

HOUSE JOURNAL

EIGHTY-THIRD LEGISLATURE, REGULAR SESSION

PROCEEDINGS

SEVENTY-FIFTH DAY — FRIDAY, MAY 17, 2013

The house met at 3:23 p.m. and was called to order by the speaker pro tempore.

The roll of the house was called and a quorum was announced present (Record 923).

Present — Mr. Speaker; Allen; Alonzo; Alvarado; Anchia; Anderson; Ashby; Aycock; Bell; Bohac; Bonnen, D.; Bonnen, G.; Branch; Burkett; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Creighton; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Elkins; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; González, M.; Gonzalez, N.; Gooden; Guerra; Guillen; Gutierrez; Harless; Harper-Brown; Hernandez Luna; Herrero; Hilderbran; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; Keffer; King, K.; King, P.; King, T.; Kleinschmidt; Klick; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Menéndez; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Paddie; Parker; Patrick; Perez; Perry; Phillips; Pickett; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Sheets; Sheffield, J.; Sheffield, R.; Simmons; Simpson; Smith; Smithee; Springer; Stephenson; Stickland; Strama; Taylor; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, E.S.; Villalba; Villarreal; Walle; White; Workman; Wu; Zedler.

Absent, Excused — Darby; Fallon; King, S.; Orr; Vo.

Absent, Excused, Committee Meeting — Crossover; Giddings; Otto; Pitts; Turner, S.; Zerwas.

LEAVES OF ABSENCE GRANTED

On motion of Representative S. Thompson and by unanimous consent, all members who were granted leaves of absence on the previous legislative day were granted leaves for this legislative day.

RULES SUSPENDED

Representative S. Thompson moved to suspend all necessary rules to take up and consider at this time, on third reading and final passage, the bills on the local, consent, and resolutions calendar which were considered on the previous legislative day.

The motion prevailed.

MOTION FOR ONE RECORD VOTE

On motion of Representative S. Thompson and by unanimous consent, the house agreed to use the first record vote taken for all those bills on the local, consent, and resolutions calendar that require a record vote on third reading and final passage, with the understanding that a member may record an individual vote on any bill with the journal clerk.

LOCAL, CONSENT, AND RESOLUTIONS CALENDAR THIRD READING

The following bills which were considered on second reading on the previous legislative day on the local, consent, and resolutions calendar were laid before the house, read third time, and passed by the following record vote (members registering votes and the results of the vote are shown following bill number).

(Record 924): 134 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Ashby; Aycock; Bell; Bohac; Bonnen, G.; Branch; Burkett; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Creighton; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Elkins; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Geren; Gonzales; González, M.; Gonzalez, N.; Gooden; Guerra; Guillen; Gutierrez; Harless; Harper-Brown; Hernandez Luna; Herrero; Hilderbran; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; Keffer; King, K.; King, P.; King, T.; Kleinschmidt; Klick; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Menéndez; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Paddie; Parker; Patrick; Perez; Perry; Phillips; Pickett; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Sheets; Sheffield, J.; Sheffield, R.; Simmons; Simpson; Smith; Smithee; Springer; Stephenson; Stickland; Strama; Taylor; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, E.S.; Villalba; Villarreal; Walle; Workman; Wu; Zedler.

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

Absent, Excused — Darby; Fallon; King, S.; Orr; Vo.

Absent, Excused, Committee Meeting — Crownover; Giddings; Otto; Pitts; Turner, S.; Zerwas.

Absent — Anderson; Goldman; White.

STATEMENTS OF VOTE

When Record No. 924 was taken, I was in the house but away from my desk. I would have voted yes.

Anderson

When Record No. 924 was taken, I was temporarily out of the house chamber. I would have voted yes on the local, consent, and resolutions calendar, but would have recorded voting no on the following bills: **SB 284**, **SB 503**, **SB 562**, and **SB 833**.

Goldman

When Record No. 924 was taken, I was in the house but away from my desk. I would have voted yes.

White

HB 1260 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

HB 1587 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

HB 1588 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

HB 2640 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

HB 3916

HB 3942

HB 3945

HB 3954

SB 45 (Huberty, Perry, Sanford, Springer, Stickland, and Taylor - no) (128 - 6 - 2) (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 49 (Huberty and Stickland - no) (132 - 2 - 2)

SB 59 (The vote was reconsidered on Monday, May 20, Amendment No. 1 was withdrawn, and **SB 59** was passed by Record No. 935, as amended.)

SB 119

SB 122

SB 128

SB 138

SB 164

SB 171 (Huberty and Stickland - no) (132 - 2 - 2)

SB 172 (Springer and Stickland - no) (132 - 2 - 2) (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 193

SB 232 (Huberty, Krause, Schaefer, Simpson, and Taylor - no) (129 - 5 - 2) (E. S. Turner requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 242

SB 273 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 279

SB 284 (Krause, Schaefer, Simmons, and Simpson - no) (130 - 4 - 2)

SB 351**SB 359**

SB 362 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 381**SB 382****SB 390****SB 409****SB 428**

SB 430 (Huberty and Stickland - no) (132 - 2 - 2)

SB 499**SB 502**

SB 503 (Krause, Lavender, Phillips, Schaefer, Simmons, Simpson, Springer, Stickland, and Taylor - no) (125 - 9 - 2) (Bell, Capriglione, and E. S. Turner requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 514 (Flynn and Zedler - no) (132 - 2 - 2)

SB 531**SB 534**

SB 546 (Perry, Sanford, and Schaefer - no) (131 - 3 - 2)

SB 552 (Lavender, Perry, and Sanford - no) (131 - 3 - 2)

SB 562 (Krause, Perry, Phillips, Sanford, Schaefer, Simmons, and Simpson - no) (127 - 7 - 2) (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 563

SB 569 (Huberty, Springer, and Stickland - no) (131 - 3 - 2)

SB 578**SB 603****SB 604**

SB 607 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 631

SB 679

SB 690 (Lavender - no) (133 - 1 - 2) (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 697

SB 699

SB 702 (Krause, Simmons, and Simpson - no) (131 - 3 - 2)

SB 706 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 717 (Flynn, Krause, Schaefer, Simpson, and Zedler - no) (129 - 5 - 2)

SB 718 (Phillips and Schaefer - no) (132 - 2 - 2)

SB 746

SB 747

SB 763 (Phillips and Schaefer - no) (132 - 2 - 2)

SB 769 (Flynn and Zedler - no) (132 - 2 - 2)

