

HOUSE JOURNAL

SEVENTY-NINTH LEGISLATURE, REGULAR SESSION

PROCEEDINGS

FORTIETH DAY — WEDNESDAY, MARCH 30, 2005

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

The roll of the house was called and a quorum was announced present (Record 176).

Present — Mr. Speaker; Allen, A.; Allen, R.; Alonzo; Anchia; Anderson; Bailey; Baxter; Berman; Blake; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Burnam; Callegari; Campbell; Casteel; Castro; Chavez; Chisum; Coleman; Cook, B.; Cook, R.; Crabb; Crownover; Davis, J.; Davis, Y.; Dawson; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Eiland; Eissler; Elkins; Escobar; Farabee; Farrar; Flores; Flynn; Frost; Gallego; Gattis; Geren; Giddings; Gonzales; Goodman; Goolsby; Griggs; Grusendorf; Guillen; Haggerty; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Hegar; Herrero; Hilderbran; Hill; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hughes; Hunter; Hupp; Isett; Jackson; Jones, D.; Jones, J.; Keel; Keffer, B.; Keffer, J.; King, P.; King, T.; Kolkhorst; Krusee; Kuempel; Laney; Laubenberg; Leibowitz; Luna; Madden; Martinez; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Nixon; Noriega, M.; Oliveira; Olivo; Orr; Otto; Paxton; Peña; Phillips; Pickett; Pitts; Puente; Quintanilla; Raymond; Reyna; Riddle; Ritter; Rodriguez; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solis; Solomons; Strama; Straus; Swinford; Talton; Taylor; Thompson; Truitt; Turner; Uresti; Van Arsdale; Veasey; Villarreal; Vo; West; Wong; Woolley; Zedler.

Absent, Excused — Corte; Gonzalez Toureilles.

The invocation was offered by Reverend Michael Pryor, Third Avenue Baptist Church, Dallas, as follows:

Heavenly Father, we come before you today asking your forgiveness, and seeking your guidance and direction for our lives. We thank you for these men and women elected by the people and ordained by you to lead and govern this great State of Texas. Grant them your wisdom as they establish legislation and govern your people. Lord, make them good stewards over the finances that you have generated through the tax dollars of your people.

Move on their hearts to adhere to your wisdom and guidance when considering and ruling on matters regarding: the moral and academic education of our children; the care of the elderly and mentally challenged; the sanctity of life; the sanctity of marriage; the incarcerated and the criminal justice system; employment and labor issues; the environment and natural resources; and jurisprudence.

Lord, you establish kings and kingdoms, and you have so ordained and entrusted to these men and women a monumental task. Please equip them for the task and keep them mindful of the call that you have placed on their lives. May every decision made guide and direct us to the center of your will. Give us, the people, a spirit of submission to honor and respect the powers that you have established. May we pray continuously and mightily for the leadership and direction of this great State of Texas. I ask it in the name of your son, Jesus Christ, by the power of your sweet Holy Spirit, Amen.

The speaker recognized Representative J. Jones who led the house in the pledges of allegiance to the United States and Texas flags.

LEAVES OF ABSENCE GRANTED

The following member was granted leave of absence for today and the remainder of the week because of maternity leave:

Gonzalez Toureilles on motion of Gonzales.

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

Corte on motion of Hilderbran.

CAPITOL PHYSICIAN

The speaker recognized Representative Martinez who presented Dr. Audrey Jones of Alamo as the "Doctor for the Day."

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

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. 23).

REGULAR ORDER OF BUSINESS SUSPENDED

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

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).

SB 1 - COMMITTEE ON CALENDARS RULE ADOPTED

Pursuant to House Rule 3, Section 5(2), and House Rule 6, Section 16(f), Representative Woolley moved to adopt the following rule governing floor consideration for **SB 1**:

Section 1. All original amendments that will be offered during second reading consideration of the bill must be filed with the chief clerk by 5 p.m. on Monday, April 4, 2005.

Section 2. (a) During second reading and third reading consideration of the bill:

Any amendment that adds or increases an item of appropriation in Articles I-X is not in order unless the amendment contains an equal or greater reduction in one or more other items of appropriation in one of those articles from the fund or funds against which the appropriation is to be certified.

(b) The provisions of this section do not apply to an amendment that makes an adjustment in an item of appropriation solely to correct a technical clerical error.

The motion prevailed.

(Keel in the chair)

HR 485 - ADOPTED
(by Flynn)

Representative Flynn moved to suspend all necessary rules to take up and consider at this time **HR 485**.

The motion prevailed.

The following resolution was laid before the house:

HR 485, Recognizing March 30, 2005, as Hunt County Day at the State Capitol.

HR 485 was read and was adopted.

INTRODUCTION OF GUESTS

The chair recognized Representative Flynn who introduced a delegation from Hunt County.

HR 832 - ADOPTED
(by Swinford)

Representative Swinford moved to suspend all necessary rules to take up and consider at this time **HR 832**.

The motion prevailed.

The following resolution was laid before the house:

HR 832, Honoring the North Plains Groundwater Conservation District on the occasion of its 50th anniversary.

HR 832 was read and was adopted.

INTRODUCTION OF GUESTS

The chair recognized Representative Swinford who introduced David Moore and Bob Leamon with the North Plains Groundwater Conservation District.

HR 931 - ADOPTED
(by Puente)

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

The motion prevailed.

The following resolution was laid before the house:

HR 931, Recognizing April 2005 as Optimist International Childhood Cancer Awareness Month.

HR 931 was read and was adopted.

**HCR 118 - ADOPTED
(by Orr)**

Representative Orr moved to suspend all necessary rules to take up and consider at this time **HCR 118**.

The motion prevailed.

The following resolution was laid before the house:

HCR 118, Honoring all who have served in the U.S. Marine Corps since September 11, 2001, and especially the members of Marine Aerial Refueler Transport Squadron 234.

HCR 118 was read and was adopted.

On motion of Representative Uresti, the names of all the members of the house were added to **HCR 118** as signers thereof.

INTRODUCTION OF GUESTS

The chair recognized Representative Geren who introduced Lieutenant Colonel. Raymond Descheneaux, Major Doug Stumpf, Major Williams Van Zanten, Sergeant Mervin McIntyre, and Sergeant Ohraline Minh.

**HR 914 - ADOPTED
(by Gonzales and Peña)**

Representative Gonzales moved to suspend all necessary rules to take up and consider at this time **HR 914**.

The motion prevailed.

The following resolution was laid before the house:

HR 914, Recognizing March 30, 2005, as McAllen Day at the State Capitol.

HR 914 was read and was adopted.

**HR 929 - ADOPTED
(by Luna, Seaman, and Herrero)**

Representative Seaman moved to suspend all necessary rules to take up and consider at this time **HR 929**.

The motion prevailed.

The following resolution was laid before the house:

HR 929, Welcoming home members of the 1st Battalion, 23rd Marine Regiment, 4th Marine Division, from their deployment in Iraq and honoring them for their loyal service to their country.

HR 929 was adopted.

**HR 932 - ADOPTED
(by Guillen)**

Representative Guillen moved to suspend all necessary rules to take up and consider at this time **HR 932**.

The motion prevailed.

The following resolution was laid before the house:

HR 932, Recognizing March 30, 2005, as Rio Bravo Day at the State Capitol.

HR 932 was read and was adopted.

INTRODUCTION OF GUEST

The chair recognized Representative Guillen who introduced Juan Gonzalez, Mayor of Rio Bravo.

HR 922 - ADOPTED (by Flores)

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

The motion prevailed.

The following resolution was laid before the house:

HR 922, Welcoming the Border Blitz delegation to the State Capitol on March 30, 2005.

HR 922 was adopted.

HR 600 - ADOPTED (by Phillips)

Representative Phillips moved to suspend all necessary rules to take up and consider at this time **HR 600**.

The motion prevailed.

The following resolution was laid before the house:

HR 600, Recognizing March 30, 2005, as Trucking Day at the State Capitol.

HR 600 was read and was adopted.

HR 928 - ADOPTED (by Luna, Seaman, and Herrero)

Representative Luna moved to suspend all necessary rules to take up and consider at this time **HR 928**.

The motion prevailed.

The following resolution was laid before the house:

HR 928, Recognizing the students of Corpus Christi ISD's Athena Program at Baker Middle School on the occasion of their visit to the State Capitol.

HR 928 was read and was adopted.

HR 902 - ADOPTED (by Nixon and Woolley)

Representative Nixon moved to suspend all necessary rules to take up and consider at this time **HR 902**.

The motion prevailed.

The following resolution was laid before the house:

HR 902, Honoring the 2005 Capitol Scholars Essay Contest winners.

HR 902 was read and was adopted.

INTRODUCTION OF GUESTS

The chair recognized Representatives Nixon and Woolley who introduced 2005 Capitol Scholars Essay Contest winners.

HR 910 - ADOPTED (by Bonnen)

Representative Bonnen moved to suspend all necessary rules to take up and consider at this time **HR 910**.

The motion prevailed.

The following resolution was laid before the house:

HR 910, Honoring Clarence Sasser of Brazoria County on his service to his country.

HR 910 was adopted.

HR 913 - ADOPTED (by Isett and D. Jones)

Representative Isett moved to suspend all necessary rules to take up and consider at this time **HR 913**.

The motion prevailed.

The following resolution was laid before the house:

HR 913, Honoring Joe V. Boerner, Jr., of Lubbock for his many contributions to the community.

HR 913 was adopted.

On motion of Representative D. Jones, the names of all the members of the house were added to **HR 913** as signers thereof.

POSTPONED BUSINESS

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

HB 414 ON SECOND READING (by Bailey)

HB 414, A bill to be entitled An Act relating to an injunction to prevent violations by automotive wrecking and salvage yards in certain counties.

HB 414 was read second time on March 17 and was postponed until 10 a.m. today.

Representative Bailey moved to postpone consideration of **HB 414** until 10 a.m. April 12.

The motion prevailed.

HB 1284 ON SECOND READING (by Swinford)

HB 1284, A bill to be entitled An Act relating to the exception from required public disclosure of a photograph of a peace officer.

HB 1284 was read second time on March 17 and was postponed until 10 a.m. today.

Representative Swinford moved to postpone consideration of **HB 1284** until 10 a.m. April 12.

The motion prevailed.

**GENERAL STATE CALENDAR
HOUSE BILLS
THIRD READING**

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

**HB 55 ON THIRD READING
(by Grusendorf, Hill, Goolsby, Branch, et al.)**

HB 55, A bill to be entitled An Act relating to the designation of the portion of Interstate Highway 20 inside Dallas and Tarrant Counties as the Ronald Reagan Memorial Highway.

HB 55 was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. Members registering votes are as follows: Burnam, Herrero, Leibowitz, and Veasey recorded voting no.)

**HB 129 ON THIRD READING
(by Berman, Orr, R. Cook, Blake, McReynolds, et al.)**

HB 129, A bill to be entitled An Act relating to the authority to require a convicted person to perform manual labor for a nonprofit organization.

A record vote was requested.

HB 129 was passed by (Record 177): 144 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen, A.; Allen, R.; Alonzo; Anchia; Anderson; Bailey; Baxter; Berman; Blake; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Burnam; Callegari; Campbell; Casteel; Castro; Chavez; Chisum; Coleman; Cook, B.; Cook, R.; Crabb; Crownover; Davis, J.; Davis, Y.; Dawson; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Eissler; Elkins; Escobar; Farabee; Farrar; Flores; Flynn; Frost; Gallego; Gattis; Geren; Giddings; Gonzales; Goodman; Goolsby; Griggs; Grusendorf; Guillen; Haggerty; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Hegar; Herrero; Hilderbran; Hill; Hochberg; Homer; Hope; Hopson; Howard; Hughes; Hunter; Hupp; Isett; Jackson; Jones, D.; Jones, J.; Keffer, B.; Keffer, J.; King, P.; King, T.; Kolkhorst; Krusee; Kuempel; Laney; Laubenberg; Leibowitz; Luna; Madden; Martinez; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Nixon; Noriega, M.; Oliveira; Olivo; Orr; Otto; Paxton; Peña; Phillips; Pickett; Pitts; Puente; Quintanilla; Raymond; Reyna; Riddle; Ritter; Rodriguez; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solis; Solomons; Strama; Straus; Swinford; Talton; Taylor; Thompson; Truitt; Turner; Uresti; Van Arsdale; Veasey; Villarreal; Vo; West; Wong; Woolley; Zedler.

Nays — Eiland.

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

Absent, Excused — Corte; Gonzalez Toureilles.

Absent — Hodge.

STATEMENT OF VOTE

I was shown voting yes on Record No. 177. I intended to vote no.

Deshotel

HB 151 ON THIRD READING

(by **Truitt, Branch, Peña, Harper-Brown, Alonzo, et al.**)

HB 151, A bill to be entitled An Act relating to the punishment for the offense of burglary of a vehicle.

A record vote was requested.

HB 151 was passed by (Record 178): 102 Yeas, 43 Nays, 1 Present, not voting.

Yeas — Alonzo; Anchia; Anderson; Bailey; Baxter; Berman; Blake; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Callegari; Campbell; Casteel; Chisum; Cook, B.; Cook, R.; Crabb; Crownover; Davis, J.; Dawson; Delisi; Denny; Driver; Eissler; Elkins; Escobar; Farabee; Flynn; Frost; Gallego; Gattis; Geren; Goodman; Goolsby; Griggs; Grusendorf; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Hegar; Hilderbran; Hill; Hochberg; Hope; Hopson; Howard; Hughes; Hunter; Hupp; Isett; Jackson; Keel(C); Keffer, B.; Keffer, J.; King, P.; Kolkhorst; Krusee; Kuempel; Laney; Laubenberg; Martinez Fischer; McClendon; McReynolds; Menendez; Merritt; Miller; Morrison; Mowery; Nixon; Orr; Otto; Paxton; Peña; Phillips; Pickett; Pitts; Puente; Raymond; Reyna; Riddle; Ritter; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solomons; Straus; Swinford; Talton; Taylor; Truitt; Van Arsdale; Vo; West; Wong; Woolley; Zedler.

Nays — Allen, A.; Allen, R.; Burnam; Castro; Chavez; Coleman; Davis, Y.; Deshotel; Dukes; Dunnam; Dutton; Edwards; Eiland; Farrar; Flores; Gonzales; Guillen; Haggerty; Herrero; Hodge; Homer; Jones, D.; Jones, J.; King, T.; Leibowitz; Luna; Madden; Martinez; McCall; Moreno, J.; Moreno, P.; Naishtat; Noriega, M.; Oliveira; Olivo; Quintanilla; Rodriguez; Solis; Strama; Thompson; Turner; Uresti; Villarreal.

Present, not voting — Mr. Speaker.

Absent, Excused — Corte; Gonzalez Toureilles.

Absent — Giddings; Veasey.

(Speaker in the chair)

POSTPONED BUSINESS

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

HB 1393 ON SECOND READING
(by Flores, et al.)

HB 1393, A bill to be entitled An Act relating to the regulation of certain investigators by the Texas Private Security Board.

HB 1393 was read second time on March 29 and was postponed until 11:30 a.m. today.

