessment instruments required by Section 39.023;

(7) a statement of the dropout rate of students in grade levels 7 through 12, expressed in the aggregate and by grade level, and a statement of the completion rates of students for grade levels 9 through 12;

(8) a statement of:

(A) the completion rate of students who enter grade level 9 and graduate not more than four years later;

(B) the completion rate of students who enter grade level 9 and graduate, including students who require more than four years to graduate;

(C) the completion rate of students who enter grade level 9 and not more than four years later receive a high school equivalency certificate;

(D) the completion rate of students who enter grade level 9 and receive a high school equivalency certificate, including students who require more than four years to receive a certificate; and

(E) the number and percentage of all students who have not been accounted for under Paragraph (A), (B), (C), or (D);

(9) a statement of the projected cross-sectional and longitudinal dropout rates for grade levels 9 through 12 for the next five years, assuming no state action is taken to reduce the dropout rate;

(10) a description of a systematic, measurable plan for reducing the projected cross-sectional and longitudinal dropout rates to five percent or less for the 1997-1998 school year;

(11) a summary of the information required by Section 29.083 regarding grade level retention of students and information concerning:

(A) the number and percentage of students retained; and

(B) the performance of retained students on assessment instruments required under Section 39.023(a);

(12) information, aggregated by district type and disaggregated by race, ethnicity, gender, and socioeconomic status, on:

(A) the number of students placed in an alternative education program established under Section 37.008;

(B) the average length of a student's placement in an alternative education program established under Section 37.008;

(C) the academic performance of students on assessment instruments required under Section 39.023(a) during the year preceding and during the year following placement in an alternative education program; and

(D) the dropout rates of students who have been placed in an alternative education program established under Section 37.008;

(13) a list of each school district or campus that does not satisfy performance standards, with an explanation of the actions taken by the commissioner to improve student performance in the district or campus and an evaluation of the results of those actions;

(14) an evaluation of the status of the curriculum taught in public schools, with recommendations for legislative changes necessary to improve or modify the curriculum required by Section 28.002;

(15) a description of all funds received by and each activity and expenditure of the agency;

(16) a summary and analysis of the compliance of school districts with administrative cost ratios set by the commissioner under Section 42.201, including any improvements and cost savings achieved by school districts;

(17) a summary of the effect of deregulation, including exemptions and waivers granted under Section 7.056 or 39.112;

(18) a statement of the total number and length of reports that school districts and school district employees must submit to the agency, identifying which reports are required by federal statute or rule, state statute, or agency rule, and a summary of the agency's efforts to reduce overall reporting requirements;

(19) a list of each school district that is not in compliance with state special education requirements, including:

(A) the period for which the district has not been in compliance;

(B) the manner in which the agency considered the district's failure to comply in determining the district's accreditation status; and

(C) an explanation of the actions taken by the commissioner to ensure compliance and an evaluation of the results of those actions;

(20) a comparison of the performance of open-enrollment charter schools and school districts on the academic excellence indicators specified in Section 39.051(b) and accountability measures adopted under Section 39.051(g), with a separately aggregated comparison of the performance of open-enrollment charter schools predominantly serving students at risk of dropping out of school, as defined by Section 29.081(d), with the performance of school districts; and

(21) any additional information considered important by the commissioner or the State Board of Education.

SECTION 9 _____.14. Sections 825.507(b) and (c), Government Code, are amended to read as follows:

(b) The retirement system may release records of a participant, including a participant to which Chapter 803 applies, to:

(1) the participant or the participant's attorney or guardian or another person who the executive director determines is acting on behalf of the participant;

(2) the executor or administrator of the deceased participant's estate, including information relating to the deceased participant's beneficiary;

(3) a spouse or former spouse of the participant if the executive director determines that the information is relevant to the spouse's or former spouse's interest in member accounts, benefits, or other amounts payable by the retirement system;

(4) an administrator, carrier, consultant, attorney, or agent acting on behalf of the retirement system;

(5) a governmental entity, an employer, or the designated agent of an employer, only to the extent the retirement system needs to share the information to perform the purposes of the retirement system, as determined by the executive director;

(6) a person authorized by the participant in writing to receive the information;

(7) a federal or state criminal law enforcement agency that requests a record for a law enforcement purpose;

(8) the attorney general to the extent necessary to enforce child support; [or]

(9) a party in response to a subpoena issued under applicable law if the executive director determines that the participant will have a reasonable opportunity to contest the subpoena;

(10) the commissioner of education or the commissioner's designee; or

(11) the State Board for Educator Certification or the board's designee.

(c) The records of a participant remain confidential after release to a person as authorized by this section. This section does not prevent the disclosure or confirmation, on an individual basis, of the status or identity of a participant as a member, former member, retiree, deceased member or retiree, beneficiary, or alternate payee of the retirement system. The release of records to a designee of the commissioner of education or State Board for Educator Certification under Subsection (b)(10) or (b)(11) is an intergovernmental transfer of information that does not violate the confidentiality of the information and does not waive any exception to public disclosure.

SECTION 9 _____.15. Sections 7.102(c)(1) and (c)(25), 8.051(b), 11.254(b), 12.107(b), 12.118, 12.119(c), 21.453, 29.123, 32.035, 45.208(e), Education Code, are repealed.

SECTION 9____.16. This article applies beginning with the 2003-2004 school year.

Amendment No. 54 was adopted without objection.

Amendment No. 55

Representatives Crownover and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in PART 9 of the bill, immediately preceding PART 10 (House Committee Report, page 229, between lines 26 and 27), by inserting the following appropriately numbered new ARTICLE:

ARTICLE _____. COMPLIANCE OF PUBLIC SCHOOL BILINGUAL EDUCATION AND SPECIAL LANGUAGE PROGRAMS

SECTION _____. (a) Section 29.062, Education Code, is amended by amending Subsections (a) and (b) and adding Subsections (a-1) and (b-1) to read as follows:

(a) The legislature recognizes that compliance with this subchapter is an imperative public necessity. Therefore, in accordance with the policy of the state, the agency shall monitor compliance with all applicable state laws and rules by inspecting each school district and open-enrollment charter school on-site at least every five [three] years. The agency may combine the inspection of a district under this section with the inspection of the district's special education program under Section 29.010.

(a-1) An on-site monitoring inspection under this section must include:

(1) review of each bilingual education and special language program performance indicator adopted by the agency;

(2) consideration of campus-based quality points or similar measures of program achievement; and

(3) a parent roundtable discussion or similar process to involve the parents of students enrolled in a program.

(b) The areas to be monitored in an on-site inspection must [shall] include:

(1) program content and design;

(2) program coverage

(3) identification procedures;

(4) classification procedures;

(5) staffing;

(6) learning materials;

(7) testing materials;

(8) reclassification of students for either entry into regular classes conducted exclusively in English or reenry into a bilingual education or special education program; [and]

(9) activities of the language proficiency assessment committees; and

(10) program evaluation methods.

(b-1) The commissioner shall electronically conduct a risk-based analysis of school district and open-enrollment charter school compliance with all applicable state laws and rules relating to bilingual education and special language programs. The commissioner shall also develop a system and standards for

review of the analysis or use systems already available at the agency. The analysis must be designed to identify districts and schools that are at high risk of noncompliance and, as a result, require on-site monitoring of bilingual education or special language programs. If the risk-based analysis indicates that a district or school is at high risk of noncompliance, the district or school is entitled to an opportunity to respond to the commissioner's determination before on-site monitoring may be conducted. The district or school must respond not later than the 30th day after the date the commissioner notifies the district or school of the commissioner's determination. If the district's or school's response does not change the commissioner's determination that the district or school is at high risk of noncompliance or if the district or school does not respond in a timely manner, the commissioner shall order agency staff to conduct on-site monitoring of the district or school. The commissioner is not required to include in the analysis under this subsection an analysis of each area described by Subsection (b). In determining whether a district or school is at high risk of noncompliance, the commissioner shall consider:

(1) excessive parental complaints of noncompliance; and
(2) frequent district or school requests for waivers of program requirements.

(b) Subsection (a) of this section applies beginning with the 2004-2005 school year.

Amendment No. 55 was adopted without objection.

Amendment No. 56

Representatives Swinford and West offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by inserting the following appropriately numbered SECTION and renumbering the other SECTIONS of the bill accordingly:

SECTION _____ Subchapter A, Chapter 130, Education Code, is amended by adding Section 130.0012 to read as follows:

Sec. 130.0012. PILOT PROJECT: BACCALAUREATE DEGREE PROGRAMS. (a) The Texas Higher Education Coordinating Board shall establish a pilot project to examine the feasibility and effectiveness of authorizing public junior colleges to offer baccalaureate degree programs in the fields of applied science and applied technology. Participation in the pilot project does not otherwise alter the role and mission of a public junior college:

(b) The coordinating board shall operate the pilot project at the following public junior colleges:

(1) Brazosport College;
(2) El Centro College of the Dallas County Community College District;
(3) Midland College;
(4) North Harris Montgomery Community College District; and
(5) South Texas Community College.

(c) A public junior college participating in the pilot project must meet all applicable accreditation requirements of the Commission on Colleges of the Southern Association of Colleges and Schools.

(d) A public junior college participating in the pilot project may not offer more than five baccalaureate degree programs under the project at any time. The degree programs are subject to the continuing approval of the coordinating board. In determining what baccalaureate degree programs are to be offered, the junior college and the coordinating board shall consider:

(1) the need for the degree programs in the region served by the junior college;

(2) how those degree programs would complement the other programs and course offerings of the junior college;

(3) whether those degree programs would unnecessarily duplicate the degree programs offered by other institutions of higher education; and

(4) the ability of the junior college to support the program and the adequacy of the junior college's facilities, faculty, administration, libraries, and other resources.

(e) Each public junior college that offers a baccalaureate degree program under the pilot project must enter into an articulation agreement with one or more general academic teaching institutions to ensure that students enrolled in the degree program have an opportunity to complete the degree if the public junior college ceases to offer the degree program. The coordinating board may require a general academic teaching institution that offers a comparable degree program to enter into an articulation agreement with the public junior college as provided by this subsection.

(f) In its recommendations to the legislature relating to state funding for public junior colleges, the coordinating board shall recommend that a public junior college receive substantially the same state support for junior-level and senior-level courses offered under the pilot project as that provided to a general academic teaching institution for substantially similar courses. In determining the contact hours attributable to students enrolled in a junior-level or senior-level course offered under the pilot project used to determine a public junior college's proportionate share of state appropriations under Section 130.003, the coordinating board shall weigh those contact hours as necessary to provide the junior college the appropriate level of state support to the extent state funds for those courses are included in the appropriations. This subsection does not prohibit the legislature from directly appropriating state funds to support junior-level and senior-level courses offered under the pilot project.

(g) Each public junior college participating in the pilot project shall prepare a biennial report on the operation and effectiveness of the junior college's baccalaureate degree programs offered under the project and shall deliver a copy of the report to the coordinating board in the form and at the time determined by the coordinating board.

(h) Not later than January 1, 2009, the coordinating board shall prepare a progress report on the pilot project. Not later than January 1, 2011, the coordinating board shall prepare a report on the effectiveness of the pilot project,

including any recommendations for legislative action regarding the offering of baccalaureate degree programs by public junior colleges. The coordinating board shall deliver a copy of each report to the governor, the lieutenant governor, the speaker of the house of representatives, and the chair of the standing committee of each house of the legislature with primary jurisdiction over higher education.

(i) Unless the authority to continue offering the baccalaureate degree programs is continued by the legislature, a public junior college may not:

(1) enroll a new student in a baccalaureate degree program under the pilot project after the 2011 fall semester;

(2) offer junior-level or senior-level courses for those degree programs after the 2015 fall semester, unless the coordinating board authorizes the college to offer those courses; or

(3) award a baccalaureate degree under the pilot project after the 2015 fall semester, unless the coordinating board approves the awarding of the degree.

(j) The coordinating board shall prescribe procedures to ensure that each public junior college that offers a degree program under the pilot project informs each student who enrolls in the degree program of:

(1) the nature of the pilot project, including the limited duration of the project; and

(2) the articulation agreement entered into under Subsection (e) for the student's degree program.

(k) This section expires January 1, 2020.

Amendment No. 56 was adopted without objection.

Amendment No. 57

Representatives Delisi and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (house committee report), in PART 10 of the bill, by inserting the following new ARTICLE in that PART, appropriately numbered (page 230, between lines 21 and 22):

ARTICLE _____. TEXAS SCHOOL EMPLOYEES UNIFORM GROUP

HEALTH COVERAGE ACT AND BENEFITS FOR SCHOOL EMPLOYEES

SECTION 10____.01. The heading to Article 3.50-8, Insurance Code, is amended to read as follows:

Art. 3.50-8. ACTIVE EMPLOYEE HEALTH REIMBURSEMENT ARRANGEMENT [~~COVERAGE OR COMPENSATION SUPPLEMENTATION~~]

SECTION 10____.02. The heading to Section 1, Article 3.50-8, Insurance Code, is amended to read as follows:

Sec. 1. GENERAL DEFINITIONS.

SECTION 10____.03. Section 1, Article 3.50-8, Insurance Code, is amended by amending Subdivisions (1) and (2) and adding Subdivisions (1-a), (1-b), (1-c), (2-a), (2-b), (2-c), (2-d), (3-a), and (3-b) to read as follows:

(1) "Account" means a health reimbursement arrangement account established under this article for a participating employee [~~"Cafeteria plan" means a plan as defined and authorized by Section 125, Internal Revenue Code of 1986, and its subsequent amendments~~].

(1-a) "Administering firm" means any entity designated by the trustee to administer any coverages, services, benefits, or requirements under this article and the trustee's rules adopted under this article.

(1-b) "Approved health benefit plan provider" means an entity approved by the trustee to offer health benefit plan coverage under this article.

(1-c) "Dependent" means:

(A) the spouse of a person;

(B) an unmarried child of the person if that child is under 25 years of age, including:

(i) an adopted child;

(ii) a stepchild, foster child, or other child who has a regular parent-child relationship with the person; or

(iii) a recognized natural child; or

(C) the person's recognized natural child, adopted child, foster child, stepchild, or other child who is in a regular parent-child relationship with the participating employee and who lives with or has his or her care provided by the person on a regular basis regardless of the child's age if the child is mentally retarded or physically incapacitated to an extent that the child is dependent on the person for care or support, as determined by the trustee.

(2) "Employee" means a participating member of the Teacher Retirement System of Texas who:

(A) is employed by a school district, other educational district whose employees are members of the Teacher Retirement System of Texas, participating charter school, or regional education service center; [~~and~~]

(B) is not a retiree covered under the Texas Public School Retired Employees Group Insurance Program established under Article 3.50-4 of this code;

(C) is not covered by a group insurance program under Chapter 1551 or 1601 of this code; and

(D) is not an individual performing personal services for a participating entity as an independent contractor.

(2-a) "Health benefit plan" means a plan designed to provide, pay for, or reimburse expenses for health care services. The term includes:

(A) an insurance policy, contract, or certificate;

(B) a medical or hospital service agreement; and

(C) a similar arrangement, including coverage through a health maintenance organization operating under Chapter 843.

(2-b) "Health benefit plan issuer" means an entity that provides health benefit plan coverage in this state. The term includes:

(A) an insurance company authorized to do business in this state;

(B) a group hospital service corporation operating under Chapter 842 of this code;

(C) a health maintenance organization operating under Chapter 843 of this code;

(D) a stipulated premium insurance company operating under Chapter 884 of this code;

(E) a multiple employer welfare arrangement subject to Chapter 846 of this code;

(F) an approved nonprofit health corporation that holds a certificate of authority issued under Chapter 844 of this code; and

(G) any other entity providing a plan of health insurance or health benefits coverage subject to state regulation by the department.

(2-c) "Health reimbursement arrangement" is a health benefit plan that:

(A) is paid for solely by the employer;

(B) is not provided under a salary reduction election;

(C) reimburses a participant for a qualified health care expense incurred by the participant or the participant's dependent;

(D) provides reimbursements up to a maximum dollar amount at the end of a coverage period; and

(E) provides that any unused portion of the maximum dollar amount at the end of a coverage period is carried forward to increase the maximum reimbursement amount in subsequent coverage periods.

(2-d) "Participant" means a person enrolled in the program.

(3-a) "Program" means the health reimbursement arrangement program established under this article.

(3-b) "Qualified health care expense" means an expense paid by an employee for medical care, as defined by Section 213(d), Internal Revenue Code of 1986, and its subsequent amendments, for the employee or the employee's dependents, as defined by Section 152, Internal Revenue Code of 1986, and its subsequent amendments.

SECTION 10____.04. Article 3.50-8, Insurance Code, is amended by adding Section 1A to read as follows:

Sec. 1A. DEFINITION OF EMPLOYER. (a) For purposes of qualification under federal law of a health reimbursement arrangement established under this article, "employer" means this state and a school district, another educational district whose employees are members of the Teacher Retirement System of Texas, a participating charter school, or a regional education service center.

(b) This article does not make an employee an employee of this state for any purpose other than the limited purpose described by Subsection (a) of this section.

SECTION 10____.05. Section 2, Article 3.50-8, Insurance Code, is amended to read as follows:

Sec. 2. ACTIVE EMPLOYEE HEALTH REIMBURSEMENT ARRANGEMENT PROGRAM; STATE CONTRIBUTION [~~COVERAGE OR COMPENSATION SUPPLEMENTATION~~]. (a) For each employee, the state shall annually contribute \$1,000 or the amount specified in the General Appropriations Act to the health reimbursement arrangement account established for that employee for the payment of qualified health care expenses.

(b) Each year, the trustee shall contribute to the health reimbursement arrangement account of each employee of ~~[deliver to]~~ each school district, including a school district that is ineligible for state aid under Chapter 42, Education Code, each other educational district that is a member of the Teacher Retirement System of Texas, each participating charter school, and each regional education service center state the amount to which the employee is entitled under Subsection (a) of this section ~~[funds in an amount, as determined by the trustee, equal to the product of the number of active employees employed by the district, school, or service center multiplied by \$1,000 or a greater amount as provided by the General Appropriations Act for purposes of this article].~~ The contributions shall be made in equal monthly installments.

(c) Each employee shall direct the expenditure of the amount of the state contribution made under this section and that is allocated to the employee in accordance with the General Appropriations Act and this article.

(d) Money described by Subsection (c) of this section may be used by an employee only in accordance with this article for the employee and the employee's dependents for health benefit plan coverage offered by approved health benefit plan providers and for other qualified health care expenses.

(e) Any funds in a cafeteria plan authorized by Section 125, Internal Revenue Code of 1986, and its subsequent amendments, and described by Section 3(a) of this article, for an employee who received the funds under this article, as this article existed immediately before September 1, 2003, that were designated by the employee for health care expenses and are unspent as of September 1, 2003, must be spent by the employee for qualified health care expenses before the employee may spend any funds from the health reimbursement arrangement account established for that employee under this section. ~~[(b) All funds received by a school district, other educational district, participating charter school, or regional education service center under this article are held in trust for the benefit of the active employees on whose behalf the district, school, or service center received the funds.~~

~~[(e) The trustee shall distribute funds under this article in equal monthly installments. The trustee is entitled to recover from a school district, other educational district, participating charter school, or regional education service center any amount distributed under this article to which the district, school, or service center was not entitled.~~

~~[(d) A determination by the trustee under this section is final and may not be appealed.]~~

SECTION 10 _____.06. Article 3.50-8, Insurance Code, is amended by adding Section 2A to read as follows:

Sec. 2A. PROGRAM FUNDING STRUCTURE; RULES. (a) The trustee, in consultation with the comptroller, shall by rule develop a funding structure that:

- (1) implements Section 2 of this article in accordance with this article;
- (2) permits an employee to carry over money allocated to the employee throughout the period the employee is eligible to participate in the program; and

(3) ensures, to the extent feasible and consistent with this chapter, favorable federal tax treatment to the employee.

(b) The funding structure shall use a health reimbursement arrangement established in a manner compatible with federal tax law.

(c) To implement this section, the comptroller shall, as requested by the trustee:

(1) establish separate accounts attributable to individual participating employees within the Texas school employees uniform group coverage trust fund; or

(2) transfer funds from the Texas school employees uniform group coverage trust fund to trust accounts outside the fund in the custody of the comptroller established for the benefit of employees.

(d) On an employee's separation from service with an entity described by Section 2(b) of this article, the employee may continue to use for qualified health care expenses any money carried over by the employee under Subsection (a) (2) of this section that was allocated to the employee under this article and was not spent before the effective date of the separation.

SECTION 10 _____.07. Section 4, Article 3.50-8, Insurance Code, is amended to read as follows:

Sec. 4. GENERAL RULES AND ADMINISTRATION; CONTRACT AUTHORITY. (a) The trustee shall ~~may~~ adopt rules to implement this article.

(b) The trustee may contract with an independent and experienced group insurance consultant or actuary for advice and counsel in implementing and administering the program.

(c) The trustee may enter into interagency contracts with any agency of this state, including the Employees Retirement System of Texas and the department, for the purpose of assistance in implementing this article.

(d) The trustee may not directly administer health benefit plan coverages made available under the program and may not provide those coverages on a self-funded basis.

(e) The trustee may not establish, approve, or limit premium rates for health benefit plan coverages made available under the program.

(f) Notwithstanding Section 2 of this article, the trustee may pay all administrative costs incurred by the trustee in operating the program from the contributions made by the state under Section 2(a) of this article.

SECTION 10 _____.08. Article 3.50-8, Insurance Code, is amended by adding Sections 4A-4F to read as follows:

Sec. 4A. COMPETITIVE BIDDING REQUIREMENTS. (a) The trustee may, on a competitive bid basis, contract with an entity to act for the trustee as an independent administrator or manager of the coverages, services, and benefits authorized under this article.

(b) The entity must be a qualified, experienced firm of group insurance specialists or an administering firm and shall assist the trustee in ensuring the proper administration of this article and the coverages, services, and benefits authorized under this chapter.

Sec. 4B. CONTRACT AWARD; CONSIDERATIONS. (a) In awarding a contract under this article, the trustee is not required to select the lowest bid and may consider also any relevant criteria, including the bidder's:

- (1) ability to service contracts;
- (2) past experience, including experience with the operation of health reimbursement arrangements; and
- (3) financial stability.

(b) If the trustee awards a contract to a bidder whose bid deviates from that advertised, the trustee shall record the deviation and fully justify the reason for the deviation in the minutes of the next trustee meeting.

Sec. 4C. CERTIFICATE OF COVERAGE. An approved health benefit plan provider shall issue, to each employee purchasing health benefit plan coverage from the health benefit plan provider under the program, a certificate of coverage that states:

- (1) the benefits to which the participant is entitled;
- (2) to whom the benefits are payable;
- (3) to whom a claim must be submitted; and
- (4) the provisions of the plan document, in summary form, that principally affect the participant.

Sec. 4D. ISSUER RECORDS. Any health benefit plan issuer providing coverages to participants in the program shall:

- (1) furnish any reasonable report the trustee determines is necessary to enable the trustee to perform its functions under this article; and
- (2) permit the trustee and a representative of the state auditor to examine records of the health benefit plan issuer as necessary to accomplish the purposes of this article.

Sec. 4E. CONFIDENTIALITY OF PARTICIPANT RECORDS. (a) The records of a participant in the program in the custody of the trustee, or of an administrator or health benefit plan issuer acting under the program, are confidential and not subject to disclosure and are exempt from the public access provisions of Chapter 552, Government Code, except as provided by this section.

(b) The trustee may release the records to:

- (1) an administrator, health benefit plan issuer, agent, or attorney acting under the program;
- (2) another governmental entity;
- (3) a medical provider of the participant to accomplish the purposes of this article; or
- (4) a party in response to a subpoena issued under applicable law.

Sec. 4F. EQUITABILITY IN NEGOTIATED RATES. (a) A health benefit plan used to provide coverage under the program must be designed to ensure that an employee who purchases coverage under the health benefit plan through the employee's health reimbursement arrangement account is entitled to pay a physician or other health care provider for services provided to the employee that are not reimbursed from the account at the same rate negotiated with the physician or other health care provider by the approved health benefit plan provider for provision of those services under the plan.

(b) Subsection (a) of this section applies to medical services, dental services, and vision care services.

SECTION 10____.09. SECTION 822.201(c), Government Code, is amended to read as follows:

(c) Excluded from salary and wages are:

- (1) expense payments;
- (2) allowances;
- (3) payments for unused vacation or sick leave;
- (4) maintenance or other nonmonetary compensation;
- (5) fringe benefits;
- (6) deferred compensation other than as provided by Subsection (b) (3);
- (7) compensation that is not made pursuant to a valid employment agreement;
- (8) payments received by an employee in a school year that exceed \$5,000 for teaching a driver education and traffic safety course that is conducted outside regular classroom hours;
- (9) the benefit replacement pay a person earns as a result of a payment made under Subchapter B or C, Chapter 661;
- (10) contributions to a health reimbursement arrangement account ~~[supplemental compensation]~~ received by an employee under Article 3.50-8, Insurance Code; and
- (11) any compensation not described by ~~[in]~~ Subsection (b).

SECTION 10____.10. Sections 3 and 5, Article 3.50-8, Insurance Code, are repealed.

SECTION 10____.11. (a) The Teacher Retirement System of Texas, in consultation with the comptroller, shall develop the funding structure required by Section 2A, Article 3.50-8, Insurance Code, as added by this ARTICLE of this PART, and shall take necessary action to implement the health reimbursement arrangement program in accordance with Article 3.50-8, Insurance Code, as amended by this ARTICLE of this PART, not later than September 1, 2004.

(b) Notwithstanding any other law, until September 1, 2004, the Teacher Retirement System of Texas may pay for administrative expenses incurred by the system in developing the health care reimbursement arrangement program from funds received by the system in fiscal year 2004 under Article 3.50-8, Insurance Code, for operation of the employee health coverage and compensation supplementation program.

SECTION 10____.12. (a) The Teacher Retirement System of Texas shall continue to operate the medical savings account program established under Article 3.50-8, Insurance Code, as added by Chapter 1187, Acts of the 77th Legislature, Regular Session, 2001, until September 1, 2004.

(b) Any unspent funds in a medical savings account established for an employee under Article 3.50-8, Insurance Code, as that section existed before amendment by this ARTICLE, are transferred to the health reimbursement arrangement account established for that employee under Article 3.50-8, Insurance Code, as amended by this ARTICLE, effective September 1, 2004.

SECTION 10____.13. Not later than July 31, 2004, the Teacher Retirement System of Texas shall provide written information to school districts eligible to participate in the health reimbursement arrangement program under Article 3.50-8, Insurance Code, as amended by this ARTICLE of this PART, that provides a general description of the requirements for such a program as adopted under Article 3.50-8, Insurance Code, as amended by this ARTICLE of this PART.

SECTION 10____.14. During the initial implementation of Article 3.50-8, Insurance Code, as amended by this ARTICLE of this PART, and notwithstanding any bidding requirements or other requirements set forth in Article 3.50-8, Insurance Code, as added by Chapter 1187, Acts of the 77th Legislature, Regular Session, 2001, the Teacher Retirement System of Texas may amend any agreement in effect on September 1, 2003, that it has entered into under Article 3.50-8, Insurance Code, as added by Chapter 1187, Acts of the 77th Legislature, Regular Session, 2001, as necessary to comply with Article 3.50-8, Insurance Code, as amended by this ARTICLE of this PART.

SECTION 10____.15. Notwithstanding Article 3.50-8, Insurance Code, the state shall pay the state contribution for active employee health coverage or supplemental compensation authorized under Section 2, Article 3.50-8, Insurance Code, for the last month of state fiscal year 2005 not earlier than the first day of the first month of state fiscal year 2006.

SECTION 10____.16. Effective September 1, 2003, the comptroller of public accounts shall transfer \$42 million from the Texas school employees uniform group coverage trust fund established under Section 8, Article 3.50-7, Insurance Code, to the retired school employees group insurance fund described by Subchapter G, Chapter 1575, Insurance Code, to compensate the retired school employees group insurance fund for money transferred from that fund under Section 4.01, Chapter 1187, Acts of the 77th Legislature, Regular Session, 2001.

SECTION 10____.17. (a) Except as provided by Subsection (b) of this section, this ARTICLE takes effect September 1, 2003.

(b) Sections 10____.09 and 10____.10 of this ARTICLE take effect September 1, 2004, and apply beginning with the 2004-2005 school year.

Amendment No. 57 was adopted without objection.

Amendment No. 58

Representatives West and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered ARTICLE to PART 9 of the bill and renumbering subsequent ARTICLES of PART 9 of the bill accordingly:

ARTICLE ____ . HIGHER EDUCATION PARTNERSHIPS

SECTION 9.01. The heading to Subchapter N, Chapter 51, Education Code, is amended to read as follows:

SUBCHAPTER N. PARTNERSHIPS BETWEEN COMMUNITY/JUNIOR
COLLEGES AND OTHER INSTITUTIONS OF HIGHER EDUCATION
~~[UPPER LEVEL UNIVERSITIES OR CENTERS]~~

SECTION 9.02. Section 51.661, Education Code, is amended to read as follows:

Sec. 51.661. PURPOSE. The purpose of this subchapter is to encourage partnerships between public community/junior colleges and other institutions of higher education that ~~[upper level universities or centers which]~~ are located in the same state uniform service region as adopted by the Texas Higher Education Coordinating Board in order to improve the continuity, quality, and efficiency of educational programs and services.

SECTION 9.03. Subchapter N, Chapter 51, Education Code, is amended by adding Section 51.6615 to read as follows:

Sec. 51.6615. DEFINITION. In this section, "institution of higher education" has the meaning assigned by Section 61.003.

SECTION 9.04. Section 51.662, Education Code, is amended to read as follows:

Sec. 51.662. PARTNERSHIP AGREEMENTS. With the approval of the Texas Higher Education Coordinating Board, the governing boards of a public community/junior college and another institution of higher education that ~~[an upper level university or center which]~~ are located in the same state uniform service region as adopted by the coordinating board may enter into a partnership agreement designed to coordinate the management and operations of the institutions. The agreements shall in no way abrogate the powers and duties of the boards with regard to the governance of their respective institutions.

SECTION 9.05. Section 51.666, Education Code, is amended to read as follows:

Sec. 51.666. FACILITIES. A participating institution of higher education ~~[upper level university or center]~~ may lease facilities from or to the community/junior college for administrative and instructional purposes. Community/junior college facilities may not be transferred to the other participating institution of higher education ~~[university or center]~~ and may not be included in the space inventory of the other participating institution of higher education ~~[university or center]~~ for formula funding purposes.

SECTION 9.06. Section 51.667, Education Code, is amended to read as follows:

Sec. 51.667. STATE FUNDING. The community/junior college shall receive state appropriations on the same formula basis as other community/junior colleges, and the other participating institution of higher education ~~[university or center]~~ shall receive state appropriations on the same formula basis as other similar institutions of higher education ~~[upper level senior colleges and universities]~~.

SECTION 9.07. Section 51.668, Education Code, is amended to read as follows:

Sec. 51.668. CONTINUING RESPONSIBILITIES. A participating community/junior college must continue to provide programs and services enumerated in Section 130.003(e) [~~Subsection (e) of Section 130.003 of this code~~]. The role [~~rule~~] and scope of the other participating institution of higher education [~~university or center~~] are subject to approval by the coordinating board.

Amendment No. 58 was adopted without objection.

Amendment No. 59

Representative Howard offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (house committee report) by adding the following appropriately numbered ARTICLE to PART 9 of the bill:

ARTICLE ____ . TEXAS GRANTS

SECTION 9_.01. Section 56.304(a), Education Code, is amended to read as follows:

(a) To be eligible initially for a TEXAS grant, a person must:

- (1) be a resident of this state as determined by coordinating board rules;
- (2) meet either of the following academic requirements:

(A) be a graduate of a public or accredited or unaccredited private high school in this state who graduated not earlier than the 1998-1999 school year and who completed the recommended or advanced high school curriculum established under Section 28.002 or 28.025 or its equivalent; or

(B) have received an associate degree from an eligible institution not earlier than May 1, 2001;

(3) meet financial need requirements as defined by the coordinating board;

(4) be enrolled in an undergraduate degree or certificate program at an eligible institution;

(5) be enrolled as:

(A) an entering undergraduate student for at least three-fourths of a full course load for an entering undergraduate student, as determined by the coordinating board, not later than the 16th month after the date of the person's graduation from high school; or

(B) an entering student for at least three-fourths of a full course load for an undergraduate student as determined by the coordinating board, not later than the 12th month after the month the person receives an associate degree from an eligible institution;

(6) have applied for any available financial aid or assistance; and

(7) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

SECTION 9_.02. Section 56.308(d), Education Code, is amended to read as follows:

(d) In addition to the eligibility requirements of Section 56.304, a person who graduated from an accredited or unaccredited private high school is eligible to receive a grant under this subchapter only if the student's official transcript or diploma includes the information required as provided by Subsections (b)(2)(A) and (c).

(Raymond in the chair)

Amendment No. 59 - Point of Order

Representative Hochberg raised a point of order against further consideration of Amendment No. 59 under Rule 11, Section 2 of the House Rules on the grounds that the amendment is not germane to the bill.

The chair sustained the point of order.

The ruling precluded further consideration of Amendment No. 59.

Amendment No. 60

Representatives Crownover and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered ARTICLE to PART 9:

ARTICLE 9 _____. HIGHER EDUCATION AUTHORITY ACT

SECTION _____. Section 53.02, Education Code, is amended by adding Subdivision (14) to read as follows:

(14) "Borrower" means any of the following entities that is the recipient of a loan made under Section 53.34:

(A) an institution of higher education;

(B) a nonprofit corporation:

(i) incorporated by and under the exclusive control of an institution of higher education; or

(ii) incorporated and operating for the exclusive benefit of an institution of higher education and authorized by the governing board of the institution to enter into a transaction as a borrower under this chapter;

(C) an accredited primary or secondary school; or

(D) an authorized charter school.

SECTION _____. Section 53.33, Education Code, is amended to read as follows:

Sec. 53.33. LIMITED POWER TO ACQUIRE, OWN, AND OPERATE EDUCATIONAL AND HOUSING FACILITIES[~~:- CONSTRUCTION, ACQUISITION, ETC~~]. (a) An ~~[The]~~ authority or a nonprofit instrumentality created under Section 53.35(b) may acquire, own, hold title to, lease, or operate an educational facility or housing facility or any facility incidental, subordinate, or related to or appropriate in connection with an educational facility or housing facility, but only if:

(1) the facility is or will be located within the corporate limits of the city that created the authority or nonprofit instrumentality;

(2) the governing body of an institution of higher education officially requests the authority or nonprofit instrumentality to acquire and own the facility for the benefit of the institution of higher education;

(3) the institution of higher education officially agrees to accept, and has authority to receive legal title to, the facility not later than the date on which any bonds or other obligations issued to acquire the facility are paid in full; and

(4) the ownership of the facility by the authority or the nonprofit instrumentality is approved by official action of the governing body of:

(A) the city that created the authority or nonprofit instrumentality;

(B) the school district in which the facility is or will be located; and

(C) the county in which the facility is or will be located.

(b) An authority or instrumentality that exercises the powers granted by Subsection (a) may contract for the operation of the facility by public or private entities or persons on the terms and conditions set forth in a contract relating to the operation of the facility.