SB 771 (Schaefer - no) (133 - 1 - 2)

SB 793

SB 804

SB 818

SB 833 (Krause, Phillips, Schaefer, Simmons, and Simpson - no) (129 - 5 - 2)

SB 836 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 845

SB 848

SB 869 (Huberty, Krause, Schaefer, Simpson, and Stickland - no) (129 - 5 - 2) (E. S. Turner requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 874

SB 886 (Krause, Schaefer, and Simpson - no) (131 - 3 - 2)

SB 889

SB 890

SB 893

SB 910

SB 916

SB 939 (Krause, Schaefer, and Simpson - no) (131 - 3 - 2)

SB 946

SB 948 (Krause, Schaefer, and Simpson - no) (131 - 3 - 2)

SB 951

SB 967 (Flynn, Schaefer, Simpson, and Zedler - no) (130 - 4 - 2)

SB 997

SB 1006

SB 1010 (Krause, Phillips, Schaefer, Simpson, and Stickland - no) (129 - 5 - 2)

SB 1012

SB 1033

SB 1035 (Phillips and Schaefer - no) (132 - 2 - 2)

SB 1053

SB 1061

SB 1064 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1067 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1071 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1072 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1073 (Carter - no) (133 - 1 - 2) (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1074

SB 1075

SB 1095

SB 1099

SB 1125

SB 1151

SB 1200 (Krause and Simpson - no) (132 - 2 - 2)

SB 1235

SB 1237

SB 1265

SB 1379

SB 1386

SB 1415 (Stickland - no) (133 - 1 - 2)

SB 1425

SB 1432 (Kolkhorst - no) (133 - 1 - 2)

SB 1474 (Stickland - no) (133 - 1 - 2)

SB 1479

SB 1480

SB 1481

SB 1584

SB 1662 (Stickland - no) (133 - 1 - 2)

SB 1708

SB 1757 (Huberty and Stickland - no) (132 - 2 - 2)

SB 1822

SB 1824

SB 1829 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1830

SB 1840 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1843 (Carter - no) (133 - 1 - 2) (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1845 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1857

SB 1872 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1876

SB 1892

SB 1900 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1901 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1902 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

SB 1903 (Capriglione requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

The following resolutions which were laid out on the previous legislative day on the local, consent, and resolutions calendar were adopted by the above referenced vote (Record 924): 134 Yeas, 0 Nays, 2 Present, not voting (members registering votes and the results of the vote are shown following bill number).

HCR 80 (Flynn, Hunter, Kolkhorst, Krause, Simpson, and Zedler - no) (128 - 6 - 2) (Bell and E. S. Turner requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

HCR 106

SCR 1

SCR 10

SCR 12

SCR 13

SCR 17

SCR 18

SCR 30 (Frullo, Kleinschmidt, Kolkhorst, Laubenberg, Lavender, Leach, Perry, Sheets, R. Sheffield, and Simmons - no) (124 - 10 - 2) (Bell and E. S. Turner requested to be recorded voting no after the deadline established by Rule 5, Section 52 of the House Rules.)

**MAJOR STATE CALENDAR
SENATE BILLS
SECOND READING**

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

**SB 1458 ON SECOND READING
(Callegari, et al. - House Sponsors)**

SB 1458, A bill to be entitled An Act relating to contributions to, benefits from, and the administration of systems and programs administered by the Teacher Retirement System of Texas.

Amendment No. 1

Representative Callegari offered the following amendment to **SB 1458**:

Amend **SB 1458** (house committee printing) on page 6, line 25, by striking "August 31, 1999" and substituting "August 31, 2004".

Amendment No. 1 was adopted.

Amendment No. 2

Representative Walle offered the following amendment to **SB 1458**:

Amend **SB 1458** (house committee printing) as follows:

(1) On page 2, lines 9 through 11, strike "does not have at least five years of service credit in the retirement system on or before August 31, 2014, or who".

(2) On page 3, lines 21 through 23, strike "does not have at least five years of service credit in the retirement system on or before August 31, 2014, or who".

(3) On page 5, lines 13 through 15, strike "does not have at least five years of service credit in the retirement system on or before August 31, 2014, or who".

(4) Strike page 14, line 18, through page 15, line 15.

(5) Strike page 15, line 22, through page 16, line 26.

(6) On page 17, line 2, strike "Section" and substitute "Sections 821.006 and".

(7) Add the following appropriately numbered SECTIONS to the bill:

SECTION _____. Section 821.006, Government Code, is amended by adding Subsections (c), (d), and (e) to read as follows:

(c) Notwithstanding Subsections (a) and (b), the retirement system may provide a one-time supplemental payment to an annuitant eligible to receive:

(1) a standard retirement annuity payment;

(2) an optional retirement annuity payment as either a retiree or beneficiary;

(3) a life annuity payment under Section 824.402(a)(4);

(4) an annuity for a guaranteed period of 60 months under Section 824.402(a)(3); or

(5) an alternate payee annuity payment under Section 804.005.

(d) A one-time supplemental payment under Subsection (c) is authorized, even if the amortization period for the unfunded actuarial liabilities of the retirement system exceeds 30 years by one or more years, only if the board of trustees determines that at the time of the supplemental payment the payment can be made while preserving the ability of the retirement system to meet at least 80 percent of the system's pension obligations.

(e) The funding for a one-time supplemental payment under Subsection (c) must come from the earnings the retirement system makes on its investments as provided by this subsection. The supplemental payment may be made at any time during the period beginning September 1, 2013, and ending December 31, 2015, only if, during the preceding fiscal year, the return on investments, as provided by the actuarial valuation on August 31 of that year, exceeds eight percent by an amount sufficient to pay for the supplemental payment. Subsections (c) and (d) and this subsection expire January 1, 2016.

SECTION _____. Section 821.006, Government Code, as amended by this Act, is not intended to supplant the power or discretion of the legislature to provide supplemental payments to annuitants of the Teacher Retirement System of Texas. That section provides an additional tool by which the legislature may provide those annuitants with a much-needed one-time supplemental payment without requesting additional funds from general revenue.

SECTION _____. (a) The Teacher Retirement System of Texas shall make a one-time supplemental payment of a retirement or death benefit, as provided by Section 821.006, Government Code, as amended by this Act, and this section.

(b) The supplemental payment is payable not later than December 31, 2015, and, to the extent practicable, on a date or dates that coincide with the regular annuity payment payable to each eligible annuitant.