Amendment No. 1

Representative Haggerty offered the following amendment to **HB 1393**:

Amend **HB 1393**, on page 1, line 15, between "(c)" and "Although", by inserting "The security department of a private business may not hire or employ an individual to perform a duty described by Section 1702.222 if the individual has been convicted of a crime that would otherwise preclude the individual from being registered under this chapter.".

Amendment No. 1 was adopted.

HB 1393, as amended, was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. Members registering votes are as follows: Herrero and Leibowitz recorded voting no.)

GENERAL STATE CALENDAR
(consideration continued)

HB 474 ON THIRD READING
(by West, et al.)

HB 474, A bill to be entitled An Act relating to the duty of a gas utility to report certain transactions to the Railroad Commission of Texas.

HB 474 was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. Members registering votes are as follows: Leibowitz recorded voting no.)

MESSAGE FROM THE SENATE

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 2).

HB 554 ON THIRD READING
(by Turner, McClendon, Edwards, et al.)

HB 554, A bill to be entitled An Act relating to the system benefit fund and to eligibility for and enrollment for benefits under the fund.

HB 554 was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. Members registering votes are as follows: D. Jones and Howard recorded voting no.)

HB 762 ON THIRD READING**(by Nixon, Bailey, Swinford, Keel, and Woolley)**

HB 762, A bill to be entitled An Act relating to the solicitation by state officers and employees of and recommendations regarding contributions to charitable organizations and governmental entities.

HB 762 was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 915 ON THIRD READING**(by Woolley)**

HB 915, A bill to be entitled An Act relating to authority of a peace officer to make an arrest outside of the officer's jurisdiction or to seize property while making the arrest.

HB 915 was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 951 ON THIRD READING**(by West)**

HB 951, A bill to be entitled An Act relating to construction affecting pipeline easements and rights-of-way.

Amendment No. 1

Representative West offered the following amendment to **HB 951**:

Amend **HB 951** on third reading as follows:

(1) On page 2, lines 8 and 9, strike "facility or affected property owner for damages to the facility or property" and substitute "facility for damages to the facility".

(2) On page 2, lines 16 and 17, strike "or affected owner of the property".

(3) On page 3, line 24, strike "facility or affected owner of the property" and substitute "facility".

(4) On page 4, lines 3 and 4, strike "or affected owner of the property".

(5) In SECTION 1 of the bill in added Section 756.104, Health and Safety Code, after "result of the violation." insert "This section does not affect the right of a surface owner to recover for any damages to the owner's property."

(6) In SECTION 2 of the bill in added Section 756.124, Health and Safety Code, after "result of the violation." insert "This section does not affect the right of a surface owner to recover for any damages to the owner's property."

Amendment No. 1 was adopted.

A record vote was requested.

HB 951, as amended, was passed by (Record 179): 142 Yeas, 0 Nays, 1 Present, not voting.

Yeas — Allen, A.; Allen, R.; Alonzo; Anchia; Anderson; Bailey; Baxter; Berman; Blake; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Burnam; Callegari; Campbell; Castro; Chavez; Chisum; Coleman; Cook, B.; Cook, R.; Crabb; Crownover; Davis, J.; Davis, Y.; Dawson; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Eiland; Eissler; Elkins; Escobar; Farabee; Farrar; Flynn; Frost; Gallego; Gattis; Geren; Giddings; Gonzales; Goodman; Goolsby; Griggs; Grusendorf; Guillen; Haggerty; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Hegar; Herrero; Hilderbran; Hill; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hughes; Hunter; Hupp; Jackson; Jones, D.; Jones, J.; Keel; Keffer, B.; Keffer, J.; King, P.; King, T.; Kolkhorst; Krusee; Kuempel; Laney; Laubenberg; Leibowitz; Luna; Madden; Martinez; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Nixon; Noriega, M.; Oliveira; Olivo; Orr; Otto; Paxton; Peña; Phillips; Pickett; Pitts; Puente; Quintanilla; Raymond; Reyna; Riddle; Ritter; Rodriguez; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solis; Solomons; Strama; Straus; Swinford; Talton; Taylor; Thompson; Truitt; Uresti; Van Arsdale; Veasey; Villarreal; Vo; West; Wong; Woolley; Zedler.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Corte; Gonzalez Toureilles.

Absent — Casteel; Edwards; Flores; Isett; Turner.

STATEMENT OF VOTE

When Record No. 179 was taken, I was in the house but away from my desk. I would have voted yes.

Casteel

HB 970 ON THIRD READING

(by Keel, Talton, Hill, Nixon, Peña, et al.)

HB 970, A bill to be entitled An Act relating to the required mental state for commission of certain misdemeanor offenses.

HB 970 was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 1154 ON THIRD READING

(by Elkins)

HB 1154, A bill to be entitled An Act relating to limited liability companies and partnerships.

Amendment No. 1

Representative Hartnett offered the following amendment to **HB 1154**:

Amend **HB 1154** on 3rd Reading by adding the following appropriately numbered Section of the bill and renumbering the remaining Sections of the bill as appropriate:

SECTION __. Section 1.07(d), Texas Revised Limited Partnership Act (Article 6132a-1, Vernon's Texas Civil Statutes), is amended to read as follows:

(d) A partner or an assignee of a partnership interest, on written request stating the purpose, may examine and copy, in person or by the partner's or assignee's representative, at any reasonable time, for any proper purpose, and at the partner's expense, records required to be kept under this section and other information regarding the business, affairs, and financial condition of the limited partnership as is just and reasonable for the person to examine and copy. Records and information subject to this subsection include general ledgers.

Amendment No. 1 was adopted.

HB 1154, as amended, was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 1319 ON THIRD READING **(by Giddings)**

HB 1319, A bill to be entitled An Act relating to business entities and associations.

HB 1319 was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 1507 ON THIRD READING **(by Solomons)**

HB 1507, A bill to be entitled An Act relating to the regulation of corporations; providing a penalty.

HB 1507 was passed. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

COMMITTEE MEETING ANNOUNCEMENT

The following committee meeting was announced:

Criminal Jurisprudence, upon lunch recess today, Desk 59, for a formal meeting, to consider pending business.

RECESS

At 11:55 a.m., the speaker announced that the house would stand recessed until 1:15 p.m.

AFTERNOON SESSION

The house met at 1:15 p.m. and was called to order by the speaker.

**MAJOR STATE CALENDAR
HOUSE BILLS
SECOND READING**

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

**CSHB 7 ON SECOND READING
(by Solomons, Giddings, Hamric, and Dunnam)**

CSHB 7, A bill to be entitled An Act relating to the continuation and operation of the workers' compensation system of this state and to the abolition of the Texas Workers' Compensation Commission, the establishment of the office of injured employee counsel, and the transfer of the powers and duties of the Texas Workers' Compensation Commission to the Texas Department of Insurance and the office of injured employee counsel; providing administrative violations.

Amendment No. 1

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

(1) On page 3, line 17, strike "an insurance carrier" and insert "the department".

(2) On page 3, line 18, strike "the" and insert "an insurance".

(3) On page 4, strike lines 5 through 16 and replace with the following:

"(11-b) "Complaint" means any dissatisfaction expressed orally or in writing by a complainant regarding an entity's operation or the manner in which a service is provided. The term does not include:

(A) a misunderstanding or a problem of misinformation that is resolved promptly by clearing up the misunderstanding or supplying the appropriate information to the satisfaction of the complainant;

(B) a medical dispute except for a fee dispute; or

(C) a dispute under Chapter 410." .

(4) On page 5, strike lines 6 through 17 and substitute the following:

"(16-a) "Dispute" means a disagreement relating to issues that are subject to Chapter 410, or a disagreement that is subject to the medical dispute resolution requirements of Subchapter C, Chapter 413."

(5) On page 5, strike lines 18-27 and on page 6, strike lines 1-4, and insert:

"(17-a) "Emergency care" means either a medical or mental health emergency as described below:

(A) a medical emergency consists of the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity including severe pain that the absence of immediate medical attention could reasonably be expected to result in placing the patient's health and/or bodily functions in serious jeopardy and/or serious dysfunction of any body organ or part.

(B) a mental health emergency is a condition that could reasonably be expected to present danger to self or others."

(6) On page 6, line 14, after "nursing," and before "and" insert "occupational therapy."

(7) On page 8, strike lines 7-14 and lines 19-21 and renumber accordingly.

(8) On page 9, line 1, strike "participants" and substitute "injured employees".

(9) On page 10, line 3, add a new (35-a) to read as follows and renumber accordingly:

"(35-a) "Person" means any natural or artificial person, including an individual, partnership, association, corporation, organization, trust, hospital district, community mental health center, mental retardation center, mental health and mental retardation center, limited liability company or limited liability partnership."

(10) On page 10, line 4, between "approval" and "to" strike "from a provider network".

(11) On page 10, strike lines 6 through 10 and insert new (35-b) to read:

"(35-b) "Certified Provider Network" or "Provider Network" means a network of participating health care providers using case management procedures that is certified by the department in accordance with Chapter 408B, and is used by a carrier to provide health care services to injured employees. A certified provider network may be a preferred provider organization, a health maintenance organization, a nonprofit health corporation certified under Section 162.001 Occupations Code, or a network of providers established by an insurance carrier that has been certified by the department."

(12) On page 11, line 13, strike "or work".

(13) On page 20, line 17, before ";and" insert new subsections as follows and renumber accordingly:

"(4) identification of whether the claimant is receiving medical care through a workers' compensation health care network certified under Chapter 408B;"

(14) On page 29, line 23, before "practices" insert "and complaint resolution".

(15) On page 32, line 6, after "(b)" insert "In a case in which a hearing is conducted by the State Office of Administrative Hearings under Section 411.049, 413.055 or 415.034, the administrative law judge who conducts the hearing for the State Office of Administrative Hearings shall enter the final decision in the case after completion of the hearing." and on line 11 before "In a" insert "(c)".

(16) On page 54, line 8, strike "regulated by or".

(17) On page 54, line 11, strike "services".

(18) On page 54, line 15, strike "five" and substitute "two".

(19) On page 57, lines 5 and 10, after "representation" add "and assistance".

(20) On page 57, line 7, strike "the public" and substitute "injured employees as a class".

(21) On page 57, strike lines 15 through 20 and renumber accordingly.

(22) On page 58, line 25, between "involving" and "rules", strike "rates." and strike the comma after "rules".

(23) On page 58, line 27, between "commissioner" and "adopts", strike "promulgates rates or".

(24) On page 59, line 2, after the word "intervene" insert "on behalf of injured employees as a class".

(25) On page 59, line 15, between "involving" and "rules", strike "rates." and strike the comma after "rules".

(26) On page 59, line 25, strike "representation" and substitute "assistance".

(27) On page 59, strike lines 26 and 27, on page 60, strike lines 1 through 10, and substitute the following:

"(c) The public counsel shall adopt rules and policies for representation and assistance of individual injured employees before the department. The rules must include a process for determining which cases need direct attorney involvement, taking into consideration the complexity of the case and the issue or issues in dispute."

(28) On page 63, line 21, before "shall", strike "Texas Health Care Information Council" and insert "Department of Assistive and Rehabilitative Services, Texas Workforce Commission, Texas Health and Human Services Commission, and any other state agency with relevant information.".

(29) On page 64, line 11, after "doctor" insert ", a health care provider" and on lines 24 and 26 after "doctors" insert ", health care providers".

(30) On page 64, lines 12 and 13, strike "an injured employee's primary residence" and substitute "the address at which an injured employee lives".

(31) On page 70, line 13, strike "and" and on line 14, insert a new subsection (6) to read as follows and renumber accordingly:

"the frequency, duration and outcome of complaints; and".

(32) On page 78, strike SECTION 1.089 in its entirety.

(33) On page 106, strike lines 13-18 and substitute with the following: "temporary income benefits. The carrier shall evaluate a compensable injury in which the injured employee sustains an injury that could potentially result in lost time from employment as early as practicable to determine if skilled case management is necessary for the injured employee's case. Where necessary, case managers who are appropriately licensed to practice in the state of Texas shall be used. Claims adjusters shall not be used as case managers.".

(34) On page 110, lines 2 and 11, strike "130 [100]" and substitute "100".

(35) On page 111, line 7, between "WAGE." and "state" strike "The" and insert "(a) On or after October 1, 2005, the [~~The~~]", on line 8 strike "for a state [~~the~~]fiscal year", and on line 14 insert a new subsection(b)to read as follows:

"(b) The state average weekly wage for the period beginning September 1, 2005, and ending September 30, 2005, is \$539. This subsection expires October 1, 2005."

(36) On page 112, line 6, strike "September" and insert "October [September]" and on line 11 strike "September" and insert "October [September]".

(37) On page 113, on line 9, insert "(c) An insurance carrier that seeks judicial review under Subchapter G, Chapter 410, of a final decision of a commission appeals panel regarding compensability or eligibility for, or the amount of, income or death benefits is liable for reasonable and necessary attorney's fees as provided by Subsection (d) incurred by the claimant as a result of the insurance carrier's appeal if the claimant prevails on an issue on which judicial review is sought by the insurance carrier in accordance with the limitation of issues contained in Section 410.302. If the carrier appeals multiple issues and the claimant prevails on some, but not all, of the issues appealed, the court shall apportion and award fees to the claimant's attorney only for the issues on which the claimant prevails. In making that apportionment, the court shall consider the factors prescribed by Subsection (d). This subsection does not apply to attorney's fees for which an insurance carrier may be liable under Section 408.147. An award of attorney's fees under this subsection is not subject to commission rules adopted under Subsection (f).".

(38) On page 121, line 11, after "doctor" insert "or health care provider".

(39) On page 122, line 24, after "immediately" and before "." insert "upon written notice to the employee. The written notice shall include a clear statement of the employee's right to appeal the determination of the designated doctor".

(40) On page 126, line 10, after "regarding" strike ":", and on line 11, before "the electronic" strike "(1)", and on line 12, after "carriers" strike ";and" and insert ":", and strike lines 13-14, and on line 21, add a new subsection (d) to read as follows:

"(d) The commissioner may adopt rules, but not before January 1, 2008, regarding the electronic payment of medical bills by insurance carriers to health care providers upon sufficient evidence that such payments can be made without undue burden to carriers."

(41) On page 126, line 19, after the word "carriers" and before the word "who" insert "and health care providers".

(42) On page 127, line 10 between "doctor" and "of" insert ",and all other known healthcare providers providing direct services to the employee,".

(43) On page 127, line 16, after "for" and before "a" insert "healthcare provided before the notice in subsection (a) up to".

(44) On page 127, line 20, after "any" insert ",to the extent covered under the employee's health benefit plan".

(45) On page 128, strike lines 14 through 17.

(46) On page 130, line 21, between "408B" and "to read" insert "and Chapter 408C".

(47) On page 130, line 26, between "CARRIER," and "An", insert "(a)", and on page 131, line 8, insert a new Subsection (b) and Subsection (c) to read as follows:

"(b) A person may not operate a provider network in this state unless the person holds a certificate issued under this chapter and under rules adopted by the commissioner.

(c) A person may not perform any act of a provider network except in accordance with the specific authorization of this chapter or rules adopted by the commissioner."

(48) On page 131, line 8, after "(a)" strike "If" and substitute "Except for emergency care, or network approved referrals, if".

(49) On page 131, line 12, strike "or works".