(c) The changes in law made by the amendment of this section by the 78th Legislature at the 2003 Regular Session do not affect the acquisition, ownership, construction, or improvement of a facility, or the acquisition and ownership of land that were approved by official action of the authority or nonprofit corporate instrumentality before March 15, 2003, and the law in effect immediately before the effective date of the amendment of this section by the 78th Legislature at the 2003 Regular Session is continued in effect for that purpose [by purchase, purchase contract, or lease, may construct, or may enlarge, extend, repair, renovate, or otherwise improve educational facilities or housing facilities. It may acquire land for those purposes, furnish and equip the facilities, and provide by contract, lease, or otherwise for the operation and maintenance of the facilities. The facilities need not be located within the city limits of the city or cities].

SECTION _____. Section 53.34, Education Code, is amended to read as follows:

Sec. 53.34. REVENUE BONDS. (a) An [The] authority or a nonprofit instrumentality created under Section 53.35(b), including an authority or nonprofit instrumentality authorized to own facilities under Section 53.33(a), may issue and execute revenue bonds or other obligations to loan or otherwise provide funds to a borrower if:

(1) the governing body of the borrower by official action requests the issuer of the bonds or other obligations to loan the proceeds under this subsection;

(2) the purpose of the loan is to enable the borrower to acquire, construct, enlarge, extend, repair, renovate, or otherwise improve an educational facility or housing facility or any facility incidental, subordinate, or related to or appropriate in connection with an educational facility or housing facility, or for acquiring land to be used for those purposes, or to create operating and debt service reserves for and to pay issuance costs related to the bonds or other obligations; and

(3) under the terms of the loan, and unless a mortgage lien granted to secure the loan is in default, the ownership of the facility is required to be at all times under the exclusive control, and held for the exclusive benefit, of the borrower [for any of its purposes].

(b) In issuing revenue bonds or other obligations under this chapter, the issuer of the bonds or other obligations [authority] is considered to be acting on behalf of the [any] city by which it was created.

(c) Bonds or other obligations issued under Subsection (a) [(b) The bonds] shall be payable from and secured by a pledge of the revenues, income, [all or any part of the gross or net revenue to be derived from the operation of the facility or facilities and any other revenue] or assets pledged for the purpose by the borrower. The bonds or other obligations may be additionally secured by a mortgage, [or] deed of trust, [on real property of the authority] or [by a] chattel mortgage on real or [its] personal property, or on [by] both real and personal property, if granted by the borrower.

(d) A facility financed with the proceeds of a loan or loans made to a borrower under Subsection (a) is not required to be located within the corporate limits of the city that created the issuer of the bonds or other obligations.

(e) An authority or a nonprofit instrumentality that is authorized to acquire and own educational facilities and housing facilities under Section 53.33(a) may issue and execute revenue bonds and other obligations for the purpose of acquiring, owning, and operating the educational and housing facilities, to create operating reserves for the facilities, and to create debt service reserves for and to pay issuance costs related to the bonds or other obligations.

(f) Bonds or other obligations issued under Subsection (e) shall be payable from and secured by a pledge of all or any part of the gross or net revenues to be derived from the operation of the educational facilities and housing facilities being acquired and any other revenues, income, or assets, including the revenues and income of the educational facilities or housing facilities previously acquired or subsequently to be acquired. The bonds or other obligations may be additionally secured by a mortgage, deed of trust, or chattel mortgage on real or personal property, or on both real and personal property, if granted by the authority or nonprofit instrumentality issuing the bonds or other obligations.

(g) The changes in law made by the amendment of this section by the 78th Legislature at the 2003 Regular Session affect and apply only to transactions involving bonds or other obligations that are issued or executed under this chapter on or after March 15, 2003. Bonds or other obligations that are issued or executed under this chapter before March 15, 2003, are governed by the law in effect immediately before the amendment of this section by the 78th Legislature at the 2003 Regular Session, and that former law is continued in effect for that purpose.

SECTION _____. _____. Subsection (b), Section 53.35, Education Code, is amended to read as follows:

(b) In addition to or in lieu of establishing an authority under the provisions of this chapter, the governing body of a city or cities may request or order created one or more nonprofit corporations to act on its behalf and as its duly constituted authority and instrumentality to exercise the powers granted to an authority under the provisions of Sections [Section] 53.33 and 53.34[, Texas Education Code]. If a nonprofit corporation is created for such purposes or agrees to such request, the directors thereof shall thereafter be appointed and be subject to removal by the governing body of the city or cities. In addition to the powers [of lease or acquisition of facilities] granted under, and subject to the limitations provided by, Sections [Section] 53.33 and 53.34, the corporation shall have all powers granted

under the Texas Non-Profit Corporation Act for the purpose of aiding institutions of higher education in providing educational facilities and housing facilities and facilities incidental, subordinate, or related thereto or appropriate in connection therewith. In addition to Sections [the provisions of Section] 53.33 and 53.34 and the Texas Non-Profit Corporation Act, as amended (Article 1396-1.01, Vernon's Texas Civil Statutes), Sections 53.131, 53.14, 53.15, 53.31, 53.32, 53.331, 53.34, 53.35, 53.38, and 53.41 of this code [~~-, Texas Education Code, shall~~] apply to and govern such corporation and its procedures, [and] bonds, and other obligations.

SECTION _____. Section 53.48, Education Code, is amended to read as follows:

Sec. 53.48. BONDS FOR ACCREDITED PRIMARY OR SECONDARY SCHOOLS. In the same manner that a corporation may issue and execute bonds or other obligations under this chapter for an institution of higher education, a corporation created under Section 53.35(b) may issue and execute bonds or other obligations to finance or refinance educational facilities or housing facilities to be used by an accredited primary or secondary school or by an authorized charter school.

Amendment No. 60 was withdrawn.

Amendment No. 61

Representatives Menendez, Swinford, and Casteel offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) by adding the following appropriately numbered article to Part 9 of the bill:

ARTICLE _____. WAIVERS FOR SCHOOL DISTRICTS

SECTION _____.01. Section 7.056, Education Code, is amended by adding Subsection (h) to read as follows:

(h) The commissioner may not grant a waiver under this section if granting the request would increase non-instructional costs for the requesting school district or campus.

Amendment No. 61 was withdrawn.

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. 5).

CSSB 1952 - (consideration continued)

Amendment No. 62

Representative T. Smith offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in SECTION 13A.01 of the bill, in proposed Subsection (c), Section 51.21, Tax Code (House Committee Printing page 233, line 13), at the end of the subsection, by adding the following:

In determining whether the local value for a school district is valid, the commissioner shall use a margin of error that does not exceed five percent unless the commissioner determines that the size of the sample of properties necessary to make the determination makes the use of such a margin of error not feasible, in which case the commissioner may use a larger margin of error.

Amendment No. 62 was adopted without objection.

Amendment No. 63

Representative Wohlgemuth offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

(1) In SECTION 13A.01 of the bill, in proposed Subsection (g), Section 51.21, Tax Code (House Committee Printing page 236, line 18), strike "2004" and substitute "2003".

(2) In SECTION 13A.01 of the bill, in proposed Section 51.21, Tax Code, between Subsections (g) and (h) (House Committee Printing page 236, between lines 26 and 27), insert the following:

(g-1) If the comptroller determines in the annual study conducted for the year 2002 that the taxable value of a school district is the local value because the local value is invalid and exceeds the state value, the commissioner of education shall compute the amount by which the funding under Chapter 42, Education Code, of the school district is reduced for the 2003-2004 school year because of the use of local value rather than state value as taxable value. The commissioner of education shall allocate the amount of the reduction for that school year to the school districts that receive funding under Chapter 42, Education Code, whose taxable value for 2002 is the state value, and whose maintenance and operations tax rate for 2002 exceeds \$1.42 on the \$100 valuation of taxable property. The allocation shall be made in proportion to the amount of funding under Chapter 42, Education Code, that each of those school districts would otherwise have received in that year. This subsection expires September 30, 2005.

Amendment No. 63 was adopted without objection.

Amendment No. 64

Representatives Haggerty and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following new PART to the bill and renumbering the subsequent PARTS accordingly:

PART __. INTERSTATE COMPACT FOR JUVENILES

ARTICLE __. INTERSTATE COMPACT FOR JUVENILES

SECTION __. Chapter 60, Family Code, is amended by adding Section 60.010 to enact the Interstate Compact for Juveniles and to read as follows:

Sec. 60.010. INTERSTATE COMPACT FOR JUVENILES

ARTICLE I
PURPOSE

The compacting states to this Interstate Compact recognize that each state is responsible for the proper supervision or return of juveniles, delinquents, and status offenders who are on probation or parole and who have absconded, escaped, or run away from supervision and control and in so doing have endangered their own safety and the safety of others. The compacting states also recognize that each state is responsible for the safe return of juveniles who have run away from home and in doing so have left their state of residence. The compacting states also recognize that congress, by enacting the Crime Control Act, 4 U.S.C. Section 112 (1965), has authorized and encouraged compacts for cooperative efforts and mutual assistance in the prevention of crime.

It is the purpose of this compact, through means of joint and cooperative action among the compacting states to: (A) ensure that the juveniles who are moved under this compact to another state for probation or parole supervision and services are governed in the receiving state by the same standards that apply to juveniles receiving such supervision and services in the receiving state; (B) ensure that the public safety interests of the citizens, including the victims of juvenile offenders, in both the sending and receiving states are adequately protected and balanced with the juvenile's and the juvenile's family's best interests and welfare when an interstate movement is under consideration; (C) return juveniles who have run away, absconded, or escaped from supervision or control or have been accused of an offense to the state requesting their return through a fair and prompt judicial review process that ensures that the requisition is in order and that the transport is properly supervised; (D) make provisions for contracts between member states for the cooperative institutionalization in public facilities in member states for delinquent youth needing special services; (E) provide for the effective tracking of juveniles who move interstate under the compact's provisions; (F) equitably allocate the costs, benefits, and obligations of the compacting states; (G) establish procedures to manage the movement between states of juvenile offenders released to the community under the jurisdiction of courts, juvenile departments, or any other criminal or juvenile justice agency which has jurisdiction over juvenile offenders, ensuring that a receiving state accepts supervision of a juvenile when the juvenile's parent or other person having legal custody resides or is undertaking residence there; (H) ensure immediate notice to jurisdictions where defined offenders are authorized to travel or to relocate across state lines; (I) establish a system of uniform data collection on information pertaining to juveniles who move interstate under this compact that prevents public disclosure of identity and individual treatment information but allows access by authorized juvenile justice and criminal justice officials and regular reporting of compact activities to heads of state executive, judicial, and legislative branches and juvenile and criminal justice administrators; (J) monitor compliance with rules governing interstate movement of juveniles and initiate interventions to address and correct noncompliance; (K) coordinate training and education regarding the regulation of interstate movement of juveniles for officials involved in such activity; and (L) coordinate the implementation and

operation of the compact with the Interstate Compact for the Placement of Children, the Interstate Compact for Adult Offender Supervision and other compacts affecting juveniles particularly in those cases where concurrent or overlapping supervision issues arise. It is the policy of the compacting states that the activities conducted by the Interstate Commission created herein are the formation of public policies and therefore are public business. Furthermore, the compacting states shall cooperate and observe their individual and collective duties and responsibilities for the prompt return and acceptance of juveniles subject to the provisions of this compact. The provisions of this compact shall be reasonably and liberally construed to accomplish the purposes and policies of the compact.

ARTICLE II

DEFINITIONS

As used in this compact, unless the context clearly requires a different construction:

A. "Bylaws" means those bylaws established by the Interstate Commission for its governance or for directing or controlling the Interstate Commission's actions or conduct.

B. "Compact administrator" means the individual in each compacting state appointed pursuant to the terms of this compact responsible for the administration and management of the state's supervision and transfer of juveniles subject to the terms of this compact and to the rules adopted by the Interstate Commission under this compact.

C. "Compacting state" means any state which has enacted the enabling legislation for this compact.

D. "Commissioner" means the voting representative of each compacting state appointed pursuant to Article III of this compact.

E. "Court" means any court having jurisdiction over delinquent, neglected, or dependent children.

F. "Deputy compact administrator" means the individual, if any, in each compacting state appointed to act on behalf of a compact administrator pursuant to the terms of this compact, responsible for the administration and management of the state's supervision and transfer of juveniles subject to the terms of this compact and to the rules adopted by the Interstate Commission under this compact.

G. "Interstate Commission" means the Interstate Commission for Juveniles created by Article III of this compact.

H. "Juvenile" means any person defined as a juvenile in any member state or by the rules of the Interstate Commission, including:

(1) Accused Delinquent - a person charged with an offense that, if committed by an adult, would be a criminal offense;

(2) Adjudicated Delinquent - a person found to have committed an offense that, if committed by an adult, would be a criminal offense;

(3) Accused Status Offender - a person charged with an offense that would not be a criminal offense if committed by an adult;

(4) Adjudicated Status Offender - a person found to have committed an offense that would not be a criminal offense if committed by an adult; and

(5) Nonoffender - a person in need of supervision who has not been accused or adjudicated a status offender or delinquent.

I. "Noncompacting state" means any state which has not enacted the enabling legislation for this compact.

J. "Probation or parole" means any kind of supervision or conditional release of juveniles authorized under the laws of the compacting states.

K. "Rule" means a written statement by the Interstate Commission promulgated pursuant to Article VI of this compact that is of general applicability, implements, interprets, or prescribes a policy or provision of the compact, or an organizational, procedural, or practice requirement of the Interstate Commission, and has the force and effect of statutory law in a compacting state, and includes the amendment, repeal, or suspension of an existing rule.

L. "State" means a state of the United States, the District of Columbia (or its designee), the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands.

ARTICLE III

INTERSTATE COMMISSION FOR JUVENILES

A. The compacting states hereby create the Interstate Commission for Juveniles. The Interstate Commission shall be a body corporate and joint agency of the compacting states. The commission shall have all the responsibilities, powers, and duties set forth herein, and such additional powers as may be conferred upon it by subsequent action of the respective legislatures of the compacting states in accordance with the terms of this compact.

B. The Interstate Commission shall consist of commissioners appointed by the appropriate appointing authority in each state pursuant to the rules and requirements of each compacting state. The commissioner shall be the compact administrator, deputy compact administrator, or designee from that state who shall serve on the Interstate Commission in such capacity under or pursuant to the applicable law of the compacting state.

C. In addition to the commissioners who are the voting representatives of each state, the Interstate Commission shall include individuals who are not commissioners, but who are members of interested organizations. Such noncommissioner members must include a member of the national organizations of governors, legislators, state chief justices, attorneys general, Interstate Compact for Adult Offender Supervision, Interstate Compact for the Placement of Children, juvenile justice and juvenile corrections officials, and crime victims. All noncommissioner members of the Interstate Commission shall be ex officio (nonvoting) members. The Interstate Commission may provide in its bylaws for such additional ex officio (nonvoting) members, including members of other national organizations, in such numbers as shall be determined by the commission.

D. Each compacting state represented at any meeting of the Interstate Commission is entitled to one vote. A majority of the compacting states shall constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the Interstate Commission.

E. The Interstate Commission shall meet at least once each calendar year. The chairperson may call additional meetings and, upon the request of a simple majority of the compacting states, shall call additional meetings. Public notice shall be given of all meetings and meetings shall be open to the public.

F. The Interstate Commission shall establish an executive committee, which shall include commission officers, members, and others as determined by the bylaws. The executive committee shall have the power to act on behalf of the Interstate Commission during periods when the Interstate Commission is not in session, with the exception of rulemaking or amendment to the compact. The executive committee shall oversee the day-to-day activities of the administration of the compact managed by an executive director and Interstate Commission staff; administers enforcement and compliance with the provisions of the compact, its bylaws and rules, and performs such other duties as directed by the Interstate Commission or set forth in the bylaws.

G. Each member of the Interstate Commission shall have the right and power to cast a vote to which that compacting state is entitled and to participate in the business and affairs of the Interstate Commission. A member shall vote in person and shall not delegate a vote to another compacting state. However, a commissioner shall appoint another authorized representative, in the absence of the commissioner from that state, to cast a vote on behalf of the compacting state at a specified meeting. The bylaws may provide for members' participation in meetings by telephone or other means of telecommunication or electronic communication.

H. The Interstate Commission's bylaws shall establish conditions and procedures under which the Interstate Commission shall make its information and official records available to the public for inspection or copying. The Interstate Commission may exempt from disclosure any information or official records to the extent they would adversely affect personal privacy rights or proprietary interests.

I. Public notice shall be given of all meetings and all meetings shall be open to the public, except as set forth in the rules or as otherwise provided in the compact. The Interstate Commission and any of its committees may close a meeting to the public when it determines by two-thirds vote that an open meeting would be likely to:

1. Relate solely to the Interstate Commission's internal personnel practices and procedures;
2. Disclose matters specifically exempted from disclosure by statute;
3. Disclose trade secrets or commercial or financial information which is privileged or confidential;
4. Involve accusing any person of a crime or formally censuring any person;

5. Disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;

6. Disclose investigative records compiled for law enforcement purposes;

7. Disclose information contained in or related to examination, operating or condition reports prepared by, or on behalf of or for the use of, the Interstate Commission with respect to a regulated person or entity for the purpose of regulation or supervision of such person or entity;

8. Disclose information, the premature disclosure of which would significantly endanger the stability of a regulated person or entity; or

9. Specifically relate to the Interstate Commission's issuance of a subpoena, or its participation in a civil action or other legal proceeding.

J. For every meeting closed pursuant to this provision, the Interstate Commission's legal counsel shall publicly certify that, in the legal counsel's opinion, the meeting may be closed to the public, and shall reference each relevant exemptive provision. The Interstate Commission shall keep minutes which shall fully and clearly describe all matters discussed in any meeting and shall provide a full and accurate summary of any actions taken, and the reasons therefore, including a description of each of the views expressed on any item and the record of any roll call vote (reflected in the vote of each member on the question). All documents considered in connection with any action shall be identified in such minutes.

K. The Interstate Commission shall collect standardized data concerning the interstate movement of juveniles as directed through its rules which shall specify the data to be collected, the means of collection and data exchange, and reporting requirements. Such methods of data collection, exchange, and reporting shall insofar as is reasonably possible conform to up-to-date technology and coordinate the Interstate Commission's information functions with the appropriate repository of records.

ARTICLE IV

POWERS AND DUTIES OF THE INTERSTATE COMMISSION

The commission shall have the following powers and duties:

1. To provide for dispute resolution among compacting states.

2. To promulgate rules to effect the purposes and obligations as enumerated in this compact, which shall have the force and effect of statutory law and shall be binding in the compacting states to the extent and in the manner provided in this compact.

3. To oversee, supervise, and coordinate the interstate movement of juveniles subject to the terms of this compact and any bylaws adopted and rules promulgated by the Interstate Commission.

4. To enforce compliance with the compact provisions, the rules promulgated by the Interstate Commission, and the bylaws, using all necessary and proper means, including but not limited to the use of judicial process.

5. To establish and maintain offices which shall be located within one or more of the compacting states.

6. To purchase and maintain insurance and bonds.

7. To borrow, accept, hire, or contract for services of personnel.

8. To establish and appoint committees and hire staff which it deems necessary for the carrying out of its functions including, but not limited to, an executive committee as required by Article III of this compact, which shall have the power to act on behalf of the Interstate Commission in carrying out its powers and duties hereunder.

9. To elect or appoint officers, attorneys, employees, agents, or consultants, and to fix their compensation, define their duties, and determine their qualifications, and to establish the Interstate Commission's personnel policies and programs relating to, inter alia, conflicts of interest, rates of compensation, and qualifications of personnel.

10. To accept any and all donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of same.

11. To lease, purchase, accept contributions or donations of, or otherwise to own, hold, improve, or use any property, whether real, personal, or mixed.

12. To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, whether real, personal, or mixed.

13. To establish a budget and make expenditures and levy dues as provided in Article VIII of this compact.

14. To sue and be sued.

15. To adopt a seal and bylaws governing the management and operation of the Interstate Commission.

16. To perform such functions as may be necessary or appropriate to achieve the purposes of this compact.

17. To report annually to the legislatures, governors, and judiciary of the compacting states concerning the activities of the Interstate Commission during the preceding year. Such reports shall also include any recommendations that may have been adopted by the Interstate Commission.

18. To coordinate education, training, and public awareness regarding the interstate movement of juveniles for officials involved in such activity.

19. To establish uniform standards of the reporting, collecting, and exchanging of data.

20. The Interstate Commission shall maintain its corporate books and records in accordance with the bylaws.

ARTICLE V

ORGANIZATION AND OPERATION OF THE INTERSTATE COMMISSION

Sec. A. Bylaws

1. The Interstate Commission shall, by a majority of the members present and voting, within 12 months of the first Interstate Commission meeting, adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes of the compact, including, but not limited to:

a. Establishing the fiscal year of the Interstate Commission;

b. Establishing an executive committee and such other committees as may be necessary;

c. Providing for the establishment of committees governing any general or specific delegation of any authority or function of the Interstate Commission;

d. Providing reasonable procedures for calling and conducting meetings of the Interstate Commission and ensuring reasonable notice of each such meeting;

e. Establishing the titles and responsibilities of the officers of the Interstate Commission;

f. Providing a mechanism for concluding the operations of the Interstate Commission and the return of any surplus funds that may exist upon the termination of the compact after the payment or reserving of all of its debts and obligations;

g. Providing start-up rules for initial administration of the compact;
and

h. Establishing standards and procedures for compliance and technical assistance in carrying out the compact.

Sec. B. Officers and Staff

1. The Interstate Commission shall, by a majority of the members, elect annually from among its members a chairperson and a vice chairperson, each of whom shall have such authority and duties as may be specified in the bylaws. The chairperson or, in the chairperson's absence or disability, the vice chairperson shall preside at all meetings of the Interstate Commission. The officers so elected shall serve without compensation or remuneration from the Interstate Commission, provided that, subject to the availability of budgeted funds, the officers shall be reimbursed for any ordinary and necessary costs and expenses incurred by them in the performance of their duties and responsibilities as officers of the Interstate Commission.

2. The Interstate Commission shall, through its executive committee, appoint or retain an executive director for such period, upon such terms and conditions, and for such compensation as the Interstate Commission may deem appropriate. The executive director shall serve as secretary to the Interstate Commission, but shall not be a member and shall hire and supervise such other staff as may be authorized by the Interstate Commission.

Sec. C. Qualified Immunity, Defense, and Indemnification

1. The Interstate Commission's executive director and employees shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused or arising out of or relating to any actual or alleged act, error, or omission that occurred, or that such person had a reasonable basis for believing occurred, within the scope of Interstate Commission employment, duties, or responsibilities, provided that any such person shall not be protected from suit or liability for any damage, loss, injury, or liability caused by the intentional or wilful and wanton misconduct of any such person.

2. The liability of any commissioner, or the employee or agent of a commissioner, acting within the scope of such person's employment or duties for acts, errors, or omissions occurring within such person's state may not exceed the

limits of liability set forth under the constitution and laws of that state for state officials, employees, and agents. Nothing in this subsection shall be construed to protect any such person from suit or liability for any damage, loss, injury, or liability caused by the intentional or wilful and wanton misconduct of any such person.

3. The Interstate Commission shall defend the executive director or the employees or representatives of the Interstate Commission and, subject to the approval of the attorney general of the state represented by any commissioner of a compacting state, shall defend such commissioner or the commissioner's representatives or employees in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that the defendant had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or wilful and wanton misconduct on the part of such person.

4. The Interstate Commission shall indemnify and hold the commissioner of a compacting state, or the commissioner's representatives or employees, or the Interstate Commission's representatives or employees, harmless in the amount of any settlement or judgment obtained against such persons arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that such persons had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or wilful and wanton misconduct on the part of such persons.

ARTICLE VI

RULEMAKING FUNCTIONS OF THE INTERSTATE COMMISSION

A. The Interstate Commission shall promulgate and publish rules in order to effectively and efficiently achieve the purposes of the compact.

B. Rulemaking shall occur pursuant to the criteria set forth in this article and the bylaws and rules adopted pursuant thereto. Such rulemaking shall substantially conform to the principles of the "Model State Administrative Procedures Act," 1981 Act, Uniform Laws Annotated, Vol. 15, p.1 (2000), or such other administrative procedures act, as the Interstate Commission deems appropriate consistent with due process requirements under the United States Constitution as now or hereafter interpreted by the United States Supreme Court. All rules and amendments shall become binding as of the date specified, as published with the final version of the rule as approved by the Interstate Commission.

C. When promulgating a rule, the Interstate Commission shall, at a minimum:

1. Publish the proposed rule's entire text stating the reason or reasons for that proposed rule;

2. Allow and invite persons to submit written data, facts, opinions, and arguments, which information shall be added to the record and be made publicly available;

3. Provide an opportunity for an informal hearing, if petitioned by 10 or more persons; and

4. Promulgate a final rule and its effective date, if appropriate, based on input from state or local officials, or interested parties.

D. Allow, not later than 60 days after a rule is promulgated, any interested person to file a petition in the United States District Court for the District of Columbia or in the federal district court where the Interstate Commission's principal office is located for judicial review of the rule. If the court finds that the Interstate Commission's action is not supported by substantial evidence in the rulemaking record, the court shall hold the rule unlawful and set it aside. For purposes of this subsection, evidence is substantial if it would be considered substantial evidence under the Model State Administrative Procedures Act.

E. If a majority of the legislatures of the compacting states rejects a rule, those states may, by enactment of a statute or resolution in the same manner used to adopt the compact, cause that such rule shall have no further force and effect in any compacting state.

F. The existing rules governing the operation of the Interstate Compact on Juveniles superceded by this Act shall be null and void 12 months after the first meeting of the Interstate Commission created under this compact.

G. Upon determination by the Interstate Commission that an emergency exists, the Interstate Commission may promulgate an emergency rule which shall become effective immediately upon adoption, provided that the usual rulemaking procedures provided hereunder shall be retroactively applied to said rule as soon as reasonably possible, but no later than 90 days after the effective date of the emergency rule.

ARTICLE VII OVERSIGHT, ENFORCEMENT, AND DISPUTE RESOLUTION BY THE INTERSTATE COMMISSION

Sec. A. Oversight

1. The Interstate Commission shall oversee the administration and operations of the interstate movement of juveniles subject to this compact in the compacting states and shall monitor such activities being administered in noncompacting states which may significantly affect compacting states.

2. The courts and executive agencies in each compacting state shall enforce this compact and shall take all actions necessary and appropriate to effectuate the compact's purposes and intent. The provisions of this compact and the rules promulgated hereunder shall be received by all the judges, public officers, commissions, and departments of the state government as evidence of the authorized statute and administrative rules. All courts shall take judicial notice of the compact and the rules. In any judicial or administrative proceeding in a compacting state pertaining to the subject matter of this compact which may affect the powers, responsibilities, or actions of the Interstate Commission, the

Interstate Commission shall be entitled to receive all service of process in any such proceeding, and shall have standing to intervene in the proceeding for all purposes.

Sec. B. Dispute Resolution

1. The compacting states shall report to the Interstate Commission on all issues and activities necessary for the administration of the compact as well as issues and activities pertaining to compliance with the provisions of the compact and its bylaws and rules.

2. The Interstate Commission shall attempt, upon the request of a compacting state, to resolve any disputes or other issues which are subject to the compact and which may arise among compacting states and between compacting and noncompacting states. The Interstate Commission shall promulgate a rule providing for both mediation and binding dispute resolution for disputes among the compacting states.

3. The Interstate Commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of this compact using any or all means set forth in Article X of this compact.

ARTICLE VIII

FINANCE

A. The Interstate Commission shall pay or provide for the payment of the reasonable expenses of its establishment, organization, and ongoing activities.

B. The Interstate Commission shall levy on and collect an annual assessment from each compacting state to cover the cost of the internal operations and activities of the Interstate Commission and its staff which must be in a total amount sufficient to cover the Interstate Commission's annual budget as approved each year. The aggregate annual assessment amount shall be allocated based upon a formula to be determined by the Interstate Commission, taking into consideration the population of each compacting state and the volume of interstate movement of juveniles in each compacting state. The Interstate Commission shall promulgate a rule binding upon all compacting states that governs said assessment.

C. The Interstate Commission shall not incur any obligations of any kind prior to securing the funds adequate to meet the same, nor shall the Interstate Commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.

D. The Interstate Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Interstate Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Interstate Commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the Interstate Commission.

ARTICLE IX

COMPACTING STATES, EFFECTIVE DATE AND AMENDMENT

A. Any state, as defined in Article II of this compact, is eligible to become a compacting state.

B. The compact shall become effective and binding upon legislative enactment of the compact into law by no less than 35 of the states. The initial effective date shall be the later of July 1, 2004, or upon enactment into law by the 35th jurisdiction. Thereafter, the compact shall become effective and binding, as to any other compacting state, upon enactment of the compact into law by that state. The governors of noncompacting states or their designees shall be invited to participate in Interstate Commission activities on a nonvoting basis prior to adoption of the compact by all states.

C. The Interstate Commission may propose amendments to the compact for enactment by the compacting states. No amendment shall become effective and binding upon the Interstate Commission and the compacting states unless and until it is enacted into law by unanimous consent of the compacting states.

ARTICLE X

WITHDRAWAL, DEFAULT, TERMINATION, AND JUDICIAL ENFORCEMENT

Sec. A. Withdrawal

1. Once effective, the compact shall continue in force and remain binding upon each and every compacting state, provided that a compacting state may withdraw from the compact by specifically repealing the statute which enacted the compact into law.

2. The effective date of withdrawal is the effective date of the repeal.

3. The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing this compact in the withdrawing state. The Interstate Commission shall notify the other compacting states of the withdrawing state's intent to withdraw within 60 days of its receipt thereof.

4. The withdrawing state is responsible for all assessments, obligations, and liabilities incurred through the effective date of withdrawal, including any obligations, the performance of which extend beyond the effective date of withdrawal.

5. Reinstatement following withdrawal of any compacting state shall occur upon the withdrawing state reenacting the compact or upon such later date as determined by the Interstate Commission.

Sec. B. Technical Assistance, Fines, Suspension, Termination, and Default

1. If the Interstate Commission determines that any compacting state has at any time defaulted in the performance of any of its obligations or responsibilities under this compact, or the bylaws or duly promulgated rules, the Interstate Commission may impose any or all of the following penalties:

a. Remedial training and technical assistance as directed by the Interstate Commission;

b. Alternative dispute resolution;

c. Fines, fees, and costs in such amounts as are deemed to be reasonable as fixed by the Interstate Commission; and

d. Suspension or termination of membership in the compact, which shall be imposed only after all other reasonable means of securing compliance under the bylaws and rules have been exhausted and the Interstate Commission

has determined that the offending state is in default. Immediate notice of suspension shall be given by the Interstate Commission to the governor, the chief justice or the chief judicial officer of the state, and the majority and minority leaders of the defaulting state's legislature. The grounds for default include, but are not limited to, failure of a compacting state to perform such obligations or responsibilities imposed upon it by this compact, the bylaws or duly promulgated rules, and any other grounds designated in commission bylaws and rules. The Interstate Commission shall immediately notify the defaulting state in writing of the penalty imposed by the Interstate Commission and of the default pending a cure of the default. The Interstate Commission shall stipulate the conditions and the time period within which the defaulting state must cure its default. If the defaulting state fails to cure the default within the time period specified by the Interstate Commission, the defaulting state shall be terminated from the compact upon an affirmative vote of a majority of the compacting states and all rights, privileges, and benefits conferred by this compact shall be terminated from the effective date of termination.

2. Within 60 days of the effective date of termination of a defaulting state, the Interstate Commission shall notify the governor, the chief justice or chief judicial officer of the state, and the majority and minority leaders of the defaulting state's legislature of such termination.

3. The defaulting state is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination including any obligations, the performance of which extends beyond the effective date of termination.

4. The Interstate Commission shall not bear any costs relating to the defaulting state unless otherwise mutually agreed upon in writing between the Interstate Commission and the defaulting state.

5. Reinstatement following termination of any compacting state requires both a reenactment of the compact by the defaulting state and the approval of the Interstate Commission pursuant to the rules.

Sec. C. Judicial Enforcement

The Interstate Commission may, by majority vote of the members, initiate legal action in the United States District Court for the District of Columbia or, at the discretion of the Interstate Commission, in the federal district where the Interstate Commission has its offices, to enforce compliance with the provisions of the compact, its duly promulgated rules and bylaws, against any compacting state in default. In the event judicial enforcement is necessary the prevailing party shall be awarded all costs of such litigation including reasonable attorney's fees.

Sec. D. Dissolution of Compact

1. The compact dissolves effective upon the date of the withdrawal or default of the compacting state, which reduces membership in the compact to one compacting state.

2. Upon the dissolution of this compact, the compact becomes null and void and shall be of no further force or effect, and the business and affairs of the Interstate Commission shall be concluded and any surplus funds shall be distributed in accordance with the bylaws.

ARTICLE XI
SEVERABILITY AND CONSTRUCTION

A. The provisions of this compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the compact shall be enforceable.

B. The provisions of this compact shall be liberally construed to effectuate its purposes.

ARTICLE XII
BINDING EFFECT OF COMPACT AND OTHER LAWS

Sec. A. Other Laws

1. Nothing herein prevents the enforcement of any other law of a compacting state that is not inconsistent with this compact.

2. All compacting states' laws other than state constitutions and other interstate compacts conflicting with this compact are superseded to the extent of the conflict.

Sec. B. Binding Effect of the Compact

1. All lawful actions of the Interstate Commission, including all rules and bylaws promulgated by the Interstate Commission, are binding upon the compacting states.

2. All agreements between the Interstate Commission and the compacting states are binding in accordance with their terms.

3. Upon the request of a party to a conflict over meaning or interpretation of Interstate Commission actions, and upon a majority vote of the compacting states, the Interstate Commission may issue advisory opinions regarding such meaning or interpretation.

4. In the event any provision of this compact exceeds the constitutional limits imposed on the legislature of any compacting state, the obligations, duties, powers, or jurisdiction sought to be conferred by such provision upon the Interstate Commission shall be ineffective and such obligations, duties, powers, or jurisdiction shall remain in the compacting state and shall be exercised by the agency thereof to which such obligations, duties, powers, or jurisdiction are delegated by law in effect at the time this compact becomes effective.

ARTICLE __. CONFORMING AMENDMENTS

SECTION __. Sections 60.001 and 60.009, Family Code, are amended to read as follows:

Sec. 60.001. DEFINITIONS [~~SHORT TITLE~~]. In this [This] chapter:

(1) "Commission" means the Interstate Commission for Juveniles.

(2) "Compact" means the Interstate Compact for Juveniles.

(3) "Compact administrator" has the meaning assigned by Article II of the compact [~~may be cited as the Uniform Interstate Compact on Juveniles~~].

Sec. 60.009. ADDITIONAL PROCEDURES NOT PRECLUDED. In addition to any [the] procedures developed under [~~provided in Articles IV and VI of~~] the compact for the return of a runaway juvenile, the particular states, the juvenile, or his parents, the courts, or other legal custodian involved may agree upon and adopt any plan or procedure legally authorized under the laws of this state and the other respective party states for the return of the runaway juvenile.