(c) The amount of the supplemental payment is equal to the lesser of:

(1) the gross amount of the regular annuity payment to which the eligible annuitant is otherwise entitled for the month of August 2013; or

(2) \$2,400.

(d) The supplemental payment is payable without regard to any forfeiture of benefits under Section 824.601, Government Code. The Teacher Retirement System of Texas shall make applicable tax withholding and other legally required deductions before disbursing the supplemental payment. A supplemental payment under this section is in addition to and not in lieu of the regular monthly annuity payment to which the eligible annuitant is otherwise entitled.

(e) Subject to Subsection (f) of this section, to be eligible for the supplemental payment, a person must be, for the month of August 2013, and disregarding any forfeiture of benefits under Section 824.601, Government Code, an annuitant eligible to receive:

- (1) a standard retirement annuity payment;
- (2) an optional retirement annuity payment as either a retiree or beneficiary;
- (3) a life annuity payment under Section 824.402(a)(4), Government Code;
- (4) an annuity for a guaranteed period of 60 months under Section 824.402(a)(3), Government Code; or
- (5) an alternate payee annuity payment under Section 804.005, Government Code.

(f) If the annuitant is a retiree or a beneficiary under an optional retirement payment plan, to be eligible for the supplemental payment, the effective date of the retirement of the member of the Teacher Retirement System of Texas must have been on or before December 31, 2010. If the annuitant is a beneficiary under Section 824.402(a)(3) or (4), Government Code, to be eligible for the supplemental payment, the date of death of the member of the retirement system must have been on or before December 31, 2010. The supplemental payment shall be made to an alternate payee who is an annuitant under Section 804.005, Government Code, only if the annuity payment to the alternate payee commenced on or before December 31, 2010. The supplemental payment is in addition to the guaranteed number of payments under Section 824.402(a)(3), 824.204(c)(3) or (4), or 824.308(c)(3) or (4), Government Code, and may not be counted as one of the guaranteed monthly payments.

(g) The supplemental payment does not apply to payments under:

- (1) Section 824.304(a), Government Code, relating to disability retirees with less than 10 years of service credit;
- (2) Section 824.804(b), Government Code, relating to participants in the deferred retirement option plan with regard to payments from their deferred retirement option plan accounts;
- (3) Section 824.501(a), Government Code, relating to retiree survivor beneficiaries who receive a survivor annuity in an amount fixed by statute; or
- (4) Section 824.404(a), Government Code, relating to active member survivor beneficiaries who receive a survivor annuity in an amount fixed by statute.

(h) Except as provided by this section, the board of trustees of the Teacher Retirement System of Texas shall determine the eligibility for and the amount and timing of a supplemental payment and the manner in which the payment is made.

SECTION _____. The change in law made by this Act to Chapter 1575, Insurance Code, applies only to a person who becomes a member of the Teacher Retirement System of Texas on or after September 1, 2014. A person who becomes a member of the retirement system before September 1, 2014, is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

(8) Renumber the SECTIONS of the bill accordingly.

Amendment No. 2 was adopted.

Amendment No. 3

Representative P. King offered the following amendment to **SB 1458**:

Amend **SB 1458** (house committee printing) as follows:

(1) On page 1, line 8, strike "Subsections (a-2), (b-2), and (d-2)" and substitute "Subsections (a-2), (a-3), (b-2), (b-3), (d-2), and (d-3)".

(2) On page 2, line 9, strike "This" and substitute "Except as provided by Subsection (a-3), this".

(3) On page 2, between lines 20 and 21, insert the following:

(a-3) Subsection (a-2) does not apply to a member who is a peace officer licensed under Subchapter G, Chapter 1701, Occupations Code, and who is employed and commissioned as a peace officer under Section 37.081 or 51.203, Education Code, and assigned to the duty of a peace officer at the time the member retires. A person described by this subsection is subject to Subsection (a) or (a-1), as appropriate. This subsection does not apply to a member who is employed as security personnel under Section 37.081, Education Code, and assigned to the duty of security personnel at the time the member retires.

(4) On page 3, line 21, strike "This" and substitute "Except as provided by Subsection (b-3), this".

(5) On page 4, between lines 9 and 10, insert the following:

(b-3) Subsection (b-2) does not apply to a member who is a peace officer licensed under Subchapter G, Chapter 1701, Occupations Code, and who is employed and commissioned as a peace officer under Section 37.081 or 51.203, Education Code, and assigned to the duty of a peace officer at the time the member retires. A person described by this subsection is subject to Subsection (b) or (b-1), as appropriate. This subsection does not apply to a member who is employed as security personnel under Section 37.081, Education Code, and assigned to the duty of security personnel at the time the member retires.

(6) On page 5, line 13, strike "This" and substitute "Except as provided by Subsection (d-3), this".

(7) On page 5, between lines 24 and 25, insert the following:

(d-3) Subsection (d-2) does not apply to a member who is a peace officer licensed under Subchapter G, Chapter 1701, Occupations Code, and who is employed and commissioned as a peace officer under Section 37.081 or 51.203, Education Code, and assigned to the duty of a peace officer at the time the member retires. A person described by this subsection is subject to Subsection

(d) or (d-1), as appropriate. This subsection does not apply to a member who is employed as security personnel under Section 37.081, Education Code, and assigned to the duty of security personnel at the time the member retires.

Amendment No. 3 was adopted.

Amendment No. 4

Representative Alonzo offered the following amendment to **SB 1458**:

Amend **SB 1458** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) The board of trustees of the Teacher Retirement System of Texas shall conduct a study on the feasibility of the board making a good faith effort to enter into contracts with qualified emerging fund managers under 825.301(a-2), Government Code, or other applicable law authorizing the board to acquire private financial services on behalf of the retirement system.

(b) For purposes of this section:

(1) "Emerging fund manager" means a private professional investment manager that manages assets of not more than \$2 billion.

(2) "Private financial services" includes pension fund management, consulting, investment advising, brokerage services, hedge fund management, private equity fund management, and real estate investment.

(c) Not later than December 1, 2014, the board of trustees of the Teacher Retirement of Texas shall submit a written report to the legislature containing the findings of the study conducted under this section together with the board's recommendations.

Amendment No. 4 was withdrawn.