(50) On page 131, line 18, insert a new subsection (c) to read as follows and renumber accordingly:

"(c) Notwithstanding subsections (a) and (b), a carrier shall provide and shall reimburse under department rule, healthcare related to the compensable injury for an injured employee who is covered by a network but lives outside the service area in accordance with all provisions of the Labor Code, except Chapter 408B."

(51) On page 131, line 22, insert a new subsection (d) to read as follows:

"(d) Notwithstanding any other provision of this chapter, prescription medication or services, as defined by Section 401.011(19)(E), Labor Code, may not be delivered through a workers' compensation health care network. Prescription medication and services shall be reimbursed as provided by the Texas Workers' Compensation Act and applicable rules of the department."

(52) On page 132, line 2, strike "Except as provided by Subsection (d), a" and insert "A" and strike lines 11-13.

(53) On page 132, line 15, after "CARE." insert "(a)" and on line 17, between "service" and ";" insert "related to the compensable injury" and on line 24 insert a new subsection (b) to read:

"(b) An insurance carrier that establishes or contracts with a provider network is liable for health care services related to a compensable injury provided by non-network providers to an injured employee who does not live within the geographical service area. Health care provided by a non-network provider is not subject to the provisions of Chapter 408B other than this section, and is subject to all other provisions of the Labor Code."

(54) On page 132, line 18, between "employee" and "obtains", insert "lives within a service area of any network established by the insurance carrier or with which the insurance carrier has a contract and".

(55) On page 134, line 18, between "establishes" and "a", insert "or contracts with".

(56) On page 135, line 11, strike ";" and substitute "the service area.".

(57) On page 135, strike lines 12 through 15.

(58) On page 135, line 22, strike "except as provided by Section 408B.304".

(59) On page 135, strike lines 23-27 and substitute the following:

"(6) a statement that, if an employee lives within a service area of any network established by the insurance carrier or with which the insurance carrier has a contract, the employee may be liable for health care related to the compensable injury obtained from a non-participating provider, except for emergency care, health care obtained pursuant to a referral from the employee's treating doctor and prior to network approval, or health care provided pursuant to Section 408B.054;"

(60) On page 137, line 1, insert a new subsection (13) to read as follows:

"(13) Nothing in this Title shall prohibit an insurance carrier that uses a certified provider network to provide to each covered employee a Workers' Compensation Coverage Identification Card."

(61) On page 137, line 24, between "the" and "day", strike "14th" and insert "30th".

(62) On page 139, line 12, strike "injured employee's residence" and substitute "address at which the employee lives".

(63) On page 142, line 11, after "area." insert "The Commissioner shall establish by rule what constitutes a higher level of skill necessary for a carrier to use providers outside the geographic service area. The rules shall include a required adequacy review by the commissioner.".

(64) On page 142, line 14, strike "and work".

(65) On page 149, line 26, insert a new section (2) and renumber the following sections accordingly:

"(2) a provision that the insurance carrier shall provide to participating providers the source of the treatment guidelines and standards utilized to perform a pattern of practice review;"

(66) On page 153, line 23, after "service" insert "or if care was provided as a result of an emergency.".

(67) On page 153, strike lines 26 and 27 and substitute the following:

"(c) A carrier shall reimburse out-of-network providers who provide health care related to a compensable injury to an injured employee who does not live within a service area of any network established by the insurance carrier or with which the insurance carrier has a contract, who provide emergency care, or whose referral by a"

(68) On page 155, lines 4 and 5, strike "preferred provider organization that has a network of preferred providers and" and substitute "provider network".

(69) On page 155, lines 15 and 16, strike "preferred provider contract, including a contract with a preferred provider organization," and substitute "carrier-network contract".

(70) On page 157, line 25, strike "and" and on line 26, insert a new subsection (E) to read as follows and renumber accordingly:

"(E) the frequency, duration and outcome of complaints; and"

(71) On page 164, strike lines 10 through 12 and substitute "30 miles of where the employee lives if the employee lives in an urban area or within 60 miles of where the employee lives if the employee lives in a rural area. The provider".

(72) On page 165, line 6, strike "complaint" and substitute "dispute".

(73) On page 165, line 24, strike "residence" and substitute "address".

(74) On page 166, strike lines 1-5 and insert "DOCTOR. (a) A provider network shall ensure that an injured employee with a chronic life-threatening condition or chronic pain related to a compensable injury, may apply to the network's medical director to use a non-primary care specialist who is a participating health care provider, as the injured employee's treating doctor.".

(75) On page 172, line 12, after "licensed" and before ":", insert "in the state of Texas".

(76) On page 173, strike lines 6 through 9, and substitute the following:

"(c) Notwithstanding Section 4(h), Article 21.58A, Insurance Code, a utilization review agent that uses doctors to perform reviews of health care services provided under this subtitle shall use doctors appropriately licensed in this state to perform those reviews. The physician may be employed by or under contract to the carrier or provider network."

(77) On page 178, line 14, between "the" and "day", strike "seventh calendar" and insert "fifth business".

(78) On page 180, line 17, between "carrier," and "or", insert "health care provider, employee,".

(79) On page 181, strike lines 24 and 25, and substitute "CHAPTER 408C. REQUIREMENTS FOR NON-NETWORK HEALTH CARE AND OUT-OF-NETWORK HEALTH CARE".

(80) On page 183, line 22, strike "residence" and substitute "address [residence]".

(81) On page 183, line 23, strike subsection 408C.003(a) and renumber accordingly.

(82) On page 184, line 17, Before "MEDICAL" strike "408C.004" and insert "408A.056" and renumber accordingly.

(83) On pages 186 and 187, strike section 408C.006 in its entirety and renumber accordingly.

(84) On page 188, line 7, after "Commission" and before "before" insert "by order or agreement".

(85) On page 196, line 13, between "a" and "provider", insert "certified" and strike "must" and substitute "shall not", and on line 14, between "the" and "provider", insert "certified".

(86) On page 205, lines 5, 10 and 13, strike "supplemental".

(87) On page 206, lines 3 and 8, strike "supplemental".

(88) On page 210, line 5, strike "entitled to supplemental income benefits" and substitute "[entitled to supplemental income benefits]".

(89) On page 211, line 13, strike "408.004" and substitute "408A.002 [408.004]".

(90) On page 212, strike line 2 and substitute "resulting in an incurable insanity or imbecility; or".

(91) On page 224, line 11, strike "results" and substitute "could possibly result". On line 13, between "case" and ":", insert "and, if so, to provide skilled case management, in accordance with commissioner rules".

(92) On page 232, line 17, strike "regarding income benefits" and substitute "under this chapter".

(93) On page 233, line 5, strike "income benefit".

(94) On page 234, lines 8 and 14, strike "regarding income benefits".

(95) On page 234, line 17, strike "the benefits" and substitute "medical benefits or income benefits".

(96) On page 236, line 8, strike "complaint" and substitute "dispute".

(97) On page 236, lines 13 through 14, strike "regarding income benefits under this subtitle" and substitute "under this chapter".

(98) On page 236, line 18, strike "income".

(99) On page 241, line 3, strike "complaint" and substitute "dispute".

(100) On page 245, lines 3-4, strike "unless a party seeks judicial review as provided by this chapter" and insert "during the pendency of a judicial review as provided by this chapter".

(101) On page 245, lines 22-25, strike everything after "final" and insert "in the absence of a timely appeal by a party and is binding during the pendency of a judicial review as provided by this chapter".

(102) On page 248, lines 3 and 6, strike "resided" and substitute "lived [~~resided~~"]".

(103) On page 252, line 11, between "subchapter" and ":" insert: "in accordance with the Texas Rules of Evidence".

(104) On page 263, line 23, strike "408.0041" and substitute "408A.003".

(105) On page 266, lines 2 through 4, strike "REIMBURSEMENT POLICIES FOR NON-NETWORK HEALTH CARE; FEE [~~AND~~] GUIDELINES; MEDICAL POLICIES; TREATMENT GUIDELINES AND PROTOCOLS." and substitute the following: "REIMBURSEMENT POLICIES FOR NON-NETWORK AND OUT-OF-NETWORK HEALTH CARE; FEE [~~AND~~] GUIDELINES; MEDICAL POLICIES; TREATMENT GUIDELINES AND PROTOCOLS.".

(106) On page 266, line 4, insert a new subsection (a) to read as follows and renumber accordingly:

"(a) This section applies to non-network health care and out-of-network health care which the insurance carrier is obligated to provide."

(107) On page 266, line 6, strike "not" and on line 7 strike "Chapter 408B" and substitute "Section 408B.004(b)".

(108) On page 266, line 10, between "requirements." and "To achieve", insert "(b)" and renumber subsections accordingly.

(109) On page 266, line 11, strike the word "may" and substitute "shall".

(110) On page 267, line 14, after "control." insert "The guidelines may not provide for payment of a fee in excess of the fee charged for similar treatment of an injured individual of an equivalent standard of living and paid by that individual or by someone acting on that individual's behalf. The commissioner shall consider the increased security of payment afforded by this subtitle in establishing the fee guidelines. Agreements between a provider and the insurance carrier or provider network that are above the guidelines are permitted.".

(111) On page 267, line 21, insert the following new subsection (e) and renumber accordingly:

"(e) The rules adopted by the department for the reimbursement of prescription medications and services shall authorize pharmacies to utilize agents or assignees to process claims and act on their behalf pursuant to terms and conditions as agreed upon by pharmacies."

(112) On page 275, line 14, insert "(c) A claimant is entitled to a review of a request for a change of treating doctor under Chapter 408B.303.".

(113) On page 275, lines 19, 22 and 27, strike the word "claimant" and substitute the word "party".

(114) On page 275, lines 19 and 20, strike "a complaint" and substitute "an issue".

(115) On page 275, lines 23, strike "complaint" and substitute "notice", on line 25, strike "a complaint" and substitute "an issue", and on line 27, strike "statement of the complaint" and substitute "notice of the issue".

(116) On page 310, line 22, strike "Each state agency" and insert "The office" and on line 23 strike "the agency's" and replace with "covered".

(117) On page 331, line 26, strike "408.004" and substitute "408A.002 [408.004]".

(118) On page 343, line 24, before "provider" insert "certified".

(119) On page 348, line 17, strike "80th" and insert "81st".

(120) On page 360, line 26, between "personnel" and ",computer", insert "services".

(121) On page 365, line 12, after "unresolved" strike "after a review by an independent review organization".

(122) On page 365, line 15, after "unresolved" strike "after a review by an independent" and on line 16, before ".A medical" strike "review organization", and on line 18, between "Section" and "413.035", insert "413.033 and Section".

Amendment No. 1 was adopted.

Amendment No. 2

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** on page 266, line 19 after "develop" and before "conversion" insert "multiple".

Amendment No. 2 was adopted.

Amendment No. 3

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** on page 269 as follows:

(1) On line 23 between "carrier." and "Treatments" insert "(1)".

(2) On line 25 insert a new subsection (2) to read as follows:

"(2) For preauthorized surgeries under this section, the commissioner shall, by rule, require access to surgically implanted, inserted, or otherwise applied devices or tissues by ensuring reimbursement of reasonable, necessary and actual costs."

Amendment No. 3 was adopted.

Amendment No. 4

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

(1) Amend **CSHB 7** by striking SECTION 1.204 of the bill, (Committee Substitute page 188, lines 4 through 13.

(2) Amend Sec. 408C.002, Labor Code (Committee Substitute page 182, line 2), by striking "An", and substituting the following: "Except as provided in subsection (f), an".

(3) Amend Sec. 408C.002, Labor Code (Committee Substitute page 183), between lines 22 and 23, insert a new subsection (f) to read as follows:

"(f) Notwithstanding the repeal by this Act of Sections 408.023 and 408.0231, Labor Code, there may be no direct or indirect provision of health care under the workers' compensation Act and rules, and no direct or indirect receipt of remuneration under the Act and rules by a doctor who:

(1) before the effective date of this Act:

(A) was removed or deleted from the list of approved doctors either by action of the Texas Workers' Compensation Commission or by agreement with the doctor; or

(B) was not admitted to the list of approved doctors either by action of the Texas Workers' Compensation Commission or by agreement with the doctor;

(C) was suspended from list of approved doctors either by action of the Texas Workers' Compensation Commission or by agreement with the doctor;
or

(D) had the license to practice suspended by the appropriate licensing board including those whose suspension was stayed, deferred, or probated, or voluntarily relinquished the license to practice; and

(2) was not reinstated or restored by the Texas Workers' Compensation Commission to the list of approved doctors prior to the effective date of this Act."

(4) Amend SECTION 1.034 of the bill, Sec. 402.168, Labor Code (Committee Substitute page 31, line 13), between "SANCTIONS." and "Only", by inserting: "(b)".

(5) Amend SECTION 1.034 of the bill, Sec. 402.168, Labor Code (Committee Substitute page 31, line 13), between "SANCTIONS." and "Only", by inserting a new subsection (a) to read as follows:

"(a) The department shall act on a recommendation by the medical advisor selected under Section 413.0511 and, after notice and the opportunity for a hearing, may impose sanctions under this section on a doctor or other health care provider or an insurance carrier or may recommend action regarding a utilization review agent or independent review organization. The department may impose sanctions as appropriate, including removal of the privilege of practice in the workers' compensation system. Only the commissioner may impose:

(1) a sanction that deprives a person of the right to practice before the department under this subtitle or of the right to receive remuneration under this subtitle for a period exceeding 30 days; or

(2) another sanction suspending for more than 30 days or revoking a certificate of authority, license, certification, or permit required for practice in the field of workers' compensation.

(h) A sanction imposed by the department is binding pending appeal."

Amendment No. 4 was adopted.

(Isett in the chair)

Amendment No. 5

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** on page 125, line 12 by inserting a new Section 408A.0071 to read as follows:

"408A.0071. FEE SCHEDULE FOR PHARMACY AND PHARMACEUTICAL SERVICES. (a) Notwithstanding any other provision of this title, the department by rule shall adopt a fee schedule for pharmacy and pharmaceutical services which will:

(1) provide reimbursement rates that are fair and reasonable;

(2) assure adequate access to medications and services for injured employees;

(3) minimize costs to employees and insurance carriers; and

(4) prospectively resolve uncertainty existing upon the effective date of this amendment regarding the application of the requirements of this title to fees for medications and pharmacy services, including whether and how to apply the requirements of sections 413.011, 413.043, 415.005.

(b) Insurance carriers and health care provider networks must reimburse for pharmacy benefits and services using the fee schedule as developed by this section, or at rates negotiated in advance by contract."

Amendment No. 5 was adopted.

Amendment No. 6

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** on page 270, line 8 by inserting a new subsection (4) to read as follows and renumber subsections accordingly:

"(4) physical and occupational therapy;"

Amendment No. 6 was adopted.

Amendment No. 7

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** on page 274, line 3, by inserting new subsections (g) and (h) to read as follows:

"(g) The commissioner shall adopt rules to recognize exemplary return to work programs.

(h) The commissioner shall adopt rules that allow insurance carriers to offer incentives to employers who offer exemplary return to work programs."

Amendment No. 7 was adopted.

Amendment No. 8

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7**:

(1) On page 171, line 17 after "necessary." insert "Treatment may not be denied solely on the basis that the treatment for the indication in question is not specifically addressed by the treatment guideline used by the carrier."