SECTION __. Chapter 60, Family Code, is amended by adding Sections 60.011 and 60.012 to read as follows:

Sec. 60.011. EFFECT OF TEXAS LAWS. If the laws of this state conflict with the compact, the compact controls, except that in the event of a conflict between the compact and the Texas Constitution, as determined by the courts of this state, the Texas Constitution controls.

Sec. 60.012. LIABILITIES FOR CERTAIN COMMISSION AGENTS. The compact administrator and each member, officer, executive director, employee, or agent of the commission acting within the scope of the person's employment or duties is, for the purpose of acts or omissions occurring within this state, entitled to the same protections under Chapter 104, Civil Practice and Remedies Code, as an employee, a member of the governing board, or any other officer of a state agency, institution, or department.

SECTION __. Section 54.10(a), Family Code, is amended to read as follows:

(a) Except as provided by Subsection (e), a hearing under Section 54.03, 54.04, or 54.05, including a jury trial, a hearing under Chapter 55, including a jury trial, or a hearing under [~~Article IV, Article V, and Article VI of~~] the [~~Uniform~~] Interstate Compact for ~~[on]~~ Juveniles (Chapter 60) may be held by a referee appointed in accordance with Section 51.04(g) or a master appointed under Chapter 54, Government Code, provided:

(1) the parties have been informed by the referee or master that they are entitled to have the hearing before the juvenile court judge; and

(2) after each party is given an opportunity to object, no party objects to holding the hearing before the referee or master.

ARTICLE __. TRANSITION, REPEALER, AND EFFECTIVE DATE

SECTION __. The governor shall publish notice of the implementation of the Interstate Compact for Juveniles in the Texas Register not later than the 30th day after the date the compact becomes effective under Article IX of the compact.

SECTION __. Sections 60.002, 60.003, and 60.004, Family Code, are repealed.

SECTION __. (a) Except as provided by Subsection (b) of this section, all provisions of law in this Act relating to the Interstate Compact for Juveniles take effect on the day on which the Interstate Compact for Juveniles takes effect, which according to the terms of the compact is the later of July 1, 2004, or the day on which the compact is enacted into law by the 35th state, as defined by the compact.

(b) Article 1 of this Part takes effect September 1, 2003.

Amendment No. 64 was adopted without objection.

(Speaker pro tempore in the chair)

Amendment No. 65

Representatives Denny and Swinford offered the following amendment to CSSB 1952:

Amend **CSSB 1952** by adding the following appropriately numbered PART and by renumbering the remaining PARTS as appropriate:

PART __. ELECTION PROCEDURES

ARTICLE __A. UNIFORM DATES

SECTION __.01. Sections 41.001(a) and (b), Election Code, are amended to read as follows:

(a) Except as otherwise provided by this subchapter, each general or special election in this state shall be held on one of the following dates:

- (1) ~~the first Saturday in February;~~
- ~~[(2)]~~ the third ~~[first]~~ Saturday in May;
- ~~[(3)] the second Saturday in September;~~ or
- ~~[(4)]~~ the first Tuesday after the first Monday in November.

(b) Subsection (a) does not apply to:

- (1) a runoff election;
- (2) ~~an election for the issuance or assumption of bonds for any purpose authorized by law relating to public schools or colleges or the levy of a tax for the maintenance of a public school or college, if the governing body of the political subdivision having jurisdiction of the public school or college issuing or assuming the bonds or levying the tax;~~

~~[(A) by resolution, order, or ordinance, finds that holding the election on a date other than a uniform election date is in the public interest, which finding is conclusive and incontestable; and~~

~~[(B) the election is the only election of the type described by this subdivision held by that political subdivision on a date other than a uniform election date during the state fiscal biennium;~~

~~[(3)]~~ an election to resolve a tie vote;

~~[(3)]~~ ~~[(4)]~~ an election held under an order of a court or other tribunal;

~~[(4)]~~ ~~[(5)]~~ an emergency election ordered under Section 41.0011;

~~[(5)]~~ ~~[(6)]~~ an expedited election to fill a vacancy in the legislature held under Section 203.013; or

~~[(6)]~~ ~~[(7)]~~ an election held under a statute that expressly provides that the requirement of Subsection (a) does not apply to the election.

SECTION __.02. Section 41.001(e), Election Code, is amended to read as follows:

(e) In addition to a date prescribed by Subsection (a), an [An] election for an office in which a majority vote is required and that is [may not be held on the September or February uniform election date. This subsection does not apply to an election] conducted under Section 26.045, Local Government Code, may be held on the first Saturday in February or the second Saturday in September, which are considered to be dates that comply with Subsection (a) and Section 26.045, Local Government Code.

SECTION __.03. Section 41.0052(a), Election Code, is amended to read as follows:

(a) The governing body of a political subdivision other than a county may, not later than December 31, 2003 [~~1999~~], change the date on which it holds its general election for officers to another authorized uniform election date. An election on the new date may not be held before 2004 [~~2000~~].

SECTION __.04. Section 41.253(b), Education Code, is amended to read as follows:

(b) The transitional board of trustees shall divide the consolidated district into nine single-member trustee districts in accordance with the procedures provided by Section 11.052. The transitional board shall order an election for the initial board of trustees to be held on the first May [~~February~~] uniform election date after the effective date of a consolidation order.

SECTION __.05. Section 49.103(b), Water Code, is amended to read as follows:

(b) An election shall be held on the uniform election date, established by the Election Code, in [~~either February or~~] May of each even-numbered year to elect the appropriate number of directors.

SECTION __.06. Section 56.804(a), Water Code, is amended to read as follows:

(a) The election shall be held on a uniform election day in [~~February or~~] May.

SECTION __.07. Section 41.001(d), Election Code, is repealed.

SECTION __.08. Not later than December 31, 2003, a political subdivision that before October 1, 2003, held its general election for officers on the February or September uniform election date or on the first Saturday in May shall change the election date as permitted by Section 41.0052, Election Code, as amended by this article, to a date authorized by Section 41.001, Election Code, as amended by this article.

SECTION __.09. This article takes effect October 1, 2003, and applies only to an election ordered on or after that date.

(Speaker in the chair)

Amendment No. 65 was withdrawn.

Amendment No. 66

Representatives Menendez, Swinford, and Casteel offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) by adding the following appropriately numbered article to Part 9 of the bill:

ARTICLE _____. WAIVERS FOR SCHOOL DISTRICTS

SECTION _____.01. Section 7.056, Education Code, is amended by adding Subsection (h) to read as follows:

(h) The commissioner may not grant a waiver with regard to a school start date under this section if granting the request would increase non-instructional costs for the requesting school district or campus.

(Callegari in the chair)

Amendment No. 66 was adopted without objection.

Amendment No. 67

Representatives Delisi and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by inserting the following new SECTIONS, appropriately numbered, and renumbering the other SECTIONS of the bill accordingly:

SECTION _____. Subchapter A, Chapter 531, Government Code, is amended by adding Section 531.017 to read as follows:

Sec. 531.017. CERTAIN CONTRACTS FOR HEALTH CARE PURPOSES; REVIEW BY ATTORNEY GENERAL. (a) This section applies to any contract with a contract amount of \$50 million or more:

(1) under which a person provides goods or services in connection with the provision of medical or health care services, coverage, or benefits; and

(2) entered into by the person and:

(A) the commission;

(B) a health and human services agency; or

(C) any other state agency under the jurisdiction of the commission.

(b) Notwithstanding any other law, before a contract described by Subsection (a) may be entered into by the agency, a representative of the office of the attorney general shall review the form and terms of the contract and may make recommendations to the agency for changes to the contract. The office of the attorney general shall report any recommendations made under this subsection to the governor, the lieutenant governor, and the speaker of the house of representatives.

(c) An agency described by Subsection (a)(2) must notify the office of the attorney general at the time the agency is initiating the applicable competitive bidding or other applicable contracting process. A representative of the office of the attorney general may participate in negotiations or discussions with proposed contractors and may be physically present during those negotiations or discussions.

(d) If the office of the attorney general makes recommendations for changes to a proposed contract under Subsection (b), the office shall report those recommendations to the Commission for State Health Expenditures.

SECTION _____. Subchapter A, Chapter 811, Government Code, is amended by adding Section 811.007 to read as follows:

Sec. 811.007. CERTAIN CONTRACTS FOR HEALTH CARE PURPOSES; REVIEW BY ATTORNEY GENERAL. (a) This section applies to any contract with a contract amount of \$50 million or more:

(1) under which a person provides goods or services in connection with the provision of medical or health care services, coverage, or benefits; and

(2) entered into by the person and the retirement system.

(b) Notwithstanding any other law, before a contract described by Subsection (a) may be entered into by the retirement system, a representative of the office of the attorney general shall review the form and terms of the contract and may make recommendations to the retirement system for changes to the

contract. The office of the attorney general shall report any recommendations made under this subsection to the governor, the lieutenant governor, and the speaker of the house of representatives.

(c) The retirement system must notify the office of the attorney general at the time the system is initiating the applicable competitive bidding or other applicable contracting process. A representative of the office of the attorney general may participate in negotiations or discussions with proposed contractors and may be physically present during those negotiations or discussions.

(d) If the office of the attorney general makes recommendations for changes to a proposed contract under Subsection (b), the office shall report those recommendations to the Commission for State Health Expenditures.

SECTION _____. Subchapter A, Chapter 821, Government Code, is amended by adding Section 821.009 to read as follows:

Sec. 821.009. CERTAIN CONTRACTS FOR HEALTH CARE PURPOSES; REVIEW BY ATTORNEY GENERAL. (a) This section applies to any contract with a contract amount of \$50 million or more:

(1) under which a person provides goods or services in connection with the provision of medical or health care services, coverage, or benefits; and

(2) entered into by the person and the retirement system.

(b) Notwithstanding any other law, before a contract described by Subsection (a) may be entered into by the retirement system, a representative of the office of the attorney general shall review the form and terms of the contract and may make recommendations to the retirement system for changes to the contract. The office of the attorney general shall report any recommendations made under this subsection to the governor, the lieutenant governor, and the speaker of the house of representatives.

(c) The retirement system must notify the office of the attorney general at the time the system is initiating the applicable competitive bidding or other applicable contracting process. A representative of the office of the attorney general may participate in negotiations or discussions with proposed contractors and may be physically present during those negotiations or discussions.

(d) If the office of the attorney general makes recommendations for changes to a proposed contract under Subsection (b), the office shall report those recommendations to the Commission for State Health Expenditures.

SECTION _____. Sections 531.017(d), 811.007(d), and 821.009(d), Government Code, as added by this Act, take effect only if **HB 3181**, Acts of the 78th Legislature, Regular Session, 2003, or another Act of the 78th Legislature, Regular Session, 2003, establishing the Commission for State Health Expenditures becomes law. If **HB 3181**, Acts of the 78th Legislature, Regular Session, 2003, or another Act of the 78th Legislature, Regular Session, 2003, establishing the Commission for State Health Expenditures does not become law, Sections 531.017(d), 811.007(d), and 821.009(d), Government Code, as added by this Act, have no effect.

SECTION _____. Sections 531.017, 811.007, and 821.009, Government Code, as added by this Act, apply only to a contract described by those sections that is entered into on or after September 1, 2003.

Amendment No. 68

Representative Delisi offered the following amendment to Amendment No. 67:

Amend Amendment No. 67, by Delisi as follows:

(1) On Page 2 line 6 by striking "Commission for State Health Expenditures" and replacing it with "the agency engaged in the contract negotiations, the governor, the lieutenant governor, the speaker of the house of representatives and the Commission for State Health Expenditures".

(2) On page 2 line 23 by striking "governor, the lieutenant governor, the speaker of the house of representatives" and replacing it with "the agency engaged in the contract negotiations, the governor, the lieutenant governor, the speaker of the house of representatives and the Commission for State Health Expenditures".

(3) On page 3 line 22 by striking "governor, the lieutenant governor, the speaker of the house of representatives" and replacing it with "the agency engaged in the contract negotiations, the governor, the lieutenant governor, the speaker of the house of representatives and the Commission for State Health Expenditures".

(Speaker in the chair)

Amendment No. 68 was adopted without objection.

(Giddings in the chair)

Amendment No. 67, as amended, was adopted.

Amendment No. 69

Representatives Swinford, Gallego, and Marchant offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by inserting the following in Part 6:

(1) Amend Section 251.001(16) of the Election Code to read as follows:

(16) "Political Advertising" means a communication supporting or opposing a candidate for nomination or election to a public office or office of a political party, a political party, a public officer, or a measure that:

(A) in return for consideration, is published in a newspaper, magazine, or other periodical or is broadcast by radio or television or any other electronic transmission; or

(B) appears in a pamphlet, circular, flier, billboard or other sign, bumper sticker, or similar form of written communication.

(2) Amend Section 255.001 of the Election Code to read as follows:

Sec. 255.001. REQUIRED DISCLOSURE ON POLITICAL ADVERTISING.

(a) A person may not knowingly [~~enter into a contract or other agreement to~~] cause to be published, distributed or broadcasted political advertising containing express advocacy that does not indicate in the advertising:

(1) that it is political advertising; and

(2) the full name of ~~[either the individual who personally entered into the contract or agreement with the printer, publisher, or broadcaster or]~~ (I) the person who paid for the political advertising, (ii) the political committee authorizing the political advertising or (iii) the full name of the candidate or specific-purpose committee supporting the candidate, if such political advertising is authorized by the candidate. ~~[that individual represents; and~~

~~(3) in the case of advertising that is printed or published, the address of either the individual who personally entered into the agreement with the printer or publisher or the person that individual represents].~~

(b) Political advertising that is authorized by a candidate, or the candidate's agents, or political committee filing reports with the commission shall be deemed to contain express advocacy.

(c) A person may not knowingly use, cause or permit to be used, or continue to use any published, displayed, or broadcast political advertising containing express advocacy that the person knows does not include the disclosure required by Subsection (a). A person is presumed to know that the use of political advertising is prohibited by this subsection if the commission notifies the person in writing that the use is prohibited. A person who learns that political advertising signs, as defined by Section 255.007, that have been distributed do not include the disclosure required by Subsection (a) or include a disclosure that does not comply with Subsection (a) does not commit a continuing violation of this subsection if the person makes a good faith attempt to remove or correct those signs. A person who learns that printed political advertising other than a political advertising sign that has been distributed does not include the disclosure required by Subsection (a) or includes a disclosure that does not comply with Subsection (a) is not required to attempt to recover the political advertising and does not commit a continuing violation of this subsection as to any previously distributed political advertising.

(d) This section does not apply to tickets or invitations to political fund-raising events or to campaign buttons, pins, hats, or similar campaign materials, or to circulars or flyers that cost in aggregate to publish and distribute less than \$500.

(e) A person who violates this section is liable to the state for a civil penalty that may be levied by the Ethics Commission in its discretion in an amount not to exceed \$4000 ~~[commits an offense. An offense under this section is a Class A misdemeanor].~~

Amendment No. 69 was adopted without objection.

Amendment No. 70

Representative Isett offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952**, in PART 1 of the bill, by adding the following appropriately numbered ARTICLE and renumbering subsequent ARTICLES in PART 1 appropriately:

ARTICLE ____ DEFERRED COMPENSATION PLANS

SECTION ____ .01. Section 609.006(d), Government Code, is amended to read as follows:

(d) The comptroller [~~board of trustees of the Employees Retirement System of Texas~~] may adopt rules necessary to make a deferred compensation plan established under Subchapter C a qualified plan under federal law, including federal rules and regulations.

SECTION _____.02. Section 609.007(b), Government Code, is amended to read as follows:

(b) The comptroller [~~board of trustees of the Employees Retirement System of Texas~~] may contract with an employee of a state agency participating in a deferred compensation plan for the deferment of any part of the employee's compensation.

SECTION _____.03. Section 609.010(a), Government Code, is amended to read as follows:

(a) The comptroller [~~board of trustees~~], a state agency, a political subdivision, a plan administrator, or an employee of any of those persons is not liable to a participating employee for the diminution in value or loss of all or part of the participating employee's deferred amounts or investment income because of market conditions or the failure, insolvency, or bankruptcy of a qualified vendor.

SECTION _____.04. Sections 609.502(a)-(d), Government Code, are amended to read as follows:

(a) The comptroller [~~board of trustees of the Employees Retirement System of Texas~~] is the trustee and the plan administrator of a 401(k) plan known as TexaSaver established under this subchapter.

(b) The comptroller [~~board of trustees~~] is the trustee and the plan administrator of a 457 plan established under this subchapter.

(c) The comptroller [~~board of trustees~~] shall administer all aspects of each plan.

(d) The comptroller [~~board of trustees~~] may designate a person to assist in the execution of the comptroller's [~~board's~~] authority and responsibilities as plan administrator.

SECTION _____.05. Section 609.503, Government Code, is amended to read as follows:

Sec. 609.503. CHANGING AMOUNT DEFERRED. An employee may change the amount to be deferred by notifying the comptroller [~~board of trustees~~] in accordance with the requirements of the comptroller [~~board of trustees~~].

SECTION _____.06. Section 609.504, Government Code, is amended to read as follows:

Sec. 609.504. INVESTMENT AND TRANSFER OF DEFERRED AMOUNTS AND INCOME. After execution of a contract under Section 609.007, the comptroller [~~board of trustees~~] shall:

(1) invest the deferred amounts and investment income of the employee in the qualified investment products designated by the employee; and

(2) promptly transfer the deferred amounts and investment income of the employee from one qualified investment product to another in accordance with the requirements of the comptroller [~~board of trustees~~].

SECTION _____.07. Section 609.505, Government Code, is amended to read as follows:

Sec. 609.505. QUALIFIED VENDOR. (a) The comptroller [~~board of trustees~~], in accordance with rules adopted under this subchapter, may contract with a vendor qualified to participate in a deferred compensation plan.

(b) In a contract under Subsection (a), the comptroller [~~board of trustees~~] may require the vendor to be audited annually by an independent auditor paid by the vendor.

(c) A vendor or investment product having an ownership or other financial interest in the contractor selected by the comptroller [~~board of trustees~~] to administer a deferred compensation plan is not qualified to participate in that plan.

(d) The comptroller [~~board of trustees~~] shall select vendors or investment products based on the quality of investment performance, proven ability to manage institutional assets, minimum net worth requirements, fee structure, compliance with applicable federal and state laws, and other criteria established by the comptroller [~~board~~]. The comptroller [~~board of trustees~~] shall determine the minimum and maximum number of vendors and investment products that may be offered by a plan at any particular time.

SECTION _____.08. Section 609.506, Government Code, is amended to read as follows:

Sec. 609.506. INSURANCE COMPANY AS QUALIFIED VENDOR. On written request, the Texas Department of Insurance shall certify in writing to the comptroller [~~board of trustees~~] whether an insurance company is eligible to be a qualified vendor under rules adopted by the comptroller [~~board~~]. The comptroller [~~board~~] is entitled to rely on the certification.

SECTION _____.09. Section 609.508, Government Code, is amended to read as follows:

Sec. 609.508. RULES. The comptroller [~~board of trustees~~] may adopt rules, including plans and procedures, and orders necessary to carry out the purposes of this subchapter, including rules or orders relating to:

(1) the selection and regulation of vendors for a deferred compensation plan;

(2) the regulation of the practices of agents employed by vendors;

(3) the disclosure of information concerning investment products;

(4) the regulation of advertising materials to be used by vendors;

(5) the submission of financial information by a vendor; and

(6) the development of a system to facilitate electronic authorization, distribution, transfer, and investment of deferrals.

SECTION _____.10. Section 609.509, Government Code, is amended to read as follows:

Sec. 609.509. CONTRACTS FOR GOODS AND SERVICES. (a) The comptroller [~~board of trustees~~] may contract for necessary goods and consolidated billing, accounting, and other services to be provided in connection with a deferred compensation plan.

(b) In a contract under Subsection (a), the comptroller ~~[board of trustees]~~ may provide for the comptroller ~~[board]~~ to audit periodically the person with whom the contract is made. The audit may cover:

- (1) the proper handling and accounting of state or trust funds; and
- (2) other matters related to the proper performance of the contract.

(c) The comptroller ~~[board of trustees]~~ may contract with a private entity to conduct the audit under Subsection (b).

SECTION _____.11. Section 609.511, Government Code, is amended to read as follows:

Sec. 609.511. FEE. (a) The comptroller ~~[board of trustees]~~ may assess a fee against participating employees or qualified vendors, or both the employees and the qualified vendors, in the manner and to the extent it determines necessary to cover the costs of administering the plan.

(b) The comptroller ~~[board of trustees]~~ shall determine the method for computing and assessing a fee under this section.

SECTION _____.12. Sections 609.512(c), (g), (h), and (i), Government Code, are amended to read as follows:

(c) The comptroller ~~[board of trustees]~~ shall administer each trust fund.

(g) The comptroller ~~[board of trustees]~~ may establish accounts in a trust fund that ~~the comptroller~~ ~~[#]~~ considers necessary, including an account for the administration of the deferred compensation plan for which the trust fund was established.

(h) The comptroller ~~[board of trustees]~~ may transfer assets from one account of a trust fund to another account of the fund for financial management purposes if adequate arrangements are made to:

- (1) reimburse the account from which the transfer is made; and
- (2) pay administrative expenses.

(i) The comptroller ~~[board of trustees]~~ may invest and reinvest money in a trust fund subject only to the duty of care provided by Section 815.307 that would apply if the investments were being made for the Employees Retirement System of Texas.

SECTION _____.13. Section 609.513, Government Code, is amended to read as follows:

Sec. 609.513. DISCRETIONARY TRANSFER. (a) The comptroller ~~[board of trustees]~~ may transfer an employee's deferred amounts and investment income from a qualified investment product to the trust fund of the deferred compensation plan in which the employee participates if the comptroller ~~[board of trustees]~~ determines that the transfer is in the best interest of the plan and the employee.

(b) The comptroller ~~[board of trustees]~~ is not required to give notice of a transfer under Subsection (a) to the employee before the transfer occurs.

(c) Promptly after a transfer under Subsection (a) occurs, the comptroller ~~[board of trustees]~~ shall give to the employee a notice that:

- (1) states the reason for the transfer; and
- (2) requests that the employee promptly designate another qualified investment product to receive the transferred amount.

SECTION _____.14. Section 609.514, Government Code, is amended to read as follows:

Sec. 609.514. ALTERNATIVE TO FUND DEPOSIT. Instead of depositing deferred amounts and investment income in the trust fund of the deferred compensation plan, the comptroller ~~[board of trustees]~~ may invest them in a qualified investment product specifically designated by the comptroller ~~[board]~~ for that purpose.

SECTION _____.15. Section 609.515, Government Code, is amended to read as follows:

Sec. 609.515. FIDUCIARY INSURANCE. In the administration of a deferred compensation plan, the comptroller ~~[board of trustees]~~ may purchase liability insurance for the coverage of the comptroller and the ~~[trustees,]~~ employees[;] and agents of the comptroller ~~[board]~~ in the amounts that the comptroller ~~[board]~~, in the comptroller's ~~[its]~~ sole discretion, considers reasonable and necessary.

SECTION _____.16. Section 609.001(1), Government Code, is repealed.

SECTION _____.17. The changes in law made by this article do not affect rules adopted, contracts entered into, contractors, vendors, or products selected, fee amounts prescribed, or investments or transfers in effect immediately before the effective date of this Act, and those rules, contracts, selections, fees, investments, and transfers remain in effect until amended or changed by an action of the comptroller of public accounts.

Amendment No. 70 was adopted without objection.

Amendment No. 71

Representatives Delisi and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered ARTICLE to PART 1 of the bill and renumbering subsequent ARTICLES in PART 1 accordingly:

ARTICLE _____. RETIREMENT SYSTEM OVERSIGHT BOARD

SECTION _____.01. Subtitle A, Title 8, Government Code, is amended by adding Chapter 806 to read as follows:

CHAPTER 806. RETIREMENT SYSTEM OVERSIGHT BOARD

Sec. 806.001. DEFINITIONS. In this chapter:

(1) "Oversight board" means the retirement system oversight board.

(2) "State retirement system" means the Employees Retirement System of Texas, the Judicial Retirement System of Texas Plan One, the Judicial Retirement System of Texas Plan Two, and the Teacher Retirement System of Texas. The term does not include the optional retirement program governed by Chapter 830.

Sec. 806.002. COMPOSITION OF BOARD; OFFICERS; MEETINGS. (a) The oversight board is composed of five members as described by this section.

(b) The governor, the lieutenant governor, the speaker of the house of representatives, the comptroller, and the attorney general, or the designees of those officials, serve as ex officio voting members of the oversight board. Service on the oversight board is an additional duty of the positions of those officials.

(c) The oversight board shall elect from its members a presiding officer and other officers the oversight board considers necessary to perform the oversight board's duties.

(d) The oversight board shall meet at the call of the presiding officer.

Sec. 806.003. OVERSIGHT BOARD DUTIES. (a) The oversight board shall monitor the management of state retirement system assets to ensure that each state retirement system is managing its assets in accordance with applicable constitutional and statutory provisions and applicable actuarial and investment principles.

(b) An employee, officer, or member of the board of trustees of a state retirement system shall provide to a member of the oversight board any information, other than information that is confidential under other law, that the oversight board member requests to carry out the oversight board's duties under this section.

(c) An oversight board member may attend any regular, special, or called meeting of the board of trustees of a state retirement system to carry out the oversight board's duties under this section.

Sec. 806.004. REIMBURSEMENT FOR EXPENSES. An oversight board member may not receive compensation for service on the oversight board but is entitled to reimbursement of travel expenses that the member incurs while conducting the business of the oversight board, as provided by the General Appropriations Act.

Amendment No. 71 was adopted without objection.

Amendment No. 72

Representatives Allen and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in PART 7 of the bill by adding the following appropriately numbered ARTICLE and SECTION to the bill and renumbering subsequent ARTICLES and SECTIONS in PART 7 accordingly:

ARTICLE ____ MAILINGS BY EMPLOYEES RETIREMENT SYSTEM OF TEXAS ON BEHALF OF CERTAIN NONPROFIT ASSOCIATIONS

SECTION ____ Section 815.503, Government Code, is amended by adding Subsection (e) to read as follows:

(e) The retirement system may make not more than two mailings a year on behalf of a nonprofit association to persons identified in information contained in records that are in the custody of the retirement system. A nonprofit association requesting a mailing must have at least 2,000 members who are annuitants of the retirement system and must be an eligible state employee organization, as that

term is defined by Section 403.0165. A mailing may only include information on membership in the nonprofit association and policy issues affecting annuitants. The nonprofit association must pay the expense of the mailing.

Amendment No. 72 was adopted without objection.

Amendment No. 73

Representative Isett offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

Repeal Government Code § 441.203. Records Management Interagency Coordinating Council

Amendment No. 73 was withdrawn.

Amendment No. 74

Representatives Callegari and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** as follows:

In SECTION 7E.03, on page 172, line 27 (House Committee Report) strike "August 31, 2004" and insert "March 1, 2004".

Amendment No. 74 was adopted without objection.

Amendment No. 75

Representative W. Smith offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered article to Part 3 of the bill:

ARTICLE __. ACCESS DRIVEWAY PERMITS

SECTION __.01. Subchapter C, Chapter 203, Transportation Code, is amended by adding Section 203.035 to read as follows:

Sec. 203.035. ACCESS DRIVEWAY PERMITS. (a) Not later than the 42nd day after the date the department receives a complete application for a permit to construct an access driveway to a highway under the department's jurisdiction the department shall approve or deny the application. If the department does not approve or deny the application on or before the 42nd day after the date the department receives the application, the application is approved.

(b) If the department denies a complete application under Subsection (a), the department shall send to the applicant written notice of the denial specifying the reasons for the denial. If the applicant resubmits the application, the department shall approve or deny the application not later than the 30th day after the date the department receives the resubmitted application. If the department does not approve or deny the resubmitted application on or before the 30th day after the date the department receives the application, the application is approved. If the department denies the resubmitted application, the application may not be subsequently resubmitted.

SECTION __.02. This article applies only to an application for an access driveway permit received by the Texas Department of Transportation on or after the effective date of this Act. An application for an access driveway permit

received before the effective date of this Act is governed by the law in effect on the date the application was received, and the former law is continued in effect for that purpose.

Amendment No. 75 was adopted without objection.

Amendment No. 76

Representatives McReynolds and Capelo offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** in Part 9 of the bill, immediately following Article 9A (house committee printing, page 229, between lines 26 and 27), by inserting the following new article:

ARTICLE 9B. CARE OF PUBLIC SCHOOL STUDENTS WITH DIABETES

SECTION 9B.01. Chapter 38, Education Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. CARE OF STUDENTS WITH DIABETES

Sec. 38.101. DEFINITIONS. In this subchapter:

(1) "Individual health care plan" means the document required by Section 38.102.

(2) "School" means an elementary or secondary school of an independent school district.

(3) "School employee" means a person employed by:

(A) a school;

(B) a local health department that assists a school under this subchapter; or

(C) another entity with which a school has contracted to perform its duties under this subchapter.

(4) "Trained diabetes care assistant" means a school employee who has completed the training required by Section 38.103.

Sec. 38.102. INDIVIDUAL HEALTH CARE PLAN. (a) An individual health care plan must be developed for each student with diabetes who will seek care for the student's diabetes while at school. The plan shall be developed by:

(1) the student's parent or guardian; and

(2) the student's personal health care team, which should include the student's physician.

(b) An individual health care plan must:

(1) be developed based on specific recommendations by the student's physician or other health care practitioner regarding the student's medical, dietary, and exercise needs and any other needs related to the student's medical condition;

(2) identify the health care services the student may receive at school; and

(3) be signed by the student's parent or guardian and the student's personal health care team.

(c) The parent or guardian of a student with diabetes who seeks care for the student's diabetes while the student is at school shall submit to the school a copy of the student's individual health care plan. The plan must be submitted to and reviewed by the school:

- (1) before the beginning of the school year;
- (2) on enrollment of the student, if the student enrolls in the school after the beginning of the school year; or
- (3) as soon as practicable following a diagnosis of diabetes for the student.

Sec. 38.103. TRAINED DIABETES CARE ASSISTANT. (a) The Texas Diabetes Council shall develop, with the assistance of the following entities, guidelines for the training of school employees in the care of students with diabetes:

- (1) the School Health Program of the Texas Department of Health;
- (2) the American Diabetes Association;
- (3) the Juvenile Diabetes Research Foundation International;
- (4) the American Association of Diabetes Educators;
- (5) the agency; and
- (6) the Texas School Nurses Organization.

(b) A school employee is not required to be a health care professional to be designated as a trained diabetes care assistant. The board of trustees of a school district may not require a school employee to serve as a trained diabetes care assistant.

(c) If a school nurse is assigned to a campus:

- (1) the school nurse may be recognized as the trained diabetes care assistant at that campus; or
- (2) the school nurse may supervise one or more other school employees acting as trained diabetes care assistants.

(d) If a school nurse is not assigned to a campus:

- (1) each trained diabetes care assistant must have access, for emergency or informational assistance, to an individual who has expertise in the care of persons with diabetes, such as a physician, registered nurse, certified dietitian educator, or licensed dietitian; or

(2) the school must have access to a licensed health care professional who is a member of the student's personal health care team.

(e) A trained diabetes care assistant who is not a licensed health care professional may not perform an activity that may otherwise be performed only by a licensed health care professional unless:

- (1) a licensed health care professional enters an appropriate written order delegating the activity to the trained diabetes care assistant; and
- (2) the order is maintained with the student's personal health care plan or other student records.

(f) Training under this section must be provided annually by a health care professional with expertise in the care of persons with diabetes. The training must be provided before the beginning of the school year or as soon as practicable following:

(1) the enrollment of a student with diabetes at a campus that previously had no students with diabetes; or

(2) a diagnosis of diabetes for a student at a campus that previously had no students with diabetes.

(g) The training must include instruction in:

(1) recognizing signs of hypoglycemia and hyperglycemia;

(2) steps to take if the blood glucose levels of a student with diabetes are outside the target ranges indicated by the student's individual health care plan;

(3) how to follow a physician's instructions concerning diabetes medication dosages, administration, and frequency of administration;

(4) performing finger-sticks to check blood glucose levels, checking ketone levels, and recording the results of those checks;

(5) administering glucagon and insulin and recording the results of the administration; and

(6) the recommended schedules and food intake for meals and snacks for a student with diabetes, the effect of physical activity on blood glucose levels, and the steps to take if a student's schedule is disrupted.

(h) The training must be provided without charge to the school employee receiving the training.

(i) The board of trustees of a school district shall ensure that there is at least one trained diabetes care assistant at each campus attended by one or more students with diabetes.

Sec. 38.104. INFORMATION FOR CERTAIN EMPLOYEES. A school district shall provide to each school employee who is responsible for transporting a student with diabetes or for supervising a student with diabetes during an off-campus activity a one-page information sheet that:

(1) identifies the student with diabetes;

(2) identifies potential emergencies involving the student's diabetes and appropriate responses to such emergencies; and

(3) provides telephone numbers of persons the employee may contact in an emergency involving the student's diabetes.

Sec. 38.105. REQUIRED CARE OF STUDENTS WITH DIABETES. (a) At the written request of a parent or guardian of a student with diabetes and in compliance with the student's individual health care plan, a trained diabetes care assistant shall:

(1) respond to the student's blood glucose level if it is outside the target range specified in the student's individual health care plan; and

(2) assist the student in following instructions regarding meals, snacks, and physical activity.

(b) A school shall ensure to the greatest extent practicable that the trained diabetes care assistant is present and available to provide the required care to a student with diabetes during the regular school day.

(c) A school district may not restrict the assignment of a student with diabetes to a particular campus on the basis that the campus does not have the required trained diabetes care assistants.

(d) A trained diabetes care assistant who performs an activity described by Subsection (a) in compliance with the individual health care plan of a student with diabetes:

(1) is not considered to be engaging in the practice of:

(A) professional nursing under Chapter 301, Occupations Code, or other state law; or

(B) vocational nursing under Chapter 302, Occupations Code, or other state law; and

(2) if delegated to perform the activity as required by Section 35.103(e), is exempt from any applicable state law or rule that restricts the activities that may be performed by a person who is not a health care professional.

Sec. 38.106. INDEPENDENT MONITORING AND TREATMENT. On the written request signed by a parent or guardian of a student with diabetes, and if permitted by the student's individual health care plan, a school shall permit the student to:

(1) perform blood glucose level checks;

(2) administer insulin through the insulin delivery system the student uses;

(3) treat hypoglycemia and hyperglycemia;

(4) possess on the student's person at any time any supplies or equipment necessary to monitor and care for the student's diabetes; and

(5) otherwise attend to the management and care of the student's diabetes in the classroom, in any area of the school or school grounds, or at any school-related activity.

SECTION 9B.02. Subchapter C, Chapter 38, Education Code, as added by this Act, applies beginning with the 2004-2005 school year.

Amendment No. 76 was adopted without objection.

Amendment No. 77

Representatives Swinford and Keel offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (house committee printing), in Part ___, by adding an appropriately numbered ARTICLE to read as follows and renumbering existing ARTICLES accordingly:

ARTICLE ___. UNIFIED DRUG ENFORCEMENT STRATEGY

SECTION ___.01. Section 772.006, Government Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) The criminal justice division may not award a grant under this section to a multijurisdictional drug task force.