SB 1458, as amended, was passed to third reading by (Record 925): 138 Yeas, 0 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson; Ashby; Aycock; Bell; Bohac; Bonnen, D.(C); Bonnen, G.; Branch; Burkett; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Creighton; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Elkins; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; González, M.; Gonzalez, N.; Gooden; Guerra; Guillen; Gutierrez; Harless; Harper-Brown; Hernandez Luna; Herrero; Hilderbran; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; Keffer; King, K.; King, P.; King, T.; Kleinschmidt; Klick; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Menéndez; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Paddie; Parker; Patrick; Perez; Perry; Phillips; Pickett; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Sheets; Sheffield, J.; Sheffield, R.; Simmons; Simpson; Smith; Smithee; Springer; Stephenson; Stickland; Strama; Taylor; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, E.S.; Villalba; Villarreal; Walle; White; Workman; Wu; Zedler.

Present, not voting — Mr. Speaker.

Absent, Excused — Darby; Fallon; King, S.; Orr; Vo.

Absent, Excused, Committee Meeting — Crownover; Giddings; Otto; Pitts; Turner, S.; Zerwas.

STATEMENT OF VOTE

When Record No. 925 was taken, I was excused for a committee meeting. I would have voted yes.

Giddings

CONSTITUTIONAL AMENDMENTS CALENDAR SENATE JOINT RESOLUTIONS SECOND READING

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

SJR 54 ON SECOND READING (Guerra - House Sponsor)

SJR 54, A joint resolution proposing a constitutional amendment repealing the constitutional provision authorizing the creation of a hospital district in Hidalgo County.

SJR 54 was adopted by (Record 926): 133 Yeas, 1 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson; Ashby; Aycock; Bell; Bohac; Bonnen, G.; Branch; Burkett; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Creighton; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Elkins; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; González, M.; Gonzalez, N.; Gooden; Guerra; Guillen; Gutierrez; Harless; Harper-Brown; Hernandez Luna; Herrero; Hilderbran; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; Keffer; King, K.; King, P.; King, T.; Kleinschmidt; Klick; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Menéndez; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Paddie; Patrick; Perez; Perry; Phillips; Pickett; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Sheets; Sheffield, J.; Sheffield, R.; Simmons; Simpson; Smith; Smithee; Springer; Stephenson; Stickland; Strama; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Villalba; Villarreal; Walle; White; Workman; Wu; Zedler.

Nays — Taylor.

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

Absent, Excused — Darby; Fallon; King, S.; Orr; Vo.

Absent, Excused, Committee Meeting — Crownover; Giddings; Otto; Pitts; Turner, S.; Zerwas.

Absent — Eiland; Parker; Toth.

**GENERAL STATE CALENDAR
SENATE BILLS
SECOND READING**

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

**SB 24 ON SECOND READING
(Oliveira, Branch, et al. - House Sponsors)**

SB 24, A bill to be entitled An Act relating to the creation of a new university in South Texas within The University of Texas System.

SB 24 - REMARKS

REPRESENTATIVE OLIVEIRA: Mr. Speaker, members, on March 20th when we heard **HB 1000**, this body unanimously supported that legislation, and I bring to you a slightly different piece of legislation that has been worked out very carefully by all the parties. My concern has been, as we've been deliberating in the process, is making sure that whatever we did was properly vetted, was looked at by experts. And what we are going to bring to you in a moment are some amendments that were worked out with all of my colleagues in the Valley delegation, with The University of Texas System and their experts, and it actually was a proposal from the UT System that cemented us together so that we are now in agreement on this legislation in **SB 24**. When we are done with this, and after the senate concurs, as they've committed to, this will go to the governor's desk, and it will lead to 7-10,000 jobs in the Valley with an average salary of about \$63,000. It'll lead to some serious and fundamental health care that the Valley desperately needs, but it will also bring about major change—change that we can all very much be proud of and that you all can say, your fingerprints were on this legislation and you made Texas a better place.

Right now, the only two institutions in the UT System that are not eligible for the PUF fund is UT- Brownsville and UT-Pan American at Edinburg. This bill would make them eligible for the permanent university fund. I want to thank—not the Academy—I want to thank Chancellor Cigarroa and Chairman Gene Powell of the UT Board of Regents who worked very hard with us to iron out the details, and all the other city officials from Cameron and Hidalgo County who are up here this week to bring us what I believe is a good consensus and a fair package for all the Valley. I know some of you have been subject to some very intense lobbying. Like any family, we have squabbles, and like any family, we unite—and that's what we're bringing you today.

REPRESENTATIVE WALLE: Chairman, would you—I see that your whole RGV contingent is behind you. Would you——

OLIVEIRA: This is how I roll.

WALLE: This is how you roll? Okay. Would you consider an amendment to move the first semester of the new RGV medical school to Houston?

OLIVEIRA: Well, we're going to name a restroom the Armando Walle Restroom at the new university. And if you will settle for that—yes. I'm sorry, we're only agreeing to a stall, not a whole restroom.

WALLE: Is it going to be called the René Oliveira School?

OLIVEIRA: University Medical School?

WALLE: The university.

OLIVEIRA: That's planned too, but—

WALLE: I'll support you on that, Chairman.

OLIVEIRA: That would be an acceptable amendment. Thank you, Mr. Walle. Members, Mr. Lucio is going to lay out an amendment that we've all signed, but again, I want to thank all of you for your patience and all of you who have had to suffer through some intensive lobbying this week from a lot of good folks back home, some who are still here waiting to see this bill pass. And thank you for being a part—a major part—of Texas history.

Amendment No. 1

Representatives Lucio, Muñoz, Guerra, Guillen, Oliveira, Canales, Longoria, and Martinez offered the following amendment to **SB 24**:

Amend **SB 24** by adding an appropriately numbered SECTION to the bill, to read as follows:

(1) On page 2, line 5, between "Chapter 74" and ";", insert ", subject to the provisions of that subchapter regarding the location of certain facilities and programs of the health science center".

(2) Strike SECTION 2 of the bill (page 10, lines 10 to 20) and substitute the following SECTION 2:

SECTION 2. CONFORMING AMENDMENT. Section 74.751(a), Education Code, is amended to read as follows:

(a) The board of regents of The University of Texas System may operate The University of Texas Health Science Center–South Texas as provided by Section 79.02 [a component institution of The University of Texas System] with its [main campus and] administrative offices to be located in Hidalgo and Cameron Counties [County]. The health science center shall [may] consist of a medical school, as provided by Section 74.752, other health and health-related degree programs, and related programs and facilities as the board considers appropriate.