(2) On page 173, strike lines 22 through 23 and insert new subsection (3) to read:

"(3) a description, source, and specific location and citation of, the screening criteria that was used as guidelines in making the determination."

Amendment No. 8 was adopted.

Amendment No. 9

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7**:

(1) on page 127, between lines 25 and 26, by inserting the following:

"(c) If an accident or health insurance carrier or other person obligated for the cost of health care services has paid for health care services for an employee for an injury for which a workers' compensation insurance carrier denies compensability, and the injury is later determined to be compensable, the accident or health insurance carrier or other person may recover the amounts paid for such services from the workers' compensation insurance carrier."

(2) On page 154, between lines 19 and 20, insert the following:

"(f) If the carrier contests compensability of an injury and the injury is determined not to be compensable, the carrier may recover the amounts paid for health care services from the employee's accident or health carrier or any other person who may be obligated for the cost of the health services."

"(g) If an accident or health insurance carrier or other person obligated for the cost of health care services has paid for health care services for an employee for an injury for which a workers' compensation insurance carrier denies compensability, and the injury is later determined to be compensable, the accident or health insurance carrier or other person may recover the amounts paid for such services from the workers' compensation insurance carrier."

Amendment No. 9 was adopted.

(Speaker in the chair)

Amendment No. 10

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** in SECTION 1.034 of the bill, Sec. 402.168, Labor Code (Committee Substitute page 31), by striking lines 13 through 21, and substituting the following:

"Sec. 402.168 [402.072]. SANCTIONS. (a) The department may impose sanctions against any individual or entity monitored or regulated by the department under this subtitle."

"(b) The commissioner by rule shall establish criteria for imposing sanctions pursuant to this subtitle. Rules adopted under this section are in addition to, and do not affect, the rules adopted under Section 415.023(b)."

(c) The criteria for recommending or imposing sanctions may include anything the commissioner considers relevant, including:

(1) a sanction of the doctor or other health care provider by the department for a violation of Chapter 413 or Chapter 415;

(2) a sanction by the Medicare or Medicaid program for:

(A) substandard medical care;

(B) overcharging;

(C) overutilization of medical services; or

(D) any other substantive noncompliance with requirements of those programs regarding professional practice or billing;

(3) evidence from the department's medical records that the applicable insurance carrier's utilization review practices or the doctor's or health care provider's charges, fees, diagnoses, treatments, evaluations, or impairment ratings are substantially different from those the department finds to be fair and reasonable based on either a single determination or a pattern of practice;

(4) a suspension or other relevant practice restriction of the doctor's or other health care provider's license by an appropriate licensing authority;

(5) professional failure to practice medicine or provide health care, including chiropractic care, in an acceptable manner consistent with the public health, safety, and welfare;

(6) findings of fact and conclusions of law made by a court, an administrative law judge of the State Office of Administrative Hearings, or a licensing or regulatory authority; or

(7) an initial criminal conviction, including a pleading of guilty or nolo contendere, or agreeing to an order of probation without adjudication of guilt under deferred adjudication, without regard to whether a subsequent order allows a withdrawal of a plea of guilty; sets aside a verdict of guilty; or dismisses an information or indictment.

(d) The commissioner by rule shall establish procedures under which an individual or entity may apply for restoration of practice privileges removed by the commissioner based on sanctions imposed under this subtitle.

(e) The department shall act on a recommendation by the medical advisor selected under Section 413.0511 and, after notice and the opportunity for a hearing, may impose sanctions under this section on a doctor or other health care provider or an insurance carrier or may recommend action regarding a utilization review agent.

(f) Sanctions may include:

(1) a sanction that deprives a person of the right to practice before the department under this subtitle or of the right to receive remuneration under this subtitle;

(2) suspension or revocation of a certificate of authority, license, certification, or permit required for practice in the field of workers' compensation;

(3) authorizing increased or reduced utilization review and preauthorization controls on a doctor or other health care provider;

(4) reduction of allowable reimbursement;

- (5) mandatory preauthorization of all or certain health care services;
 - (6) required peer review monitoring, reporting, and audit;
 - (7) deletion or suspension from the designated doctor list;
 - (8) restrictions on appointment under this chapter;
 - (9) conditions or restrictions on an insurance carrier regarding actions by insurance carriers under this subtitle in accordance with the memorandum of understanding adopted between the commission and the Texas Department of Insurance regarding Article 21.58A, Insurance Code;
 - (10) mandatory participation in training classes or other courses as established or certified by the commission; and
 - (11) other appropriate sanction.
- (g) Only the commissioner may impose:
- (1) a sanction that deprives a person of the right to practice before the department under this subtitle or of the right to receive remuneration under this subtitle for a period exceeding 30 days; or
 - (2) another sanction suspending for more than 30 days or revoking a certificate of authority, license, certification, or permit required for practice in the field of workers' compensation.
- (h) A sanction imposed by the department is binding pending appeal."

Amendment No. 10 was adopted.

Amendment No. 11

Representative Solomons offered the following amendment to **CSHB 7**:

Amend **CSHB 7** On page 246 by striking lines 14-18 and substituting the following:

"(b) If an insurance carrier refuses or fails to comply with an interlocutory order, final order, or decision of the department under this subtitle, the claimant may bring suit in the county of the claimant's residence at the time injury or death, if the employee is deceased or in the case of an occupational disease, in the county where the employee resided on the date disability began or any county agreed to by the parties."

Amendment No. 11 was adopted.

Amendment No. 12

Representative Zedler offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

- (1) On page 12, between lines 19 and 20, insert the following:
(44-a) "URAC" means the Utilization Review Accreditation Committee of the American Accreditation Healthcare Commission, Inc.
- (2) On page 115, line 19, between "compensable injury" and the semicolon, insert ", including the relief of pain".
- (3) On page 120, strike lines 3-7 and substitute the following:
"medical condition. The designated doctor doing the review must hold the same type of professional license that the treating doctor holds [be trained and experienced with the treatment and procedures used by the doctor treating the

~~patient's medical condition, and the treatment and procedures performed must be within the scope of practice of the designated doctor]. The department [commission].~~

(4) On page 125, line 11, insert the following after the period:

"The commissioner shall monitor pharmaceutical costs and the utilization of pharmaceutical services."

(5) On page 128, line 7, strike "65th" and substitute "45th".

(6) On page 128, strike line 10 and substitute the following:

"time during the 45-day period. The payment shall be made in a manner consistent with the prompt pay requirements under Chapter 1301, Insurance Code. If the insurance carrier requests"

(7) On page 128, line 20, strike "65th" and substitute "45th".

(8) On page 128, line 23, strike "160th" and substitute "90th".

(9) On page 128, line 25, strike "160th" and substitute "90th".

(10) On page 129, line 19, strike "65th" and substitute "45th".

(11) On page 129, line 23, strike "160th" and substitute "90th".

(12) On page 130, line 16, strike "65th" and substitute "45th".

(13) On page 143, line 8, insert the following after the period:

"The department shall accept applications only from those carriers, networks, and individuals that are URAC accredited or are accredited by a similar national organization recognized by the commissioner."

(14) On page 145, line 27, strike "is not required" and substitute "is required".

(15) On page 146, line 3, strike "for participation if the provider network" and substitute "for participation even if the provider network".

(16) On page 169, line 13, between "Insurance Code" and the period, insert the following:

", and must be URAC accredited or accredited by a similar national organization recognized by the commissioner"

(17) On page 170, strike lines 14-19 and substitute the following:

"(F) ensuring that providers used by the provider network to perform utilization review:

(i) meet the provider network's credentialing standards;

(ii) are appropriately trained to perform utilization review in accordance with Section 408B.354;

(iii) hold the same type of professional license as the treating doctor; and

(iv) are licensed in this state;"

(18) On page 172, line 7, insert the following after the period:

"Retrospective review must be performed by a doctor who:

(1) holds the same type of professional license as the treating doctor; and

(2) is licensed in this state."

(19) On page 187, strike lines 14-16 and substitute the following:

"Sec. 408C.007. PREAUTHORIZATION; UTILIZATION REVIEW. (a) All health care services must be preauthorized except for emergency care. A health care provider is guaranteed payment for a preauthorized health care service provided by the health care provider."

(20) On page 196, line 14, strike "under the provider network" and substitute "who holds the same type of professional license as the treating doctor".

(21) On page 285, strike lines 21-22 and substitute the following:

"SECTION 1.523. Section 413.0512, Labor Code, is amended by amending Subsections (a), (c), and (d) and by adding Subsection (e) to read as follows:"

(22) On page 286, between lines 21 and 22, insert the following:

"(e) While a person is serving on the medical quality review panel, the person must be in full-time active professional practice. The person may not receive any compensation for the performance of utilization reviews."

(Baxter in the chair)

Representative Solomons moved to table Amendment No. 12.

A record vote was requested.

The motion to table was lost by (Record 180): 39 Yeas, 100 Nays, 3 Present, not voting.

Yeas — Berman; Blake; Branch; Casteel; Chisum; Crabb; Crownover; Delisi; Denny; Driver; Eiland; Eissler; Elkins; Haggerty; Hamric; Hartnett; Hilderbran; Hill; Hochberg; Jackson; Jones, J.; Keffer, B.; Keffer, J.; King, T.; Krusee; Kuempel; Madden; Merritt; Mowery; Paxton; Pickett; Ritter; Rose; Seaman; Smith, T.; Solomons; Straus; Taylor; Villarreal.

Nays — Allen, A.; Allen, R.; Alonzo; Anderson; Bailey; Bohac; Bonnen; Brown, B.; Brown, F.; Burnam; Campbell; Castro; Chavez; Coleman; Cook, B.; Cook, R.; Davis, J.; Davis, Y.; Dawson; Deshotel; Dukes; Dunnam; Dutton; Edwards; Escobar; Farabee; Farrar; Flynn; Frost; Gallego; Gattis; Geren; Gonzales; Goodman; Goolsby; Griggs; Grusendorf; Guillen; Hamilton; Hardcastle; Harper-Brown; Hegar; Herrero; Hodge; Homer; Hopson; Hughes; Hunter; Hupp; Isett; Jones, D.; Keel; King, P.; Laney; Laubenberg; Leibowitz; Luna; Martinez; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Miller; Moreno, J.; Moreno, P.; Morrison; Naishtat; Nixon; Noriega, M.; Oliveira; Olivo; Orr; Otto; Peña; Phillips; Pitts; Puente; Quintanilla; Raymond; Reyna; Riddle; Rodriguez; Smith, W.; Smithee; Solis; Strama; Swinford; Talton; Thompson; Truitt; Turner; Uresti; Van Arsdale; Veasey; Vo; West; Wong; Woolley; Zedler.

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

Absent, Excused — Corte; Gonzalez Toureilles.

Absent — Anchia; Callegari; Flores; Hope; Howard; Kolkhorst.

STATEMENTS OF VOTE

When Record No. 180 was taken, I was temporarily out of the house chamber. I would have voted no.

Anchia

I was shown voting no on Record No. 180. I intended to vote yes.

B. Brown

When Record No. 180 was taken, I was in the house but away from my desk. I would have voted yes.

Hope

(Speaker in the chair)

A record vote was requested.

Amendment No. 12 failed of adoption by (Record 181): 55 Yeas, 85 Nays, 2 Present, not voting.

Yeas — Allen, A.; Alonzo; Anchia; Bailey; Bonnen; Brown, F.; Burnam; Callegari; Castro; Coleman; Davis, Y.; Dutton; Escobar; Farabee; Farrar; Flynn; Frost; Geren; Goodman; Griggs; Guillen; Haggerty; Hamilton; Herrero; Homer; Hopson; Hughes; Hupp; Jones, D.; Jones, J.; Keel; King, P.; Laney; Laubenberg; Leibowitz; Martinez; Martinez Fischer; Miller; Moreno, J.; Moreno, P.; Noriega, M.; Oliveira; Quintanilla; Raymond; Reyna; Riddle; Solis; Talton; Thompson; Uresti; Veasey; Vo; West; Wong; Zedler.

Nays — Allen, R.; Anderson; Baxter; Berman; Blake; Bohac; Branch; Brown, B.; Campbell; Casteel; Chavez; Chisum; Cook, B.; Cook, R.; Crabb; Crownover; Davis, J.; Dawson; Delisi; Denny; Deshotel; Driver; Dunnam; Edwards; Eiland; Eissler; Elkins; Gallego; Gattis; Giddings; Goolsby; Hamric; Hardcastle; Harper-Brown; Hartnett; Hegar; Hilderbran; Hill; Hochberg; Hodge; Hope; Howard; Hunter; Isett; Jackson; Keffer, B.; Keffer, J.; King, T.; Kolkhorst; Krusee; Kuempel; Luna; Madden; McCall; McClendon; McReynolds; Menendez; Merritt; Morrison; Mowery; Naishtat; Nixon; Orr; Otto; Paxton; Peña; Phillips; Pickett; Pitts; Puente; Ritter; Rose; Smith, T.; Smith, W.; Smithee; Solomons; Strama; Straus; Swinford; Taylor; Truitt; Turner; Van Arsdale; Villarreal; Woolley.

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

Absent, Excused — Corte; Gonzalez Toureilles.

Absent — Flores; Gonzales; Grusendorf; Olivo; Rodriguez; Seaman.

STATEMENTS OF VOTE

When Record No. 181 was taken, I was in the house but away from my desk. I would have voted yes.

Gonzales

I was shown voting yes on Record No. 181. I intended to vote no.

Martinez

When Record No. 181 was taken, I was in the house but away from my desk. I would have voted yes.

Olivo

When Record No. 181 was taken, my vote failed to register. I would have voted yes.

Rodriguez

When Record No. 181 was taken, I was in the house but away from my desk. I would have voted yes.

Seaman

Amendment No. 13

Representative Solis offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

On Page 38, lines 22-27 delete Section 402.206(b) and renumber remaining Subsections as appropriate.

Amendment No. 14

Representative Solomons offered the following amendment to Amendment No. 13:

Amend Amendment 13 (Solis) to **CSHB 7** by striking "On Page 38, lines 22-27 delete Section 402.206(b) and renumber remaining Subsections as appropriate." and inserting the following:

On page 38, line 25, strike "without the authorization from the employee" and substitute "if the employer obtains written authorization from the employee before making the request" and on line 27, after "employee." add "The employer may only use the information obtained under this subsection to verify information the employee has provided to the employer in an employment application.".

Amendment No. 14 was adopted.

Amendment No. 13, as amended, was adopted.

Amendment No. 15

Representative Ritter offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

On p. 53, line 20, insert "working" between "the" and "public".

Amendment No. 15 was adopted.

Amendment No. 16

Representative P. Moreno offered the following amendment to **CSHB 7**:

Amend **CSHB 7**, on page 73, line 23, by inserting after the period "An employer who has workers' compensation insurance coverage and who employs part-time employees must include in the notice required under this subsection a statement that the coverage applies to the part-time employees.".

Amendment No. 16 was adopted.