(e) The criminal justice division may award a grant under this section to fund a unified drug enforcement strategy by multiple law enforcement agencies through an interlocal contract made under Chapter 791 and approved by the director of the Department of Public Safety. The contract must require that:

(1) the enforcement strategy be under the command and control of the director; and

(2) a peace officer participating in an activity that is part of the enforcement strategy and who is outside of the jurisdiction of the law enforcement agency served by the officer may make an arrest only if:

(A) the officer would otherwise be authorized to make the arrest under Article 14.03, Code of Criminal Procedure; or

(B) the officer is in the presence of another peace officer who serves a law enforcement agency with jurisdiction at the place at which the arrest is to be made.

Amendment No. 77 was adopted without objection.

Amendment No. 78

On behalf of Representative Swinford, Representative Gallego offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered PART to the bill:

PART _____. CRIMINAL PROCEDURE
ARTICLE _____. USE OF TELECONFERENCING TO ENTER CERTAIN
PLEAS OR WAIVERS

SECTION _____.01. Article 27.18, Code of Criminal Procedure, is amended by adding Subsections (d), (e), and (f) to read as follows:

(d) A defendant who is confined in a county other than the county in which charges against the defendant are pending may use the teleconferencing method provided by this article to enter a plea or waive a right in the court with jurisdiction over the case.

(e) A defendant who enters a plea or waiver under Subsection (d):

(1) consents to venue in the county in which the court receiving the plea or waiver is located; and

(2) waives any claim of error related to venue.

(f) If a defendant enters a plea of guilty or nolo contendere under Subsection (d), the attorney representing the state may request at the time the plea is entered that the defendant submit a fingerprint of the defendant suitable for attachment to the judgment. On request for a fingerprint under this subsection, the county in which the defendant is confined shall obtain a fingerprint of the defendant and use first class mail or other means acceptable to the attorney representing the state and the county to forward the fingerprint to the court accepting the plea.

Amendment No. 78 was adopted without objection.

Amendment No. 79

Representative Branch offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding a new section to the bill, numbered appropriately, to read as follows and renumbering the existing sections of the bill accordingly:

Section _____. (a) Section 155.051, Occupations Code is amended to read as follows:

(b) An applicant who is a graduate of a program designed to lead to both a doctor of philosophy degree and a doctor of medicine degree or doctor of osteopathy degree must pass each part of an examination described by Section 155.0511(2), (3), (4), (6), or (7) not later than the second anniversary of the date the applicant completed the graduate medical training described by Section 155.003(a)(5) ~~[was awarded a doctor of medicine degree or doctor of osteopathy degree]~~.

(b) The changes in law made by this section apply to a person who files an application with the Texas State Board of Medical Examiners for a license to practice medicine in this state on or after the effective date of this section or whose license application is pending on the effective date of this section.

(c) This section takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this section does not receive the vote necessary for immediate effect, this section takes effect September 1, 2003.

(Speaker in the chair)

Amendment No. 79 was withdrawn.

Amendment No. 80

Representative Allen offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (house committee report) by adding the following appropriately numbered ARTICLE to PART 9 of the bill and renumbering the other ARTICLES accordingly:

ARTICLE ____ . UNIVERSITY OF NORTH TEXAS AT DALLAS

SECTION ____ .01. Section 105.451(d), Education Code, is amended to read as follows:

(d) Notwithstanding any other provision of this subchapter, the University of North Texas at Dallas may operate as a general academic teaching institution with its own chief executive officer, administration, and faculty only after the Texas Higher Education Coordinating Board certifies that enrollment at the University of North Texas System Center at Dallas has reached an enrollment equivalent to 935 ~~[2,500]~~ full-time students for one semester. Until that enrollment level is reached, the board may operate a system center of the University of North Texas in the city of Dallas.

Amendment No. 80 was adopted without objection.

Amendment No. 81

Representative Puente offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following new SECTIONS:

SECTION ____ . Subsection (a), Section 1.08, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

Sec. 1.08. GENERAL POWERS. (a) The authority has all the powers, rights, and privileges necessary to manage, conserve, preserve, and protect the aquifer and to increase the recharge of, and prevent the waste or pollution of water in, the aquifer, including the authority to adopt and enforce rules to protect

and preserve water quality, including rules to prevent the pollution of the aquifer. The authority has all of the rights, powers, privileges, authority, functions, and duties provided by general law of this state, including Chapters 50, 51, and 52, Water Code, applicable to an authority created under Article XVI, Section 59, of the Texas Constitution. This article prevails over any provision of general law that is in conflict or inconsistent with this article regarding the area of the authority's jurisdiction.

SECTION _____. Subsections (b) and (c), Section 1.14, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, are amended to read as follows:

(b) Except as provided by Subsections (d), (f), and (h) of this section and Section 1.26 of this article, beginning January 1, 2008, ~~[for the period ending December 31, 2007]~~ the amount of permitted withdrawals from the aquifer under regular permits may not exceed 450,000 acre-feet of water for each calendar year.

(c) Except as provided by Subsections (d), (f), and (h) of this section and Section 1.26 of this article, beginning January 1, 2010 ~~[for the period beginning January 1, 2008]~~, the amount of permitted withdrawals from the aquifer under regular permits may not exceed 400,000 acre-feet of water for each calendar year.

SECTION _____. Section 1.21, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, is amended by amending Subsection (c) and adding Subsections (d) to read as follows:

(c) If, ~~before~~ on or after January 1, 2008, the aggregate ~~[overall]~~ volume of water authorized to be withdrawn from the aquifer under regular permits is greater than 450,000 ~~[400,000]~~ acre-feet a year or greater than the adjusted amount determined under Subsection (d) of Section 1.14 of this article, not later than October 1, 2007, the board shall issue an order to be effective on January 1, 2008, proportionately adjusting the ~~[maximum]~~ authorized withdrawal amount of each regular permit ~~[shall be immediately reduced by an equal percentage]~~ as is necessary to reduce aggregate authorized withdrawals under regular permits ~~[overall maximum demand]~~ to 450,000 ~~[400,000]~~ acre-feet a year or the adjusted amount, as appropriate. ~~[The amount reduced may be restored, in whole or in part, as other appropriate measures are implemented that maintain overall demand at or below the appropriate amount.]~~

(d) If, before January 1, 2010, the aggregate volume of water authorized to be withdrawn from the aquifer under regular permits is greater than 400,000 acre-feet a year or greater than the adjusted amount determined under Section 1.14(d) of this article, the board, not later than October 1, 2009, shall issue an order to be effective January 1, 2010, proportionately adjusting the authorized withdrawal amount of each regular permit as is necessary to reduce aggregate authorized withdrawals under regular permits to 400,000 acre-feet a year or the adjusted amount, as appropriate.

SECTION _____. (a) Section 36.101, Water Code, is amended by adding Subsection (d) to read as follows:

(d) Notwithstanding any other law, a water district or authority with regional management and regulatory authority over groundwater withdrawals within all or part of at least five counties may make and enforce rules to protect water quality.

(b) This section prevails over a conflicting provision of any other Act of the 78th Legislature, Regular Session, 2003, regardless of the relative dates of enactment of the respective Acts.

Amendment No. 81 was withdrawn.

Amendment No. 82

Representative J. Keffer offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking SECTION 2A.01 in its entirety, and substituting the following:

SECTION 2A.01. Subchapter E, Chapter 481, Government Code, is amended by adding Section 481.078 to read as follows:

Sec. 481.078. TEXAS ENTERPRISE FUND. (a) The Texas Enterprise Fund is a dedicated account in the general revenue fund.

(b) The following amounts shall be deposited in the fund:

(1) any amounts appropriated by the legislature for the fund for purposes described by this section;

(2) interest earned on the investment of money in the fund; and

(3) gifts, grants, and other donations received for the fund.

(c) Except as provided by Subsection (d), the fund may be used only for economic development, infrastructure development, community development, job training programs, and business incentives.

(d) The fund may be temporarily used by the comptroller for cash management purposes.

(e) The administration of the fund is considered to be a trustee program within the office of the governor. The governor may negotiate on behalf of the state regarding awarding, by grant, money appropriated from the fund. The governor may award money appropriated from the fund only with the express written prior approval of the lieutenant governor and speaker of the house of representatives.

(f) Before awarding a grant under this section, the governor may enter into a written agreement with the entity to be awarded the grant money specifying that:

(1) if all or any portion of the amount of the grant is used to build a capital improvement:

(A) the state retains a lien or other interest in the capital improvement in proportion to the percentage of the grant amount used to pay for the capital improvement; and

(B) the recipient of the grant shall, if the capital improvement is sold:

(i) repay to the state the grant money used to pay for the capital improvement, with interest at the rate and according to the other terms provided by the agreement; and

(ii) share with the state a proportionate amount of any profit realized from the sale; and

(2) if, as of a date certain provided in the agreement, the grant recipient has not used grant money awarded under this section for the purposes for which the grant was intended, the recipient shall repay that amount and any related interest to the state at the agreed rate and on the agreed terms.

Amendment No. 82 was withdrawn.

Amendment No. 83

Representative Riddle offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered article to Part 3 of the bill:

ARTICLE __. SIGNS ON CERTAIN PUBLIC RIGHTS-OF-WAY

SECTION __.01. Section 393.002, Transportation Code, is amended to read as follows:

Sec. 393.002. SIGN PLACEMENT PROHIBITED. (a) Except as provided by Section 393.0025, a person may not place a sign on the right-of-way of a public road unless the placement is authorized by state law.

(b) An individual, partnership, corporation, or other legal entity that compensates a person, including an employee, for placing a commercial sign on the right-of-way of a public road in violation of this section is considered to have placed the sign in violation of this section and may be prosecuted under Section 393.005.

(c) An individual, partnership, corporation, or other legal entity that is advertised on a commercial sign placed on the right-of-way of a public road in violation of this section is considered to have placed the sign in violation of this section and may be prosecuted under Section 393.005.

SECTION __.02. Section 393.0025, Transportation Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) An individual, partnership, corporation, or other legal entity that compensates a person, including an employee, for placing a commercial sign on the right-of-way of a road or highway maintained by a municipality in violation of this section is considered to have placed the sign in violation of this section and may be prosecuted under Section 393.005.

(d) An individual, partnership, corporation, or other legal entity that is advertised on a commercial sign placed on the right-of-way of a road or highway maintained by a municipality in violation of this section is considered to have placed the sign in violation of this section and may be prosecuted under Section 393.005.

SECTION __.03. Section 393.005(a), Transportation Code, is amended to read as follows:

(a) A person commits an offense if the person violates ~~[places a sign in violation of]~~ Section 393.002 or 393.0025.

SECTION __.04. (a) The change in law made by this article applies only to an offense committed on or after the effective date of this Act. For purposes of this section, an offense is committed before the effective date of this Act if any element of the offense occurs before that date.

(b) An offense committed before the effective date of this Act is covered by the law in effect when the offense was committed, and the former law is continued in effect for that purpose.

Amendment No. 83 was withdrawn.

Amendment No. 84

Representatives Swinford and Branch offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding a new section to the bill, numbered appropriately, to read as follows and renumbering the existing sections of the bill accordingly:

Section _____. (a) Section 155.051, Occupations Code is amended to read as follows:

(b) An applicant who is a graduate of a program designed to lead to both a doctor of philosophy degree and a doctor of medicine degree or doctor of osteopathy degree must pass each part of an examination described by Section 155.0511(2), (3), (4), (6), or (7) not later than the second anniversary of the date the applicant completed the graduate medical training described by Section 155.003(a)(5) ~~[was awarded a doctor of medicine degree or doctor of osteopathy degree]~~.

(b) The changes in law made by this section apply to a person who files an application with the Texas State Board of Medical Examiners for a license to practice medicine in this state on or after the effective date of this section or whose license application is pending on the effective date of this section.

(c) This section takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this section does not receive the vote necessary for immediate effect, this section takes effect September 1, 2003.

Amendment No. 84 was adopted without objection.

Amendment No. 85

Representative Ritter offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered article to Part 7 of the bill and renumbering the subsequent articles of that part of the bill accordingly:

ARTICLE _____. REPORTS ON EFFICIENCY OF DEPARTMENT OF PUBLIC SAFETY OFFICERS

SECTION _____.01. Section 411.007(d), Government Code, is amended to read as follows:

(d) At least annually the heads of the divisions and bureaus, after due investigation, shall make a report to the director of the efficiency of each employee within the division or bureau. These reports shall be kept in the department's permanent files and shall be given proper consideration in all matters of promotion and discharge. If the employee is an officer commissioned by the department, the officer's immediate supervisor shall prepare an initial

report of the officer's efficiency and present that report to the officer for review and comment. After the officer has been given a reasonable opportunity to review the report and attach additional written information or comments, the department shall require the officer to forward the report, together with any written information or comments added by the officer, to the officer's next immediate supervisor. A supervisor at each intermediate level of supervision of the officer shall review the report and either concur in the evaluations and decisions made by the officer's immediate supervisor or supplement the report by providing additional information or comments. Any additional information or comments provided by the officer or a supervisor of the officer must be kept with the report in the department's permanent files and be given appropriate consideration as part of the report in all matters related to promotion and discharge of the officer.

Amendment No. 85 was adopted without objection.

Amendment No. 86

Representatives Isett and Swinford offered the following amendment to **CSSB 1952**:

SECTION _____. Section 391.033, Transportation Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a) The commission may ~~[purchase or]~~ acquire by gift, purchase, agreement, exchange, or eminent domain outdoor advertising that is lawfully in existence on a highway in the interstate or primary system.

(c) For purposes of this chapter, just compensation includes damages to remaining property, contiguous and noncontiguous, included in the interest of the owner of the outdoor advertising, that together with the property actually acquired by eminent domain constituted an economic unit.

(d) Except as provided by this chapter, the commission may not require the removal or the relocation of outdoor advertising or that maintenance of outdoor advertising be discontinued unless at the time of removal, relocation, or discontinuance:

(1) there is sufficient money, from any source, appropriated and immediately available to pay the just compensation required under this section; and

(2) any federal money contribution under 23 U.S.C. Section 131, as amended, has been appropriated and made available to the state.

SECTION _____. Section 391.034, Transportation Code, is amended by adding Subsection (d) to read as follows:

(d) The department may remove outdoor advertising that is erected or maintained in violation of this chapter without payment of compensation to the owner or lessee.

SECTION _____. Subchapter C, Chapter 391, Transportation Code, is amended by adding Section 391.0651 to read as follows:

Sec. 391.0651. NOTICE OF AMENDED AND PROPOSED RULES. The commission shall give written notice within a reasonable time to all outdoor advertising license and permit holders of any change or proposed change in rules adopted under this chapter. The notice must be given not later than 60 days before the effective date of the change.

SECTION _____. Subsection (a), Section 391.181, Transportation Code, is amended to read as follows:

(a) The commission may acquire by gift, purchase, agreement, exchange, or condemnation any right or property interest that it considers necessary or convenient to implement this chapter.

SECTION _____. Subtitle H, Title 6, Transportation Code, is amended by adding Chapter 398 to read as follows:

CHAPTER 398. REGULATION OF OUTDOOR ADVERTISING
GENERALLY BY GOVERNMENTAL ENTITIES

Sec. 398.001. DEFINITION. In this chapter, "outdoor advertising" has the meaning assigned by Section 391.001.

Sec. 398.002. PROHIBITION OF OUTDOOR ADVERTISING. A governmental entity may not prohibit new outdoor advertising outside the jurisdiction or extraterritorial jurisdiction of a municipality.

Sec. 398.003. ACQUISITION OF PROPERTY THROUGH VOLUNTARY TRANSACTION. A governmental entity that acquires property by gift, purchase, agreement, or exchange may not require that lawfully erected outdoor advertising located on the property be altered or removed from the property without the payment of just compensation.

Sec. 398.004. RELOCATION BECAUSE OF HIGHWAY CONSTRUCTION. (a) If any outdoor advertising use, structure, or permit may not be continued because of widening, construction, or reconstruction of a highway, the owner of the outdoor advertising is entitled to relocate the use, structure, or permit to another location:

(1) on the same property;

(2) on adjacent property;

(3) on the same highway not more than 50 miles from the previous location; or

(4) if the outdoor advertising is within a municipality or the extraterritorial jurisdiction of a municipality, within that municipality or its extraterritorial jurisdiction.

(b) Relocation under this section shall be in accordance with applicable spacing requirements under this subtitle and shall be to a location where outdoor advertising is permitted under Section 391.031.

(c) The county or municipality in which the use or structure is located shall, if necessary, provide for the relocation by a special exception to any applicable zoning ordinance.

(d) The relocated use or structure may be:

(1) erected to a height and angle to make it clearly visible to traffic on the main-traveled way of the highway to which it is relocated;

(2) the same size and at least the same height as the previous use or structure, but not in violation of any size or height requirement established under this subtitle; and

(3) relocated to a location with a comparable vehicular traffic count.

(e) Any governmental entity or quasi-governmental entity that acquires outdoor advertising by eminent domain or causes the need for the outdoor advertising to be relocated under this section shall pay the costs related to the acquisition or relocation.

(f) If a governmental entity by regulation prohibits the relocation of outdoor advertising as provided under this section, the governmental entity shall pay just compensation as provided in Section 398.003.

Sec. 398.005. OBSTRUCTION OF VIEW AND READABILITY. (a) If the view and readability of outdoor advertising are obstructed due to a noise abatement or safety measure, a grade change, construction, vegetation, an aesthetic improvement made by an agency of this state, a directional sign, or widening along a highway, the owner of the sign may:

(1) adjust the height of the sign; or

(2) relocate the sign to a location within 500 feet of its previous location if the sign complies with the spacing requirements under this chapter and is in a location in which outdoor advertising is permitted under Section 391.031.

(b) A county or municipality in which the outdoor advertising is located shall, if necessary, provide for the height adjustment or relocation by a special exception to any applicable zoning ordinance.

(c) Notwithstanding any height requirements established under this subtitle, the adjusted or relocated outdoor advertising may be erected to a height and angle to make it clearly visible to traffic on the main-traveled way of the highway and must be the same size as the previous sign.

Sec. 398.006. NOTICE OF AMENDED AND PROPOSED RULES. (a) A governmental entity shall give written notice to all outdoor advertising license and permit holders within its jurisdiction of any change or proposed change to the outdoor or off-premise advertising provisions of its zoning provisions, codes, or ordinances. The notice must be given not later than 60 days before the effective date of the change.

(b) A governmental entity must give written notice to all property owners along any highway or portion of a highway before adopting a prohibition of new outdoor advertising affecting that highway or portion of highway. The notice must be given not later than 60 days before the effective date of the change.

SECTION _____. REGULATION OF OFF-PREMISE SIGNS. Notwithstanding any other law, a municipality that permits the replacement of a nonconforming off-premise sign by a new nonconforming off-premise sign owned by a person other than the owner of the replaced sign shall permit the owner of the sign that was removed to erect a comparable sign at a location designated by the owner of the displaced sign on property zoned for commercial, industrial, or manufacturing uses.

Amendment No. 86 was withdrawn.

Amendment No. 87

Representative Hegar offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered PART to the bill and renumbering subsequent PARTS accordingly:

PART ____ . DRIVER'S LICENSES

ARTICLE ____ . DRIVER'S LICENSES

SECTION ____ .01. (a) Section 521.142(a), Transportation Code, is amended to read as follows:

(a) An application for an original license must state the applicant's full name and place and date of birth. This information must be verified by presentation of proof of identity satisfactory to the department. The department shall accept as proof of the applicant's identity an identity document that is issued by the government of another country, if that document bears the applicant's photograph, full name, and date of birth, and the government of the other country has established reasonable mechanisms by which the department can verify the identity document. For purposes of this section, an identity document includes a passport, a consular identity document, and a national identity document. On the reverse side of a driver's license, the department shall print the license holder's country of citizenship by a uniform symbol or code on the face of the license in the space where the department indicates a restriction or endorsement.

(b) Subsection (a) of this section takes effect September 1, 2003.

Amendment No. 87 was withdrawn.

Amendment No. 88

Representatives Hartnett, Deshotel, and Hardcastle offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (House Committee Report) by adding the following PART, appropriately numbered, and renumbering subsequent parts accordingly:

PART ____ . CERTAIN PROVISIONS IN CONSTRUCTION CONTRACTS

ARTICLE __A. INDEMNIFICATION PROVISIONS IN CONSTRUCTION CONTRACTS

SECTION __A.01. Title 6, Civil Practice and Remedies Code, is amended by adding Chapter 138 to read as follows:

CHAPTER 138. ENFORCEMENT OF CERTAIN PROVISIONS IN CONSTRUCTION CONTRACTS

Sec. 138.001. DEFINITION. In this chapter, "construction contract" means a contract or agreement entered into or made by an owner, contractor, subcontractor, or supplier concerning the construction, alteration, repair, troubleshooting, or maintenance of a building, structure, appurtenance, or other improvement to or on real property, including moving, demolition, and excavation connected with the real property.

Sec. 138.002. AGREEMENT VOID AND UNENFORCEABLE. A provision, promise, understanding, or covenant contained in, collateral to, or affecting a construction contract is void and unenforceable to the extent that it provides or purports to provide to the indemnitee defense or indemnity, or both, against loss or liability that:

(1) is caused by or results from the sole or concurrent negligence, including strict liability, of the indemnitee, an agent or employee of the indemnitee, or an independent contractor directly responsible to the indemnitee; and

(2) arises or results from:

(A) death or bodily injury to a person;

(B) damage to property;

(C) a fine, penalty, administrative action, or other action by a governmental entity; or

(D) any other loss, damage, or expense that arises from an occurrence described by Paragraph (A), (B), or (C).

Sec. 138.003. EFFECT ON INSURANCE POLICY. A provision in a construction contract requiring an insurance policy provision or endorsement that would frustrate or circumvent the prohibitions of this chapter, including the payment of all or a portion of an indemnitor's insurance premium by an indemnitee, is also void and unenforceable.

Sec. 138.004. WAIVER PROHIBITED. The provisions of this chapter may not be waived by contract or otherwise.

Sec. 138.005. CONFLICT OF LAWS. A covenant, promise, agreement, or understanding that is contained in or collateral to or that affects a construction contract or a related insurance policy provision or endorsement and that provides that the law of another state will apply to the contractual relationship between the indemnitor and the indemnitee is against public policy and void if the premises where the labor is performed or the materials are delivered under the contract are in this state or its territorial reach.

Sec. 138.006. APPLICABILITY OF OTHER LAW. This chapter prevails over any other law that conflicts with or is inconsistent with this chapter.

SECTION __A.02. (a) Chapter 138, Civil Practice and Remedies Code, as added by this article, applies to a construction contract entered into or renewed on or after the effective date of this article and to any specific, terminable performance of a specific job or activity begun under a construction contract after the effective date of this article, including performance under a master or general service agreement, a blanket or maintenance contract, or any similar agreement or contract that purports to provide indemnity to the indemnitee for all or part of the work performed, in whatever form and by whatever name, regardless of whether the agreement or contract was entered into or renewed before the effective date of this article.

(b) Except as provided by Subsection (a) of this section, a construction contract entered into or renewed before the effective date of this article is governed by the law in effect immediately before the effective date of this article, and that law is continued in effect for that purpose.

Amendment No. 88 - Point of Order

Representative Flores raised a point of order against further consideration of Amendment No. 88 under Rule 11, Section 2 of the House Rules on the grounds that the amendment is not germane to the bill.

The speaker sustained the point of order.

The ruling precluded further consideration of Amendment No. 88.

Amendment No. 89

Representatives Hunter, Swinford, and Hilderbran offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following appropriately numbered article to Part 1 of the bill and renumbering the subsequent articles of Part 1 of the bill accordingly:

ARTICLE _____. STARS OVER TEXAS MUSIC TOUR

SECTION _____.01. Chapter 442, Government Code, is amended by adding Section 442.019 to read as follows:

Sec. 442.019. STARS OVER TEXAS MUSIC TOUR. (a) The commission, with the advice of the Music, Film, Television, and Multimedia Office in the governor's office, shall develop and implement a program in accordance with this section to promote the preservation of Texas music history and related tourism and to honor the state's musical heritage.

(b) The program shall be referred to as the "Stars Over Texas Music Tour."

(c) The program shall create an official symbol of designation to recognize and honor persons, events, and locations in this state that are related to Texas music history.

(d) The program shall develop strict standards of eligibility for the presentation of the official symbol of designation under this section.

(e) The program shall, as appropriate, present the official symbol of designation in the form of:

(1) a plaque or other public display, to mark an event or specific location that the office considers to be of significant value to the state's musical heritage; and

(2) an award, to recognize the significant contribution of a person or organization to the state's musical heritage.

(f) The commission shall adopt procedures as necessary to implement the program under this section and shall, as necessary, enter into:

(1) a memorandum of understanding with the Texas Commission on the Arts in accordance with Section 444.030;

(2) an agreement with the Music, Film, Television, and Multimedia Office in the governor's office;

(3) a memorandum of understanding with the Texas Department of Economic Development in accordance with Section 481.028; and

(4) an agreement with the Texas Department of Transportation.

Amendment No. 89 was adopted without objection.

Amendment No. 90

Representative Krusee offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following ARTICLE, appropriately numbered, and renumbering the subsequent ARTICLES of the bill appropriately:

ARTICLE __. CERTAIN FEDERAL GRANTS

SECTION __.01. Subchapter I, Chapter 391, Transportation Code, is amended by adding Section 391.256 to read as follows:

Sec. 391.256. CERTAIN FEDERAL GRANTS. (a) The department shall plan, design, and establish a program for designating highways in accordance with 23 U.S.C. Section 162.

(b) The department shall:

(1) develop grant projects for highways in accordance with 23 U.S.C. Section 162; and

(2) apply for funding under 23 U.S.C. Section 162 for the grant projects.

(c) The department may not use money from the state highway fund or the Texas Mobility Fund for the purposes of this section.

(d) The department shall adopt rules to implement this section.

Amendment No. 90 was adopted without objection.

Amendment No. 91

Representatives Driver and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (HOUSE COMMITTEE PRINTING) by adding the following new SECTIONS ____ on page 7, line 18 and renumbering accordingly:

SECTION _____. Amend Section 1051.001, Occupations Code to read as follows:

(3) "Interior design" means the:

(A) performance of professional services, for a fee or other compensation, directly or indirectly, to another person, or to a partnership, corporation, or other legal entity, that include:

(1) preparing and filing interior design construction documents with code enforcement officials for nonstructural or non-seismic interior construction;

(2) obtaining building permits for nonstructural or non-seismic interior construction;

(3) preparing documents to illustrate materials, finishes, space planning, reflected ceiling plans, furnishings, fixtures, and equipment;

(4) analyzing a client's needs, goals, and life safety requirements while protecting the public health, safety, and welfare;

(5) integrating findings with knowledge of interior design;

(6) formulating preliminary design concepts that are appropriate, functional, and aesthetic;

(7) developing and presenting final design recommendations through appropriate presentation media;

(8) collaborating with closely allied design professionals who are licensed practitioners offering professional services as required for regulatory approval;

(9) preparing and administering bids and contract documents as the client's agent; and

(10) reviewing and evaluating the implementation of projects while in progress and on completion as a representative of, and on behalf of, the client.

(B) The term "interior design" does not include an act, service or work within the scope of the practice of architecture as defined by Chapter 1051 of the Occupations Code or an act, service or work within the scope of the practice of engineering as defined by Chapter 1001 of the Occupations Code. The term also does not include the performance of services relating to:

(1) structural, mechanical, plumbing, heating, air conditioning, ventilation, electrical, or vertical transportation systems;

(2) construction of stairwells; and

(3) construction that affects life-safety systems including, but not limited to:

(a) performance of mechanical systems;

(b) fire safety protection;

(c) fire-rated vertical shafts and multi-story structures;

(d) smoke evacuation and compartmentalization;

(e) emergency sprinkler and alarm systems; and

(f) emergency ingress and egress systems.

SECTION _____. Section 1053.002, Occupations Code, is amended to read as follows:

Sec. 1053.002. APPLICATION. (a) This chapter does not apply to a person who:

(1) does not use the title "interior designer" and does not use the term "interior design" to describe a service the person offers or performs; or

(2) is registered to practice architecture in this state, or works under the control, instruction or supervision of a registered architect, if the architect does not use the term "Registered Interior Designer" unless also registered under this chapter.

(b) This chapter does not:

(1) prohibit an employee of a retail establishment from providing consultations regarding interior decoration or furnishings:

(A) on the premises of the retail establishment; or

(B) in furtherance of a retail sale or prospective retail sale ~~an interior designer or architect from performing an interior design service under the control, instruction, or supervision of the interior designer or architect~~; ~~or~~

(2) restrict the practice or activities of or the provision of a service by a person engaged in a profession or occupation for which the person is licensed or registered in this state under any other law; or

(3) restrict the activities of a person who provides decorative services or assistance in the selection of surface materials, window coverings, wall coverings, paint, floor coverings, surface-mounted fixtures, and loose furnishings not subject to regulation.

SECTION _____. The heading to Subchapter D, Chapter 1053, Occupations Code, is amended to read as follows:

SUBCHAPTER D. REGISTRATION ~~[REQUIREMENTS]~~

SECTION _____. Section 1053.151, Occupations Code, is amended to read as follows:

Sec. 1053.151. REGISTRATION REQUIRED. A person other than an interior designer may not:

(1) engage in the practice of interior design or offer or attempt to engage in the practice of interior design unless the person is registered under this chapter; or

(2) hold the person out as engaged in the practice of interior design or, unless all interior design services provided by the person are rendered by or under the responsible supervisory control of a person registered under this chapter, represent;

(A) that the person is an "interior designer" by using that title or the term "Registered Interior Designer"; or

(B) ~~[(2) represent, by using the term "interior design" a service the person offers or performs]~~ that the person may offer or perform an "interior design" service.

SECTION _____. Section 1053.152(b), Occupations Code, is amended to read as follows:

(b) To be eligible for a certificate of registration, an applicant must:

(1) meet the qualifications established by the board under Subsection (a);

(2) pass the ~~[registration]~~ examination of the National Council for Interior Design Qualification or a similar national organization recognized by the board; ~~[and]~~

(3) pay the required fees;

(4) hold a professional degree in interior design or architecture conferred by a design program accredited by the Foundation for Interior Design Education Research or a substantially equivalent program, as determined by the board; and

(5) have two years of diversified experience as determined by the board.

SECTION _____. Section 1053.154(b), Occupations Code, is amended to read as follows:

(b) The examination must cover subjects established by and must be graded according to board rules. The board by rule shall ~~[may]~~ adopt the examination of the National Council for Interior Design Qualification or a similar national organization recognized by the board ~~[comparable examination]~~.

SECTION _____. Section 1053.160, Occupations Code by adding a new Subsection (e) as follows:

(e) Construction documents that bear the seal of a registered interior designer who holds a certificate from the National Council for Interior Design Qualification shall be accepted for filing by the appropriate jurisdiction or local building department.

SECTION _____. Section 1053.201, Occupations Code, is amended to read as follows:

(a) Except as provided by Subsection (b), a certificate of registration issued under this chapter is valid for one year from the date of issuance. ~~[The board shall provide for the annual renewal of a certificate of registration.]~~

(c) Effective December 1, 2005, to be eligible to renew a certificate of registration, an interior designer who has not passed the examination of the National Council for Interior Design Qualification or an examination of a similar national organization recognized by the board, must have:

(1) passed the building and barrier-free code section of the examination of the National Council for Interior Design Qualification or a similar national organization recognized by the board; ~~or~~ and

(2) completed, in addition to the continuing education requirements required for renewal of the certificate of registration under Section 1053.205, 15 hours of board-approved continuing education classes relating to ~~building and barrier-free codes and regulations,~~ the Texas Accessibility Standards and building codes approved for adoption in Texas.

SECTION _____. Section 1053.351, Occupations Code, is amended to read as follows:

Sec. 1053.351. CRIMINAL PENALTY. (a) A person commits an offense if the person knowingly violates ~~[Section 1053.151 or a standard of conduct adopted under]~~ this chapter or a rule adopted under this chapter.

(b) An offense under this section is a ~~[Class C]~~ misdemeanor punishable by a fine of not less than \$250 or more than \$5,000. Each day of violation constitutes a separate offense.

SECTION _____. Chapter 1053, Occupations Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. PRACTICE BY INTERIOR DESIGNER

Sec. 1053.401. SUPERVISION BY INTERIOR DESIGNER. Each interior design office must have an interior designer or architect who is responsible for interior design work performed at that location. The interior designer or architect shall provide responsible supervisory control over each nonregistered person working at that location in the practice of interior design. Responsible Supervisory Control is the direct responsibility for supervision by an interior designer or architect of the work and decision-making process, including the ability to review, enforce, and control compliance with all design criteria and life safety requirements. For purposes of this subdivision, supervision is not required to be continuous and uninterrupted.

Sec. 1053.402. DUTIES TO CLIENT. (a) Before entering into a contract with a client, an interior designer must clearly determine and disclose the scope and nature of the project and the method of compensation.

(b) An interior designer shall notify each client of the name and address of the board.

Sec. 1053.404. COMPLIANCE WITH CERTAIN REQUIREMENTS.
Each interior designer shall practice in compliance with all applicable building codes, fire codes, local regulations, and other safety requirements adopted by the board or another regulatory entity implemented to prohibit practice by persons who:

(1) fail to practice within the bounds of minimum competency requirements; or

(2) otherwise present a danger to the public.

SECTION _____. Section 1053.158, Occupations Code, is repealed.

SECTION _____. The Texas Board of Architectural Examiners shall issue a certificate of registration as an interior designer to a person who applies for registration as an interior designer with the board and pays the required fees before the second anniversary of the effective date of this Act if the person presents evidence satisfactory to the board that the person has passed the examination of the National Council for Interior Design Qualification or a similar national organization recognized by the board.

SECTION _____. (a) The change in law made by this Act to Section 1053.351, Occupations Code, applies only to the punishment for an offense committed on or after the effective date of this Act. For purposes of this section, an offense is committed before the effective date of this Act if any element of the offense occurs before the effective date.

(b) An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose.

SECTION _____. The Texas Board of Architectural Examiners shall adopt rules as required by Chapter 1053, Occupations Code, as amended by this Act, not later than December 1, 2003.

SECTION _____. The change in law made by this Act to Section 1053.201, Occupations Code, takes effect September 1, 2003, and applies only to an application for an initial or renewal interior designer certificate of registration that is filed with the Texas Board of Architectural Examiners on or after January 1, 2004. An application filed before January 1, 2004, is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

Amendment No. 91 was withdrawn.

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. 6).

CSSB 1952 - (consideration continued)

Amendment No. 92

Representatives E. Jones and Flynn offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following SECTION, appropriately numbered, and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subtitle E, Title 3, Finance Code, is amended by adding Chapter 157 to read as follows:

CHAPTER 157. CREDIT REPORTING BUREAUS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 157.001. DEFINITIONS. In this chapter:

- (1) "Commissioner" means the banking commissioner of Texas.
- (2) "Credit reporting bureau" means a person who engages in the practice of assembling or reporting credit information about individuals for the purpose of furnishing the information to a third party.
- (3) "Department" means the Texas Department of Banking.
- (4) "Principal," in connection with management of a license holder or applicant, means a person who performs executive functions or otherwise controls the executive affairs of a license holder, including an owner, officer, director, partner, trustee, or manager of the license holder.