(3) SECTION _____. Section 74.752, Education Code, is amended to read as follows:

Sec. 74.752. MEDICAL SCHOOL. (a) The medical school [If The University of Texas Health Science Center South Texas is established under Section 74.751, The University of Texas Medical School South Texas may be] established as a component of the health science center and as a component institution of The University of Texas System under the management and control of the board of regents of The University of Texas System is subject to this section. The offices overseeing undergraduate medical education shall be located

in Hidalgo County and the offices overseeing graduate medical education shall be located in Cameron County. The board shall ensure that educational programs for first-year and second-year students shall be primarily located in Hidalgo County, and the educational programs for third-year and fourth-year students shall be primarily located in Cameron County; and the educational programs for all medical students shall take full advantage of the existing educational facilities and programs at The University of Texas-Pan American's Edinburg campus or successor campus, The University of Texas at Brownsville campus or successor campus, and the Lower Rio Grande Valley Regional Academic Health Center established under Subchapter L, Chapter 74, in Harlingen and Edinburg. Graduate medical education programs and activities shall be conducted throughout the region.

(4) Strike SECTION 5 of the bill (page 12, line 24, to page 13, line 26) and renumber subsequent SECTION of the bill accordingly.

REPRESENTATIVE LUCIO: Thank you, Mr. Speaker, members; if you can have patience, because earlier this week, this entire legislation, I think, was on somewhat shaky ground because of this very issue that I will be addressing, and that's dealing with the medical school that is just a single component of the overall institution that we're establishing. We had several stakeholders from the area come up this week—both from Hidalgo and Cameron County—Mayor Boswell from Harlingen, Mayor Darling from McAllen, Mayor Garcia from Edinburg, Mayor Martinez from Brownsville. We had representatives from Valley Baptist Health System, and doctors, Hospital Renaissance, and several members of the business community from both counties, some of which are here with us today. We all gathered in a room, and it was my hope and the hope of several of us that we could work out an agreement. Those negotiations starting with everyone expressing their concerns, and their desires, and their wishes, and I think that was an important part of the process—for all of us to gather and talk. And once we did that, we asked the UT System to come up with some options that encompass those questions—those concerns. They provided us with those options, and as stakeholders from both sides of this issue, we agreed on one of those options with some minor tweaks. Those tweaks were encompassed in the amendment that's before you.

This amendment is a result of consensus and agreement amongst all the stakeholders, and it incorporates, I think, which is the best of both worlds, and it takes into account the resources that each community can give. Essentially, what this amendment does is it creates an office that would oversee undergraduate medical education in Hidalgo County and an office that would oversee graduate medical education in Cameron County. It will also ask the board to ensure that educational programs for the first and second year students shall be primarily located in Hidalgo County and that educational programs for the third and fourth year students shall be primarily located in Cameron County. It also maximizes all the resources that exist today and to make sure those will be used to the fullest extents possible, both in Harlingen, Brownsville, and Edinburg. Ultimately, this leaves enough flexibility for the UT System to be able to have a regional medical school and allow for, not only the first and second year in one county or the third

and fourth year in another county, but for both counties to participate in a meaningful way. This is a regional approach, and this is the product of what a family can do when they come together and compromise. All my Valley delegation has signed on to this amendment. It's a great day for South Texas. It's a great day for Texas. And I believe it's acceptable to the author, and I want to thank everybody who made this possible, including these men behind me.

REPRESENTATIVE MARTINEZ: I want to thank you all so much for your hard work and dedication. Many of us had visited with you on the floor regarding our amendment, regarding our medical school and how much it means to us. But in front of this body, I want to make it very clear that I want to thank Chairman Oliveira for his hard work, and I want to thank Representative Lucio for shepherding this amendment, working with each and every one of us. If there's one thing that's for certain it's that when we want something in the Rio Grande Valley, our delegation sticks together to make it happen. So thank all of you.

REPRESENTATIVE ALONZO: Representative Martinez, I want to thank you for your work and let you know that it's a pleasure working with you in Higher Ed, and taking the leadership—and the leadership you took on this bill. Specifically, I can tell you that Chancellor Cigarroa played a big part in coming up with this concept, is that correct?

MARTINEZ: Yes, sir, that is correct.

ALONZO: And I can tell you, Representative Martinez, that at the time that he got selected as chancellor we had a visit, because I was in Higher Ed. As you may recall, he comes to visit us when we're on Higher Ed. Is that right?

MARTINEZ: Yes, sir, that is correct.

ALONZO: And, you know, one of the things that I visited with him on is, you know, what are going to be some of the things that he would have in his legacy. And after I saw the work that came about on this legislation—to merge two universities to make a super university, as you would like to call it, for the valley—I think that this is part of the legacy. Would you not agree with me?

MARTINEZ: Oh, I agree with you 100 percent. This is going to be part of his legacy and all of our legacies.

ALONZO: And I want to again thank you for your work on this, and I can tell you it's been a pleasure voting more than once on this bill—whether it was on Calendars or it was in the Higher Ed Committee. And I congratulate all of you for the work you've done on this legislation.

MARTINEZ: Thank you, representative, and you know, it doesn't make me any prouder to be a part of this Valley delegation that has stuck together and worked hard. So, thank you very much for your comments; I appreciate that.

REPRESENTATIVE MENÉNDEZ: You know, I think that after this bill is passed, I think an appropriate gift for each of these members will be that we reduce to writing all of their comments, enter them into the journal, and then frame them so they can have them in their offices. I'll take care of the frames and all that, but I just wanted to reduce to writing.

LUCIO: I just want to say this—my father's walking in right now. Since I was a little boy, I've been around this process, and this has been one of the things he's worked hardest on in his career. This will create a medical school in South Texas, and this will give us a path to the foreseeable future for that medical school to come to fruition. So, I just want to take some personal privilege at this time to congratulate my father on his life's work, and thank him for giving me an opportunity to just help it along across the finish line. So, Dad, congratulations, and to Senator Hinojosa, who worked so hard this week as well—I think he's on his way—I want to congratulate him as well. With that, I close.

REMARKS ORDERED PRINTED

Representative Menéndez moved to print all remarks on **SB 24**.

The motion prevailed.

Amendment No. 1 was adopted.

Amendment No. 2

Representatives Martinez, Guerra, Guillen, Lucio, Canales, Muñoz, and Longoria offered the following amendment to **SB 24**:

Amend **SB 24** (house committee report) as follows:

On page 2, between lines 23 and 24, by adding the following:

(f) The board has all the powers and duties provided by prior law, as that law existed at the time the applicable university or other entity was abolished, in regard to:

(1) The University of Texas at Brownsville, The University of Texas–Pan American, and any other institution, college, school, or entity abolished under the Act authorizing creation of the university; and

(2) any facility, operation, or program that is transferred to the university under that Act.