Amendment No. 17

Representative Leibowitz offered the following amendment to **CSHB 7**:

Amend **CSHB 7**, in Part 6 of Article 1 of the bill, by adding the following appropriately numbered section and renumbering the sections of that part accordingly:

SECTION _____. Subchapter A, Chapter 406, Labor Code, is amended by adding Section 406.0025 to read as follows:

Sec. 406.0025. CERTAIN LIMITATIONS ON NONSUBSCRIBING EMPLOYERS. An employer who does not elect to provide workers' compensation insurance coverage for the employer's employees may not require an employee to sign an agreement for binding arbitration to resolve any dispute in connection with a work-related injury of the employee.

Amendment No. 17 was withdrawn.

Amendment No. 18

Representative P. Moreno offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

(1) In ARTICLE 1 of the bill, insert the following new SECTIONS, appropriately numbered, to read as follows:

SECTION 1. _____. Sections 406.091(a) and (b), Labor Code, are amended to read as follows:

(a) The following employees are not subject to this subtitle:

(1) a person employed as a domestic worker or a casual worker engaged in employment incidental to a personal residence; or

(2) a person covered by a method of compensation established under federal law; ~~or~~

~~[(3) except as provided by Subchapter II, a farm or ranch employee].~~

(b) An employer may elect to obtain workers' compensation insurance coverage for an employee or classification of employees exempted from coverage under Subsection (a)(1) ~~[or (a)(3)]~~. Obtaining that coverage constitutes acceptance by the employer of the rights and responsibilities imposed under this subtitle as of the effective date of the coverage for as long as the coverage remains in effect.

SECTION 1. _____. Section 406.162, Labor Code, is amended to read as follows:

Sec. 406.162. APPLICATION TO FARM AND RANCH EMPLOYEES ~~[SCOPE]~~. (a) This subtitle applies to an action to recover damages for personal injuries or death sustained by a farm or ranch employee, including an employee who is ~~is~~

~~[(1)] a migrant worker or [;~~

~~[(2)] a seasonal worker[;~~

~~[(A) employed on a truck farm, orchard, or vineyard;~~

~~[(B) employed by a person with a gross annual payroll for the preceding year in an amount not less than the greater of the required payroll for the year preceding that year, adjusted for inflation, or \$25,000; or~~

~~[(C) working for a farmer, ranch operator, or labor agent who employs a migrant worker and doing the same work at the same time and location as the migrant worker; or~~

~~[(3) an employee, other than a migrant or seasonal worker:~~

~~[(A) for years before 1991, employed by a person with a gross annual payroll for the preceding year of at least \$50,000; and~~

~~[(B) for 1991 and subsequent years, employed by a person:~~

~~[(i) with a gross annual payroll in an amount required for coverage of seasonal workers under Subdivision (2)(B); or~~

~~[(ii) who employs three or more farm or ranch employees other than migrant or seasonal workers].~~

~~(b) [The comptroller shall prepare a consumer price index for this state and shall certify the applicable index factor to the commission before October 1 of each year. The commission shall adjust the gross annual payroll requirement under Subsection (a)(2)(B) accordingly.]~~

~~[(e)] For the purposes of this section, the gross annual payroll of a person includes any amount paid by the person to a labor agent for the agent's services and for the services of migrant or seasonal workers but does not include wages paid to:~~

~~(1) the person or a member of the person's family, if the person is a sole proprietor;~~

~~(2) a partner in a partnership or a member of the partner's family; or~~

~~(3) a shareholder of a corporation in which all shareholders are family members or a member of the shareholder's family.~~

~~[(d) This subchapter does not affect the application or interpretation of this subtitle as it relates to persons engaged in activities determined before January 1, 1985, not to be farm or ranch labor.]~~

~~(2) Renumber the SECTIONS of ARTICLE 1 of the bill appropriately.~~

Representative Solomons moved to table Amendment No. 18.

A record vote was requested.

The motion to table prevailed by (Record 182): 95 Yeas, 45 Nays, 1 Present, not voting.

Yeas — Allen, R.; Anderson; Bailey; Baxter; Berman; Blake; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Callegari; Campbell; Casteel; Chisum; Cook, B.; Cook, R.; Crabb; Crownover; Davis, J.; Delisi; Denny; Driver; Eiland; Eissler; Elkins; Farabee; Flynn; Gattis; Geren; Giddings; Goodman; Goolsby; Griggs; Grusendorf; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Hilderbran; Hill; Hochberg; Homer; Hope; Hopson; Howard; Hughes; Hunter; Hupp; Isett; Jackson; Jones, D.; Keel; Keffer, B.; Keffer, J.; King, P.; Kolkhorst;

Krusee; Kuempel; Laubenberg; Luna; Madden; McCall; McReynolds; Merritt; Miller; Morrison; Mowery; Nixon; Orr; Otto; Paxton; Phillips; Pitts; Reyna; Ritter; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solomons; Strama; Straus; Swinford; Talton; Taylor; Truitt; Van Arsdale; Vo; West; Wong; Woolley; Zedler.

Nays — Allen, A.; Anchia; Burnam; Castro; Chavez; Coleman; Davis, Y.; Deshotel; Dukes; Dunnam; Dutton; Edwards; Escobar; Farrar; Frost; Gallego; Gonzales; Guillen; Haggerty; Herrero; Hodge; Jones, J.; King, T.; Laney; Leibowitz; Martinez; Martinez Fischer; McClendon; Menendez; Moreno, J.; Moreno, P.; Naishtat; Noriega, M.; Oliveira; Olivo; Peña; Puente; Quintanilla; Raymond; Rodriguez; Solis; Thompson; Uresti; Veasey; Villarreal.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Corte; Gonzalez Toureilles.

Absent — Alonzo; Dawson; Flores; Hegar; Pickett; Riddle; Turner.

STATEMENTS OF VOTE

When Record No. 182 was taken, I was in the house but away from my desk. I would have voted no.

Alonzo

When Record No. 182 was taken, I was in the house but away from my desk. I would have voted yes.

Hegar

I was shown voting yes on Record No. 182. I intended to vote no.

Vo

CSHB 7 - POINT OF ORDER

Representative Zedler raised a point of order against further consideration of **CSHB 7** under Section 551.041 of the Government Code on the grounds that **CSHB 7** was passed from committee without sufficient notice of meeting.

The point of order was withdrawn.

Amendment No. 19

Representative Homer offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

(a) Section 406.033, Labor Code, is amended by adding Subsection (f) to read as follows:

(f) A cause of action described in subsection (a) may not be waived by an employee after the employee's injury or death unless the waiver:

1. is knowing and voluntary;

2. is entered into no less than ten (10) business days after the initial report of injury, provided that the employee prior to the signing of the waiver has received a medical evaluation from a non-emergency care doctor; and,

3. is in writing so that the true intent of the parties is specifically stated in the four corners of the document. The waiver provisions must be conspicuous and appear on the face of the agreement. To be conspicuous, the waiver provisions must appear in type larger than the type contained in the body of the agreement or in contrasting colors.

Amendment No. 19 was withdrawn.

Amendment No. 20

Representative Rose offered the following amendment to **CSHB 7**:

Amend **CSHB 7** on page 141, lines 13-14, by striking "but not later than the last day of the third week after the date of the request" and substituting "but not later than the 10th day after the date of the request".

Amendment No. 20 was adopted.

Amendment No. 21

Representative Giddings offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

On Page 164, insert between Lines 5 and 6, the following:

"Sec. 1305.105 TREATMENT BY A PRIMARY CARE PROVIDER UNDER CHAPTER 843, INSURANCE CODE. (a) Notwithstanding any other provision of this chapter, an injured employee required to receive health care services within a network may select as the employee's treating physician a physician who the employee selected, prior to injury, as the employee's primary care provider under Chapter 843.

(a) A physician serving as an employee's treating physician under Subsection (a) must agree to abide by the terms of the network's contract and comply with the provisions of this subchapter."

Amendment No. 22

Representative Giddings offered the following amendment to Amendment No. 21:

Amend Floor Amendment No. 21 by Giddings to **CSHB 7** by striking the text of that amendment beginning with the second line of the amendment and substituting the following:

On page 140, between lines 16 and 17, insert the following:

Sec. 408B.0545. TREATMENT BY PRIMARY CARE PHYSICIAN UNDER CHAPTERS 843 AND 1301, INSURANCE CODE. (a) Notwithstanding any other provision of this chapter, the commissioner shall adopt rules to allow an injured employee required to receive health care services within a network to select a physician who, at the time of the employee's work-related injury, was:

(1) the employee's primary care provider under Chapter 843, Insurance Code; or

(2) a member of the preferred panel of a group health network under Chapter 1301, Insurance Code, under the terms of the employee's group health insurance plan.

(b) A physician selected by an employee under this section must:

(1) agree to comply with the terms and conditions of the workers' compensation network;

(2) agree to make all referrals within the workers' compensation network; and

(3) comply with the provisions of this chapter.

(c) Health care services provided by a physician under this section are considered to be network services and are subject to the provisions of this chapter.

(d) Any change of treating doctor requested by an injured employee being treated by a physician under this section shall be to a network doctor and is subject to the requirements of this chapter.

Amendment No. 22 was adopted.

Amendment No. 21, as amended, was adopted.

Amendment No. 23

Representative Eiland offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

On p. 204, line 23, after the word "availability" and before the word "of", insert "and suitability".

(Nixon in the chair)

Amendment No. 23 was adopted.

MESSAGE FROM THE SENATE

A message from the senate was received at this time (see the addendum to the daily journal, Messages from the Senate, Message No. 3).

CSHB 7 - (consideration continued)

Amendment No. 24

Representatives Bailey and Keel offered the following amendment to **CSHB 7**:

Amend **CSHB 7** on page 254, between lines 13 and 14, by inserting a new SECTION 1.3955 to read as follows:

SECTION 1.3955. Chapter 410, Labor Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. PILOT PROGRAM ON VOLUNTARY ALTERNATIVE AGREEMENTS

Sec. 410.351. PILOT PROGRAM; RECOGNITION OF MUTUALLY VOLUNTARY ALTERNATIVE AGREEMENTS. (a) Notwithstanding any other provision of this subtitle and except as provided by Subsections (c) and (d), if a mutually voluntary agreement entered into under 29 U.S.C. Section 151 et seq., 45 U.S.C. Section 151 et seq., or Chapter 174, Local Government Code, between

a certified self-insurer, an individually insured employer, or an employer engaged in construction, construction maintenance, or construction inspection, and a labor organization that is the recognized or certified exclusive representative for employees employed by such a self-insurer or employer who receive workers' compensation coverage is filed with the department, a voluntarily mutually agreed-on provision of the agreement is valid and binding on the parties to the agreement if it does any or all of the following:

(1) establishes an alternative dispute resolution system, which may include provisions for conciliation, mediation, and arbitration that supplement, modify, or replace the provisions of Subchapter C;

(2) adopts an agreed-on list of health care providers of medical treatment as the exclusive source of all medical treatment provided under this subtitle;

(3) adopts a limited list of physicians to conduct independent medical examinations that the parties may agree is the exclusive source of independent medical examiners under this subtitle;

(4) adopts a case management, patient advocate, utilization review, or similar program or combination of programs intended to improve the quality and control the cost of medical and related treatment and care;

(5) adopts a light-duty, modified-job, or return-to-work program; or

(6) adopts a vocational rehabilitation or retraining program that uses an agreed-on list of providers of rehabilitation services as the exclusive source of providers of rehabilitation services under this subtitle.

(b) A mutually voluntary agreement described by this section may provide that arbitration held under the agreement:

(1) is binding on the parties; or

(2) is subject to review in the same manner as a final decision issued by a hearing officer under Subchapter D.

(c) This section may not be construed to permit an agreement that:

(1) diminishes an employee's entitlement to benefits for total or partial disability, vocational rehabilitation, or medical treatment that are fully paid by the employee's employer or as otherwise provided by this subtitle; or

(2) denies an employee the right to legal representation at each stage of the alternative dispute resolution process under this chapter.

(d) Any portion of an agreement that violates Subsection (c) is null and void.

Sec. 410.352. RULES. The commissioner shall adopt rules as necessary to implement this subchapter.

Sec. 410.353. ANNUAL REPORT. (a) Not later than September 30, 2006, and annually thereafter, the commissioner shall prepare and submit to the lieutenant governor, the speaker of the house of representatives, and the legislature a report, based on aggregate data, that includes the following regarding the operation of the pilot program established under Section 410.351:

(1) the number of employees and the amount of payroll covered by agreements filed under Section 410.351;

(2) the number of claims filed under the pilot program;

(3) the average cost per claim, reported by cost components if practicable;

(4) the number of litigated claims, including the number of claims submitted to mediation, arbitration, and judicial review;

(5) the number of contested claims resolved prior to arbitration;

(6) the projected incurred costs and actual costs of claims;

(7) the safety history of entities participating in the pilot program;

(8) the number of employees participating in the pilot program receiving vocational rehabilitation services; and

(9) the number of employees participating in the pilot program participating in light-duty programs.

(b) The commissioner may require the self-insurers and employers described by Section 410.351(a) to provide any necessary information required for the report.

Sec. 410.354. EXPIRATION. This subchapter expires and the pilot program is abolished effective September 1, 2015.

Representative Solomons moved to table Amendment No. 24.

A record vote was requested.

The motion to table prevailed by (Record 183): 88 Yeas, 53 Nays, 2 Present, not voting.

Yeas — Allen, R.; Anderson; Baxter; Berman; Blake; Bonnen; Branch; Brown, B.; Brown, F.; Callegari; Campbell; Casteel; Chisum; Cook, B.; Cook, R.; Crabb; Crownover; Davis, J.; Dawson; Delisi; Denny; Deshotel; Driver; Eissler; Elkins; Flynn; Gattis; Giddings; Goodman; Goolsby; Griggs; Grusendorf; Haggerty; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Hegar; Hilderbran; Hill; Homer; Hope; Hopson; Howard; Hunter; Hupp; Isett; Jackson; Keffer, B.; Keffer, J.; King, P.; King, T.; Kolkhorst; Krusee; Kuempel; Laubenberg; Luna; Madden; McCall; Miller; Morrison; Mowery; Oliveira; Orr; Otto; Paxton; Phillips; Pickett; Pitts; Raymond; Reyna; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solomons; Strama; Straus; Swinford; Talton; Taylor; Truitt; Van Arsdale; West; Wong; Woolley.

Nays — Allen, A.; Alonzo; Bailey; Bohac; Burnam; Castro; Chavez; Coleman; Davis, Y.; Dukes; Dunnam; Dutton; Edwards; Eiland; Escobar; Farabee; Farrar; Flores; Frost; Geren; Gonzales; Herrero; Hodge; Hughes; Jones, D.; Jones, J.; Keel; Laney; Leibowitz; Martinez; Martinez Fischer; McClendon; McReynolds; Merritt; Moreno, J.; Moreno, P.; Naishtat; Noriega, M.; Olivo; Peña; Puente; Quintanilla; Riddle; Ritter; Rodriguez; Solis; Thompson; Turner; Uresti; Veasey; Villarreal; Vo; Zedler.

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

Absent, Excused — Corte; Gonzalez Tourelles.

Absent — Anchia; Gallego; Guillen; Hochberg; Menendez.

STATEMENTS OF VOTE

When Record No. 183 was taken, I was temporarily out of the house chamber. I would have voted no.

Anchia

I was shown voting yes on Record No. 183. I intended to vote no.

Deshotel

When Record No. 183 was taken, my vote failed to register. I would have voted no.