SUBCHAPTER B. POWERS AND DUTIES OF DEPARTMENT AND COMMISSION

Sec. 157.101. ADMINISTRATION. The department shall administer this chapter.

Sec. 157.102. RULES. (a) The Finance Commission of Texas may:

- (1) adopt rules necessary to enforce and administer this chapter, including rules relating to an application for a license; and
- (2) adopt rules to accomplish the purposes of Chapter 20, Business & Commerce Code, and any other law applicable to a credit reporting bureau, including rules reasonable or necessary to:

(A) implement and clarify Chapter 20, Business & Commerce Code; and

(B) defray the cost of enforcing Chapter 20, Business & Commerce Code, and any other law applicable to a credit reporting bureau.

(b) In adopting rules under this section, the Finance Commission of Texas shall consider the necessity to:

- (1) promote a stable consumer reporting environment; and
- (2) provide adequate protection to consumers and their personal identifying information.

SUBCHAPTER C. APPLICATION FOR AND ISSUANCE OF LICENSE

Sec. 157.201. A credit reporting bureau may not engage in the practice of assembling or reporting credit information about individuals in this state for the purpose of furnishing the information to a third party, as a service or for consideration, unless the credit reporting bureau holds a license issued under this chapter.

Sec. 157.202. APPLICATION. (a) An application for a license must be in writing, sworn to, and filed with the commissioner in the form the commissioner prescribes.

(b) The application must:

(1) state the full legal name, federal taxpayer identification number or social security number, and business address of the applicant, and, the full legal name, federal taxpayer identification number or social security number, and the business address of:

(A) each individual who is a principal of the applicant; and

(B) each individual who is a principal of any person that is a principal of the applicant; and

(2) disclose any other information that may be required by rule or reasonably requested by the commissioner.

Sec. 157.203. ACCOMPANYING FEE, STATEMENTS, AND BOND. (a) An application for a license must be accompanied by:

(1) a nonrefundable application fee in an amount established by rule that is sufficient to administer this chapter;

(2) audited financial statements of the applicant that are reasonably satisfactory to the commissioner;

(3) the location of the home office of the applicant and of the main office of the applicant in this state; and

(4) a surety bond in the amount of \$100,000 that is:

(A) in a form satisfactory to the commissioner; and

(B) issued by a bonding company or insurance company authorized to do business in this state.

Sec. 157.204. ISSUANCE OF LICENSE. On the filing of an application that meets the requirements of Sections 157.202 and 157.203, the commissioner shall issue a license to the applicant if the commissioner:

(1) approves the documents; and

(2) finds that the bond is in the prescribed amount.

Sec. 157.205. DENIAL OF LICENSE; HEARING. (a) A hearing must be held before a license may be denied.

(b) The commissioner shall give the applicant notice of the hearing.

SUBCHAPTER D. REQUIREMENTS TO MAINTAIN LICENSE

Sec. 157.301. INSUFFICIENT BOND. (a) If the commissioner at any time reasonably determines that the bond required by this chapter is insecure or deficient in amount, the commissioner by written order may require the license holder to file a new or supplemental bond to secure compliance with this chapter.

(b) The license holder shall comply with the order not later than the 30th day after the date on which the order is served.

Sec. 157.302. ANNUAL LICENSE FEE. (a) Not later than June 30 of each year, a license holder shall pay to the commissioner a license renewal fee in an amount established by rule.

(b) The fee required by Section 157.203(1) satisfies the license fee requirement for the first license year or part of that year.

Sec. 157.303. REVOCATION OF LICENSE. (a) The commissioner may revoke a license:

(1) on a ground on which the commissioner may refuse to grant a license; or

(2) for a violation of this chapter.

(b) The commissioner may investigate the business and records of a license holder if the commissioner has reasonable cause to believe that grounds for revocation exist.

Sec. 157.304. HEARING ON LICENSE REVOCATION. (a) The commissioner shall give a license holder an opportunity for a hearing before a license may be revoked.

(b) The commissioner shall give the license holder notice of the hearing.

SUBCHAPTER E. CRIMINAL PENALTIES AND CIVIL REMEDIES

Sec. 157.401. CRIMINAL PENALTY. (a) A person commits an offense if the person intentionally:

(1) makes an untrue statement of a material fact in an application or report required to be filed with the commissioner under this chapter; or

(2) violates Section 157.201.

(b) An offense under this section is a third degree felony.

Sec. 157.402. ADMINISTRATIVE PENALTY. (a) The commissioner may impose an administrative penalty on a person in an amount specified by the commissioner if, after notice and hearing, the commissioner finds the person has violated:

(1) this chapter;

(2) a rule adopted under this chapter; or

(3) an order of the commissioner issued under this chapter.

(b) The amount of the penalty may not exceed:

(1) \$1,000 for each violation; or

(2) \$1,000 for each day the violation continues.

Sec. 157.403. SUIT BY ATTORNEY GENERAL. The attorney general may sue on behalf of claimants on the bond required by Section 152.203(4) in a district court in Travis County, either in one action or successive actions.

Amendment No. 92 was adopted without objection.

Amendment No. 93

Representative Hodge offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by adding the following SECTION and renumbering the subsequent SECTIONS accordingly:

SECTION _____. Section 498.004(a), Government Code, as amended by Chapters 249 and 321, Acts of the 74th Legislature, Regular Session, 1995, is reenacted and amended to read as follows:

(a) If, during the actual term of imprisonment of an inmate in the institutional division or in a transfer facility, the inmate commits an offense or violates a rule of the division, the department may forfeit all or any part of the inmate's accrued good conduct time. The department may ~~not~~ restore good conduct time forfeited under this subsection.

Amendment No. 93 was adopted without objection.

Amendment No. 94

Representatives Phillips, Garza, and Edwards offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952**, in PART 1 of the bill, by adding the following appropriately numbered ARTICLE and renumbering existing ARTICLES of PART 1 accordingly:

ARTICLE 1 ____ . VEHICLE REGISTRATION; SPECIALIZED LICENSE
PLATES

SECTION 1 ____ .01. Subtitle A, Title 7, Transportation Code, is amended by adding Chapter 504 to read as follows:

CHAPTER 504. SPECIALTY LICENSE PLATES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 504.001. DEFINITIONS. (a) In this chapter, "commission" and "director" have the meanings assigned by Section 201.001.

(b) A word or phrase that is not defined by this chapter but is defined by Section 502.001 has the meaning in this chapter that is assigned by that section.

Sec. 504.002. PROVISIONS OF GENERAL APPLICABILITY. Unless expressly provided by this chapter or by department rule:

(1) any vehicle is eligible to be issued specialty license plates, provided that the department may vary the design of a license plate to accommodate or reflect its use on a motor vehicle other than a passenger car or light truck;

(2) an application for specialty license plates must be submitted in the manner specified by the department, provided that if issuance of a specialty license plate is limited to particular persons or motor vehicles, the application must be accompanied by evidence satisfactory to the department that the applicant or the applicant's vehicle is eligible;

(3) the fee for issuance of a specialty license plate is in addition to each other fee that is paid for or at the time of the registration of the motor vehicle and shall be deposited to the credit of state highway fund;

(4) each fee described by this chapter is an annual fee, provided that the department may prorate the fee for a specialty license plate fee on a monthly basis to align the license plate fee to the registration period for the motor vehicle for which the license plate was issued, and if a fee is prorated, the allocation of the fee by this chapter to an account or fund shall be prorated in proportion;

(5) the department is the exclusive owner of the design of each specialty license plate;

(6) the director may refuse to issue a specialty license plate with a design or alphanumeric pattern that the director considers potentially objectionable to one or more members of the public and the director's refusal may not be overturned in the absence of an abuse of discretion;

(7) for each specialty license plate that is issued through a county tax assessor-collector and for which the department is allocated a portion of a fee for administrative costs, the department shall credit 50 cents from its administrative costs to the county treasurer of the applicable county, who shall credit the money to the general fund of the county to defray the costs to the county of administering this chapter;

(8) if a specialty license plate is lost, stolen, or mutilated, an application for a replacement plate must be accompanied by the fee prescribed by Section 502.184(a)(2);

(9) if the owner of a motor vehicle for which a specialty license plate is issued disposes of the vehicle or for any reason ceases to be eligible for that specialty license plate, the owner shall return the specialty license plate to the department; and

(10) a person who is issued a specialty license plate may not transfer it to another person or vehicle without first receiving approval from the department.

Sec. 504.003. SOUVENIR LICENSE PLATES. (a) The department may issue a souvenir version of any specialty license plate for any vehicle, including a motorcycle.

(b) The fee for a single souvenir license plate is \$20. The fee shall be deposited to the credit of the state highway fund.

(c) If the souvenir license plate is personalized, the fee for the plate is \$40. Of the fee:

(1) \$20 shall be deposited to the credit of the state highway fund; and

(2) the remainder shall be deposited to the credit of the general revenue fund.

(d) A souvenir license plate may not be used on a motor vehicle, including a motorcycle, and is not an insignia of registration for a motor vehicle. Each souvenir license plate must be identified by the department in a way that identifies it to law enforcement officers and others as a souvenir license plate.

Sec. 504.004. RULES AND FORMS. The commission may adopt rules and the department may issue forms to implement and administer this chapter.

[Sections 504.005-504.100 reserved for expansion]

SUBCHAPTER B. PERSONALIZED LICENSE PLATES

Sec. 504.101. PERSONALIZED LICENSE PLATES. (a) The department shall issue personalized license plates. The department may not issue more than one set of license plates with the same alphanumeric pattern.

(b) A personalized license plate may be issued for a registration period only if the applicant submits an application and pays the required fee for the applicable registration period. A person who is issued a personalized license plate has first priority on that license plate for each subsequent registration period for which the person submits a new application for that plate.

(c) The fee for issuance of a personalized license plate is \$40.

(d) The department may not issue a replacement set of personalized license plates to the same person before the sixth anniversary of the date of issuance unless the applicant for issuance of replacement plates pays an additional fee of \$30.

(e) Of each fee collected by the department under this section:

(1) \$1.25 shall be used to defray the cost of administering this section; and

(2) the remainder shall be deposited to the credit of the general revenue fund.

Sec. 504.102. PERSONALIZATION OF OTHER SPECIALTY LICENSE PLATES. Unless expressly prohibited by this chapter or department rule, any specialty license plate issued under this chapter may be personalized. If another specialty license plate is personalized, the fee established by Section 504.101(c) shall be added to the fee for issuance of that specialty license plate.

Sec. 504.103. DESIGN AND ALPHANUMERIC PATTERN. The department has sole control over the design, typeface, color, and alphanumeric pattern for a personalized license plate.

[Sections 504.104-504.200 reserved for expansion]

SUBCHAPTER C. LICENSE PLATES FOR VEHICLES USED BY PERSONS WITH DISABILITIES

Sec. 504.201. PERSONS WITH DISABILITIES. (a) In this section:

(1) "Disability" and "mobility problem that substantially impairs a person's ability to ambulate" have the meanings assigned by Section 681.001.

(2) "Legally blind" means a condition described by Section 681.001(2)(B) or (C).

(b) The department shall issue specialty license plates for a motor vehicle that:

(1) has a manufacturer's rated carrying capacity of two tons or less; and

(2) is regularly operated for noncommercial use by or for the transportation of a person with a permanent disability.

(c) An owner of a motor vehicle regularly operated by or for the transportation of a person described by Subsection (a) may apply to the department for registration under this section.

(d) The initial application for specialty license plates under this section must be accompanied by a written statement from a physician who is licensed to practice medicine in this state or in a state adjacent to this state or who is authorized by applicable law to practice medicine in a hospital or other health facility of the Department of Veterans Affairs. If the applicant has a mobility problem caused by a disorder of the foot, the written statement may be issued by a person licensed to practice podiatry in this state or a state adjacent to this state. In this subsection, "podiatry" has the meaning assigned by Section 681.001. The statement must certify that the person making the application or on whose behalf the application is made is legally blind or has a mobility problem that substantially impairs the person's ability to ambulate. The statement must also certify whether a mobility problem is temporary or permanent. A written statement is not required as acceptable medical proof if:

(1) the person with a disability:

(A) has had a limb, hand, or foot amputated; or

(B) must use a wheelchair; and

(2) the applicant and the county assessor-collector processing the application execute an affidavit attesting to the person's disability.

(e) A person with a disability may receive:

(1) one disabled parking placard under Section 681.002 if the person receives a set of license plates under this section; or

(2) two disabled parking placards under Section 681.002 if the person does not receive a set of license plates under this section.

(f) A license plate issued under this section must include the symbol of access adopted by Rehabilitation International in 1969 at its Eleventh World Congress on Rehabilitation of the Disabled. The symbol must be the same size as the numbers on the license plate.

(g) In addition to a license plate issued under this section, an eligible person is entitled to be issued a set of the license plates for each motor vehicle owned by the person that has a carrying capacity of two tons or less and is equipped with special equipment that:

(1) is designed to allow a person who has lost the use of one or both of the person's legs to operate the vehicle; and

(2) is not standard equipment on that type of vehicle for use by a person who has use of both legs.

Sec. 504.202. VETERANS WITH DISABILITIES. (a) A person entitled to specialty license plates under this section may register, for the person's own use, one vehicle without payment of any fee paid for or at the time of registration except the fee for the license plates. Registration under this section is valid for one year.

(b) The department shall issue a specialty license plate for a motor vehicle that has a manufacturer's rated carrying capacity of two tons or less and that is owned by a veteran of the United States armed forces. A veteran is entitled to register, for the person's own use, two motor vehicles under this section if the person:

(1) has suffered, as a result of military service:

(A) at least a 50 percent service-connected disability; or

(B) a 40 percent service-connected disability because of the amputation of a lower extremity; and

(2) receives compensation from the United States because of the disability.

(c) An organization may register a motor vehicle under this section if:

(1) the vehicle is used exclusively to transport veterans of the United States armed forces who have suffered, as a result of military service, a service-connected disability; and

(2) the veterans are not charged for the transportation.

(d) A statement by the veterans county service officer of the county in which a vehicle described by Subsection (b) is registered or by the Department of Veterans Affairs that a vehicle is used exclusively to transport veterans with disabilities without charge is satisfactory proof of eligibility for an organization.

(e) License plates issued under this section must include:

(1) the letters "DV" as a prefix or suffix to any numeral on the plate;
and

(2) the words "Disabled Veteran and "U.S. Armed Forces" at the bottom of each license plate.

(f) The fee for the first set of license plates is \$3. The fee for each additional set of license plates is \$15. If a license plate is lost, stolen, or mutilated, on payment of a \$1 fee, the department shall issue a set of replacement plates.

Sec. 504.203. ISSUANCE OF DISABLED LICENSE PLATES TO CERTAIN INSTITUTIONS. (a) The department shall issue specialty license plates under this subchapter for a van or bus operated by an institution, facility, or residential retirement community for the elderly or for veterans in which an eligible person resides, including:

(1) an institution that holds a license issued under Chapter 242, Health and Safety Code; or

(2) a facility that holds a license issued under Chapter 246 or 247 of that code.

(b) An application for license plates under this section must be accompanied by a written statement signed by the administrator or manager of the institution, facility, or retirement community certifying that the institution, facility, or retirement community regularly transports, as a part of the services that the institution, facility, or retirement community provides, one or more eligible persons who reside in the institution, facility, or retirement community. The department shall determine the eligibility of the institution, facility, or retirement community on the evidence the applicant provides.

(c) The application and eligibility requirements for a license plate under this section are the same as those provided by Sections 504.201 and 504.202, as applicable.

[Sections 504.204-504.300 reserved for expansion]

SUBCHAPTER D. SPECIALTY LICENSE PLATES FOR THE MILITARY

Sec. 504.301. PROVISIONS GENERALLY APPLICABLE TO MILITARY SPECIALTY LICENSE PLATES. Unless expressly provided by this subchapter or department rule:

(1) the department shall design specialty license plates for the military; and

(2) a person is not eligible to be issued a specialty license plate under this subchapter if the person was discharged from the armed forces under conditions less than honorable.

Sec. 504.302. SURVIVING SPOUSES OF CERTAIN MILITARY VETERANS. (a) The surviving spouse of a person who would be eligible for a specialty license plate under this subchapter is entitled to continue to register one vehicle under the applicable section as long as the spouse remains unmarried.

(b) An applicant for registration under this section must submit proof of the eligibility of the applicant's deceased spouse for the applicable specialty license plate.

(c) A surviving spouse applying for specialty license plates under this section must submit a written statement that the spouse is unmarried. If the surviving spouse is applying for Former Prisoner of War, Pearl Harbor Survivor, or Purple Heart specialty license plates, the statement must be sworn to by the surviving spouse.

Sec. 504.303. MEMBERS OR FORMER MEMBERS OF UNITED STATES ARMED FORCES. (a) The department shall issue specialty license plates for active or former members of the United States armed forces. The license plates must designate the appropriate branch of the United States armed forces.

(b) The fee for issuance of the license plates is:

(1) \$10 for the first set of license plates; and

(2) \$15 for each additional set of license plates.

Sec. 504.304. MEMBERS OF UNITED STATES ARMED FORCES AUXILIARIES. (a) The department shall issue specialty license plates for members of:

(1) the United States Air Force Auxiliary, Civil Air Patrol;

(2) the United States Coast Guard Auxiliary; and

(3) the Marine Corps League or its auxiliary.

(b) The license plates must include the words "Texas Wing Civil Air Patrol," the words "Coast Guard Auxiliary," or the emblem of the Marine Corps League and the words "Marine Corps League," as applicable.

(c) The fee for issuance of the license plates is:

(1) \$10 for the first set of license plates; and

(2) \$15 for each additional set of license plates.

Sec. 504.305. MEMBERS OF TEXAS NATIONAL GUARD, STATE GUARD, OR UNITED STATES ARMED FORCES RESERVES. (a) The department shall issue without charge specialty license plates for:

(1) active members of the Texas National Guard or Texas State Guard;

(2) retired members of the Texas National Guard or Texas State Guard who have completed 20 or more years of satisfactory federal service; and

(3) members of a reserve component of the United States armed forces.

(b) The department shall design the license plates in consultation with the adjutant general. The license plates must include the words "Texas Guard" or "Armed Forces Reserve," as applicable.

(c) A letter from the United States Department of Defense, the Department of the Army, or the Department of the Air Force stating that a retired guard member has 20 or more years of satisfactory federal service is satisfactory proof of eligibility.

Sec. 504.306. PERSONS RETIRED FROM SERVICE IN MERCHANT MARINE OF THE UNITED STATES. (a) The department shall issue specialty license plates for persons retired from service in the merchant marine of the United States. The license plates must include the words "Merchant Marine." A person may be issued only one set of license plates under this section.

(b) The fee for issuance of the license plates is \$10.

Sec. 504.307. AIRBORNE PARACHUTISTS. (a) The department shall issue specialty license plates for persons active and former members of the United States armed services who have:

(1) satisfactorily completed the prescribed proficiency tests while assigned or attached to an airborne unit or the Airborne Department of the United States Army Infantry School; or

(2) participated in at least one combat parachute jump.

(b) The license plates must include a likeness of the parachutist badge authorized by the Department of the Army.

(c) The fee for issuance of the license plates is:

(1) \$10 for the first set of license plates; and

(2) \$15 for each additional set of license plates.

Sec. 504.308. DISTINGUISHED FLYING CROSS MEDAL RECIPIENTS. (a) The department shall issue specialty license plates for persons who have received the Distinguished Flying Cross Medal. The license plates must bear a depiction of the Distinguished Flying Cross medal and the words "Distinguished Flying Cross" at the bottom of each license plate.

(b) The fee for issuance of the license plates is \$3.

Sec. 504.309. MILITARY ACADEMY LICENSE PLATES. The department shall issue without charge specialty license plates for persons who:

(1) are graduates of the United States Military Academy, the United States Naval Academy, or the United States Air Force Academy; and

(2) are current or former commissioned officers of the United States armed forces.

Sec. 504.310. WORLD WAR II VETERANS. The department shall issue without charge specialty license plates for persons who served in the United States or Allied armed forces during World War II. The license plates must include the words "WWII Veteran."

Sec. 504.311. KOREAN WAR VETERANS. The department shall issue without charge specialty license plates for persons who served in the United States armed forces after June 26, 1950, and before February 1, 1955. License plates issued under this section must include the words "Korea Veteran."

Sec. 504.312. VIETNAM VETERANS. (a) The department shall issue without charge specialty license plates for persons who served in the United States armed forces during:

(1) the period beginning on February 28, 1961, and ending on May 7, 1975, in the case of a veteran who served in the Republic of Vietnam during that period; or

(2) the period beginning on August 5, 1964, and ending on May 7, 1975, in all other cases.

(b) License plates issued under this section must include the words "Vietnam Veteran."

Sec. 504.313. DESERT SHIELD OR DESERT STORM VETERANS. The department shall issue without charge specialty license plates for persons who served in the United States armed forces after August 1, 1990, and before April 12, 1991. License plates issued under this section must include the words "Desert Storm."

Sec. 504.314. ENDURING FREEDOM VETERANS. The department shall issue without charge specialty license plates for persons who served in the United States armed services and participated in Operation Enduring Freedom. The license plates must include the words "Enduring Freedom."

Sec. 504.315. MILITARY SPECIALTY LICENSE PLATES FOR EXTRAORDINARY SERVICE. (a) A person entitled to specialty license plates under this section may register, for the person's own use, one vehicle without payment of any fee paid for or at the time of registration except the fee for the license plates. Registration is valid for one year and may be renewed without charge.

(b) The fee for issuance of the license plates is:

(1) \$3 for the first set of license plates; and

(2) \$15 for each additional set of license plates.

(c) The department shall issue specialty license plates for a person who was captured and incarcerated by an enemy of the United States during a period of conflict with the United States. The license plates must show that the recipient is a former prisoner of war.

(d) The department shall issue specialty license plates for survivors of the attack on Pearl Harbor on December 7, 1941. The license plates must include the words "Pearl Harbor Survivor" and must be consecutively numbered. A person is eligible if the person:

(1) served in the United States armed forces;

(2) was stationed in the Hawaiian Islands on December 7, 1941; and

(3) survived the attack on Pearl Harbor on December 7, 1941.

(e) The department shall issue specialty license plates to a recipient of a Congressional Medal of Honor awarded under Title 10, United States Code. The department shall assign the license plate number, and the plates may not be personalized.

(f) The department shall issue specialty license plates for recipients of the Air Force Cross or Distinguished Service Cross, the Army Distinguished Service Cross, the Navy Cross, or the Medal of Honor. The license plates must include the words "Legion of Valor."

(g) The department shall issue specialty license plates for recipients of the Purple Heart. License plates issued under this section must include:

(1) the Purple Heart emblem;

(2) the words "Purple Heart" at the bottom of each plate; and

(3) the letters "PH" as a prefix or suffix to the numerals on the plate if the plate is not personalized.

Sec. 504.316. OPERATION IRAQI FREEDOM. The department shall issue without charge specialty license plates for persons who served in the United States armed forces on or after November 8, 2002, and on or before May 1, 2003. License plates issued under this section must include the words "Operation Iraqi Freedom."

[Sections 504.317-504.400 reserved for expansion]

SUBCHAPTER E. SPECIALTY LICENSE PLATES WITH RESTRICTED DISTRIBUTION

Sec. 504.401. STATE OFFICIALS. (a) The department shall issue without charge specialty license plates to a state official. The license plates must include the words "State Official."

(b) A state official may be issued three sets of license plates under this section.

(c) The license plates remain valid until December 31 of each year.

(d) In this section, "state official" means:

- (1) a member of the legislature;
- (2) the governor;
- (3) the lieutenant governor;
- (4) a justice of the supreme court;
- (5) a judge of the court of criminal appeals;
- (6) the attorney general;
- (7) the commissioner of the General Land Office;
- (8) the comptroller;
- (9) a member of the Railroad Commission of Texas;
- (10) the commissioner of agriculture;
- (11) the secretary of state; or
- (12) a member of the State Board of Education.

Sec. 504.402. MEMBERS OF CONGRESS. (a) The department shall issue without charge specialty license plates for members of congress. License plates issued under this section must include the words "U.S. Congress."

(b) A person may be issued three sets of license plates under this section.

(c) The license plates remain valid until December 31 of each year.

Sec. 504.403. STATE AND FEDERAL JUDGES. (a) The department shall issue without charge specialty license plates for a current or visiting state or federal judge. The license plates must include the words "State Judge" or "U.S. Judge," as appropriate.

(b) A person may be issued three sets of license plates under this section.

(c) The license plates remain valid until December 31 of each year.

(d) In this section:

(1) "Federal judge" means:

- (A) a judge of the Fifth Circuit Court of Appeals;
- (B) a judge or magistrate of a United States district court; or
- (C) a judge of a United States bankruptcy court.

(2) "State judge" means:

- (A) a justice of the supreme court;
- (B) a judge of the court of criminal appeals;
- (C) a judge of a court of appeals;
- (D) a district court judge;
- (E) a presiding judge of an administrative judicial district; or
- (F) a statutory county court judge.

Sec. 504.404. FEDERAL ADMINISTRATIVE LAW JUDGES. (a) The department shall issue without charge specialty license plates for current federal administrative law judges. The license plates shall bear the words "U.S. A.L. Judge."

(b) A person may be issued three sets of license plates under this section.

Sec. 504.405. COUNTY JUDGES. (a) The department shall issue without charge specialty license plates for current county judges of this state. The license plates shall bear the words "County Judge."

(b) A person may be issued three sets of license plates under this section.

(c) In this section, "county judge" means the judge of the county court established by Section 15, Article V, Texas Constitution.

Sec. 504.406. TEXAS CONSTABLES. The department shall issue without charge specialty license plates for Texas constables. The license plates shall bear the words "Texas Constable."

Sec. 504.407. PEACE OFFICERS WOUNDED OR KILLED IN LINE OF DUTY. (a) The department shall issue specialty license plates for:

(1) a person wounded in the line of duty as a peace officer; or

(2) a surviving spouse, parent, brother, sister, or adult child, including an adopted child or stepchild, of a person killed in the line of duty as a peace officer.

(b) License plates issued under this section must include the words "To Protect and Serve" above an insignia depicting a yellow rose superimposed over the outline of a badge.

(c) The fee for issuance of the license plates is \$20.

(d) In this section, "peace officer" has the meaning assigned by Section 1.07, Penal Code.

Sec. 504.408. GOLD STAR MOTHERS. (a) The department shall issue specialty license plates for the mother of a person who died while serving in the United States armed forces. License plates issued under this section must include the words "Gold Star Mother" and a gold star. A person may not be issued more than one set of the license plates at a time.

(b) The fee for issuance of the license plates is \$10.

Sec. 504.409. VOLUNTEER FIREFIGHTERS. (a) The department shall issue specialty license plates for volunteer firefighters certified by:

(1) the Texas Commission on Fire Protection; or

(2) the State Firemen's and Fire Marshals' Association of Texas.

(b) The fee for issuance of the license plates is \$4.

(c) A person may be issued only one set of the license plates.

Sec. 504.410. EMERGENCY MEDICAL SERVICES PERSONNEL. The department shall issue specialty license plates for emergency medical services personnel certified by the Texas Department of health under Subchapter C, Chapter 773, Health and Safety Code.

(b) The fee for issuance of the license plates is \$8.

(c) A person may be issued only one set of the license plates.

Sec. 504.411. HONORARY CONSULS. (a) The department shall issue specialty license plates for a person who is an honorary consul authorized by the United States to perform consular duties. License plates issued under this section must include the words "Honorary Consul."

(b) The fee for issuance of the license plates is \$40.

Sec. 504.412. FOREIGN ORGANIZATION VEHICLES. (a) The department shall issue specialty license plates for an instrumentality established by a foreign government recognized by the United States before January 1, 1979, that is without official representation or diplomatic relations with the United States. The license plates must include the words "Foreign Organization" and shall remain valid for five years.

(b) A person entitled to specialty license plates under this section may register the vehicle without payment of any fee paid for or at the time of registration.

Sec. 504.413. MEMBERS OF AMERICAN LEGION. (a) The department shall issue specialty license plates for members of the American Legion. The license plates shall include the words "Still Serving America" and the emblem of the American Legion. The department shall design the license plates in consultation with the American Legion.

(b) The fee for the license plates is \$30.

(c) After deduction of \$8 to reimburse the department for its administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the American Legion, Department of Texas account in the state treasury. Money in the account may be used only by the Texas Veterans Commission in making grants to the American Legion Endowment Fund for scholarships and youth programs sponsored by the American Legion, Department of Texas.

[Sections 504.414-504.500 reserved for expansion]

SUBCHAPTER F. SPECIALTY LICENSE PLATES FOR CERTAIN VEHICLES

Sec. 504.501. CLASSIC MOTOR VEHICLES. (a) The department shall issue specialty license plates for a motor vehicle that is at least 25 years old. The license plates must include the words "Classic Auto," "Classic Motorcycle," or "Classic Truck" or a similar designation, as appropriate.

(b) A person eligible for the license plates may instead use license plates that were issued by this state in the same year as the model year of the vehicle and are approved by the department. The department may require the attachment of a registration insignia to the license plate in a manner that does not affect the display of information originally on the license plate.

(c) The fee for issuance or approval of license plates under this section is \$15.

Sec. 504.502. CERTAIN EXHIBITION VEHICLES; OFFENSE. (a) The department shall issue specialty license plates for a passenger car, truck, motorcycle, or former military vehicle that:

(1) is at least 25 years old, if the vehicle is a passenger car, truck, or motorcycle;

(2) is a collector's item;

(3) is used exclusively for exhibitions, club activities, parades, and other functions of public interest and is not used for regular transportation; and

(4) does not carry advertising.

(b) The license plates must include the words "Antique Auto," "Antique Truck," "Antique Motorcycle," or "Military Vehicle," as appropriate.

(c) A person eligible for the license plates may instead use license plates issued by this state in the same year as the model year of the vehicle and approved by the department, provided that a passenger car must bear passenger car or truck license plates, and a truck must bear passenger car or truck license plates. The department may require attachment of a registration insignia to the license plate in a manner that does not affect the display of information originally on the license plate.

(d) License plates issued or approved under this section expire on the fifth anniversary of the date of issuance or approval.

(e) The fee for issuance or approval of license plates under this section is:

(1) \$10 for each year or portion of a year remaining in the five-year registration period if the vehicle was manufactured in 1921 or later; or

(2) \$8 for each year or portion of a year remaining in the five-year registration period if the vehicle was manufactured before 1921.

(f) The department may exempt a former military vehicle from the requirement to display a license plate or registration insignia if the exemption is necessary to maintain the vehicle's accurate military markings. The department may approve an alternative registration insignia that is compatible with the vehicle's original markings.

(g) A person entitled to specialty license plates or to department approval under this section may register the vehicle without payment of any fees paid for or at the time of registration except the fee for the license plate. An owner of a vehicle registered under this subsection who violates this section commits an offense. An offense under this section is a misdemeanor punishable by a fine of not less than \$5 or more than \$200.

(h) Notwithstanding any other provision of law, a vehicle issued license plates under Subsection (a) shall be required to attach and display only one license plate on the rear of the vehicle.

(i) In this section, "former military vehicle" means a vehicle, including a trailer, regardless of the vehicle's size, weight, or year of manufacture, that:

(1) was manufactured for use in any country's military forces; and

(2) is maintained to represent its military design and markings accurately.

Sec. 504.503. MUNICIPAL AND PRIVATE BUSES. (a) The department shall issue without charge specialty license plates for municipal buses and private buses. The license plates must include the words "City Bus" or "Private Bus," as appropriate.

(b) In this section, "private bus" means a bus that:

(1) is not operated for hire; and

(2) is not classified as a municipal bus or a motor bus.

Sec. 504.504. CERTAIN FARM VEHICLES AND DRILLING AND CONSTRUCTION EQUIPMENT. (a) The department shall issue specialty license plates to a vehicle described by Subsection (b) or (c). The fee for the license plates is \$5.

(b) An owner is not required to register a vehicle that is used only temporarily on the highways if the vehicle is:

(1) a farm trailer or farm semitrailer with a gross weight of more than 4,000 pounds but not more than 34,000 pounds that is used exclusively to transport:

(A) seasonally harvested agricultural products or livestock from the place of production to the place of processing, market, or storage; or

(B) farm supplies from the place of loading to the farm;

(2) machinery used exclusively for the purpose of drilling water wells;

or

(3) construction machinery that is not designed to transport persons or property on a public highway.

(c) An owner is not required to register a vehicle that is:

(1) a farm trailer or farm semitrailer owned by a cotton gin and used exclusively to transport agricultural products without charge from the place of production to the place of processing, market, or storage;

(2) a trailer used exclusively to transport fertilizer without charge from a place of supply or storage to a farm; or

(3) a trailer used exclusively to transport cottonseed without charge from a place of supply or storage to a farm or place of processing.

(d) A vehicle described by Subsection (b) is exempt from the inspection requirements of Subchapters B and F, Chapter 548.

(e) This section does not apply to a farm trailer or farm semitrailer that:

(1) is used for hire;

(2) has metal tires operating in contact with the highway;

(3) is not equipped with an adequate hitch pinned or locked so that it will remain securely engaged to the towing vehicle while in motion; or

(4) is not operated and equipped in compliance with all other law.

(f) A vehicle to which this section applies that is operated on a public highway in violation of this section is considered to be operated while unregistered and is immediately subject to the applicable registration fees and penalties prescribed by Chapter 502.

(g) In this section, the gross weight of a trailer or semitrailer is the combined weight of the vehicle and the load carried on the highway.

Sec. 504.505. COTTON VEHICLES. (a) The department shall issue specialty license plates for a single motor vehicle that is:

(1) used only to transport seed cotton modules, cotton, cotton burrs, or equipment used in transporting or processing cotton; and

(2) not more than 10 feet in width.

(b) The license plates must include the words "Cotton Vehicle."

(c) The initial fee for issuance of the license plates is \$8. The license plates may be renewed without payment of a fee.

Sec. 504.506. CERTAIN LOG LOADER VEHICLES. (a) The department shall issue specialty license plates for a vehicle that is temporarily operated on public highways, during daylight hours only, and on which machinery is mounted solely to load logs on other vehicles.

(b) The fee for issuance of the license plates is \$62.50.

(c) A person entitled to specialty license plates under this section may register the vehicle without payment of any fee paid for or at the time of registration other than the fee for the license plates.

(d) A vehicle having a license plate issued under this section is exempt from the inspection requirements of Chapter 548.

(e) This section does not apply to a vehicle used to haul logs.

(f) A vehicle to which this section applies that is operated on a public highway in violation of this section is considered to be operated or moved while unregistered and is immediately subject to the applicable fees and penalties prescribed by Chapter 502.

Sec. 504.507. FORESTRY VEHICLES. (a) The department shall issue specialty license plates for forestry vehicles. License plates issued under this section must include the words "Forestry Vehicle."

(b) The fee for issuance of the license plates is \$8. The department shall:

(1) also collect any additional fee that a county imposes under this chapter for registration of a forestry vehicle; and

(2) send the fee to the appropriate county for disposition.