(g) The board may impose and collect any fee authorized by prior law, as that law existed at the time the applicable university was abolished, for The University of Texas at Brownsville or The University of Texas–Pan American, as determined by the board and subject to the limitations provided by the prior law authorizing the fee. The abolition of The University of Texas at Brownsville and The University of Texas–Pan American does not affect any pledge of revenue from a fee made by or on behalf of either of those universities to pay obligations issued in connection with facilities for which the fee was imposed and the obligations were issued.

MARTINEZ: This simply ensures that the statutory fees currently in existence with the institutions that are being abolished carry over to the new university, our Tier 1 university being created in South Texas, and I believe it is acceptable to the author.

Amendment No. 2 was adopted.

OLIVEIRA: In my 29 years in this legislature, I don't think I've ever been part of such an important thing—to not just help the Valley, but our state. You have been thanked, and I can't thank you enough for being part of this and for all of your support. I really want to thank Chairman Branch, and all the members of the Higher Education Committee. Without his leadership, being a joint author, and a coauthor of this, it would not have happened. Might even be the first time I'll go vote in the republican primary, I don't know. But anyway, I also want to thank Governor Perry, because—many of you remember—he put this in his address to us that he wanted to see the two Valley schools be part of the permanent university fund. So, with that, members, I move adoption, and I ask for your unanimous support in a record vote, as we do need a two-thirds vote.

SB 24, as amended, was passed to third reading by (Record 927): 136 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson; Ashby; Aycock; Bell; Bohac; Bonnen, G.; Branch; Burkett; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Creighton; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Elkins; Farias; Farney; Farrar; Fletcher; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; González, M.; Gonzalez, N.; Gooden; Guerra; Guillen; Gutierrez; Harless; Harper-Brown; Hernandez Luna; Herrero; Hilderbran; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; King, K.; King, P.; King, T.; Kleinschmidt; Klick; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Menéndez; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Paddie; Parker; Patrick; Perez; Perry; Phillips; Pickett; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Sheets; Sheffield, J.; Sheffield, R.; Simmons; Simpson; Smith; Smithee; Springer; Stephenson; Stickland; Strama; Taylor; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, E.S.; Villalba; Villarreal; Walle; White; Workman; Wu; Zedler.

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

Absent, Excused — Darby; Fallon; King, S.; Orr; Vo.

Absent, Excused, Committee Meeting — Crownover; Giddings; Otto; Pitts; Turner, S.; Zerwas.

Absent — Keffer.

LEAVE OF ABSENCE GRANTED

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

N. Gonzalez on motion of Márquez.

**PROVIDING FOR A LOCAL, CONSENT,
AND RESOLUTIONS CALENDAR**

Representative S. Thompson moved to set a local, consent, and resolutions calendar for 10 a.m. Monday, May 20.

The motion prevailed.

COMMITTEE GRANTED PERMISSION TO MEET

Representative S. Thompson requested permission for the Committee on Local and Consent Calendars to meet while the house is in session, at 4:30 p.m. today, in 3W.15, to set a calendar.

Permission to meet was granted.

COMMITTEE MEETING ANNOUNCEMENT

The following committee meeting was announced:

Local and Consent Calendars, 4:30 p.m. today, 3W.15, for a formal meeting, to set a calendar.

**CSSB 1430 ON SECOND READING
(Herrero - House Sponsor)**

CSSB 1430, A bill to be entitled An Act relating to the applicability of certain public works contracting requirements.

CSSB 1430 was passed to third reading. (Flynn recorded voting no.)

**SB 981 ON SECOND READING
(Menéndez - House Sponsor)**

SB 981, A bill to be entitled An Act relating to electric utility bill payment assistance programs for certain veterans burned in combat.

SB 981 was passed to third reading. (Button recorded voting no.)

**SB 639 ON SECOND READING
(Geren, N. Gonzalez, Guerra, Gooden, Herrero, et al. - House Sponsors)**

SB 639, A bill to be entitled An Act relating to the sale of beer, ale, and malt liquor by a brewer or beer manufacturer to a wholesaler or distributor and contractual agreements between those entities.

SB 639 was passed to third reading. (Button, Carter, Flynn, Phillips, Simpson, Taylor, and Zedler recorded voting no.)

**SB 515 ON SECOND READING
(Smith, Harless, Villarreal, Isaac, E. Rodriguez, et al. - House Sponsors)**

SB 515, A bill to be entitled An Act relating to the sale and production of malt liquor, ale, and beer by the holder of a brewpub license.

SB 515 was passed to third reading. (Carter, Perry, and Taylor recorded voting no.)

SB 516 ON SECOND READING**(Smith, Harless, Villarreal, Isaac, E. Rodriguez, et al. - House Sponsors)**

SB 516, A bill to be entitled An Act relating to the distribution of ale by certain brewers.

SB 516 was passed to third reading. (Flynn and Perry recorded voting no.)

SB 517 ON SECOND READING**(Smith, Harless, Villarreal, Isaac, E. Rodriguez, et al. - House Sponsors)**

SB 517, A bill to be entitled An Act relating to the distribution of beer by certain manufacturers.

SB 517 was passed to third reading. (Flynn and Perry recorded voting no.)

SB 518 ON SECOND READING**(Smith, Harless, Villarreal, Isaac, E. Rodriguez, et al. - House Sponsors)**

SB 518, A bill to be entitled An Act relating to the authority of certain brewers and manufacturers to sell beer and ale to ultimate consumers.

SB 518 was passed to third reading. (Flynn and Perry recorded voting no.)

SB 518 - STATEMENT OF LEGISLATIVE INTENT

The purpose of this bill is to simply allow certain brewers/manufacturers to sell beer or ales produced at their premises for consumption at the same location. The laws in the State of Texas regarding the sale of alcohol are extremely prescriptive and nothing in **SB 518** is intended to allow brewers to do anything more than is expressly authorized in this bill.

Smith

CSSB 1678 ON SECOND READING**(Isaac, Lucio, and J. Davis - House Sponsors)**

CSSB 1678, A bill to be entitled An Act relating to the events and expenses eligible for, reporting requirements concerning disbursements from, and a study by the comptroller of the Major Events trust fund and the Events trust fund.