Guillen

When Record No. 183 was taken, I was shown voting yes. I intended to vote no.

Hamilton

When Record No. 183 was taken, my vote failed to register. I would have voted no.

Menendez

I was shown voting yes on Record No. 183. I intended to vote no.

Raymond

Amendment No. 25

Representative Bailey offered the following amendment to **CSHB 7**:

Amend **CSHB 7**, on page 261, by striking lines 4-8 and substituting the following:

SECTION 1.415. Section 411.081, Labor Code, is amended to read as follows:

Sec. 411.081. TELEPHONE HOTLINE. (a) The department [~~division~~] shall maintain a 24-hour toll-free telephone service for reports of violations of occupational health or safety law.

(b) Each employer shall notify its employees of this service in a manner prescribed by the commissioner [~~commission~~].

(c) The commissioner shall adopt rules requiring the notice under Subsection (b) to be posted:

(1) in a conspicuous place in the employer's place of business; and

(2) in a sufficient number of other locations convenient to all employees.

Amendment No. 26

Representative Bailey offered the following amendment to Amendment No. 25:

Amend Floor Amendment No. 25, by Bailey, to **CSHB 7**, by striking SECTION 1.415 and substituting the following:

SECTION 1.415. SECTION 411.081, Labor Code, is amended to read as follows:

Sec. 411.081. TELEPHONE HOTLINE. (a) The department [division] shall maintain in English and in Spanish a 24-hour toll-free telephone service for reports of violations of occupational health or safety law.

(b) Each employer shall notify its employees of this service in a manner prescribed by the commissioner [commission].

(c) The commissioner shall adopt rules requiring the notice under Subsection (b) to be posted:

(1) in English and Spanish;

(2) in a conspicuous place in the employer's place of business; and

(3) in a sufficient number of other locations convenient to all employees.

Amendment No. 26 was adopted.

Amendment No. 25, as amended, was adopted.

Amendment No. 27

Representative Homer offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

(a) Section 406.033, Labor Code, is amended by adding Subsection (f) to read as follows:

(f) A cause of action described in subsection (a) may not be waived by an employee after the employee's injury or death unless the waiver:

1. is knowing and voluntary;

2. is entered into no less than ten (10) business days after the initial report of injury, provided that the employee prior to the signing of the waiver has received a medical evaluation from a non-emergency care doctor; and,

3. is in writing so that the true intent of the parties is specifically stated in the four corners of the document. The waiver provisions must be conspicuous and appear on the face of the agreement. To be conspicuous, the waiver provisions must appear in type larger than the type contained in the body of the agreement or in contrasting colors.

Amendment No. 27 was withdrawn.

Amendment No. 28

Representative Bailey offered the following amendment to **CSHB 7**:

Amend **CSHB 7** by adding the following appropriately numbered sections to Part 14 of Article 1 of the bill and renumbering the sections of that part accordingly:

SECTION _____. The heading to Subchapter F, Chapter 411, Labor Code, is amended to read as follows:

SUBCHAPTER F. EMPLOYEE REPORTS OF SAFETY VIOLATIONS;
EDUCATIONAL MATERIALS

SECTION _____. Subchapter F, Chapter 411, Labor Code, is amended by adding Section 411.084 to read as follows:

Sec. 411.084. EDUCATIONAL MATERIALS. (a) The department shall provide to employers and employees educational material, including books, pamphlets, brochures, films, videotapes, or other informational material.

(b) Educational material shall be provided to employers and employees in English and Spanish.

(c) The department shall adopt minimum content requirements for the educational material required under this section, including:

(1) information on an employee's right to report an unsafe working environment;

(2) instructions on how to report unsafe working conditions and safety violations; and

(3) information on state laws regarding retaliation by employers.

Amendment No. 28 was adopted.

Amendment No. 29

Representative Giddings offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

(1) On page 278 after line 24 add a new subsection (d) to read as follows:

"(d) The insurance carrier shall pay the cost of review."

(2) On page 280 strike lines 5 through 18 and substitute the following:

"The insurance carrier shall pay the cost of the review.

(b) An employee may not be required to pay any portion of the cost of a review."

Amendment No. 30

Representative Giddings offered the following amendment to Amendment No. 29:

Amend Floor Amendment No. 29 by Giddings to **CSHB 7** by striking items (1) and (2) of that amendment and substituting the following:

On page 280, strike lines 16-18 and substitute the following:

(d) Except as otherwise provided by this subsection, the cost of a review under an alternative dispute resolution process under Section 413.036 shall be paid by the nonprevailing party. An employee whose weekly income benefit is less than 75 percent of the average weekly wage may not be required to pay more than half of the cost of such a review.

Amendment No. 30 was adopted.

Amendment No. 29, as amended, was adopted.

Amendment No. 31

Representative Eiland offered the following amendment to **CSHB 7**:

Amend **CSHB 7** on page 333, between lines 22 and 23, by inserting a new Article 2A in the bill, to read as follows:

ARTICLE 2A. ALTERNATIVE COMPENSATION PILOT PROGRAM
SECTION 2A.001. Title 5, Labor Code, is amended by adding Subtitle D to read as follows:

SUBTITLE D. ALTERNATIVE COMPENSATION PROGRAMS
CHAPTER 551. PILOT PROGRAM ON USE OF INSURANCE POLICY TO
PROVIDE MEDICAL AND INCOME BENEFITS
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 551.001. DEFINITIONS. In this chapter:

(1) "Alternative benefit plan" means a plan of health care benefits and wage replacement benefits offered by an employer to an employee who sustains an injury in the course and scope of employment in lieu of workers' compensation insurance coverage.

(2) "Commissioner" means the commissioner of insurance.

(3) "Course and scope of employment" has the meaning assigned by Section 401.011(12).

(4) "Department" means the Texas Department of Insurance.

(5) "Employer" means a person who employs one or more employees.

(6) "Employee" means a person in the service of another under any contract of hire, whether express or implied or oral or written. The term includes an employee employed in the usual course and scope of the employer's business who is directed by the employer to perform services temporarily outside the usual course and scope of the employer's business. The term does not include an independent contractor or the employee of an independent contractor.

(7) "Group health insurance policy" means a group, blanket, or franchise insurance policy that provides benefits for health care services resulting from accident or disease. For purposes of this chapter, the term includes a group hospital service contract or a group subscriber contract.

(8) "Plan issuer" means:

(A) a health insurer, including a life, health, and accident insurance company, a health and accident insurance company, and any other person operating under Chapter 841, 842, 884, 885, 982, or 1501, Insurance Code, who is authorized to deliver or issue for delivery group health insurance policies in this state; or

(B) an insurer authorized by the department to write workers' compensation insurance in this state.

(9) "Program" means the alternative benefit plan pilot program established under this chapter.

(10) "Qualified insurance policy" means a group health insurance policy approved by the department as provided by Section 551.051 that provides health care benefits for accident or disease to each employee of an employer, regardless of whether the accident or disease is caused by or directly related to the employee's employment.

Sec. 551.002. EXPIRATION. The program is abolished and this chapter expires effective September 1, 2009.

[Sections 551.003-551.050 reserved for expansion]

SUBCHAPTER B. GENERAL POWERS AND DUTIES OF COMMISSIONER AND DEPARTMENT

Sec. 551.051. IMPLEMENTATION OF PROGRAM; POLICY APPROVAL PROCESS. (a) The commissioner shall develop and operate a pilot program under which an employer may offer an alternative benefit plan to the employer's employees through a qualified insurance policy offered by a plan issuer that:

(1) provides health care benefits to the employees, including benefits for an injury sustained by an employee in the course and scope of the employee's employment; and

(2) is in lieu of medical benefits under workers' compensation insurance coverage as described by Subtitle A.

(b) Before a plan issuer may deliver or issue for delivery in this state a qualified insurance policy, the plan issuer must submit the policy to the department for approval in the manner prescribed by the commissioner, accompanied by a filing fee set by the commissioner by rule.

(c) The commissioner by rule shall adopt guidelines for the approval of policies submitted to the department under this section. The guidelines must require that the policy include limits and coverages for health care services, including hospitalization, that are at least equivalent to the limits and coverages applicable to the medical benefits provided to an employee covered under Subtitle A. The policy may provide health care benefits using a preferred provider benefit plan subject to Chapter 1301, Insurance Code.

(d) The commissioner shall review a policy submitted under Subsection (b) not later than the 30th day after the date the policy is submitted to the department. If the commissioner disapproves a policy, the department shall notify the plan issuer who submitted the policy not later than the fifth day after the date on which the policy is disapproved.

(e) If the commissioner approves the policy, the department shall notify the plan issuer not later than the 10th day after the date of the final approval. The plan issuer may begin using the policy as of the date of the final approval.

Sec. 551.052. ENDORSEMENTS; COVERAGE IN LIEU OF INCOME BENEFITS; APPROVAL. (a) If a policy is approved under Section 551.051, the plan issuer shall offer the employer endorsements to the policy that provide insurance coverage for each employee of the employer, or the legal beneficiary of a deceased employee, against a loss caused by:

(1) any loss of wages incurred as a result of an accident or disease, regardless of whether the accident or disease is caused by or directly related to the employee's employment; or

(2) the death of the employee.

(b) The plan issuer must submit an endorsement to the commissioner for approval in the manner prescribed for approval of a policy under Section 551.051.

(c) The commissioner by rule shall adopt guidelines for the approval of policy endorsements submitted to the department under this section. The guidelines must require that the endorsements include:

(1) reasonable income replacement coverage for the period during which the injured employee is unable to work; and

(2) limits and coverages for death and burial benefits that are at least equivalent to the limits and coverages applicable to the benefits provided to an employee covered under Subtitle A.

Sec. 551.053. RULEMAKING. The commissioner shall adopt rules as necessary to implement the duties of the department under this chapter.

Sec. 551.054. REPORT TO LEGISLATURE. Not later than December 1 of each year, the commissioner shall submit a report to the governor, the lieutenant governor, the speaker of the house of representatives, and the members of the legislature regarding the status and results of the program.

[Sections 551.055-551.100 reserved for expansion]

SUBCHAPTER C. OPERATION OF PROGRAM

Sec. 551.101. EMPLOYER AUTHORIZATION TO OFFER ALTERNATIVE BENEFIT PLAN. (a) Notwithstanding Subtitle A, an employer who elects to participate in the program may offer an alternative benefit plan to provide benefits to an employee who sustains an injury in the course and scope of the employee's employment. An employer may not offer an alternative benefit plan other than through the program as provided by this chapter.

(b) An employer may offer an alternative benefit plan only through:

(1) insurance coverage provided through a qualified insurance policy;

and

(2) endorsements to that policy approved by the commissioner.

Sec. 551.102. WAIVER PROHIBITED; USE OF ARBITRATION. (a) Unless the commissioner determines that the plan offers benefits to an employee that are at least equivalent to the medical benefits and income benefits required under Subtitle A, an employer may not require an employee who is covered under an alternative benefit plan to waive:

(1) a right of action of the employee or a legal beneficiary of the employee at common law or under a statute of this state to recover damages for personal injuries or death sustained in the course and scope of the employment;
or

(2) a right established under this chapter.

(b) An alternative benefit plan may not require an employee or a legal beneficiary of an employee to submit a claim for personal injuries or death sustained in the course and scope of the employment to binding arbitration.

Sec. 551.103. PROVISION OF ALTERNATIVE BENEFIT PLAN OPTIONAL. An employer who does not elect to obtain workers' compensation insurance coverage under Subtitle A is not required by this chapter to participate in the program. This chapter does not affect the application of Section 406.033 to such an employer.

[Sections 551.104-551.150 reserved for expansion]

SUBCHAPTER D. PROVISION OF ALTERNATIVE BENEFIT PLAN THROUGH QUALIFIED INSURANCE POLICY AND ENDORSEMENTS

Sec. 551.151. RESPONSIBILITIES OF EMPLOYER. (a) An employer who elects to provide coverage under this chapter shall:

(1) pay any coinsurance or deductible otherwise imposed on the insured employee; and

(2) continue the payment of wages to an insured employee until that employee begins to receive insurance payments in lieu of wages under the insurance coverage provided through endorsements to the qualified insurance policy.

(b) If an employee receives benefits under an alternative benefit plan, the employer shall maintain a qualified insurance policy and endorsements for the benefit of that employee until the benefits to which the employee is entitled have been paid. A qualified insurance policy and endorsements required to be maintained under this subsection must provide benefits adequate to pay all benefits to which the employee is entitled.

Sec. 551.152. SUBROGATION. (a) This section applies to an action to recover damages for personal injuries or death sustained by an employee in the course and scope of employment against:

(1) an employer who has obtained a qualified insurance policy and endorsements covering that employee; or

(2) a third party.

(b) A judgment against an employer shall be reduced to the extent that the employee has been compensated or is entitled to be compensated under the employer's qualified insurance policy or endorsements. A judgment reduced under this subsection shall be reinstated to the extent that the qualified insurance policy or endorsements are canceled or otherwise fail to fully compensate the employee or a legal beneficiary of the employee to the extent provided by the policy or endorsements.

(c) An insurance company that is liable for the payment of benefits to the employee or a legal beneficiary of the employee is subrogated to the rights of the employee or legal beneficiary against a third party.

[Sections 551.153-551.200 reserved for expansion]

SUBCHAPTER E. EFFECT OF ALTERNATIVE BENEFIT PLAN

Sec. 551.201. EFFECT OF ALTERNATIVE BENEFIT PLAN. (a) Except as specifically provided by this chapter, Subtitle A does not apply to an employer who provides an alternative benefit plan.

(b) An action brought to recover damages against an employer for personal injury or death sustained by an employee in the course and scope of employment is governed by this chapter only if the employee or the employee's beneficiaries are covered by an alternative benefit plan on the date that the cause of action accrues.

Sec. 551.202. CONTRACT REQUIREMENTS. A person who requires an employer, as a prerequisite to entering into a contract with that employer, to present evidence of workers' compensation insurance coverage shall accept instead of that evidence a qualified insurance policy and endorsements issued under this chapter from an employer who obtains and maintains in effect a qualified insurance policy and endorsements.

SECTION 2A.002. (a) The commissioner of insurance shall adopt rules as required by this article not later than January 1, 2006.

(b) Subchapter E, Chapter 551, Labor Code, as added by this article, takes effect March 1, 2006, and applies only to an alternative benefit plan entered into on or after that date.

SECTION 2A.003. Except as provided by Section 2A.002(b) of this article, this article takes effect September 1, 2005.

Amendment No. 32

Representative Eiland offered the following amendment to Amendment No. 31:

Strike House Floor Amendment No. 31 by Eiland and substitute the following:

Amend **CSHB 7** on page 333, between lines 22 and 23, by inserting a new Article 2A in the bill, to read as follows:

ARTICLE 2A. ALTERNATIVE COMPENSATION PILOT PROGRAM

SECTION 2A.001. Title 5, Labor Code, is amended by adding Subtitle D to read as follows:

SUBTITLE D. ALTERNATIVE COMPENSATION PROGRAMS
CHAPTER 551. PILOT PROGRAM ON USE OF INSURANCE POLICY TO
PROVIDE MEDICAL AND INCOME BENEFITS
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 551.001. DEFINITIONS. In this chapter:

(1) "Alternative benefit plan" means a plan of health care benefits and income benefits offered under this chapter by an employer to an employee who sustains an injury in the course and scope of employment.