(c) In this section, "forestry vehicle" means a vehicle used exclusively for transporting forest products in their natural state, including logs, debarked logs, untreated ties, stave bolts, plywood bolts, pulpwood billets, wood chips, stumps, sawdust, moss, bark, wood shavings, and property used in production of those products.

Sec. 504.508. TOW TRUCKS. (a) The department shall issue specialty license plates for a commercial motor vehicle used as a tow truck. The license plates must include the words "Tow Truck." A vehicle used commercially as a tow truck shall display license plates issued under this section.

(b) The fee for issuance of the license plates is \$15.

(c) Proof of eligibility for license plates under this section must include a copy of the registration certificate issued by the department for the tow truck.

(d) In this section, "tow truck" means a motor vehicle adapted or used to tow, winch, or otherwise move another motor vehicle.

Sec. 504.509. VEHICLES CARRYING MOBILE AMATEUR RADIO EQUIPMENT. (a) The department shall issue specialty license plates for a person who holds an amateur radio station license issued by the Federal Communications Commission and who operates receiving and transmitting mobile amateur radio equipment. The license plates shall include the person's amateur call letters as assigned by the Federal Communications Commission. A person may register more than one vehicle equipped with mobile amateur radio equipment under this section, and the department shall issue license plates that include the same amateur call letters for each vehicle.

(b) The fee for issuance of the license plates is \$2 for the first year and \$1 for each subsequent year.

Sec. 504.510. GOLF CART LICENSE PLATES. (a) The department shall issue specialty license plates for an eligible golf cart.

(b) The fee for issuance of the license plates is \$10.

(c) A person entitled to specialty license plates under this section may register the golf cart without payment of any fees paid for or at the time of registration other than the fee for the license plates. This section does not authorize the operation of a golf cart on a public road where it is otherwise prohibited by law.

(d) This section applies only to an owner of a golf cart who resides:

(1) on real property that is owned or under the control of the United States Corps of Engineers and is required by that agency to register the owner's golf cart under this chapter; and

(2) in a county that borders another state and has a population of more than 110,000 but less than 111,000.

[Sections 504.511-504.600 reserved for expansion]

SUBCHAPTER G. SPECIALTY LICENSE PLATES FOR GENERAL DISTRIBUTION

Sec. 504.601. GENERAL PROVISIONS APPLICABLE TO ALL SPECIALTY LICENSE PLATES FOR GENERAL DISTRIBUTION. Unless expressly provided by this subchapter or department rule:

(1) the fee for issuance of a license plate under this subchapter is \$30; and

(2) of each fee received under this subchapter, the department shall use \$8 to defray its administrative costs in complying with this subchapter.

Sec. 504.602. KEEP TEXAS BEAUTIFUL LICENSE PLATES. (a) The department shall issue specialty license plates including the words "Keep Texas Beautiful." The department shall design the license plates in consultation with Keep Texas Beautiful, Inc.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be used in connection with the department's litter prevention and community beautification programs.

Sec. 504.603. TEXAS CAPITOL LICENSE PLATES. (a) The department shall issue specialty license plates depicting the State Capitol.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund.

Sec. 504.604. TEXAS COMMISSION ON THE ARTS LICENSE PLATES. (a) The department shall issue specialty license plates including the words "State of the Arts." The department shall design the license plates in consultation with the Texas Commission on the Arts.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texas Commission on the Arts operating fund established under Section 444.027, Government Code.

Sec. 504.605. ANIMAL FRIENDLY LICENSE PLATES. (a) The department shall issue specialty license plates including the words "Animal Friendly." The department shall design the license plates.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the animal friendly account established by Section 828.014, Health and Safety Code.

Sec. 504.606. BIG BEND NATIONAL PARK LICENSE PLATES. (a) The department shall issue specialty license plates that include one or more graphic images of a significant feature of Big Bend National Park. The department shall design the license plates in consultation with the Parks and Wildlife Department and any organization designated by it.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Big Bend National Park account in the state treasury. Money in the account may be used only by the Parks and Wildlife Department to support the activities of a designated nonprofit organization whose primary purpose is the improvement or preservation of Big Bend National Park.

Sec. 504.607. READ TO SUCCEED. (a) The department shall issue specialty license plates including the words "Read To Succeed." The department shall design the license plates.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of the "Read to Succeed" account in the general revenue fund. Money in the account may be used only to provide educational materials for public school libraries. The account is composed of:

(1) money required to be deposited to the credit of the account under this subsection; and

(2) donations made to the account.

Sec. 504.608. TEXAS COMMISSION ON ALCOHOL AND DRUG ABUSE LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Boy Scouts of America." The department shall design the license plates in consultation with the Boy Scouts of America.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund and may be appropriated only to the Texas Commission on Alcohol and Drug Abuse for drug-abuse prevention programs provided by nonprofit organizations that primarily serve children.

(c) In selecting a program provider under Subsection (b), it is the intent of the legislature that, to the extent permissible, preference be given to a provider whose membership substantially consists of persons who purchase the specialty license plates.

Sec. 504.609. UNITED STATES OLYMPIC COMMITTEE LICENSE PLATES. The department shall issue specialty license plates including the words "United States Olympic Committee." The department shall design the license plates in consultation with the United States Olympic Committee.

Sec. 504.610. TEXAS AEROSPACE COMMISSION LICENSE PLATES. (a) The department shall issue specialty license plates including the words "Texas Aerospace Commission." The department shall design the license plates in consultation with the Texas Aerospace Commission.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund.

Sec. 504.611. VOLUNTEER ADVOCATE PROGRAM LICENSE PLATES. (a) The department shall issue specialty license plates in recognition of children. The department shall design the license plates in consultation with the attorney general.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the attorney general volunteer advocate program account in the general revenue fund. Money deposited to the credit of the volunteer advocate program account may be used only by the attorney general to fund a contract entered into by the attorney general under Section 264.602, Family Code.

Sec. 504.612. TEXAS YOUNG LAWYERS ASSOCIATION LICENSE PLATES. (a) The department shall issue specialty license plates including the words "And Justice for All." The department shall design the license plates in consultation with the Texas Young Lawyers Association.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the basic civil legal services account established by Section 51.943, Government Code.

Sec. 504.613. HOUSTON LIVESTOCK SHOW AND RODEO LICENSE PLATES. (a) The department shall issue specialty license plates including the words "Houston Livestock Show and Rodeo." The department shall design the license plates in consultation with the Houston Livestock Show and Rodeo.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Houston Livestock Show and Rodeo scholarship account in the state treasury. Money in the account may be used only by the Texas Higher Education Coordinating Board in making grants to benefit the Houston Livestock Show and Rodeo.

Sec. 504.614. PROFESSIONAL SPORTS TEAM LICENSE PLATES. (a) The department may issue specialty license plates that include the name and insignia of a professional sports team located in this state. The department shall design the license plates in consultation with the professional sports team and may enter a trademark license with the professional sports team or its league to implement this section. A license plate may be issued under this section only for a professional sports team that:

(1) certifies to the department that it has determined that at least 3,500 persons will apply for the plates; and

(2) plays its home games in a facility constructed or operated, in whole or in part, with public funds.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be sent to the public entity that provided public funds for the construction or renovation of the facility in which the professional sports team plays its home games or that provides public funds

for the operation of that facility. The funds shall be deposited to the credit of the venue project fund, if the public entity has created a venue project fund under Section 334.042 or 335.072, Local Government Code. If the public entity has not created a venue project fund, funds distributed to a public entity under this section must first be used to retire any public debt incurred by the public entity in the construction or acquisition of the facility in which the professional sports team plays its home games. After that debt is retired, funds distributed to the public entity may be spent only for maintenance or improvement of the facility.

(c) In this section:

(1) "Public entity" includes a municipality, county, industrial development corporation, or special district that is authorized to plan, acquire, establish, develop, construct, or renovate a facility in which a professional sports team plays its home games.

(2) "Professional sports team" means a sports team that is a member or an affiliate of a member of the National Football League, National Basketball Association, or National Hockey League or a major league baseball team.

Sec. 504.615. COLLEGIATE LICENSE PLATES. (a) The department shall issue specialty license plates that include the name and insignia of a college. The department shall design the license plates in consultation with the applicable college. The department may issue a license plate under this section only for a college that certifies to the department that it has determined that at least 1,500 persons will apply for the plates.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund. The money may be used only for scholarships to students who demonstrate a need for financial assistance under Texas Higher Education Coordinating Board rule.

(c) If the fee is for the issuance of license plates for a college described by Subsection (e)(1), the money:

(1) shall be deposited to the credit of the institution of higher education designated on the license plates; and

(2) is supplementary and is not income for purposes of reducing general revenue appropriations to that institution of higher education.

(d) If the fee is for the issuance of license plates for a college described by Subsection (e)(2), the money shall be deposited to the credit of the Texas Higher Education Coordinating Board. The money:

(1) shall be allocated to students at the college designated on the plates; and

(2) is in addition to other money that the board may allocate to that college.

(e) In this section, "college" means:

(1) an institution of higher education as defined by Section 61.003, Education Code; or

(2) a private college or university described by Section 61.222, Education Code.

Sec. 504.616. TEXAS READS LICENSE PLATES. (a) The department shall issue specialty license plates including the words "Texas Reads." The department shall design the license plates to incorporate one or more submissions from middle school students in a competition conducted by the department.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of the Texas Reads account in the general revenue fund. Money from the account may be used only to make grants under Section 441.0092, Government Code. The account is composed of:

(1) money required to be deposited to the credit of the account under this subsection; and

(2) donations made to the account.

Sec. 504.617. TEXAS. IT'S LIKE A WHOLE OTHER COUNTRY LICENSE PLATES. (a) The department shall issue specialty license plates that include the trademarked Texas patch and the words "Texas. It's Like A Whole Other Country." The department shall design the license plates in consultation with the Texas Department of Economic Development.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the tourism account in the general revenue fund to finance the Texas Department of Economic Development's tourism activities.

Sec. 504.618. CONSERVATION LICENSE PLATES. (a) The department shall issue specialty license plates to support Parks and Wildlife Department activities. The department shall design the license plates in consultation with the Parks and Wildlife Department.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texas parks and wildlife capital account established by Section 11.043, Parks and Wildlife Code. Money deposited in the Texas parks and wildlife capital account under this section is supplementary and is not income for the purposes of reducing general revenue appropriations to the Parks and Wildlife Department.

Sec. 504.619. TEXAS COMMISSION FOR THE DEAF AND HARD OF HEARING LICENSE PLATES. (a) The department shall issue specialty license plates in support of the Texas Commission for the Deaf and Hard of Hearing. The department shall design the license plates in consultation with the Texas Commission for the Deaf and Hard of Hearing.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates:

(1) shall be deposited to the credit of the general revenue fund; and

(2) may be appropriated only to the Texas Commission for the Deaf and Hard of Hearing for direct services programs, training, and education.

Sec. 504.620. TEXANS CONQUER CANCER LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Texans Conquer Cancer." The department shall design the license plates in consultation with the Texas Cancer Council.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texans Conquer Cancer account established by Section 102.017, Health and Safety Code.

Sec. 504.621. SPECIAL OLYMPICS TEXAS LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Special Olympics Texas." The department shall design the license plates in consultation with Special Olympics Texas.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Special Olympics Texas account established by Section 533.018, Health and Safety Code.

Sec. 504.622. GIRL SCOUT LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Girl Scouts." The department shall design the license plates in consultation with the Girl Scout Councils of Texas.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Girl Scout account in the state treasury. Money in the account may be used by the Texas Higher Education Coordinating Board in making grants to benefit educational projects sponsored by the Girl Scout Councils of Texas.

Sec. 504.623. TEXAS YMCA. (a) The department shall issue specialty license plates in honor of the Young Men's Christian Association. The department shall design the license plates.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the YMCA account established by Section 7.025, Education Code, as added by Chapter 869, Acts of the 77th Legislature, Regular Session, 2001.

Sec. 504.624. 100TH FOOTBALL SEASON OF STEPHEN F. AUSTIN HIGH SCHOOL. (a) The department shall issue specialty license plates in honor of the 100th football season of Stephen F. Austin High School in Austin. The department shall design the license plates in consultation with the principal of Stephen F. Austin High School.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be sent to the Texas Education Agency for distribution to the Austin Independent School District to be used only for the benefit of the Austin High School Athletic Department.

Sec. 504.625. TEXAS AGRICULTURAL PRODUCTS LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Go Texan" and the "Go Texan" logo of the Department of Agriculture. The department shall design the license plates in consultation with the commissioner of agriculture.

(b) After deduction of the department's administrative costs, the department shall deposit the remainder of the proceeds to the credit of the "Go Texan" partner program account established by Section 46.008, Agriculture Code.

Sec. 504.626. TEXAS CITRUS INDUSTRY. (a) The department shall issue specialty license plates in honor of the citrus industry in this state. The department shall design the license plates.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of an account in the general revenue fund that may be appropriated only to Texas A&M University–Kingsville to provide financial assistance to graduate students in the College of Agriculture and Human Sciences.

Sec. 504.627. WATERFOWL AND WETLAND CONSERVATION LICENSE PLATES. (a) The department shall issue specialty license plates including one or more graphic images supplied by the Parks and Wildlife Department. The department shall design the license plates in consultation with the Parks and Wildlife Department and any organization designated by it.

(b) After deducting the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of an account in the state treasury. Money in the account may be used only by the Parks and Wildlife Department to support the activities of a designated nonprofit organization whose primary purpose is the conservation of waterfowl and wetland.

Sec. 504.628. UNITED WE STAND LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "United We Stand" and include only the colors red, white, blue, and black.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texas mobility fund.

Sec. 504.629. TEXAS PGA JUNIOR GOLF LICENSE PLATES. (a) The department shall issue specialty license plates in honor of Texas PGA Junior Golf. The department shall design the license plates in consultation with Texas PGA Junior Golf.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of the general revenue fund for use only by the Texas Parks and Wildlife Department in making grants to benefit Texas PGA Junior Golf to provide scholarships to students.

Sec. 504.630. AIR FORCE ASSOCIATION LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Air Force Association." The department shall design the license plates in consultation with the Air Force Association of Texas.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of the Air Force Association of Texas account in the state treasury. Money in the account may be used by the Texas Veterans Commission in making grants to benefit projects sponsored by the Air Force Association of Texas.

Sec. 504.631. TEXAS STATE RIFLE ASSOCIATION LICENSE PLATES. (a) The department shall issue specialty license plates to honor the Texas State Rifle Association.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of an account in the general revenue fund that may be appropriated only to the Texas A&M University System to supplement existing and future scholarship programs supported by the Texas State Rifle Association and to provide grants to 4-H Club shooting sports programs to promote safety education.

Sec. 504.632. URBAN FORESTRY LICENSE PLATES. (a) The department shall issue specialty license plates to benefit urban forestry. The department shall design the license plates in consultation with an organization described in Subsection (b).

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of the urban forestry account in the state treasury. Money in the account may be used by the Texas Forest Service in making grants to support the activities of a nonprofit organization located in Texas whose primary purpose is to sponsor projects involving urban and community:

- (1) tree planting;
- (2) tree preservation; and
- (3) tree education programs.

Sec. 504.633. SHARE THE ROAD LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Share the Road" and the image of a bicycle or a bicycle with a rider. The department shall design the plates in consultation with the Texas Bicycle Coalition Education Fund.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited the credit of the share the road account in the state treasury to be used only by the Texas Education Agency to support the activities of a designated nonprofit organization whose primary purpose is to promote bicyclist safety, education, and access through:

- (1) education and awareness programs; and
- (2) training, workshops, educational materials, and media events.

(c) Up to 25 percent of the amount in Subsection (b) may be used to support the activities of the nonprofit organization in marketing and promoting the share the road concept and license plates.

Sec. 504.634. SAN ANTONIO MISSIONS NATIONAL HISTORICAL PARK LICENSE PLATES. (a) The department shall issue San Antonio Missions National Historical Park specialty license plates. The department shall design the license plates in consultation with Los Compadres de San Antonio Missions National Historical Park.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of Los Compadres de San Antonio Missions National Historical Park account in the state treasury. Money in the account may be used only by the Texas Historical Commission in making grants to Los Compadres de San Antonio Missions National Historical Park to be used for the purpose of the preservation and rehabilitation of the San Antonio Missions National Historical Park.

Sec. 504.635. EL PASO MISSION VALLEY LICENSE PLATES. (a) The department shall issue El Paso Mission Valley specialty license plates. The department shall design the license plates in consultation with the Socorro Mission Restoration Effort.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of the El Paso Mission Restoration account in the state treasury. Money in the account may be used only by the Texas Historical Commission in making grants to the Socorro Mission Restoration Effort to be used for the purpose of the preservation and rehabilitation of the Socorro Mission.

Sec. 504.636. COTTON BOLL LICENSE PLATES. (a) The department shall issue specialty license plates depicting a graphic image of a cotton boll. The department shall design the license plates in consultation with Texas Cotton Producers, Inc.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of the general revenue fund for use only by the Texas Higher Education Coordinating Board in making grants to benefit Texas Cotton Producers, Inc., for the sole purpose of providing scholarships to students who are pursuing a degree in an agricultural field related to the cotton industry while enrolled in an institution of higher education, as defined by Section 61.003, Education Code.

Sec. 504.637. DAUGHTERS OF THE REPUBLIC OF TEXAS LICENSE PLATES. The department shall issue specialty license plates that include the words "Native Texan." The department shall design the license plates in consultation with the Daughters of the Republic of Texas.

(b) After deduction of the department's administrative costs, the remainder of the fee shall be deposited to the credit of the Daughters of the Republic of Texas account in the state treasury. Money in the account may be used only by the Texas Department of Economic Development or its successor agency in making grants to the Daughters of the Republic of Texas to be used only for the purpose of:

(1) preserving Texas historic sites; or

(2) funding educational programs that teach Texas history.

Sec. 504.638. KNIGHTS OF COLUMBUS LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Knights of Columbus" and the emblem of the Order of the Knights of Columbus. The department shall design the license plates in consultation with the Knights of Columbus.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the State Council Charities account in the general fund. Money in the account may be used only by the Texas Education Agency to make grants to State Council Charities to carry out the purposes of that organization.

Sec. 504.639. TEXAS MUSIC LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Texas Music." The department shall design the license plates in consultation with the office of the governor.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texas Music Foundation account established by Section 7.026, Education Code.

Sec. 504.640. SPACE SHUTTLE COLUMBIA LICENSE PLATES. (a) The department shall issue Space Shuttle Columbia specialty license plates. The department shall design the license plates in consultation with the Aviation and Space Foundation of Texas.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund and may be used only by the Texas Aerospace Commission or its successor agency in making grants to benefit the Aviation and Space Foundation of Texas for the purposes of furthering aviation and space activities in Texas and providing Columbia Crew memorial scholarships to students.

Sec. 504.641. BE A BLOOD DONOR LICENSE PLATES. (a) The department shall issue Be a Blood Donor specialty license plates. The department shall design the license plates in consultation with the Gulf Coast Regional Blood Center in Houston.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Be a Blood Donor account under Section 162.016, Health and Safety Code.

Sec. 504.642. TEXAS COUNTY CHILD WELFARE BOARD LICENSE PLATES. (a) The department shall issue Texas County Child Welfare Boards specialty license plates. The department shall design the license plates in consultation with the Texas Council of Child Welfare Boards, Inc.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of a special account for abused and neglected children established at the Texas Department of Protective and Regulatory Services. Money in the account may be used only by the Texas Department of Protective and Regulatory Services to fund programs and services supporting abused and neglected children under Section 264.004, Family Code.

Sec. 504.643. STAR DAY SCHOOL LIBRARY READERS ARE LEADERS LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "STAR Day School Library Readers Are Leaders." The department shall design the license plates in consultation with the State of Texas Anniversary Remembrance (STAR) Day Foundation.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund and used only by the Texas Education Agency in making grants to benefit the State of Texas Anniversary Remembrance (STAR) Day

Foundation to be used only for the purpose of providing supplementary reading and service programs in partnership with public schools in this state for seventh and eighth grade public school students.

Sec. 504.644. MARINE MAMMAL RECOVERY LICENSE PLATES. (a) The department shall issue Marine Mammal Recovery specialty license plates. The department shall design the license plates in consultation with the Parks and Wildlife Department and the Texas Marine Mammal Stranding Network.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of an account in the state treasury. Money in the account may be used only by the Parks and Wildlife Department to support the activities of the Texas Marine Mammal Stranding Network in the recovery, rehabilitation, and release of stranded marine mammals. The Parks and Wildlife Department shall establish reporting and other mechanisms necessary to ensure that the money is spent for purposes for which it is dedicated.

Sec. 504.645. 4-H LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "To Make the Best Better," the words "Texas 4-H," and the 4-H symbol of the four-leaf clover. The department shall design the license plates in consultation with the Texas 4-H and Youth Development Program.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund and shall be used only by the Texas Cooperative Extension of the Texas A&M University System for 4-H and Youth Development Programs and to support the Texas Cooperative Extension's activities related to 4-H and Youth Development Programs.

Sec. 504.646. SMILE TEXAS STYLE LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "Smile Texas Style." The department shall design the license plates in consultation with the Texas Dental Association.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund to be used only by the Texas Department of Health in making grants to benefit the Texas Dental Association Financial Services for the sole use of providing charitable dental care.

Sec. 504.647. FIGHT TERRORISM LICENSE PLATES. (a) The department shall issue Fight Terrorism specialty license plates. The license plates shall include a pentagon-shaped border surrounding:

(1) the date "9-11-01" with the likeness of the World Trade Center towers forming the "11";

(2) the likeness of the United States flag; and

(3) the words "Fight Terrorism."

(b) The fee shall be deposited to the credit of the state highway fund.

Sec. 504.648. GOD BLESS TEXAS AND GOD BLESS AMERICA LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "God Bless Texas" and "God Bless America."

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the state highway fund and may only be used for the Safe Routes to School Program.

(c) The fee for the license plates is \$40.

Sec. 504.649. TEXAS JUNETEENTH LICENSE PLATES. (a) The department shall issue Texas Juneteenth specialty license plates. The department shall design the license plates in consultation with the Texas Emancipation Juneteenth Cultural and Historical Commission.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texas Emancipation Juneteenth Cultural and Historical Commission in a special account in the state treasury. Money in the account may be used only by the Texas Emancipation Juneteenth Cultural and Historical Commission for grants to Juneteenth USA to erect a Juneteenth Memorial Monument on the South grounds of the State Capitol, place Juneteenth monuments and markers in various historical parts of Texas, develop a Juneteenth Museum, Cultural, and Educational Institute, Recreation Center, and Park, and otherwise support the activities and projects of Juneteenth USA and its affiliates.

Sec. 504.650. KEEPING TEXAS STRONG LICENSE PLATES. (a) The department shall issue Keeping Texas Strong specialty license plates. The department shall design the license plates in consultation with the Texas Alliance of Energy Producers.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texas Alliance Education Program account in the general revenue fund. Money in the account may be used only by the Texas Education Agency to finance the education programs of the Texas Alliance of Energy Producers.

Sec. 504.651. MARCH OF DIMES LICENSE PLATES. (a) The department shall issue specialty license plates that include the words "March of Dimes." The department shall design the license plates in consultation with March of Dimes Texas Chapter.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texas Department of Health for use in the Birth Defects Registry.

Sec. 504.652. MASTER GARDENER LICENSE PLATES. (a) The department shall issue specialty license plates that include the seal of the Texas Master Gardener program of Texas Cooperative Extension.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of an account in the general revenue fund. Money in the account may be used only by Texas Cooperative Extension for graduate student assistantships within the Texas Master Gardener program and to support Texas Cooperative Extension's activities related to the Texas Master Gardener program.

Sec. 504.653. MOTHER-CHILD SURVIVORS EDUCATIONAL SCHOLARSHIP FUND LICENSE PLATES. (a) The department shall issue mother-child survivors educational scholarship fund specialty license plates. The department shall design the license plates in consultation with Texans for Equal Justice.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the general revenue fund and may only be used by the attorney general to support the Texans for Equal Justice mother-child survivors educational scholarship fund for educational scholarships to:

(1) surviving spouses of homicide victims who have one or more minor children and who need further education to adequately support the family; and

(2) surviving children of homicide victims entering an institution of higher education or vocational school for the first time.

Sec. 504.654. PRESERVE AMERICA'S BORDERLAND LICENSE PLATES. (a) The department shall issue Preserve America's Borderland specialty license plates. The department shall design the license plates in consultation with the Borderlands Heritage Tourism Council.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of an account in the state treasury. Money in the account may be used only by the Texas Department of Economic Development for projects overseen by the Borderlands Heritage Tourism Council. The Texas Department of Economic Development shall establish reporting and other mechanisms necessary to ensure that the money is spent for purposes for which it is dedicated.

Sec. 504.655. EAGLE SCOUT LICENSE PLATES. (a) The department shall issue specialty license plates that bear a depiction of the Eagle Scout medal.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Eagle Scout account in the general revenue fund. Money in the account may be used only by the Texas Higher Education Coordinating Board in making grants to support projects sponsored by Boy Scout councils in this state. The Texas Higher Education Coordinating Board shall distribute grants under this section geographically as nearly as possible in proportion to the number of license plates issued under this section in each region of the state.

Sec. 504.656. TEJANO MONUMENT LICENSE PLATES. (a) The department shall issue Tejano Monument specialty license plates. The department shall design the license plates in consultation with The Tejano Monument, Inc.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Tejano Monument account in the general revenue fund. Money in the account may be used only by the State Preservation Board to design and erect a Tejano Monument for placement on the Capitol grounds or related educational programs.

Sec. 504.657. TEXAS LIONS CAMP LICENSE PLATES. (a) The department shall issue Texas Lions Camp specialty license plates. The department shall design the license plates in consultation with the Texas Lions League for Crippled Children.

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of the Texas Lions Camp account in the state treasury. Money in the account may be used only by the Parks and Wildlife Department to support the activities of a designated nonprofit organization that is accredited by the American Camping Association and is licensed by the Texas Department of Health and whose primary purpose is to provide, without charge, a camp for physically disabled, hearing or vision impaired, and diabetic children who reside in this state, regardless of race, religion, or national origin. The Parks and Wildlife Department shall establish reporting and other mechanisms necessary to ensure that the money is spent only for the purposes for which it is dedicated.

[Sections 504.658-504.700 reserved for expansion]

SUBCHAPTER H. ADMINISTRATIVE PROVISIONS RELATING TO
SPECIALTY LICENSE PLATES FOR GENERAL DISTRIBUTION

Sec. 504.701. DISCONTINUANCE OF CERTAIN SPECIALTY
LICENSE PLATES. (a) This section applies only to license plates authorized
by:

- (1) Section 504.602;
- (2) Section 504.603;
- (3) Section 504.604;
- (4) Section 504.605;
- (5) Section 504.606;
- (6) Section 504.607;
- (7) Section 504.608;
- (8) Section 504.609;
- (9) Section 504.610;
- (10) Section 504.611;
- (11) Section 504.612;
- (12) Section 504.613;
- (13) Section 504.614; or
- (14) Section 504.615.

(b) Except as provided by Subsections (d) and (e), on or after September 1, 2004, the department may continue to issue license plates to which this section applies only if before that date at least:

- (1) 3,500 sets of the license plates authorized by the applicable section of this chapter have been issued or presold;
- (2) \$15,000 has been received by the department from the issuance of license plates under that section; or
- (3) \$15,000 has been deposited with the department for the continued issuance of those license plates.

(c) If before September 1, 2004, one of the conditions described by Subsection (b) is not met for the license plate, the section that authorizes the issuance of that license plate expires on that date.

(d) On or after September 1, 2004, the department may continue to issue license plates under:

(1) Section 504.615 for a particular institution of higher education or private college or university only if before that date:

(A) 1,500 sets of license plates for the particular institution, college, or university have been issued or presold;

(B) \$15,000 has been received by the department from the issuance of the license plates for that institution, college, or university; or

(C) \$15,000 has been deposited with the department for the continued issuance of the license plates for that institution, college, or university; or

(2) Section 504.614 for a particular professional sports team only if before that date:

(A) 3,500 sets of the license plates for that sports team have been issued or presold;

(B) \$15,000 has been received by the department from the issuance of license plates for that sports team; or

(C) \$15,000 has been deposited with the department for the continued issuance of license plates for that sports team.

(e) Money deposited with the department under Subsection (b)(3), (d)(1)(C), or (d)(2)(C) shall be returned by the department to the person who made the deposit only after the requisite number of license plates under those subsections are issued or presold.

Sec. 504.702. SPECIALTY LICENSE PLATES AUTHORIZED AFTER JANUARY 1, 1999. (a) This section applies only to specialty license plates that are authorized to be issued by a law that takes effect on or after January 1, 1999.

(b) The department may manufacture the specialty license plates only if a request for manufacture of the license plates is filed with the department. The request must be:

(1) made on a form adopted by the department;

(2) filed before the fifth anniversary of the effective date of the law that authorizes the issuance of the specialty license plates; and

(3) accompanied by:

(A) a deposit of \$15,000; or

(B) applications for issuance of at least 3,500 sets of the license plates plus the fees for issuance of that number of sets.

(c) Money deposited with the department under Subsection (b)(3)(A) shall be returned to the person who made the deposit only if 3,500 sets of the applicable license plates are issued or presold.

(d) If a request is not filed with the department before the date specified by Subsection (b)(2), the law that authorizes the issuance of the specialty license plates expires on that date.

[Sections 504.703-504.800 reserved for expansion]

SUBCHAPTER I. DEVELOPMENT OF NEW SPECIALTY LICENSE
PLATES

Sec. 504.801. CREATION OF NEW SPECIALTY LICENSE PLATES BY THE DEPARTMENT. (a) The department may create new specialty license plates on its own initiative or on receipt of an application from a potential sponsor. A new specialty license plate created under this section must comply with each requirement of Section 504.702 unless the license is created by the department on its own initiative. The department may permit a specialty license plate created under this section to be personalized. The redesign of an existing specialty license plate at the request of a sponsor shall be treated like the issuance of a new specialty license plate, except that the department may require a lower deposit amount to reflect the actual costs of redesigning the license plate.

(b) Any person may sponsor a new specialty license plate by submitting an application to the department. An application may nominate a state agency to receive funds derived from the issuance of the license plates. The application may also identify uses to which those funds should be appropriated.

(c) The department shall design each new specialty license plate in consultation with the sponsor, if any, that applied for creation of that specialty license plate. The department may refuse to create a new specialty license plate if the design might be offensive to any member of the public, if the nominated state agency does not consent to receipt of the funds derived from issuance of the license plate, if the uses identified for those funds might violate a statute or constitutional provision, or for any other reason established by rule. At the request of the sponsor, distribution of the license plate may be limited by the department.

(d) The fee for issuance of license plates authorized under this subchapter is \$30, unless the department sets a higher fee.

(e) For each fee collected:

(1) \$8 shall be used to reimburse the department for its administrative costs; and

(2) the remainder shall be deposited to the credit of:

(A) the specialty license plate fund, an account in the general revenue fund, if the sponsor nominated a state agency to receive the funds; or

(B) the state highway fund if the sponsor did not nominate a state agency to receive the funds or if there is no sponsor.

(f) Subchapter D, Chapter 316, Government Code, and Section 403.095, Government Code, do not apply to fees collected under this section.

(g) The department may report to the legislature at any time concerning implementation of this section. The report may include recommendations concerning the appropriations, by amount, state agency, and uses, that are necessary to implement the requests of sponsors.

(h) The department may license a trademark for inclusion within the design of the plates and may pay a fee for the trademark license. If a fee is paid for the trademark license, the fee shall be paid from the amounts deposited under Subsection (e)(2).

(i) The department may vary the design of a license plate created under this section to accommodate or reflect its use on a motor vehicle other than a passenger car or light truck.

(j) The sponsor of a new speciality license plate may not be a for-profit entity.

[Sections 504.802-504.850 reserved for expansion]
SUBCHAPTER J. MARKETING OF SPECIALTY
PLATES THROUGH PRIVATE VENDOR

Sec. 504.851. CONTRACT WITH PRIVATE VENDOR. (a) The Texas Transportation Commission may authorize the department to enter into a contract with the private vendor whose proposal is most advantageous to the state as determined from competitive sealed proposals for the marketing and sale of:

(1) personalized prestige license plates authorized by Section 504.101;
or

(2) other specialized license plates authorized by this subchapter.

(b) Instead of the fees established by Section 504.101(c), if the Texas Transportation Commission authorizes the department to contract with a private vendor under Subsection (a)(1) for the marketing and sale of personalized prestige license plates, the commission by rule shall establish fees for the issuance or renewal of personalized prestige license plates that are marketed and sold by the private vendor. Fees must be reasonable and not less than the greater of:

(1) the amounts necessary to allow the department to recover all costs to the department associated with the evaluation of the competitive sealed proposals received by the department and with the implementation and enforcement of the contract, including direct, indirect, and administrative costs;

or

(2) the amount established by Section 504.101(c).

(c) If the Texas Transportation Commission authorizes the department to contract with a private vendor under Subsection (a)(2) for the marketing and sale of other specialized license plates authorized by this subchapter, including specialized license plates that may be personalized, the commission by rule shall establish the fees for the issuance or renewal of specialized license plates that are marketed and sold by the private vendor. Fees must be reasonable and not less than the amounts necessary to allow the department to recover all costs to the department associated with the evaluation of the competitive sealed proposals received by the department and with the implementation and enforcement of the contract, including direct, indirect, and administrative costs. A fee established under this subsection is in addition to:

(1) the registration fee and any optional registration fee prescribed by this chapter for the vehicle for which the specialized license plates are issued;

(2) any additional fee prescribed by this subchapter for the issuance of the specialized license plates for that vehicle; and

(3) any additional fee prescribed by this subchapter for the issuance of personalized special license plates for that vehicle.

(d) At any time, as necessary to comply with Subsection (b) or (c), the Texas Transportation Commission may increase or decrease the amount of a fee established under the applicable subsection.

(e) A contract with a private vendor under Subsection (a)(1) is payable only from amounts derived from the collection of the fee established under Subsection (b). A contract with a private vendor under Subsection (a)(2) is payable only from amounts derived from the collection of the fee established under Subsection (c).

(f) The department may create new design and color combinations for personalized prestige license plates that are marketed or sold by a private vendor under a contract entered into under Subsection (a)(1). Each approved license plate design and color combination remains the property of the department.

(g) The department may create new design and color combinations for specialized license plates, including specialized license plates that may be personalized, that are marketed or sold by a private vendor under a contract entered into under Subsection (a)(2). Each approved license plate design and color combination remains the property of the department. This subsection does not authorize:

(1) the department to approve a design or color combination for a specialized license plate that is inconsistent with the design or color combination specified for the license plate by the section of this subchapter that authorizes the issuance of the specialized license plate; or

(2) the private vendor to market or sell a specialized license plate with a design or color combination that is inconsistent with the design or color combination specified by that section.

(h) In connection with a license plate that is marketed or sold by a private vendor under contract, the department may cancel a license plate or require the discontinuation of a license plate design or color combination at any time if the department determines that the cancellation or discontinuation is in the best interest of this state or the motoring public.