Amendment No. 1

Representatives Isaac, Parker, Capriglione, E. Rodriguez, Gonzales, and Workman offered the following amendment to **CSSB 1678**:

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

(1) On page 1, lines 10 and 11, strike "(x) and (y)" and substitute "(a-2), (x), and (y)".

(2) On page 2, between lines 11 and 12, insert the following:

(a-2) Subsection (a-1)(1) of this section does not apply to an event that is the largest event held each year at a sports entertainment venue in this state with a permanent seating capacity, including grandstand and premium seating, of not less than 125,000. If an endorsing municipality or endorsing county requests the comptroller to make a determination under Subsection (b) of this section for an

event described by this subsection, the provisions of this section apply to that event as if it satisfied the eligibility requirements for an event under Subsection (a-1)(1) of this section.

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

SECTION _____. Section 5A(a)(4), Chapter 1507 (**SB 456**), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:

(4) "Event" means a Super Bowl, a National Collegiate Athletic Association Final Four tournament game, the National Basketball Association All-Star Game, the X Games, the National Hockey League All-Star Game, the Major League Baseball All-Star Game, a National Collegiate Athletic Association Bowl Championship Series game, a World Cup Soccer game, the World Games, a national collegiate championship of an amateur sport sanctioned by the national governing body of the sport that is recognized by the United States Olympic Committee, an Olympic activity, including a Junior or Senior activity, training program, or feeder program sanctioned by the United States Olympic Committee's Community Olympic Development Program, the Breeders' Cup World Championships, a Formula One automobile race, the Academy of Country Music Awards, the National Cutting Horse Association Triple Crown, ~~[or]~~ a national political convention of the Republican National Committee or the Democratic National Committee, or the largest event held each year at a sports entertainment venue in this state with a permanent seating capacity, including grandstand and premium seating, of not less than 125,000. The term includes any activities related to or associated with an event.

Amendment No. 1 was adopted.

Amendment No. 2

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

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

(1) On page 1, line 19, strike "events support" and substitute "event support".

(2) On page 2, line 5, strike "; or" and substitute "; and".

(3) On page 2, line 8, strike "million. For" and substitute "million, provided that for".

(4) On page 3, line 3, strike "~~[or desirable]~~" and substitute "or desirable".

(5) On page 4, line 7, between "contract." and "In considering", insert the following:

If an obligation is incurred under a games support contract or event support contract to make a structural improvement to the site or to add a fixture to the site for purposes of an event and that improvement or fixture is expected to derive most of its value in subsequent uses of the site for future events, a disbursement from the trust fund made for purposes of that obligation is limited to five percent of the cost of the improvement or fixture and the remainder of the obligation is not eligible for a disbursement from the trust fund, unless the improvement or fixture is for a publicly owned facility.

(6) On page 6, line 26, between "(k-1), and "(r)", insert "(k-2)".

(7) On page 7, between lines 9 and 10, insert the following:

(2) a site selection organization selects a site in this state as:

(A) the sole site for the event; or

(B) the sole site for the event in a region composed of this state and one or more adjoining states; and

(3) the event is held not more than one time in this state or an adjoining state in any year.

(8) On page 9, line 4, between "event." and "In considering", insert the following:

If an obligation is incurred under an event support contract to make a structural improvement to the site or to add a fixture to the site for purposes of an event and that improvement or fixture is expected to derive most of its value in subsequent uses of the site for future events, a disbursement from the trust fund made for purposes of that obligation is limited to five percent of the cost of the improvement or fixture and the remainder of the obligation is not eligible for a disbursement from the trust fund, unless the improvement or fixture is for a publicly owned facility.

(9) On page 9, between lines 16 and 17, insert the following:

(k-2) Subsection (k-1) of this section does not prohibit:

(1) a disbursement from the trust fund for the construction of temporary structures within an arena, stadium, or convention, if those temporary structures are necessary for the conduct of the event; or

(2) temporary maintenance of a facility that is necessary for the preparation for or conduct of the event.

(10) On page 9, line 19, add the following after the underlined period:

The adoption by the comptroller of a model event support contract under this subsection does not require use of the model event support contract for purposes of this section.

Amendment No. 2 was adopted.

Amendment No. 3

On behalf of Representative Lucio, Representative Isaac offered the following amendment to **CSSB 1678**:

Amend **CSSB 1678** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 5A(a)(4), Chapter 1507 (**SB 456**), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:

(4) "Event" means a Super Bowl, a National Collegiate Athletic Association Final Four tournament game, the National Basketball Association All-Star Game, the National Hockey League All-Star Game, the Major League Baseball All-Star Game, a National Collegiate Athletic Association Bowl Championship Series game, a World Cup Soccer game, the World Games, a national collegiate championship of an amateur sport sanctioned by the national

governing body of the sport that is recognized by the United States Olympic Committee, an Olympic activity, including a Junior or Senior activity, training program, or feeder program sanctioned by the United States Olympic Committee's Community Olympic Development Program, a mixed martial arts championship, the Breeders' Cup World Championships, a Formula One automobile race, the Academy of Country Music Awards, the National Cutting Horse Association Triple Crown, or a national political convention of the Republican National Committee or the Democratic National Committee. The term includes any activities related to or associated with an event.

Amendment No. 3 was adopted.

CSSB 1678, as amended, was passed to third reading. (Simpson recorded voting no.)

SB 1017 ON SECOND READING
(Lavender - House Sponsor)

SB 1017, A bill to be entitled An Act relating to the funding for and administration of travel and information operations by the Texas Department of Transportation.

Amendment No. 1

Representative Nevárez offered the following amendment to **SB 1017**:

Amend **SB 1017** (house committee printing) on page 2, between lines 8 and 9, by inserting the following:

(e) Subsection (b) does not apply to a travel information center that is located in a municipality with a population of 1,500 or less.

Amendment No. 1 was adopted.

SB 1017, as amended, was passed to third reading.

SB 652 ON SECOND READING
(Guillen - House Sponsor)

SB 652, A bill to be entitled An Act relating to the transfer of alcoholic beverages for manufacturing purposes between certain permit and license holders.

Amendment No. 1

Representative Kuempel offered the following amendment to **SB 652**:

Amend **SB 652** (house committee printing) as follows:

(1) On page 1, line 24, strike "Section 109.63" and substitute "Sections 109.63 and 109.64".

(2) On page 2, between lines 12 and 13, insert the following:

Sec. 109.64. BULK PURCHASE BY HOLDER OF INDUSTRIAL PERMIT. Section 102.32 applies to the bulk purchase of liquor by the holder of an industrial permit from the holder of a wholesaler's permit.