(2) "Commissioner" means the commissioner of insurance.

(3) "Course and scope of employment" has the meaning assigned by Section 401.011(12).

(4) "Department" means the Texas Department of Insurance.

(5) "Employer" means a person who employs one or more employees.

(6) "Employee" means a person in the service of another under any contract of hire, whether express or implied or oral or written. The term includes an employee employed in the usual course and scope of the employer's business who is directed by the employer to perform services temporarily outside the usual course and scope of the employer's business. The term does not include an independent contractor or the employee of an independent contractor.

(7) "Group health insurance policy" means a group, blanket, or franchise insurance policy that provides benefits for health care services resulting from accident, illness, or disease. For purposes of this chapter, the term includes a group hospital service contract or a group subscriber contract.

(8) "Program" means the alternative benefit plan pilot program established under this chapter.

(9) "Qualified insurance policy" means a group health insurance policy approved by the commissioner as provided by Section 551.051.

Sec. 551.002. EXPIRATION. The program is abolished and this chapter expires effective September 1, 2009.

[Sections 551.003-551.050 reserved for expansion]
SUBCHAPTER B. GENERAL POWERS AND DUTIES OF
COMMISSIONER AND DEPARTMENT

Sec. 551.051. EFFECT OF EMPLOYER PARTICIPATION. An employer who elects to participate in the program under this chapter is considered a subscribing employer to the workers compensation system of this state for all purposes under Subtitle A.

Sec. 551.052. IMPLEMENTATION OF PROGRAM; POLICY APPROVAL PROCESS. (a) The commissioner shall develop and operate a pilot program under which an employer may offer an alternative benefit plan to the employer's employees through a qualified insurance policy that:

(1) provides health care benefits to the employees, including benefits for an injury sustained by an employee in the course and scope of the employee's employment; and

(2) qualifies as provision of medical benefits for purposes of workers' compensation insurance coverage as described by Subtitle A.

(b) Before an employer may use a qualified insurance policy for employee health care benefits under this chapter, the employer must submit the policy to the department for approval in the manner prescribed by the commissioner, accompanied by any filing fee set by the commissioner by rule.

(c) The commissioner by rule shall adopt guidelines for the approval of policies submitted to the department under this section. The guidelines must require that the policy include limits and coverages for health care services, including hospitalization, that are at least equivalent to the limits and coverages applicable to the medical benefits provided to an employee covered under Subtitle A.

(d) The commissioner shall review a policy submitted under Subsection (b) not later than the 30th day after the date the policy is submitted to the department. If the commissioner disapproves a policy, the department shall notify the employer who submitted the policy not later than the fifth day after the date on which the policy is disapproved.

(e) If the commissioner approves the policy, the department shall notify the employer not later than the 10th day after the date of the final approval. The employer may begin using the policy for benefits under this chapter as of the date of the final approval.

Sec. 551.053. COVERAGE FOR INCOME BENEFITS; APPROVAL. (a) If a qualified insurance policy is approved under Section 551.051, the employer may obtain an insurance policy from any insurer authorized to engage in the business of workers' compensation insurance in this state to provide coverage for each employee of the employer, or the legal beneficiary of a deceased employee, against a loss caused by:

(1) any loss of wages incurred as a result of an accident, illness, or disease, regardless of whether the accident, illness, or disease is caused by or directly related to the employee's employment; or

(2) the death of the employee.

(b) The employer must submit the indemnity policy to the department for approval in the manner prescribed for approval of a policy under Section 551.052.

(c) The commissioner by rule shall adopt guidelines for the approval of a policy submitted to the department under this section. The guidelines must require that the policy provide coverage for:

(1) income benefits in the manner provided by Chapter 408D; and

(2) death and burial benefits in the manner provided by Chapter 408E.

Sec. 551.054. RULEMAKING. The commissioner shall adopt rules as necessary to implement the duties of the department under this chapter.

Sec. 551.055. REPORT TO LEGISLATURE. Not later than December 1 of each year, the commissioner shall submit a report to the governor, the lieutenant governor, the speaker of the house of representatives, and the members of the legislature regarding the status and results of the program.

[Sections 551.056-551.100 reserved for expansion]

SUBCHAPTER C. OPERATION OF PROGRAM

Sec. 551.101. EMPLOYER AUTHORIZATION TO OFFER ALTERNATIVE BENEFIT PLAN. (a) Notwithstanding Subtitle A, a subscribing employer who elects to participate in the program may offer an alternative benefit plan to provide benefits to an employee who sustains an injury in the course and scope of the employee's employment. An employer may not offer an alternative benefit plan other than through the program as provided by this chapter.

(b) An employer may offer an alternative benefit plan under this chapter only through:

(1) health insurance coverage provided through a qualified insurance policy; and

(2) indemnity coverage provided through a policy approved by the commissioner.

Sec. 551.102. ELIGIBILITY TO PARTICIPATE IN PROGRAM. An employer is only eligible to participate in the program if the employer elected to obtain workers' compensation insurance coverage under Subtitle A on or before January 1, 2005. An employer who did not elect to obtain workers' compensation insurance coverage under Subtitle A on or before January 1, 2005 may not participate in the program.

[Sections 551.104-551.150 reserved for expansion]

SUBCHAPTER D. PROVISION OF ALTERNATIVE BENEFIT PLAN THROUGH QUALIFIED INSURANCE POLICY AND ENDORSEMENTS

Sec. 551.151. RESPONSIBILITIES OF EMPLOYER. (a) An employer who elects to participate in the program shall:

(1) pay any coinsurance or deductible otherwise imposed on the insured employee for any compensable work-related injury; and

(2) continue the payment of wages to an insured employee until that employee begins to receive income benefits through the indemnity insurance policy under Section 551.052.

(b) If an employee receives benefits under an alternative benefit plan, the employer shall maintain a qualified insurance policy and indemnity insurance policy for the benefit of that employee until the benefits to which the employee is entitled have been paid. A qualified insurance policy and indemnity insurance policy required to be maintained under this subsection must provide benefits adequate to pay all benefits to which the employee is entitled.

Sec. 551.152. SUBROGATION. (a) This section applies to an action to recover damages for personal injuries or death sustained by an employee in the course and scope of employment against:

(1) an employer who has obtained a qualified insurance policy and indemnity insurance policy covering that employee; or

(2) a third party.

(b) A judgment against an employer shall be reduced to the extent that the employee has been compensated or is entitled to be compensated under the employer's qualified insurance policy or indemnity insurance policy. A judgment reduced under this subsection shall be reinstated to the extent that the qualified insurance policy or indemnity insurance policy are canceled or otherwise fail to fully compensate the employee or a legal beneficiary of the employee to the extent provided by the policies.

(c) An insurance carrier that is liable for the payment of benefits to the employee or a legal beneficiary of the employee is subrogated to the rights of the employee or legal beneficiary against a third party.

[Sections 551.153-551.200 reserved for expansion]

SUBCHAPTER E. EFFECT OF ALTERNATIVE BENEFIT PLAN

Sec. 551.201. APPLICATION OF SUBTITLE A. Subtitle A applies to an employer who provides an alternative benefit plan in the manner prescribed by this chapter.

Sec. 551.202. CONTRACT REQUIREMENTS. A person who requires an employer, as a prerequisite to entering into a contract with that employer, to present evidence of workers' compensation insurance coverage shall accept instead of that evidence a qualified insurance policy and indemnity insurance policy issued as provided by this chapter from an employer who obtains and maintains in effect a qualified insurance policy and indemnity insurance policy.

SECTION 2A.002. (a) The commissioner of insurance shall adopt rules as required by this article not later than January 1, 2006.

(b) Subchapter E, Chapter 551, Labor Code, as added by this article, takes effect March 1, 2006, and applies only to an alternative benefit plan entered into on or after that date.

SECTION 2A.003. Except as provided by Section 2A.002(b) of this article, this article takes effect September 1, 2005.

Amendment No. 32 was adopted.

Amendment No. 31, as amended, was adopted.

Amendment No. 33

Representative Rose offered the following amendment to **CSHB 7**:

Amend **CSHB 7** as follows:

(1) On page 348, line 1, strike "may implement" and substitute "shall implement".

(2) On page 348, line 23, strike "may schedule" and substitute "shall schedule".

Amendment No. 33 was adopted.

A record vote was requested.

CSHB 7, as amended, was passed to engrossment by (Record 184): 144 Yeas, 3 Nays, 1 Present, not voting.

Yeas — Allen, A.; Allen, R.; Alonzo; Anchia; Anderson; Bailey; Baxter; Berman; Blake; Bohac; Bonnen; Branch; Brown, B.; Brown, F.; Burnam; Callegari; Campbell; Casteel; Castro; Chavez; Chisum; Coleman; Cook, B.; Cook, R.; Crabb; Crownover; Davis, J.; Davis, Y.; Dawson; Delisi; Denny; Deshotel; Driver; Dukes; Dunnam; Dutton; Edwards; Eiland; Eissler; Elkins; Escobar; Farabee; Farrar; Flores; Flynn; Frost; Gallego; Gattis; Giddings; Gonzales; Goodman; Goolsby; Griggs; Grusendorf; Guillen; Haggerty; Hamilton; Hamric; Hardcastle; Harper-Brown; Hartnett; Hegar; Hilderbran; Hill; Hochberg; Hodge; Homer; Hope; Hopson; Howard; Hughes; Hunter; Hupp; Isett; Jackson; Jones, D.; Jones, J.; Keel; Keffer, B.; Keffer, J.; King, P.; King, T.; Kolkhorst; Krusee; Kuempel; Laney; Laubenberg; Luna; Madden; Martinez; Martinez Fischer; McCall; McClendon; McReynolds; Menendez; Merritt; Miller; Moreno, J.; Moreno, P.; Morrison; Mowery; Naishtat; Nixon(C); Noriega, M.; Oliveira; Olivo; Orr; Otto; Paxton; Peña; Phillips; Pickett; Pitts; Puente; Quintanilla; Raymond; Reyna; Riddle; Ritter; Rodriguez; Rose; Seaman; Smith, T.; Smith, W.; Smithee; Solis; Solomons; Strama; Straus; Swinford; Talton; Taylor; Thompson; Truitt; Turner; Uresti; Van Arsdale; Veasey; Villarreal; Vo; West; Wong; Woolley; Zedler.

Nays — Geren; Herrero; Leibowitz.

Present, not voting — Mr. Speaker.

Absent, Excused — Corte; Gonzalez Toureilles.

**GENERAL STATE CALENDAR
HOUSE BILLS
SECOND READING**

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

**HB 224 ON SECOND READING
(by Corte)**

HB 224, A bill to be entitled An Act relating to the treatment of certain persons younger than 18 years of age admitted for voluntary inpatient mental health services and discharge from that treatment for those persons.

Representative Hilderbran moved to postpone consideration of **HB 224** until 10 a.m. tomorrow.

The motion prevailed.

**CSHB 330 ON SECOND READING
(by Berman and Guillen)**

CSHB 330, A bill to be entitled An Act relating to exempting health savings accounts from seizure for satisfaction of debts.

CSHB 330 was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 473 ON SECOND READING

(by West)

HB 473, A bill to be entitled An Act relating to examinations for licenses to engage in certain liquefied petroleum gas-related activities.

(Speaker in the chair)

HB 473 was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 475 ON SECOND READING

(by West)

HB 475, A bill to be entitled An Act relating to the exemption of the sale of certain liquefied petroleum gas containers from the liquefied petroleum gas-related activities for which a person is required to obtain a license from the Railroad Commission of Texas.

HB 475 was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 775 ON SECOND READING

(by Gonzales, Martinez, Peña, Chavez, et al.)

HB 775, A bill to be entitled An Act relating to the allocation of certain community development block grant program money for the installation of street lights in colonias.

Amendment No. 1

Representative Howard offered the following amendment to **HB 775**:

Amend **HB 775** on page 2, line 5, between "colonias" and the period, by inserting "if street lighting is absent or needed".

Amendment No. 1 was adopted.

HB 775, as amended, was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. Members registering votes are as follows: Berman, Chisum, Flynn, Gattis, Harper-Brown, and Talton recorded voting no.)

HB 857 ON SECOND READING
(by Talton and Hunter)

HB 857, A bill to be entitled An Act relating to the authority of a municipality to require the removal of certain vehicles from a freeway without the consent of the owner or person in charge of the vehicle.

Representative Talton moved to postpone consideration of **HB 857** until 10 a.m. April 6.

The motion prevailed.

CSHB 965 ON SECOND READING
(by Haggerty)

CSHB 965, A bill to be entitled An Act relating to a prohibition on the regulation of emissions from certain residential water heaters.

CSHB 965 was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. Members registering votes are as follows: Leibowitz recorded voting no.)

HB 1323 ON SECOND READING
(by Swinford and B. Brown)

HB 1323, A bill to be entitled An Act relating to the prosecution of the offense of credit card or debit card abuse.

Amendment No. 1 (Committee Amendment No. 1)

On behalf of Representative Keel, Representative Swinford offered the following committee amendment to **HB 1323**:

Amend **HB 1323** as follows:

(1) On page 2, lines 10-11, restore the language previously stricken beginning with "~~with~~" and ending at "~~it~~"

(2) On page 3, lines 3-5, remove ", unless it is committed under Subsection (b)(8), in which event it is a Class A misdemeanor"

Amendment No. 1 was adopted.

HB 1323, as amended, was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

HB 1324 ON SECOND READING
(by Peña, Raymond, Hodge, Escobar, and Farrar)

HB 1324, A bill to be entitled An Act relating to the punishment for the offense of burglary of vehicles.

Representative Peña moved to postpone consideration of **HB 1324** until 10 a.m. April 12.

The motion prevailed.

HB 1428 ON SECOND READING
(by Isett, Menendez, et al.)

HB 1428, A bill to be entitled An Act relating to injury leave for certain state peace officers injured in the course of performance of duty.

Amendment No. 1

Representative Isett offered the following amendment to **HB 1428**:

Amend **HB 1428**, Section 661.918(e), line 11, by inserting the word "medical" between "compensation" and "benefits" and appending the following language to that subsection at line 13:

"A person is entitled to workers' compensation indemnity benefits which accrue pursuant to Title 5, Labor Code, after the discontinuation or exhaustion of injury leave under this section."

Amendment No. 1 was adopted.

HB 1428, as amended, was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

CSHB 1705 ON SECOND READING
(by Bonnen)

CSHB 1705, A bill to be entitled An Act relating to the release of hazardous waste in connection with dredging and placement or storage of dredged materials by a port authority or navigation district.

Amendment No. 1

Representative Bonnen offered the following amendment to **CSHB 1705**:

Amend **CSHB 1705** on page 1, line 23, by striking "knowingly".

Amendment No. 1 was adopted.

CSHB 1705, as amended, was passed to engrossment. (In accordance with House Rule 5, Section 51(b), every member present must have favored passage of the measure, but any member may register their position with the journal clerk. No members registered their position on this measure.)

LOCAL, CONSENT, AND RESOLUTIONS CALENDAR RESET

On motion of Representative Reyna and by unanimous consent, consideration of tomorrow's Local, Consent, and Resolutions Calendar was reset to 9 a.m. instead of 10 a.m., as provided for previously.