(i) A contract entered into by the department with a private vendor under this section:

(1) must comply with any law generally applicable to a contract for services entered into by the department;

(2) must require the private vendor to render at least quarterly to the department periodic accounts that accurately detail all material transactions, including information reasonably required by the department to support fees that are collected by the vendor, and to regularly remit all money payable to the department under the contract; and

(3) may allow or require the private vendor to establish an electronic infrastructure coordinated and compatible with the department's registration system, by which motor vehicle owners may electronically send and receive applications, other documents, or required payments, and that, when secure access is necessary, can be electronically validated by the department.

(j) From amounts received by the department, the department shall deposit to the credit of the state highway fund an amount sufficient to enable the department to recover its administrative costs for all license plates issued under

this section, including any payments to the vendor under Subsection (a), and any other amounts allocated to the state highway fund by another law. To the extent that disposition of other amounts received from the vendor are governed by another law, those amounts shall be deposited in accordance with the other law, and for each type of license plate, the amount charged for the license plate may not be less than the amount in effect on January 1, 2003. Any additional amount received from the vendor shall be deposited to the credit of the general revenue fund.

(k) The Texas Transportation Commission may authorize the department to pay a licensing fee for the use of a trademark in connection with the marketing and sale of a license plate under this section.

SECTION 1____.02. Subchapter A, Chapter 502, Transportation Code, is amended by adding Sections 502.0071, 502.0072, 502.0073, 502.0074, 502.0078, and 502.0079 to read as follows:

Sec. 502.0071. GOLF CARTS. An owner of a golf cart is not required to register the golf cart if:

(1) the operation of the golf cart occurs in the daytime, as defined by Section 541.401; and

(2) the operation:

(A) does not exceed a distance of two miles from the point of origin to the destination if driven to and from a golf course;

(B) occurs entirely within a master planned community with a uniform set of restrictive covenants that has had a plat approved by a county or a municipality; or

(C) occurs on a public or private beach.

Sec. 502.0072. MANUFACTURED HOUSING. Manufactured housing, as defined by Section 1201.003, Occupations Code, is not a vehicle subject to this chapter.

Sec. 502.0073. POWER SWEEPERS. (a) An owner of a power sweeper is not required to register the power sweeper.

(b) In this section, "power sweeper" means an implement, with or without motive power, designed for the removal by broom, vacuum, or regenerative air system of debris, dirt, gravel, litter, or sand from asphaltic concrete or cement concrete surfaces, including surfaces of parking lots, roads, streets, highways, and warehouse floors. The term includes a vehicle on which the implement is permanently mounted if the vehicle is used only as a power sweeper.

Sec. 502.0074. MOTORIZED MOBILITY DEVICE. The owner of a motorized mobility device, as defined by Section 542.008, as amended by Chapter 497, Acts of the 77th Legislature, Regular Session, 2001, is not required to register the motorized mobility device.

Sec. 502.0078. VEHICLES OPERATED ON PUBLIC HIGHWAY SEPARATING REAL PROPERTY UNDER VEHICLE OWNER'S CONTROL. Where a public highway separates real property under the control of the owner of a motor vehicle, the operation of the motor vehicle by the owner or the owner's agent or employee across the highway is not a use of the motor vehicle on the public highway.

Sec. 502.0079. VEHICLES OPERATED BY CERTAIN NONRESIDENTS. (a) A nonresident owner of a motor vehicle, trailer, or semitrailer that is registered in the state or country in which the person resides may operate the vehicle to transport persons or property for compensation without being registered in this state, if the person does not exceed two trips in a calendar month and each trip does not exceed four days.

(b) A nonresident owner of a privately owned vehicle that is not registered in this state may not make more than five occasional trips in any calendar month into this state using the vehicle. Each occasional trip into this state may not exceed five days.

(c) A nonresident owner of a privately owned passenger car that is registered in the state or country in which the person resides and that is not operated for compensation may operate the car in this state for the period in which the car's license plates are valid. In this subsection, "nonresident" means a resident of a state or country other than this state whose presence in this state is as a visitor and who does not engage in gainful employment or enter into business or an occupation, except as may otherwise be provided by any reciprocal agreement with another state or country.

(d) This section does not prevent:

(1) a nonresident owner of a motor vehicle from operating the vehicle in this state for the sole purpose of marketing farm products raised exclusively by the person; or

(2) a resident of an adjoining state or country from operating in this state a privately owned and registered vehicle to go to and from the person's place of regular employment and to make trips to purchase merchandise, if the vehicle is not operated for compensation.

(e) The privileges provided by this section may be allowed only if, under the laws of the appropriate state or country, similar privileges are granted to vehicles registered under the laws of this state and owned by residents of this state.

(f) This section does not affect the right or status of a vehicle owner under any reciprocal agreement between this state and another state or country.

SECTION 1 __.03. Subchapter D, Chapter 502, Transportation Code, is amended by adding Sections 502.187 and 502.188 to read as follows:

Sec. 502.187. PARADE VEHICLES OWNED BY NONPROFIT SERVICE ORGANIZATIONS. (a) A motor vehicle owned and operated by a nonprofit service organization and designed, constructed, and used primarily for parade purposes is subject to registration as provided by this chapter but is exempt from the fee otherwise prescribed by this chapter.

(b) Subsection (a) does not apply to a vehicle for which a registration fee has been paid under other law.

Sec. 502.188. CERTAIN SOIL CONSERVATION EQUIPMENT. (a) The owner of a truck-tractor, semitrailer, or low-boy trailer used on a highway exclusively to transport the owner's soil conservation machinery or equipment

used in clearing real property, terracing, or building farm ponds, levees, or ditches may register the vehicle for a fee equal to 50 percent of the fee otherwise prescribed by this chapter for the vehicle.

(b) An owner may register only one truck-tractor and only one semitrailer or low-boy trailer under this section.

(c) An owner applying for registration under this section must submit a statement that the vehicle is to be used only as provided by Subsection (a).

(d) The registration receipt issued for a vehicle registered under this section shall state the nature of the operation for which the vehicle may be used. The receipt must be carried at all times in or on the vehicle to permit ready inspection.

(e) A vehicle to which this section applies that is operated on a public highway in violation of this section is considered to be operated while unregistered and is immediately subject to the applicable registration fees and penalties prescribed by this chapter.

SECTION 1 __.04. Subchapter B, Chapter 7, Education Code, is amended by adding Section 7.026 to read as follows:

Sec. 7.026. TEXAS MUSIC FOUNDATION ACCOUNT. (a) The Texas Music Foundation account is established as a separate account in the general revenue fund. The account is composed of money deposited to the credit of the account under Section 504.639, Transportation Code. Money in the account may be used only for the purposes of this section.

(b) The Music, Film, Television, and Multimedia Office in the governor's office shall administer the account. The agency may spend money credited to the account only to make grants to benefit the music-related educational and community programs sponsored by nonprofit organizations based in this state. An administration fee of \$5 per license plate shall be retained by the Music, Film, Television, and Multimedia Office for performance of administrative duties.

SECTION 1 __.05. Chapter 162, Health and Safety Code, is amended by adding Sections 162.016 and 162.017 to read as follows:

Sec. 162.016. BE A BLOOD DONOR ACCOUNT. (a) The Be a Blood Donor account is a separate account in the general revenue fund. The account is composed of:

(1) money deposited to the credit of the account under Section 504.641, Transportation Code; and

(2) gifts, grants, donations, and legislative appropriations.

(b) The department administers the account and may spend money credited to the account only to:

(1) make grants to nonprofit blood centers in this state for programs to recruit and retain volunteer blood donors; and

(2) defray the cost of administering the account.

(c) The board:

(1) may accept gifts, grants, and donations from any source for the benefit of the account; and

(2) by rule shall establish guidelines for spending money credited to the account.

Sec. 162.017. BE A BLOOD DONOR ADVISORY COMMITTEE. (a) The commissioner shall appoint a five-member Be a Blood Donor Advisory Committee composed of:

(1) one volunteer blood donor who has given at least one gallon of blood in the two years preceding the appointment;

(2) two representatives from nonprofit blood centers;

(3) one person who has received a blood transfusion in the five years preceding the appointment; and

(4) one representative from the department.

(b) The commissioner shall designate one member as presiding officer of the committee.

(c) The committee shall:

(1) meet at least annually or as called by the commissioner;

(2) assist the board in establishing guidelines for the expenditure of money credited to the Be a Blood Donor account; and

(3) review and make recommendations to the department on applications submitted to the department for grants funded with money credited to the Be a Blood Donor account.

(d) Members of the committee serve without compensation and are not entitled to reimbursement for expenses. Members of the committee serve staggered four-year terms, with the terms of as near one-half as possible of the members expiring on January 31 of each even-numbered year.

SECTION 1____.06. (a) Subchapter F, Chapter 502, Transportation Code, is repealed.

(b) The repeal of Section 502.273, Transportation Code, by this Act does not affect the validity of license plates already issued under that section, which shall be governed under Section 504.801, Transportation Code, as added by this Act.

SECTION 1____.07. Notwithstanding Subsection (a), Section 504.403, Transportation Code, as added by this Act, a retired state or federal judge who applied for or was issued state judge or federal judge license plates under Section 502.297, Transportation Code, as that law existed before the effective date of this Act, is entitled to apply for and to be issued state judge license plates or federal judge license plates, as applicable, under Section 504.403, Transportation Code, as added by this Act.

SECTION 1____.08. (a) This section shall be implemented only if the Legislative Budget Board determines that this Act would otherwise reduce the amount of money allocated to the general revenue fund from the issuance by the Texas Department of Transportation of specialty license plates during fiscal years 2004 and 2005 relative to the amount of money allocated to the general revenue fund from the issuance by that department of specialized license plates during fiscal years 2002 and 2003.

(b) The Texas Department of Transportation shall reduce the amount of fees allocated to the department's administrative costs and allocate that amount to general revenue for deposit to the credit of the accounts specified in each section of Chapter 504, Transportation Code, as added by this Act. The amount of the

reduction and reallocation shall be the amount necessary to ensure that sums allocated to the general revenue fund are not reduced as specified in Subsection (a) of this section. The reduction in administrative costs shall be taken proportionately from each specialty plate so that each will be reduced by the same percentage amount.

(c) This section expires September 1, 2005.

SECTION 1____.09. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.

Amendment No. 94 was withdrawn.

Amendment No. 95

Representatives Driver and Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** (HOUSE COMMITTEE PRINTING) by adding the following new SECTIONS _____ on page 7, line 18 and renumbering accordingly:

SECTION _____. Amend Section 1051.001, Occupations Code to read as follows:

(3) "Interior design" means the:

(A) performance of professional services, for a fee or other compensation, directly or indirectly, to another person, or to a partnership, corporation, or other legal entity, that include:

(1) preparing and filing interior design construction documents with code enforcement officials for nonstructural or non-seismic interior construction;

(2) obtaining building permits for nonstructural or non-seismic interior construction;

(3) preparing documents to illustrate materials, finishes, space planning, reflected ceiling plans, furnishings, fixtures, and equipment;

(4) analyzing a client's needs, goals, and life safety requirements while protecting the public health, safety, and welfare;

(5) integrating findings with knowledge of interior design;

(6) formulating preliminary design concepts that are appropriate, functional, and aesthetic;

(7) developing and presenting final design recommendations through appropriate presentation media;

(8) collaborating with closely allied design professionals who are licensed practitioners offering professional services as required for regulatory approval;

(9) preparing and administering bids and contract documents as the client's agent; and

(10) reviewing and evaluating the implementation of projects while in progress and on completion as a representative of, and on behalf of, the client.

(B) The term "interior design" does not include an act, service or work within the scope of the practice of architecture as defined by Chapter 1051 of the Occupations Code or an act, service or work within the scope of the practice of engineering as defined by Chapter 1001 of the Occupations Code. The term also does not include the performance of services relating to:

(1) structural, mechanical, plumbing, heating, air conditioning, ventilation, electrical, or vertical transportation systems;

(2) construction of stairwells; and

(3) construction that affects life-safety systems including, but not limited to:

(a) performance of mechanical systems;

(b) fire safety protection;

(c) fire-rated vertical shafts and multi-story structures;

(d) smoke evacuation and compartmentalization;

(e) emergency sprinkler and alarm systems; and

(f) emergency ingress and egress systems.

SECTION _____. Section 1053.002, Occupations Code, is amended to read as follows:

Sec. 1053.002. APPLICATION. (a) This chapter does not apply to a person who:

(1) does not use the title "interior designer" and does not use the term "interior design" to describe a service the person offers or performs; or

(2) is registered to practice architecture in this state, or works under the control, instruction or supervision of a registered architect, if the architect does not use the term "Registered Interior Designer" unless also registered under this chapter.

(b) This chapter does not:

(1) prohibit an employee of a retail establishment from providing consultations regarding interior decoration or furnishings:

(A) on the premises of the retail establishment; or

(B) in furtherance of a retail sale or prospective retail sale ~~an interior designer or architect from performing an interior design service under the control, instruction, or supervision of the interior designer or architect~~; ~~or~~

(2) restrict the practice or activities of or the provision of a service by a person engaged in a profession or occupation for which the person is licensed or registered in this state under any other law; or

(3) restrict the activities of a person who provides decorative services or assistance in the selection of surface materials, window coverings, wall coverings, paint, floor coverings, surface-mounted fixtures, and loose furnishings not subject to regulation.

SECTION _____. The heading to Subchapter D, Chapter 1053, Occupations Code, is amended to read as follows:

SUBCHAPTER D. REGISTRATION ~~[REQUIREMENTS]~~

SECTION _____. Section 1053.151, Occupations Code, is amended to read as follows:

Sec. 1053.151. REGISTRATION REQUIRED. A person other than an interior designer may not:

(1) engage in the practice of interior design or offer or attempt to engage in the practice of interior design unless the person is registered under this chapter; or

(2) hold the person out as engaged in the practice of interior design or, unless all interior design services provided by the person are rendered by or under the responsible supervisory control of a person registered under this chapter, represent;

(A) that the person is an "interior designer" by using that title or the term "Registered Interior Designer"; or

(B) ~~[(2) represent, by using the term "interior design" a service the person offers or performs]~~ that the person may offer or perform an "interior design" service.

SECTION _____. Section 1053.152(b), Occupations Code, is amended to read as follows:

(b) To be eligible for a certificate of registration, an applicant must:

(1) meet the qualifications established by the board under Subsection (a);

(2) pass the ~~[registration]~~ examination of the National Council for Interior Design Qualification or a similar national organization recognized by the board; ~~and~~

(3) pay the required fees;

(4) hold a professional degree in interior design or architecture conferred by a design program accredited by the Foundation for Interior Design Education Research or a substantially equivalent program, as determined by the board; and

(5) have two years of diversified experience as determined by the board.

SECTION _____. Section 1053.154(b), Occupations Code, is amended to read as follows:

(b) The examination must cover subjects established by and must be graded according to board rules. The board by rule shall ~~[may]~~ adopt the examination of the National Council for Interior Design Qualification or a similar national organization recognized by the board ~~[comparable examination]~~.

SECTION _____. Section 1053.160, Occupations Code by adding a new Subsection (e) as follows:

(e) Construction documents that bear the seal of a registered interior designer who holds a certificate from the National Council for Interior Design Qualification shall be accepted for filing by the appropriate jurisdiction or local building department.

SECTION _____. Section 1053.201, Occupations Code, is amended to read as follows:

(a) Except as provided by Subsection (b), a certificate of registration issued under this chapter is valid for one year from the date of issuance. ~~[The board shall provide for the annual renewal of a certificate of registration.]~~

(c) Effective December 1, 2005, to be eligible to renew a certificate of registration, an interior designer who has not passed the examination of the National Council for Interior Design Qualification or an examination of a similar national organization recognized by the board, must have:

(1) passed the building and barrier-free code section of the examination of the National Council for Interior Design Qualification or a similar national organization recognized by the board; ~~or~~ and

(2) completed, in addition to the continuing education requirements required for renewal of the certificate of registration under Section 1053.205, 15 hours of board-approved continuing education classes relating to ~~building and barrier-free codes and regulations~~, the Texas Accessibility Standards and building codes approved for adoption in Texas.

SECTION _____. Section 1053.351, Occupations Code, is amended to read as follows:

Sec. 1053.351. CRIMINAL PENALTY. (a) A person commits an offense if the person knowingly violates [~~Section 1053.151 or a standard of conduct adopted under~~] this chapter or a rule adopted under this chapter.

(b) An offense under this section is a [Class C] misdemeanor punishable by a fine of not less than \$250 or more than \$5,000. Each day of violation constitutes a separate offense.

SECTION _____. Chapter 1053, Occupations Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. PRACTICE BY INTERIOR DESIGNER

Sec. 1053.401. SUPERVISION BY INTERIOR DESIGNER. Each interior design office must have an interior designer or architect who is responsible for interior design work performed at that location. The interior designer or architect shall provide responsible supervisory control over each nonregistered person working at that location in the practice of interior design. Responsible Supervisory Control is the direct responsibility for supervision by an interior designer or architect of the work and decision-making process, including the ability to review, enforce, and control compliance with all design criteria and life safety requirements. For purposes of this subdivision, supervision is not required to be continuous and uninterrupted.

Sec. 1053.402. DUTIES TO CLIENT. (a) Before entering into a contract with a client, an interior designer must clearly determine and disclose the scope and nature of the project and the method of compensation.

(b) An interior designer shall notify each client of the name and address of the board.

Sec. 1053.404. COMPLIANCE WITH CERTAIN REQUIREMENTS. Each interior designer shall practice in compliance with all applicable building codes, fire codes, local regulations, and other safety requirements adopted by the board or another regulatory entity implemented to prohibit practice by persons who:

(1) fail to practice within the bounds of minimum competency requirements; or

(2) otherwise present a danger to the public.

SECTION _____. Section 1053.158, Occupations Code, is repealed.

SECTION _____. The Texas Board of Architectural Examiners shall issue a certificate of registration as an interior designer to a person who applies for registration as an interior designer with the board and pays the required fees before the second anniversary of the effective date of this Act if the person presents evidence satisfactory to the board that the person has passed the examination of the National Council for Interior Design Qualification or a similar national organization recognized by the board.

SECTION _____ (a) The change in law made by this Act to Section 1053.351, Occupations Code, applies only to the punishment for an offense committed on or after the effective date of this Act. For purposes of this section, an offense is committed before the effective date of this Act if any element of the offense occurs before the effective date.

(b) An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose.

SECTION _____. The Texas Board of Architectural Examiners shall adopt rules as required by Chapter 1053, Occupations Code, as amended by this Act, not later than December 1, 2003.

SECTION _____. The change in law made by this Act to Section 1053.201, Occupations Code, takes effect September 1, 2003, and applies only to an application for an initial or renewal interior designer certificate of registration that is filed with the Texas Board of Architectural Examiners on or after January 1, 2004. An application filed before January 1, 2004, is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

Amendment No. 95 was adopted without objection.

Amendment No. 96

Representatives Swinford and J. Keffer offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking SECTION 2A.01 in its entirety, and substituting the following:

SECTION 2A.01. Subchapter E, Chapter 481, Government Code, is amended by adding Section 481.078 to read as follows:

Sec. 481.078. TEXAS ENTERPRISE FUND. (a) The Texas Enterprise Fund is a dedicated account in the general revenue fund.

(b) The following amounts shall be deposited in the fund:

(1) any amounts appropriated by the legislature for the fund for purposes described by this section;

(2) interest earned on the investment of money in the fund; and

(3) gifts, grants, and other donations received for the fund.

(c) Except as provided by Subsection (d), the fund may be used only for economic development, infrastructure development, community development, job training programs, and business incentives.

(d) The fund may be temporarily used by the comptroller for cash management purposes.

(e) The administration of the fund is considered to be a trustee program within the office of the governor. The governor may negotiate on behalf of the state regarding awarding, by grant, money appropriated from the fund. The governor may award money appropriated from the fund only with the express written prior approval of the lieutenant governor and speaker of the house of representatives.

(f) Before awarding a grant under this section, the governor may enter into a written agreement with the entity to be awarded the grant money specifying that:

(1) if all or any portion of the amount of the grant is used to build a capital improvement:

(A) the state retains a lien or other interest in the capital improvement in proportion to the percentage of the grant amount used to pay for the capital improvement; and

(B) the recipient of the grant shall, if the capital improvement is sold:

(i) repay to the state the grant money used to pay for the capital improvement, with interest at the rate and according to the other terms provided by the agreement; and

(ii) share with the state a proportionate amount of any profit realized from the sale; and

(2) if, as of a date certain provided in the agreement, the grant recipient has not used grant money awarded under this section for the purposes for which the grant was intended, the recipient shall repay that amount and any related interest to the state at the agreed rate and on the agreed terms.

Amendment No. 96 was withdrawn.

Amendment No. 97

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking Article 1C in Part 1 of the bill.

A record vote was requested.

Amendment No. 97 failed of adoption by (Record 757): 63 Yeas, 80 Nays, 1 Present, not voting.

Yeas — Alonzo; Bailey; Baxter; Burnam; Campbell; Capelo; Castro; Chavez; Coleman; Cook, R.; Davis, Y.; Dukes; Dutton; Eiland; Ellis; Escobar; Farabee; Farrar; Flores; Gallego; Garza; Geren; Giddings; Goodman; Guillen; Gutierrez; Haggerty; Hamilton; Hochberg; Hodge; Homer; Hopson; Jones, J.; Laney; Luna; Mabry; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Merritt; Moreno, J.; Naishtat; Noriega; Oliveira; Olivo; Peña; Pickett; Puente; Raymond; Ritter; Rodriguez; Rose; Smith, T.; Solis; Telford; Thompson; Turner; Uresti; Villarreal; Wilson; Wolens.

Nays — Allen; Berman; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Callegari; Casteel; Chisum; Christian; Cook, B.; Corte; Crabb; Crownover; Davis, J.; Dawson; Delisi; Denny; Driver; Dunnam; Edwards; Eissler; Elkins; Flynn; Gattis; Goolsby; Griggs; Grusendorf; Hamric; Hardcastle; Harper-Brown; Hartnett; Heflin; Hegar; Hilderbran; Hill; Howard; Hughes; Hunter; Hupp; Isett; Jones, D.; Jones, E.; Keel; Keffer, B.; King; Kolkhorst; Krusee; Kuempel; Laubenberg; Lewis; Madden; Marchant; Mercer; Morrison; Mowery; Nixon; Paxton; Phillips; Pitts; Quintanilla; Reyna; Riddle; Seaman; Smith, W.; Smithee; Solomons; Stick; Swinford; Talton; Taylor; Truitt; Van Arsdale; West; Wise; Wohlgemuth; Wong; Woolley; Zedler.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Hope.

Absent — Canales; Deshotel; Keffer, J.; Miller; Moreno, P.

STATEMENTS OF VOTE

When Record No. 757 was taken, I was in the house but away from my desk. I would have voted yes.

Canales

I was shown voting no on Record No. 757. I intended to vote yes.

Dunnam

I was shown voting no on Record No. 757. I intended to vote yes.

Hegar

I was shown voting no on Record No. 757. I intended to vote yes.

Quintanilla

I was shown voting no on Record No. 757. I intended to vote yes.

Stick

I was shown voting no on Record No. 757. I intended to vote yes.

Wise

Amendment No. 98

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking Article 1H in Part 1 of the bill.

Amendment No. 99

Representative Eiland offered the following amendment to Amendment No. 98:

Amend **CSSB 1952** as follows:

(1) In Section 1H.01 of the bill, in added Section 401.105(a), Government Code (house committee report, page 4, lines 23-25), strike the first sentence and substitute the following: "In this section, "state agency" does not include an institution of higher education as defined by Section 61.003, Education Code.

Amendment No. 99 was adopted without objection.

A record vote was requested.

Amendment No. 98, as amended, was adopted by (Record 758): 82 Yeas, 60 Nays, 1 Present, not voting.

Yeas — Alonzo; Bonnen; Brown, B.; Brown, F.; Burnam; Campbell; Canales; Capelo; Castro; Chavez; Chisum; Coleman; Crownover; Davis, J.; Davis, Y.; Delisi; Dukes; Dunnam; Dutton; Edwards; Elkins; Ellis; Escobar; Farabee; Farrar; Flores; Gallego; Geren; Giddings; Goodman; Goolsby; Guillen; Gutierrez; Hardcastle; Hartnett; Hegar; Hilderbran; Hochberg; Hodge; Homer; Hunter; Isett; Jones, D.; Jones, J.; Keel; Keffer, J.; Laney; Mabry; Martinez Fischer; McClendon; Menendez; Moreno, J.; Moreno, P.; Naishtat; Noriega; Oliveira; Olivo; Pickett; Pitts; Puente; Quintanilla; Raymond; Reyna; Ritter; Rodriguez; Rose; Smith, T.; Smith, W.; Solis; Stick; Talton; Telford; Thompson; Truitt; Turner; Uresti; Villarreal; West; Wilson; Wise; Wohlgemuth; Wolens.

Nays — Allen; Bailey; Baxter; Berman; Bohac; Branch; Callegari; Casteel; Christian; Cook, B.; Cook, R.; Corte; Crabb; Dawson; Denny; Driver; Eiland; Eissler; Flynn; Garza; Gattis; Griggs; Grusendorf; Haggerty; Harper-Brown; Heflin; Hill; Hopson; Howard; Hughes; Hupp; Jones, E.; Keffer, B.; King; Kolkhorst; Krusee; Kuempel; Laubenberg; Lewis; Luna; Madden; Marchant; McCall; Mercer; Merritt; Miller; Morrison; Mowery; Nixon; Paxton; Phillips; Riddle; Seaman; Smithee; Solomons; Swinford; Taylor; Van Arsdale; Wong; Zedler.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Hope.

Absent — Deshotel; Hamilton; Hamric; McReynolds; Peña; Woolley.

STATEMENTS OF VOTE

When Record No. 758 was taken, I was in the house but away from my desk. I would have voted no.

Hamric

I was shown voting no on Record No. 758. I intended to vote yes.

Hughes

I was shown voting yes on Record No. 758. I intended to vote no.

J. Keffer

When Record No. 758 was taken, I was in the house but away from my desk. I would have voted no.

Woolley

Amendment No. 100

On behalf of Representative Swinford, Representative Gallego offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking Article 1R in Part 1 of the bill.

Amendment No. 100 failed of adoption.

Amendment No. 101

Representative Swinford offered the following amendment to **CSSB 1952**:

Amend **CSSB 1952** by striking Article 5A in Part 5 of the bill.

Amendment No. 101 was withdrawn.

CSSB 1952 - MOTION FOR PREVIOUS QUESTION

Representative Wilson moved the previous question on passage to third reading of **CSSB 1952**.

The motion was seconded.

The motion prevailed.

A record vote was requested.

CSSB 1952, as amended, was passed to third reading by (Record 759): 101 Yeas, 41 Nays, 5 Present, not voting.

Yeas — Allen; Bailey; Baxter; Berman; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Callegari; Campbell; Canales; Casteel; Chavez; Chisum; Christian; Cook, B.; Cook, R.; Corte; Crabb; Crownover; Davis, J.; Dawson; Delisi; Denny; Driver; Edwards; Eissler; Ellis; Farabee; Flynn; Gallego; Garza; Gattis; Geren; Goodman; Goolsby; Griggs; Grusendorf; Gutierrez; Haggerty; Hamilton; Hamric; Hardcastle; Harper-Brown; Heflin; Hegar; Hill; Hochberg; Homer; Hopson; Howard; Hunter; Hupp; Isett; Jones, E.; Keel; Keffer, B.; Keffer, J.; King; Kolkhorst; Krusee; Kuempel; Laubenberg; Lewis; Luna; Madden; Marchant; McReynolds; Mercer; Miller; Morrison; Mowery; Nixon; Oliveira; Paxton; Phillips; Pitts; Reyna; Riddle; Ritter; Seaman; Smith, T.; Smith, W.; Smithee; Solomons; Stick; Swinford; Talton; Taylor; Truitt; Uresti; Van Arsdale; Villarreal; West; Wilson; Wohlgemuth; Wolens; Wong; Woolley; Zedler.

Nays — Alonzo; Burnam; Capelo; Castro; Coleman; Davis, Y.; Dukes; Dunnam; Dutton; Eiland; Elkins; Escobar; Farrar; Flores; Giddings; Guillen; Hodge; Jones, D.; Jones, J.; Laney; Mabry; Martinez Fischer; Menendez; Merritt; Moreno, J.; Moreno, P.; Naishtat; Noriega; Olivo; Peña; Pickett; Puente; Quintanilla; Raymond; Rodriguez; Rose; Solis; Telford; Thompson; Turner; Wise.

Present, not voting — Mr. Speaker(C); Hartnett; Hilderbran; Hughes; McCall.

Absent, Excused — Hope.

Absent — Deshotel; McClendon.

STATEMENTS OF VOTE

When Record No. 759 was taken, I was in the house but away from my desk. I would have voted no.

Deshotel

I was shown voting yes on Record No. 759. I intended to vote no.

McReynolds

I was shown voting no on Record No. 759. I intended to vote yes.

Pickett

POSTPONED BUSINESS

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

**CSSB 265 ON SECOND READING
(Grusendorf - House Sponsor)**

CSSB 265, A bill to be entitled An Act relating to continuation and functions of the State Board for Educator Certification.

CSSB 265 was read second time on May 25, postponed until May 26, postponed until 10 a.m. today, and was again postponed until 9 p.m. today.

CSSB 265 - POINT OF ORDER

Representative Chisum raised a point of order against further consideration of **CSSB 265** under Rule 8, Section 13(c) of the House Rules on the grounds that the deadline for consideration of senate bills on second reading had passed.

The speaker sustained the point of order.

The ruling precluded further consideration of the bill and the calendar.

PROVIDING FOR RECESS

Representative Luna moved that, at the conclusion of the reading of bills and resolutions on first reading and referral to committees, the house recess until 10 a.m. today in memory of Dr. Cleo Garcia of Corpus Christi.

The motion prevailed without objection.

RESOLUTIONS REFERRED TO COMMITTEES

Resolutions were at this time laid before the house and referred to committees. (See the addendum to the daily journal, Referred to Committees, List No. 1.)

(Hamric in the chair)

RECESS

In accordance with a previous motion, the house, at 12:14 a.m. Wednesday, May 28, recessed until 10 a.m. today.

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 Hupp), Honoring John Arthur Martinez of Marble Falls for his successful musical career.

To Rules and Resolutions.

HCR 267 (By Isett), Congratulating Jack Dale on his 50-year association with Texas Tech University as a sports announcer.

To Rules and Resolutions.

HCR 268 (By Uresti), Honoring Hector V. Barreto, national administrator of the U.S. Small Business Administration.

To Rules and Resolutions.

HR 1487 (By Hilderbran), Congratulating Bob Hope on his 100th birthday.

To Rules and Resolutions.

HR 1488 (By Telford and Ritter), Congratulating Michael Lehr on his tenure as executive director of the Texas Retired Teachers Association.

To Rules and Resolutions.

HR 1489 (By Kuempel), In memory of Virginia K. Engler of Seguin.

To Rules and Resolutions.

HR 1493 (By Quintanilla), Honoring the San Elizario Genealogy and Historical Society for its service to the community.

To Rules and Resolutions.

HR 1494 (By Quintanilla), Honoring Lenin Navar of El Paso for his scholastic achievements.

To Rules and Resolutions.

HR 1495 (By Quintanilla), Recognizing the Horizon City Kiwanis Club for its outstanding service to the community.

To Rules and Resolutions.

HR 1496 (By Quintanilla), Honoring Cody Rios of El Paso on his graduation from Eastwood High School.

To Rules and Resolutions.

HR 1497 (By Quintanilla), Congratulating students and their sponsors from the Socorro ISD on the students' performance in Business Professionals of America competition.

To Rules and Resolutions.

HR 1498 (By Quintanilla), Honoring the Vista Hills Rotary Club.

To Rules and Resolutions.

HR 1499 (By Quintanilla), Commending Abner Sanchez of Clint for his academic achievements.

To Rules and Resolutions.

HR 1500 (By B. Cook), In memory of Deputy Shelby Leo Green, Jr., of Tennessee Colony who was killed in the line of duty on May 15, 2003.

To Rules and Resolutions.

HR 1501 (By Harper-Brown), Honoring Pizza Hut for being named "The Best Place to Work in Dallas-Fort Worth!" in 2003.

To Rules and Resolutions.

HR 1502 (By Wong), Honoring Elaine Lupovitch of Houston for receiving the 12th Annual Irving L. Samuels Outstanding Teacher Award.

To Rules and Resolutions.

HR 1503 (By Wong), Congratulating Christine Ehlig-Economides on her election to the National Academy of Engineering.

To Rules and Resolutions.

HR 1504 (By Wong), Honoring the life of Linda Halliday Mafrige of Houston.

To Rules and Resolutions.

HR 1505 (By Wong), Honoring Frank G. Cook on his election as chairman of the board of Community National Bank of Bellaire.

To Rules and Resolutions.

HR 1506 (By Wong), Congratulating John Lienhard on his election to the National Academy of Engineering.

To Rules and Resolutions.

HR 1507 (By Wong), Recognizing the 67th Annual Meeting of the Jewish Federation of Greater Houston and congratulating the group's award recipients.

To Rules and Resolutions.

HR 1508 (By Wong), Congratulating Ann T. Hamilton on her receipt of the 2003 George R. Brown Memorial Award from The Park People.

To Rules and Resolutions.

HR 1512 (By Noriega), Honoring Rosalba Y. Castillo on her graduation from Milby High School in Houston.

To Rules and Resolutions.

HR 1513 (By Noriega), Congratulating Maricela L. Hinojosa of Humble on being named 2003 Special Education Teacher of the Year for the East District of the Houston I.S.D.

To Rules and Resolutions.

HR 1514 (By Noriega), Honoring Angelica Gonzalez, 2003 teacher of the year for the East District of Houston Independent School District.

To Rules and Resolutions.

HR 1515 (By Noriega), In memory of Ponce Cruz Flores of Houston.

To Rules and Resolutions.

HR 1516 (By Eissler and Riddle), Honoring Christopher Bauer of The Woodlands for his achievements.

To Rules and Resolutions.

HR 1517 (By Casteel), In memory of Dana Gold of New Braunfels.

To Rules and Resolutions.

HR 1518 (By Casteel), Recognizing the Central Texas Technology Center for the many benefits it will provide to New Braunfels and surrounding areas.

To Rules and Resolutions.

HR 1519 (By Casteel and Hilderbran), Recognizing the opening of the Fredericksburg Visitor Information Center.

To Rules and Resolutions.

HR 1520 (By Geren), In memory of Lucille Neal.

To Rules and Resolutions.

HR 1521 (By Giddings), Recognizing the dedication of the DeSoto Independent School District Administration Building in memory of Dalton L. James.

To Rules and Resolutions.

HR 1522 (By Craddick), Honoring Robert and Mildred Burkett of Midland on their 65th wedding anniversary.

To Rules and Resolutions.

HR 1523 (By Craddick), Honoring G. K. "Bub" McDonald of Lamesa on his 90th birthday.

To Rules and Resolutions.

HR 1524 (By Craddick), Congratulating Joe and Ora Williams of Midland on the occasion of their 50th wedding anniversary.

To Rules and Resolutions.

HR 1525 (By Craddick), Honoring Bill and Wynell Rickey of Midland on their 50th wedding anniversary.

To Rules and Resolutions.

HR 1526 (By Craddick), Congratulating Hulan and Virginia Harrison of Midland on the occasion of their 50th wedding anniversary.

To Rules and Resolutions.

HR 1527 (By Craddick), Honoring Calvin and Caroline White on their 60th wedding anniversary.

To Rules and Resolutions.

HR 1528 (By Craddick), Congratulating Wesley and Bertha Wright of Midland on the occasion of their 50th wedding anniversary.

To Rules and Resolutions.

HR 1529 (By Craddick), Honoring Weldon and Grace Shuck of Midland on their 50th wedding anniversary.

To Rules and Resolutions.

HR 1530 (By Craddick), Honoring George and Lola Moore of Midland on their 50th wedding anniversary.

To Rules and Resolutions.

HR 1531 (By Craddick), Congratulating James D. Ross, Sr., and Billie Ross on their 60th wedding anniversary.

To Rules and Resolutions.

HR 1532 (By Craddick), Congratulating Otto and Ida Lisenbee of Lamesa on their 71st wedding anniversary.

To Rules and Resolutions.

HR 1535 (By B. Brown), Congratulating Melissa Marfin and Jonathan English on their engagement and upcoming wedding.

To Rules and Resolutions.

HR 1537 (By Wise), Congratulating Jeanette Rodriguez on her selection to the All-State Band.

To Rules and Resolutions.

HR 1538 (By Wise), Congratulating Jeanette Castaneda on her selection to the All-State Tenor/Bass Choir.

To Rules and Resolutions.

HR 1539 (By Wise), Congratulating Ladyana Hernandez of Alamo for earning All-State Choir honors.

To Rules and Resolutions.

HR 1540 (By Wise), Honoring Alexandria Nicole Gonzalez of Mercedes for being named UIL District 32-4A spelling champ.

To Rules and Resolutions.

HR 1541 (By Wise), Honoring Blanca Hernandez of Garza-Pena Elementary School for receiving the Betty Scharff Memorial Award.

To Rules and Resolutions.

HR 1542 (By Madden), Congratulating Dmitry Schneider on winning the Frank P. Samford, Jr., chess fellowship.

To Rules and Resolutions.

HR 1543 (By Madden), Commending the Collin County Adult Literacy Council and other literacy providers for their important contributions to their communities.

To Rules and Resolutions.

HR 1544 (By Madden), Honoring Jerry Huffman Custom Builders on the company's 25th anniversary.

To Rules and Resolutions.

HR 1545 (By Madden), Honoring John S. Findley for his service as chairman of the Texas Dental Association's Council on Governmental Affairs.

To Rules and Resolutions.

HR 1547 (By Rodriguez), Congratulating Tabita Gutierrez on being named principal of Johnston High School in Austin.

To Rules and Resolutions.

HR 1548 (By Hilderbran and Hunter), Honoring Bob Hope as a world renowned actor, commedian, entertainer, and humanitarian on his 100th birthday.

To Rules and Resolutions.

HR 1549 (By Dutton), Congratulating Wash Allen of Houston on his accomplishments in the field of radio broadcasting.

To Rules and Resolutions.

HR 1550 (By Dutton), In memory of the Reverend Oliver Charlton Johnson, Sr., of Houston.

To Rules and Resolutions.

HR 1551 (By Dutton), Honoring Catherine "Candy" Jones-Brooks of Houston for her achievements as principal of Dogan Elementary School.

To Rules and Resolutions.

HR 1552 (By Dutton), Commending Detria Marie Ward of Houston for her extensive service to the community.

To Rules and Resolutions.

HR 1553 (By R. Cook), In memory of Ruby Vance of Lexington.

To Rules and Resolutions.

HR 1554 (By R. Cook), Honoring Kenneth Earl Blaschke for his 50 years of service as a practicing pharmacist in Smithville.

To Rules and Resolutions.

HR 1555 (By Kolkhorst), Commending the efforts of the FutureGen consortium.

To Rules and Resolutions.

HR 1556 (By Kolkhorst), Congratulating the Blinn College Lady Buccaneers softball team on its outstanding 2002-2003 season.

To Rules and Resolutions.

HR 1557 (By Chavez), Congratulating Bobbie Telles on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1558 (By Chavez), Congratulating Jesus "Chuy" Reyes on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1559 (By Chavez), Congratulating Raymond Telles on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1560 (By Chavez), Congratulating Judge William "Bill" Moody on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1561 (By Chavez), Congratulating Belen Robles on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1562 (By Chavez), Congratulating Rosalba Saenz on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1563 (By Chavez), Congratulating Sheriff Leo Samaniego on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1564 (By Chavez), Congratulating Sonya Saunders on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1565 (By Chavez), Congratulating Rita Sarinana on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1566 (By Chavez), Congratulating Senator Eliot Shapleigh on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1567 (By Chavez), Congratulating Alice Woods on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1568 (By Chavez), Congratulating Beatriz Martinez on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1569 (By Chavez), Congratulating Sandra Martinez on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1570 (By Chavez), Congratulating Henry Irigoyen on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1571 (By Chavez), Congratulating Maria Guadalupe Ibarra on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1572 (By Chavez), Congratulating Otis Hopkins on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1573 (By Chavez), Congratulating Elvia Hernandez on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1574 (By Chavez), Congratulating Tito Gonzalez on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1575 (By Chavez), Congratulating Juan "Chacho" Gonzalez on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1576 (By Chavez), Congratulating Victor Flores on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1577 (By Chavez), Congratulating Mike Flores on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1578 (By Chavez), Congratulating Queta G. Fierro on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1579 (By Chavez), Congratulating Sandra Chiquito on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1580 (By Chavez), Congratulating Mayor Raymond Caballero on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1581 (By Chavez), Congratulating Mrs. Hermi Brown on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1582 (By Chavez), Congratulating County Judge Dolores Briones on being inducted into the 2003 El Paso County Democratic Hall of Fame.

To Rules and Resolutions.

HR 1583 (By Chavez), Honoring the Northeast El Paso Civic Association.

To Rules and Resolutions.

HR 1584 (By Chavez), Commending Ysleta Independent School District for its efforts to reduce the district's energy costs.

To Rules and Resolutions.

HR 1585 (By Merritt), Honoring Congressman Ralph M. Hall.

To Rules and Resolutions.

HR 1586 (By Hilderbran), In memory of Arthur "Art" Lorfing of Kerrville.
To Rules and Resolutions.

HR 1587 (By Hilderbran), Honoring Joe Jesse Huro II of Brady for his longtime service with the Texas Army National Guard.
To Rules and Resolutions.

HR 1588 (By Escobar), Honoring Alicia Garza Figueroa for her remarkable career in the field of education.
To Rules and Resolutions.

HR 1589 (By Escobar), Honoring Hipolito H. Garza of Kingsville on his 80th birthday.
To Rules and Resolutions.

HR 1590 (By Escobar), Honoring County Commissioner Romeo L. Lomas for his service to Kleberg County.
To Rules and Resolutions.

HR 1591 (By Flores), Honoring Nydia Alonzo of Leo Marcell Elementary School in Mission for her contributions to having tortilla chips and salsa designated as the official state snack of Texas.
To Rules and Resolutions.

HR 1592 (By Merritt), Congratulating Miranda Lambert of Lindale for placing third in the Nashville Star television competition.
To Rules and Resolutions.

HR 1593 (By B. Cook), Honoring Captain Hugh D. Whitaker on his retirement from the Freestone County Sheriff's Department.
To Rules and Resolutions.

HR 1597 (By Mercer), Honoring the U.S. Army's Second (Indian Head) Division for its valiant service.
To Rules and Resolutions.

HR 1598 (By Dunnam), Honoring LaRue Dorsey of the Waco Independent School District on her retirement from teaching.
To Rules and Resolutions.

HR 1599 (By J. Keffer), Honoring Dr. William O'Quin of Mineral Wells for his dedicated service to his community.
To Rules and Resolutions.

HR 1600 (By Dunnam), Honoring Joe D. Gunn on the occasion of his retirement as president of the Texas AFL-CIO.
To Rules and Resolutions.

HR 1601 (By Madden), Honoring Roxanne Burchfiel on being named an outstanding teacher by the Plano Independent School District.
To Rules and Resolutions.

HR 1602 (By Madden), Honoring Marilyn Carruthers on being named an outstanding teacher by the Plano Independent School District.
To Rules and Resolutions.

HR 1603 (By Madden), Honoring Lori Christerson on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1604 (By Madden), Honoring David Farquhar on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1605 (By Isett), Honoring Kimberly Lavon Irby of Pflugerville on her high school graduation.

To Rules and Resolutions.

HR 1606 (By Burnam), In memory of Thomas "Harold" Lide of Fort Worth.

To Rules and Resolutions.

HR 1607 (By Stick), Congratulating Jeffery W. Haecker of Austin on becoming an Eagle Scout.

To Rules and Resolutions.

HR 1608 (By Stick), Congratulating David M. Conrad of Austin on becoming an Eagle Scout.

To Rules and Resolutions.

HR 1609 (By Stick), Congratulating Matthew C. Holder of Austin on becoming an Eagle Scout.

To Rules and Resolutions.

HR 1610 (By Madden), Honoring Andra Harris on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1611 (By Madden), Honoring Jan Edgley on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1612 (By J. Jones and Farabee), Joining with the Booker T. Washington Alumni Association in honoring the contributions to education of the late Gwendolyn Jackson.

To Rules and Resolutions.

HR 1613 (By Madden), Honoring Lynne Pennington on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1614 (By Madden), Honoring Dena McCutcheon on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1615 (By Madden), Honoring Karen Wilbanks on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1616 (By Madden), Honoring Colleen Kugler on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1617 (By Madden), Honoring Bettye Hashem on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1618 (By Madden), Honoring Megan Raspberry on being named an outstanding teacher by the Plano Independent School District.

To Rules and Resolutions.

HR 1619 (By Crownover), Congratulating Sally Wallace of Galveston for receiving the 2003 Steel Oleander Award.

To Rules and Resolutions.

HR 1621 (By Gutierrez and Peña), Honoring Arnolando F. Benavides for his public service in the city of Edinburg.

To Rules and Resolutions.

HR 1622 (By Gutierrez and Peña), Honoring Roy Peqa for his public service in the city of Edinburg.

To Rules and Resolutions.

HR 1623 (By Gutierrez and Peña), Honoring Joe Ochoa, mayor of Edinburg, on his service to his community and state.

To Rules and Resolutions.

HR 1624 (By Gutierrez), Recognizing J.C. Ramirez Co., Inc., in Roma for more than 150 years of business.

To Rules and Resolutions.

HR 1625 (By Gutierrez), In memory of Eloisa "Locha" Rosa Garcia of Pharr.

To Rules and Resolutions.

HR 1626 (By Gutierrez), In memory of Pedro "Pipirin" Villarreal, Jr., of Mission.

To Rules and Resolutions.

HR 1627 (By Hughes), Honoring Sam White of Quitman for his contributions to the community.

To Rules and Resolutions.

HR 1629 (By Wong, Woolley, Turner, Edwards, and J. Moreno), Congratulating Rudy Tomjanovich on his retirement as head coach of the Houston Rockets.

To Rules and Resolutions.

HR 1630 (By Bohac), In memory of Milbert William "Bill" Held of Houston.

To Rules and Resolutions.

HR 1631 (By Wise), Honoring Frank Yu of McAllen as the 2003 salutatorian of the Science Academy of South Texas.

To Rules and Resolutions.

HR 1632 (By Wise), Honoring Judy L. Dacquel of McAllen as the 2003 salutatorian of Donna High School.

To Rules and Resolutions.

HR 1633 (By Wise), Honoring Melissa Morales of San Juan as the 2003 valedictorian of Memorial High School.

To Rules and Resolutions.

HR 1634 (By Wise), Honoring Roman Hernandez of Weslaco as the 2003 valedictorian of Tech High School.

To Rules and Resolutions.

HR 1635 (By Wise), Honoring Oscar Servando Santos, Jr., of Pharr as the 2003 salutatorian of PSJA Memorial High School.

To Rules and Resolutions.

HR 1636 (By Wise), Honoring Abel Martinez of Mercedes as the 2003 salutatorian of Tech High School.

To Rules and Resolutions.

HR 1637 (By Wise), Honoring Paola Carrasco of McAllen as the 2003 salutatorian of Med High School.

To Rules and Resolutions.

HR 1638 (By Wise), Honoring Luis D. De Leon of Donna as the 2003 valedictorian of Donna High School.

To Rules and Resolutions.

HR 1639 (By Wise), Honoring Elvis Aaron Cavazos of Weslaco as the 2003 salutatorian of Weslaco High School.

To Rules and Resolutions.

HR 1640 (By Wise), Honoring Christina Uriegas of Edinburg as the 2003 valedictorian of PSJA North High School.

To Rules and Resolutions.

HR 1641 (By Wise), Honoring Emily Martinez of Mercedes as the 2003 salutatorian of Progreso High School.

To Rules and Resolutions.

HR 1642 (By Wise), Honoring Rebecca Gonzalez of Pharr as the 2003 valedictorian of PSJA High School.

To Rules and Resolutions.

HR 1643 (By Wise), Honoring William A. McCormick III of Raymondville as the 2003 valedictorian of Med High School.

To Rules and Resolutions.

HR 1644 (By Wise), Honoring Kurt Loidl of McAllen as the 2003 valedictorian of the Science Academy of South Texas.

To Rules and Resolutions.

HR 1645 (By Wise), Honoring JoAnne Garcia of Pharr as the 2003 salutatorian of PSJA North High School.

To Rules and Resolutions.

HR 1646 (By Wise), Honoring Marco Antonio Jilpas of Pharr as the 2003 salutatorian of PSJA High School.

To Rules and Resolutions.

HR 1647 (By Wise), Honoring David Rudy Rivera of Weslaco as the 2003 valedictorian of Weslaco High School.

To Rules and Resolutions.

HR 1648 (By Wise), Honoring Santos Garcia as the 2003 salutatorian of Med High School.

To Rules and Resolutions.

HR 1649 (By Wise), Honoring Arturo Pecina, Jr., of Weslaco as the 2003 valedictorian of Progreso High School.

To Rules and Resolutions.

SIGNED BY THE SPEAKER

The following bills and resolutions were today signed in the presence of the house by the speaker:

House List No. 48

HB 21, HB 529, HB 725, HB 864, HB 917, HB 1446, HB 1459, HB 1619, HB 1699, HB 1723, HB 2130, HB 2169, HB 2295, HB 2470, HB 3152, HB 3242, HCR 9, HJR 23, HJR 59

Senate List No. 38

SB 196, SB 273, SB 370, SB 407, SB 501, SB 514, SB 521, SB 566, SB 608, SB 691, SB 745, SB 774, SB 854, SB 917, SB 919, SB 1070, SB 1072, SB 1136, SB 1147, SB 1251, SB 1317, SB 1429, SB 1445, SB 1457, SB 1526, SB 1527, SB 1572, SB 1606, SB 1647, SB 1663, SB 1669, SB 1694, SB 1884, SB 1892, SCR 21

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

Tuesday, May 27, 2003

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:

LOCAL AND UNCONTESTED CALENDAR

HB 148

Solomons

SPONSOR: West

Relating to the prohibition of the manufacture, sale, or possession of a counterfeit disabled parking placard; providing penalties.

HB 164 Truitt SPONSOR: Nelson

Relating to the rates at which the municipal sales and use tax for street maintenance may be imposed.

HB 174 Howard SPONSOR: Estes

Relating to benefits for members of the state military forces called to active state duty.

HB 195 Griggs SPONSOR: Nelson

Relating to the collection and distribution of delinquent ad valorem taxes imposed by county education districts.

HB 219 Hope SPONSOR: Staples

Relating to the display of the United States national motto in public elementary and secondary schools and institutions of higher education.

HB 425 Christian SPONSOR: West

Relating to the procedures under which a state agency considers legislative intent during the process of implementing certain legislative enactments.

(Committee Substitute)

HB 554 Chisum SPONSOR: Madla

Relating to grievance procedures regarding compensation and expenses for county and precinct officers.

HB 558 Grusendorf SPONSOR: Shapiro

Relating to rehiring experienced teachers under probationary contracts.

HB 673 Madden SPONSOR: Shapiro

Relating to parental notification of public school teacher qualifications.

(Amended)

HB 686 Lewis SPONSOR: Nelson

Relating to continuing education requirements for certain county commissioners.

HB 752 Woolley SPONSOR: Williams

Relating to the administration of public retirement systems for police officers in certain municipalities.

(Committee Substitute)

HB 778 Naishtat SPONSOR: Nelson

Relating to the offense of interference with an emergency telephone call.

HB 823 Goodman SPONSOR: Harris

Relating to associate judges for certain family law matters.

HB 898 Hamilton SPONSOR: Staples

Relating to the use of state travel services by public junior colleges and school districts.

HB 912 Madden SPONSOR: Shapiro

Relating to the distribution of school district employment policies to teachers employed under term contracts.

HB 913 Goodman SPONSOR: Harris

Relating to the conservatorship of, and the possession of and access to, a child.

HB 919 Eiland SPONSOR: Armbrister
Relating to the review and approval of drainage reports by certain special districts.

HB 928 Eiland SPONSOR: Armbrister
Relating to the authorized investments and transactions of certain stipulated premium insurance companies.

HB 1056 Hamilton SPONSOR: Williams
Relating to the employment of a minor in certain establishments that serve alcoholic beverages.

HB 1088 Hill SPONSOR: Carona
Relating to sales tax information provided by the comptroller to certain municipalities.

HB 1113 Crownover SPONSOR: Zaffirini
Relating to returning a public school teacher to probationary contract status.

HB 1171 Madden SPONSOR: Ratliff
Relating to the notice required to be given to a governmental entity to recover in a suit on a payment bond.

HB 1189 Talton SPONSOR: Gallegos
Relating to alternative dispute resolution procedures in certain police departments.

HB 1207 Kuempel SPONSOR: Armbrister
Relating to the application of certain municipal zoning regulations affecting the appearance of buildings or open spaces.

HB 1251 Hope SPONSOR: Williams
Relating to calling an election to dissolve the Montgomery County Hospital District.

HB 1309 Pitts SPONSOR: Duncan
Relating to the applicability of the Texas Non-Profit Corporation Act to nonprofit water supply or sewer service corporations.

HB 1339 Eissler SPONSOR: Williams
Relating to certain information that a school district must provide to the parent of or person standing in parental relation to a district student and to evaluation of a student for special education services.

HB 1391 Hamric SPONSOR: Gallegos
Relating to the confidentiality of pleadings and protective order applications in certain proceedings in the Family Code.

HB 1398 Swinford SPONSOR: Duncan
Relating to procedures for arbitration of seed performance disputes.

HB 1476 Truitt SPONSOR: Nelson
Relating to the election of certain unopposed candidates.

HB 1481 Allen SPONSOR: Estes

Relating to the creation of the operating permit fees account for fees collected under Titles IV and V of the Clean Air Act.

HB 1496 Solomons SPONSOR: Duncan
Relating to reduction in benefit fraud and claim overpayments in unemployment compensation.

HB 1526 Geren SPONSOR: Harris
Relating to the registration requirements for certain retired architects.

HB 1529 Cook, Robby SPONSOR: Armbrister
Relating to the inspection of wildlife resources and devices used to catch or hunt wildlife resources and to the cold storage of game animals.

HB 1549 Denny SPONSOR: Nelson
Relating to changes required in election laws to implement the federal Help America Vote Act of 2002.
(Committee Substitute)

HB 1653 Chavez SPONSOR: Lucio
Relating to approval of the construction of a bridge over the Rio Grande.

HB 1729 Merritt SPONSOR: Ratliff
Relating to the municipal court of record for the City of Longview.

HB 1776 Hughes SPONSOR: Nelson
Relating to Celebrate Freedom Week and to certain instruction in social studies classes in public schools.

HB 1813 McReynolds SPONSOR: Staples
Relating to the conduct of a raffle by a qualified nonprofit organization.

HB 1815 Goodman SPONSOR: Harris
Relating to court-ordered representation in suits affecting the parent-child relationship.

HB 1952 Truitt SPONSOR: Brimer
Relating to local regulation of public swimming pools.

HB 1959 Smithee SPONSOR: Bivins
Relating to facilities and other property of the Dallam-Hartley Counties Hospital District.
(Committee Substitute)

HB 1984 Kuempel SPONSOR: Armbrister
Relating to participation and credit in, contributions to, and benefits and administration of the Texas County and District Retirement System.

HB 2038 Lewis SPONSOR: Madla
Relating to entrance examinations for beginning positions in the fire and police departments of certain municipalities.

HB 2061 Grusendorf SPONSOR: Janek
Relating to notice of disciplinary action taken against certain public school students.

HB 2076 Casteel SPONSOR: Madla
Relating to the hotel occupancy tax imposed by certain counties.

HB 2089 Geren SPONSOR: Nelson
Relating to requiring the secretary of state to publicly post a list of candidate names on the Internet.

HB 2094 Harper-Brown SPONSOR: Harris
Relating to the definition of providing assistance to a voter.

HB 2131 Zedler SPONSOR: Deuell
Relating to the regulation of certain operating room nurses employed by certain other health providers.

HB 2172 Chavez SPONSOR: Lucio
Relating to administration of certain workforce development programs by the Texas Workforce Commission.

HB 2200 Solomons SPONSOR: Fraser
Relating to restrictions on apartment owners in a condominium regime relating to club membership.

HB 2227 Hughes SPONSOR: Ratliff
Relating to the frequency of meetings of the board for the Upper Sabine Valley Solid Waste Management District.

HB 2250 Flores SPONSOR: Lucio
Relating to the powers and duties of the Rio Grande watermaster and the delivery of water down the banks and bed of the Rio Grande.
(Committee Substitute)

HB 2328 McReynolds SPONSOR: Staples
Relating to the registration of persons engaged in certain fowl operations; providing a criminal penalty.

HB 2341 Kolkhorst SPONSOR: Armbrister
Relating to the duties of the district attorney in Washington and Burleson counties.

HB 2558 Swinford SPONSOR: Duncan
Relating to certain reporting requirements and orders relating to commercial fertilizer.

HB 2561 Rose SPONSOR: Madla
Relating to the application of changes in benefits received by members and retirees of retirement systems for paid, partly paid, and volunteer fire fighters and their beneficiaries.

HB 2654 Farabee SPONSOR: Estes
Relating to clarification of certain exemptions from requirements of pipeline assessment and testing.

HB 2786 Eiland SPONSOR: Janek
Relating to an extension of a strategic partnership agreement between a special purpose district and certain municipalities.

HB 2887 Van Arsdale SPONSOR: Lindsay
Relating to the exemption of certain services necessary to comply with federal and state construction storm water requirements from certain contract requirements.

HB 2930 Lewis SPONSOR: Madla
Relating to the confidentiality of and access to certain personal information contained in instruments recorded with a county clerk.

HB 2975 Chavez SPONSOR: Lucio
Relating to the establishment of a pilot program by the Texas Workforce Commission in the Texas-Mexico border region for technology training of certain persons.

HB 3075 West, George "Buddy" SPONSOR: Bivins
Relating to local agreements to allow certain development corporations and taxing units to invest in and receive tax revenues from certain regional economic development projects.

HB 3128 Truitt SPONSOR: Nelson
Relating to write-in voting for the offices of county chair and precinct chair.

HB 3213 Cook, Robby SPONSOR: Armbrister
Relating to the authority of veterinarians to form a professional association.

HB 3214 Cook, Robby SPONSOR: Armbrister
Relating to the fees of office payable to directors of certain general and special law districts.

HB 3221 Bohac SPONSOR: Lucio
Relating to subdivision platting requirements in certain counties near an international border.

HB 3235 Smith, Todd SPONSOR: Madla
Relating to certification training programs for municipal building inspectors and the implementation of Texas building energy efficiency performance standards by certified municipal building inspectors.

HB 3552 Gallego SPONSOR: Lucio
Relating to naming the school of pharmacy at Texas A&M University-Kingsville and its physical facility after Irma Rangel.
(Committee Substitute)

HB 3556 Campbell SPONSOR: Duncan
Relating to management of and certain actions and proceedings of the Sterling County Underground Water Conservation District.

HB 3595 Chavez SPONSOR: Shapleigh
Relating to the statutory county courts in El Paso County.

HB 3607 Hilderbran SPONSOR: Armbrister
Relating to the calculation of net to land in the ad valorem tax appraisal of open-space land used for wildlife management.

HCR 15 Woolley SPONSOR: Janek
Directing the State Board of Education to consider including personal finance knowledge among the essential knowledge and skills in the required public school curriculum.

HCR 34 Hopson SPONSOR: Staples
Designating the Texas State Railroad as the official State Railroad of Texas.

HCR 59 Chavez SPONSOR: Shapleigh

Requesting that the Federal Bureau of Investigation be directly involved in assisting the Mexican law enforcement authorities in their investigation of the brutal murders of women in Juarez, Mexico.

(Committee Substitute)

HCR 73

Griggs

SPONSOR: Nelson

Directing the Texas Education Agency and the State Board of Education to adopt and promote a virtues education program.

HCR 89

Krusee

SPONSOR: Ogden

Designating Hutto as the official Hippo Capital of Texas.

SB 449

Williams

Relating to the number of justices for the eighth and ninth courts of appeals districts.

SB 1720

Williams

Relating to a vendor's or subcontractor's remedy for nonpayment of certain contracts.

Respectfully,

Patsy Spaw

Secretary of the Senate

Message No. 2

MESSAGE FROM THE SENATE

SENATE CHAMBER

Austin, Texas

Tuesday, May 27, 2003 - 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:

HB 28

Hodge

SPONSOR: Whitmire

Relating to rehabilitation programs for defendants housed in state jail felony facilities.

HB 111

Chavez

SPONSOR: Zaffirini

Relating to responsibility for payment for transport by ambulance of a recipient of medical assistance in certain circumstances.

(Committee Substitute)

HB 217

Hamric

SPONSOR: Van de Putte

Relating to limiting the amount of school district ad valorem taxes that may be imposed on the residence homestead of a disabled person.

(Amended)

HB 264 Brown, Fred SPONSOR: Hinojosa
Relating to supplemental contributions to the optional retirement program by institutions of higher education.

HB 826 Davis, Yvonne SPONSOR: Carona
Relating to the disposition of certain unclaimed wage payments.
(Amended)

HB 833 Hochberg SPONSOR: Janek
Relating to certain pharmaceutical services for an injured employee receiving workers' compensation medical benefits.
(Amended)

HB 867 Jones, Jesse SPONSOR: Deuell
Relating to minimum standards applicable to certain facilities.
(Committee Substitute/Amended)

HB 1125 Flores SPONSOR: Staples
Relating to the period for the redemption of a mineral interest sold for unpaid ad valorem taxes at a tax sale.

HB 1218 Chisum SPONSOR: Nelson
Relating to the continuation and functions of the Texas State Board of Public Accountancy; providing penalties.
(Committee Substitute)

HB 1296 Noriega SPONSOR: Lindsay
Relating to small business development programs of navigation districts and port authorities.
(Amended)

HB 1457 Eiland SPONSOR: Janek
Relating to the applicability and enforcement of the law governing access to public beaches.
(Committee Substitute)

HB 1499 Dukes SPONSOR: Barrientos
Relating to the view of the state capitol.

HB 1541 Callegari SPONSOR: Lindsay
Relating to the general powers and authority of water districts.
(Committee Substitute/Amended)

HB 1887 Morrison SPONSOR: Ratliff
Relating to funds received by institutions of higher education to cover overhead expenses of conducting research.
(Amended)

HB 1931 Capelo SPONSOR: Williams
Relating to pipeline safety emergency response plans and the requirements governing notification of pipeline construction and operation.
(Committee Substitute/Amended)

HB 2081 McReynolds SPONSOR: Ratliff
Relating to an exemption from The Texas Engineering Practice Act for certain public works.

(Amended)

HB 2261 West, George "Buddy" SPONSOR: Bivins
Relating to the Eighth, Ninth, and Eleventh courts of appeals districts.
(Committee Substitute)

HB 2458 Krusee SPONSOR: Bivins
Relating to the collection of the motor fuel taxes; providing penalties.
(Committee Substitute/Amended)

HB 3139 Wilson SPONSOR: Lucio
Relating to delivery sales of cigarettes; providing penalties.

HB 3208 Heflin SPONSOR: Averitt
Relating to the temporary provision of lump-sum payments to certain retiring members of the Employees Retirement System of Texas.

HCR 251 Smithee SPONSOR: Bivins
In memory of U.S. Air Force Captain Eric Bruce Das of Amarillo.

HCR 261 Corte
Commemorating Memorial Day 2003.

HJR 16 Brown, Fred SPONSOR: Nelson
Proposing a constitutional amendment to authorize a county, a city or town, or a junior college district to establish an ad valorem tax freeze on residence homesteads of the disabled and of the elderly and their spouses.
(Committee Substitute)

HJR 21 Hamric SPONSOR: Van de Putte
Proposing a constitutional amendment to prohibit an increase in the total amount of school district ad valorem taxes that may be imposed on the residence homestead of a disabled person.

(Amended)

HJR 51 Flores SPONSOR: Staples
Proposing a constitutional amendment to establish a two-year period for the redemption of a mineral interest sold for unpaid ad valorem taxes at a tax sale.
(Amended)

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

SB 155	(viva-voce vote)
SB 253	(31 Yeas, 0 Nays)
SB 282	(viva-voce vote)
SB 533	(viva-voce vote)
SB 1326	(31 Yeas, 0 Nays)
SB 1439	(viva-voce vote)
SB 1565	(31 Yeas, 0 Nays)
SB 1574	(31 Yeas, 0 Nays)
SJR 45	(31 Yeas, 0 Nays)

THE SENATE HAS DISCHARGED ITS CONFEREES AND CONCURRED
IN HOUSE AMENDMENTS TO THE FOLLOWING MEASURES:

SB 716 (31 Yeas, 0 Nays)

Respectfully,
Patsy Spaw
Secretary of the Senate

Message No. 3

MESSAGE FROM THE SENATE
SENATE CHAMBER

Austin, Texas
Tuesday, May 27, 2003 - 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:

HB 730 Ritter SPONSOR: Fraser
Relating to residential construction, including certain warranties, building and performance standards, and dispute resolution; providing an administrative penalty.
(Committee Substitute/Amended)

HB 1839 Solomons SPONSOR: Armbrister
Relating to property in the custody of a pawnbroker; providing criminal penalties.
(Committee Substitute)

HB 2004 Marchant SPONSOR: Van de Putte
Relating to allowing a commissioners court to deliberate in a closed meeting regarding business and financial considerations of a contract being negotiated.
(Committee Substitute/Amended)

HB 2044 McReynolds SPONSOR: Staples
Relating to the powers and duties of the General Land Office and the accounting and disposition of state-owned real property.
(Committee Substitute/Amended)

HB 2877 Bonnen SPONSOR: Armbrister
Relating to certain permitting procedures of the Texas Commission on Environmental Quality.
(Committee Substitute/Amended)

HB 3330 Crownover SPONSOR: Estes
Relating to regulation of certain information logo signs along certain major highways.

(Committee Substitute)

HB 3374

Rangel

SPONSOR: Lucio

Relating to the creation, administration, powers, duties, operation, and financing of the Kenedy County Groundwater Conservation District.

(Amended)

HJR 85

Homer

SPONSOR: Estes

Proposing a constitutional amendment to allow wineries in this state to manufacture, sell, and dispense certain wine.

(Amended)

Respectfully,

Patsy Spaw

Secretary of the Senate

Message No. 4

MESSAGE FROM THE SENATE

SENATE CHAMBER

Austin, Texas

Tuesday, May 27, 2003 - 4

The Honorable Speaker of the House

House Chamber

Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

THE SENATE HAS PASSED THE FOLLOWING MEASURES:

HB 7

Heflin

SPONSOR: Bivins

Relating to making supplemental appropriations and making reductions in current appropriations.

(Committee Substitute)

HB 622

Goolsby

SPONSOR: Deuell

Relating to business leave time accounts for police officer employee organizations in certain municipalities.

HB 1131

Flores

SPONSOR: Carona

Relating to insurer interests in certain motor vehicle repair facilities; providing a civil penalty.

(Committee Substitute/Amended)

HB 2075

Hilderbran

SPONSOR: Fraser

Relating to regulating health and safety conditions at youth camps.

(Committee Substitute)

HB 2425

McCall

SPONSOR: Duncan

Relating to state and certain local fiscal matters; making an appropriation.

(Committee Substitute/Amended)

HB 2554

Smith, Wayne

SPONSOR: Williams

Relating to the application of new requirements for commercial nonhazardous industrial solid waste landfill facilities to be adopted by the Texas Commission on Environmental Quality.

HB 2892

Allen

SPONSOR: Whitmire

Relating to the illegal use of money or property derived from or intended to further certain controlled substance offenses; providing penalties.

(Amended)

HB 3306

Berman

SPONSOR: Duncan

Relating to certain appropriations made in support of the courts by the legislature to certain individuals and governmental entities, to the assignment of certain visiting judges, and to the Eighth, Ninth, and Eleventh courts of appeals districts.

(Committee Substitute/Amended)

HB 3459

Pitts

SPONSOR: Bivins

Relating to fiscal matters involving certain governmental educational entities, including public school finance, program compliance monitoring by the Texas Education Agency, amounts withheld from compensatory education allotments, the public school technology allotment, the composition of and accounting for the permanent school fund and the available school fund, health insurance coverage provided by certain educational entities, and the uses of the telecommunications infrastructure fund.

(Committee Substitute/Amended)

HB 3569

Hopson

SPONSOR: Ratliff

Relating to the creation, administration, powers, duties, operation, and financing of the Rusk County Groundwater Conservation District.

Respectfully,

Patsy Spaw

Secretary of the Senate

Message No. 5

MESSAGE FROM THE SENATE

SENATE CHAMBER

Austin, Texas

Tuesday, May 27, 2003 - 5

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:

HB 2359

Ritter

SPONSOR: Armbrister

Relating to the programs and systems administered by the Employees Retirement System of Texas.

(Committee Substitute/Amended)

HB 3015

Morrison

SPONSOR: Shapiro

Relating to the tuition and fees charged to students of institutions of higher education, to financial assistance funded by tuition, and to accountability reports by institutions of higher education.

(Committee Substitute/Amended)

Respectfully,

Patsy Spaw

Secretary of the Senate

Message No. 6

MESSAGE FROM THE SENATE

SENATE CHAMBER

Austin, Texas

Tuesday, May 27, 2003 - 6

The Honorable Speaker of the House

House Chamber

Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

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

SB 14

Senate Conferees: Jackson - Chair/Armbrister/Averitt/Fraser/Van de Putte

Respectfully,

Patsy Spaw

Secretary of the Senate

APPENDIX

STANDING COMMITTEE REPORTS

Favorable reports have been filed by committees as follows:

May 26

Urban Affairs - **SB 1943**

ENROLLED

May 26 - HB 529, HB 725, HB 864, HB 2130, HB 2295, HB 2470, HB 2533, HJR 23

RECOMMENDATIONS FILED WITH THE SPEAKER

May 26 - HB 3583, HB 3606, HB 3608, HB 3609, HB 3612, HB 3614, HB 3615, HB 3616, HB 3617, HB 3618, HB 3619, HB 3620, HB 3621, HB 3622, HB 3623, HB 3625, HB 3627, HB 3632, HB 3635