FIVE DAY POSTING RULE SUSPENDED

Representative Hunter moved to suspend the five day posting rule to allow the Committee on Regulated Industries, Subcommittee on Renewable Energy, to consider **HB 2022**, **HB 2265**, and **HB 2692** upon recess today in E2.028.

The motion prevailed.

COMMITTEE MEETING ANNOUNCEMENTS

The following committee meetings were announced:

Regulated Industries, Subcommittee on Renewable Energy, upon recess today, E2.028, for a public hearing, to consider **HB 2022**, **HB 2265**, and **HB 2692**.

County Affairs will reconvene immediately upon recess today, E2.016, for a public hearing, to consider bills previously posted.

**HR 946 - ADOPTED
(by Herrero)**

Representative Herrero moved to suspend all necessary rules to take up and consider at this time **HR 946**.

The motion prevailed.

The following resolution was laid before the house:

HR 946, Honoring U.S. Army Specialist Juan Ramon Canales, Jr., for his receipt of the Purple Heart.

HR 946 was adopted.

On motion of Representative Herrero, the names of all the members of the house were added to **HR 946** as signers thereof.

COMMITTEE MEETING ANNOUNCEMENTS

The following committee meetings were announced:

Energy Resources will reconvene 15 minutes after recess today, E1.014.

Natural Resources will reconvene 15 minutes after recess today in the posted room.

Juvenile Justice and Family Issues will reconvene at 5 p.m. or 5 minutes after recess today, E2.014.

Law Enforcement, upon recess today, E1.026.

FIVE DAY POSTING RULE SUSPENDED

Representative Hodge moved to suspend the five day posting rule to allow the Committee on Criminal Jurisprudence, Subcommittee on Enhancements, to consider **HB 926** upon recess today in JHR 110.

The motion prevailed.

COMMITTEE MEETING ANNOUNCEMENT

The following committee meeting was announced:

Criminal Jurisprudence, Subcommittee on Enhancements, upon recess today, JHR 110, for a public hearing, to consider **HB 926**.

PROVIDING FOR RECESS

Representative Giddings moved that, at the conclusion of the reading of bills and resolutions on first reading and referral to committees, the house recess until 9 a.m. tomorrow in memory of Johnnie Cochran.

The motion prevailed.

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

Bills and joint resolutions were at this time laid before the house, read first time, and referred to committees. Resolutions were at this time laid before the house and referred to committees. Pursuant to Rule 1, Section 4 of the House Rules, the chair at this time corrected the referral of measures to committees. (See the addendum to the daily journal, Referred to Committees, List No. 1.)

(McClendon in the chair)

RECESS

In accordance with a previous motion, the house, at 5:10 p.m., recessed until 9 a.m. tomorrow.

ADDENDUM

REFERRED TO COMMITTEES

The following bills and joint resolutions were today laid before the house, read first time, and referred to committees, and the following resolutions were today laid before the house and referred to committees. If indicated, the chair today corrected the referral of the following measures:

List No. 1

HB 3415 (By Hughes), Relating to transfer of certain cases by the judicial panel on multidistrict litigation.

To Judiciary.

HB 3486 (By Hardcastle), Relating to the Nocona Hospital District.

To County Affairs.

HB 3487 (By Kuempel), Relating to the creation of the Schertz Municipal Utility District No. 1; providing authority to impose a tax and issue bonds; granting the power of eminent domain.

To Natural Resources.

HB 3488 (By Hegar), Relating to the creation of Fort Bend County Municipal Utility District No. 167; providing authority to impose taxes and standby fees and issue bonds; granting the power of eminent domain.

To Natural Resources.

HB 3489 (By Dawson), Relating to the creation of an additional statutory county court in Brazoria County.

To Judiciary.

HB 3490 (By Denny), Relating to the creation of The Lakes Fresh Water Supply District of Denton County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.

To Natural Resources.

HCR 116 (By Burnam), Recognizing May 24, 2005, as Aviation Maintenance Technician Day in Texas.

To Rules and Resolutions.

HCR 122 (By Kolkhorst), Designating Industry as the Oldest German Settlement in Texas.

To Culture, Recreation, and Tourism.

HCR 124 (By Truitt), Designating April as Child Safety Month in Texas.

To Culture, Recreation, and Tourism.

HCR 125 (By Hartnett), In memory of former State Representative Frederick Joseph Agnich of Dallas.

To Rules and Resolutions.

HCR 126 (By Craddick), In memory of Clayton McKinney of Midland, retired Texas Ranger and chief deputy of the Midland County Sheriff's Office.

To Rules and Resolutions.

HCR 127 (By Craddick), In memory of Dorothy Turner Scharbauer of Midland.

To Rules and Resolutions.

HCR 128 (By Dunnam), Designating Madisonville the Mushroom Capital of Texas.

To Culture, Recreation, and Tourism.

HCR 129 (By Hilderbran), Recognizing the 125th anniversary of the Y. O. Ranch.

To Rules and Resolutions.

HR 749 (By Baxter), In memory of Erleen Farris Martin of Lago Vista.

To Rules and Resolutions.

HR 760 (By Hopson), In memory of Crawford Godfrey of Jacksonville.

To Rules and Resolutions.

HR 761 (By Hopson), In memory of Norris Starkey of Jacksonville.

To Rules and Resolutions.

HR 762 (By Hopson), In memory of Barbara Greig of Jacksonville.

To Rules and Resolutions.

HR 864 (By Castro), Congratulating Alexandria Escobedo of San Antonio on her acceptance into the Joint Admission Medical Program.

To Rules and Resolutions.

HR 865 (By Flynn), Recognizing Texas Paralegal Day on October 23, 2005, and welcoming the members of the Texas Alliance of Paralegal Associations to the Capitol on April 15, 2005.

To Rules and Resolutions.

HR 867 (By Laubenberg), Recognizing March 23, 2005, as Texas Nursing Students' Association Day at the State Capitol.

To Rules and Resolutions.

HR 868 (By Hughes), Congratulating the Gilmer High School Buckeyes football team for winning the Class 3A Division II state championship.

To Rules and Resolutions.

HR 869 (By Hughes), Honoring Rickey Childers of Longview on being elected president of the Texas City Management Association.

To Rules and Resolutions.

HR 870 (By Hughes), Congratulating Lt. Gerard "Greg" Mandreger on being named Upshur County emergency management coordinator.

To Rules and Resolutions.

HR 871 (By Hughes), Honoring Bill Palmer for his military service during World War II.

To Rules and Resolutions.

HR 872 (By Chavez), Congratulating Judge Edward Marquez of El Paso on his receipt of the Lucy G. Acosta Humanitarian Award.

To Rules and Resolutions.

HR 873 (By Chavez), Honoring C. S. "Dusty" Rhodes of El Paso for his service to his community.

To Rules and Resolutions.

HR 874 (By Chavez), Recognizing the Border Fair Housing and Economic Justice Center in El Paso during Fair Housing Month in April.

To Rules and Resolutions.

HR 875 (By Chavez), Honoring the life of Maria del Socorro Ramirez.

To Rules and Resolutions.

HR 876 (By Chavez), Congratulating Terry Hammond of El Paso on his receipt of the Lucy G. Acosta Humanitarian Award.

To Rules and Resolutions.

HR 877 (By Chavez), Congratulating Gary Hedrick of El Paso on his receipt of the Lucy G. Acosta Humanitarian Award.

To Rules and Resolutions.

HR 878 (By Castro), Commemorating the dedication of Nani Falcone Community Park and paying tribute to its namesake for his myriad contributions to the city of San Antonio.

To Rules and Resolutions.

HR 881 (By J. Moreno), In memory of Antonio Ramirez of Clute.

To Rules and Resolutions.

HR 882 (By J. Moreno), Congratulating Leopold R. Moreno on receiving the Bronze Star Medal.

To Rules and Resolutions.

HR 883 (By Truitt), Congratulating Given Kachepa of Colleyville on his receipt of a 2005 Prudential Spirit of Community Award.

To Rules and Resolutions.

HR 886 (By Herrero), Congratulating Daniel and Ruby Roberts on the occasion of their 50th wedding anniversary.

To Rules and Resolutions.

HR 887 (By Menendez), Congratulating Peter Paul Flores on being named colonel of the Texas Parks and Wildlife Department Law Enforcement Division.

To Rules and Resolutions.

HR 888 (By Craddick), Honoring Alice Lorraine Leslie Park of Midland on her 95th birthday.

To Rules and Resolutions.

HR 889 (By T. King), Honoring Dale L. Bates of San Angelo for his contributions to promoting weather modification technologies in Texas.

To Rules and Resolutions.

HR 890 (By Hughes), Honoring the ALERT cadets for their contributions to the tsunami relief efforts.

To Rules and Resolutions.

HR 891 (By Kuempel), In memory of U.S. Army Sergeant Barry Kenneth Meza of Seguin.

To Rules and Resolutions.

HR 892 (By Kuempel), Honoring the life of U.S. Army Reserve Specialist Lauro Garcia DeLeon III of Floresville.

To Rules and Resolutions.

HR 893 (By J. Jones), In memory of Julia Scott Reed of Dallas.

To Rules and Resolutions.

HR 894 (By J. Jones), Honoring the Reverend Michael D. Pryor for serving as Pastor of the Day for the Texas House of Representatives.

To Rules and Resolutions.

HR 896 (By McCall), Honoring students, volunteers, and staff of Hedgcoxe Elementary School in Plano for their participation in Chez Snoopy.

To Rules and Resolutions.

HR 897 (By McCall), Congratulating the Prestonwood Christian Academy girls' soccer team for winning the TAPPS Division II state championship.

To Rules and Resolutions.

HR 898 (By McCall), Honoring Mary Alice Skaggs of Celina for her dedication to teaching on the occasion of her 97th birthday.

To Rules and Resolutions.

HR 899 (By McCall), In memory of Arthur John Martin of Plano.
To Rules and Resolutions.

HR 901 (By Oliveira), Honoring Joseph W. Norris, P.E., of Harlingen on his 50th birthday and commending him for his significant contributions to the state as a professional engineer.

To Rules and Resolutions.

HR 903 (By J. Jones), Commending Omega Psi Phi Fraternity, Incorporated, on the occasion of its members' visit to the State Capitol.

To Rules and Resolutions.

HR 904 (By McClendon), Honoring the San Antonio Youth Council of the NAACP on the occasion of its sixth annual Youth Image Awards Banquet.

To Rules and Resolutions.

HR 905 (By McClendon), In memory of U.S. Army Sergeant First Class Michael Battles, Sr., of San Antonio.

To Rules and Resolutions.

HR 906 (By Van Arsdale), Honoring St. Edward's University student Renee Elizabeth Etheridge on her 20th birthday.

To Rules and Resolutions.

HR 907 (By Hilderbran), In memory of Chuck Tait of Kerrville.

To Rules and Resolutions.

HR 909 (By Chisum), Honoring the 2005 Texas Yes! Hardworking Rural Communities chosen by the Texas Department of Agriculture.

To Rules and Resolutions.

HR 911 (By Farabee), Commending the Honorable Charles W. Stenholm for his exceptional service to the State of Texas and to this nation.

To Rules and Resolutions.

SB 81 to Higher Education.

SB 152 to Public Education.

SB 241 to Judiciary.

SB 293 to Border and International Affairs.

SB 423 to Public Health.

SB 541 to Ways and Means.

SB 569 to Border and International Affairs.

SB 593 to Economic Development.

SB 877 to Licensing and Administrative Procedures.

Pursuant to Rule 1, Section 4 of the House Rules, the chair corrects the referral of the following bills and resolutions:

HB 1799 (By Denny), Relating to a transfer and nonsubstantive revision of laws governing the holding of local option elections regarding alcoholic beverages.

To Elections.

HB 2854 (By Uresti, Solis, Miller, Callegari, and Gattis), Relating to the creation of an office of inspector general at certain state agencies.

To State Affairs.

HB 2916 (By Puente), Relating to enforcement of local regulation regarding minimum acreage for installation of septic systems.

To Natural Resources.

HJR 71 (By Thompson), Proposing a constitutional amendment establishing the Texas Institute for Regenerative Medicine, authorizing the issuance of bonds for the purposes of the institute, and prohibiting the legislature from prohibiting stem cell research.

To State Affairs.

HR 516 (By Raymond), Amending the Housekeeping Resolution to provide for display of the motto "In God We Trust" in the House chamber.

To House Administration.

SB 217 to Law Enforcement.

SB 466 to Local Government Ways and Means.

SB 692 to Natural Resources.

SIGNED BY THE SPEAKER

The following bills and resolutions were today signed in the presence of the house by the speaker:

House List No. 23

HCR 123

MESSAGES FROM THE SENATE

The following messages from the senate were today received by the house:

Message No. 1

MESSAGE FROM THE SENATE

SENATE CHAMBER

Austin, Texas

Wednesday, March 30, 2005

The Honorable Speaker of the House

House Chamber

Austin, Texas

Message No. 3

MESSAGE FROM THE SENATE
SENATE CHAMBER
Austin, Texas
Wednesday, March 30, 2005 - 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:

HCR 42 Guillen SPONSOR: Zaffirini
Commending Renato Ramirez for his beneficence in behalf of Texas A&M International University.

HCR 67 Pena SPONSOR: Hinojosa
In memory of Dr. Carlos Ramon Saca of Edinburg.

HCR 130 Eissler SPONSOR: Williams
In memory of Colleen Tough of The Woodlands.

SB 23 Zaffirini
Relating to subsidized child-care services and early childhood care and education program coordination.

SB 155 Shapiro
Relating to the quality assurance accreditation process for certain entities that offer health benefit plans.

SB 368 Duncan
Relating to the compensation of state judges and to the computation of retirement benefits for state judges and for members of the elected class of the Employees Retirement System of Texas.

SB 524 Eltife
Relating to the creation of a county court at law in Cass County.

SB 609 Nelson
Relating to the establishment of an advisory panel to conduct a study on the reporting of health care associated infection rates and process measures.

SB 658 Madla
Relating to the scheduling of certain University Interscholastic League competitions.

SCR 8 Seliger
Designating the chuck wagon as the official vehicle of Texas.

Respectfully,
Patsy Spaw
Secretary of the Senate

APPENDIX

STANDING COMMITTEE REPORTS

Favorable reports have been filed by committees as follows:

March 29

Appropriations - **SB 1**

Elections - **HB 345, HB 652, HB 1071, HB 1509, HB 1614**

Financial Institutions - **HB 1088, HB 1234, HB 1235, SJR 7**

Human Services - **HB 134, HB 307, HB 1503**

Insurance - **HB 542, HB 654, HB 655, HB 765, SB 88**

Judiciary - **HB 646, HB 835, HB 1062, HB 1271, HB 1622, HB 1642,**
HCR 88

Natural Resources - **HB 1041, HB 1224, HB 1225, HB 1657**

Pensions and Investments - **HB 617**

ENGROSSED

March 29 - HB 93, HB 352, HB 366, HB 372, HB 373, HB 538, HB 540,
HB 544, HB 685, HB 937, HB 964, HB 1066, HB 1326, HB 1361, HB 1362,
HB 1363, HB 1573