Amendment No. 1 was adopted.

SB 652, as amended, was passed to third reading.

SB 758 ON SECOND READING
(Pitts, Crownover, Otto, and Darby - House Sponsors)

SB 758, A bill to be entitled An Act relating to the established schedule of payments from the foundation school fund of the yearly entitlement of certain school districts.

SB 758 was passed to third reading.

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).

SB 198 ON SECOND READING
(Dukes - House Sponsor)

SB 198, A bill to be entitled An Act relating to restrictive covenants regulating drought-resistant landscaping or water-conserving natural turf.

Amendment No. 1

Representative Murphy offered the following amendment to **SB 198**:

Amend **SB 198** (house committee printing) as follows:

(1) On page 1, lines 18-19, strike "or water-conserving natural turf" and substitute ", including water-conserving natural turf, artificial turf, and synthetic grass".

(2) On page 3, lines 24-25, strike "or water-conserving natural turf".

(3) On page 4, line 4, strike "or water-conserving natural turf".

Amendment No. 1 was withdrawn.

SB 198 was passed to third reading. (Anderson, Hunter, Perry, Phillips, Simpson, and Taylor recorded voting no.)

SB 1364 ON SECOND READING
(Murphy and Deshotel - House Sponsors)

SB 1364, A bill to be entitled An Act relating to the computation of an electric utility's income taxes.

(Harper-Brown in the chair)

(Giddings now present)

SB 1364 was passed to third reading. (Button and Phillips recorded voting no.)

REASON FOR VOTE

I request to be recorded as voting no per request of Sachse's city manager, Mr. Billy George.

Button

CSSB 8 ON SECOND READING**(Kolkhorst, G. Bonnen, Zerwas, and J. Sheffield - House Sponsors)**

CSSB 8, A bill to be entitled An Act relating to the provision and delivery of certain health and human services in this state, including the provision of those services through the Medicaid program and the prevention of fraud, waste, and abuse in that program and other programs.

Representative Kolkhorst moved to postpone consideration of **CSSB 8** until 4:50 p.m. today.

The motion prevailed.

CSSB 58 ON SECOND READING**(Zerwas - House Sponsor)**

CSSB 58, A bill to be entitled An Act relating to the integration of behavioral health and physical health services into the Medicaid managed care program.

Representative Kolkhorst moved to postpone consideration of **CSSB 58** until 5:15 p.m. today.

The motion prevailed.

SB 124 ON SECOND READING**(Márquez and Moody - House Sponsors)**

SB 124, A bill to be entitled An Act relating to the punishment for the offense of tampering with certain governmental records based on certain reporting for school districts and open-enrollment charter schools.

Amendment No. 1

Representatives Moody and Márquez offered the following amendment to **SB 124**:

Amend **SB 124** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 39.03(d), Penal Code, is amended to read as follows:

(d) An offense under this section is a Class A misdemeanor, except that an offense is a felony of the third degree if the public servant acted with the intent to impair the accuracy of data reported to the Texas Education Agency through the Public Education Information Management System (PEIMS) described by Section 42.006, Education Code, under a law requiring that reporting.

Amendment No. 1 was adopted.

SB 124, as amended, was passed to third reading.

SB 147 ON SECOND READING
(Smithee - House Sponsor)

SB 147, A bill to be entitled An Act relating to the amount of outstanding total liability of a mortgage guaranty insurer.

SB 147 was passed to third reading.

CSSB 149 ON SECOND READING
**(Keffer, S. Thompson, S. Davis, Morrison,
Martinez Fischer, et al. - House Sponsors)**

CSSB 149, A bill to be entitled An Act relating to the Cancer Prevention and Research Institute of Texas.

Representative Geren moved to postpone consideration of **CSSB 149** until 5:15 p.m. today.

The motion prevailed.

SB 895 ON SECOND READING
(Alvarado, Flynn, and Perry - House Sponsors)

SB 895, A bill to be entitled An Act relating to access to records of a nonprofit organization supporting the Cancer Prevention and Research Institute of Texas under the public information law.

SB 895 was passed to third reading.

CSSB 421 ON SECOND READING
(Naishtat - House Sponsor)

CSSB 421, A bill to be entitled An Act relating to the Texas System of Care and the development of local mental health systems of care for certain children.

CSSB 421 was passed to third reading.

CSSB 484 ON SECOND READING
(S. Turner - House Sponsor)

CSSB 484, A bill to be entitled An Act relating to the creation of a prostitution prevention program; authorizing a fee.

Representative Deshotel moved to postpone consideration of **CSSB 484** until 5:05 p.m. today.

The motion prevailed.

SB 978 ON SECOND READING
(S. Davis - House Sponsor)

SB 978, A bill to be entitled An Act relating to regulation by the Texas Medical Board of local anesthesia and peripheral nerve blocks administered in an outpatient setting.

SB 978 was passed to third reading. (Phillips and Simpson recorded voting no.)

SB 1057 ON SECOND READING
(Zerwas - House Sponsor)

SB 1057, A bill to be entitled An Act relating to information about private health care insurance coverage and the health insurance exchange for individuals applying for certain Department of State Health Services health or mental health benefits, services, and assistance.

Representative S. Davis moved to postpone consideration of **SB 1057** until 5:10 p.m. today.

The motion prevailed.

CSSB 1214 ON SECOND READING
(Darby - House Sponsor)

CSSB 1214, A bill to be entitled An Act relating to certain economic development programs administered by the Department of Agriculture.

CSSB 1214 was passed to third reading. (Simpson recorded voting no.)

SB 1411 ON SECOND READING
(Gooden - House Sponsor)

SB 1411, A bill to be entitled An Act relating to regulation of traffic in a conservation and reclamation district by a commissioners court.

Amendment No. 1

Representative Simmons offered the following amendment to **SB 1411**:

Amend **SB 1411** (house committee report) as follows:

- (1) On page 1, line 7, strike "CERTAIN" and substitute "SPECIAL".
- (2) On page 1, lines 9-11, strike "conservation and reclamation district organized or operating under Section 52, Article III, or Section 59, Article XVI, Texas Constitution," and substitute "special district".
- (3) On page 1, line 24, strike "conservation and".
- (4) On page 2, lines 1-2, strike "reclamation district organized or operating under Section 52, Article III, or Section 59, Article XVI, Texas Constitution," and substitute "special district".

Amendment No. 1 was adopted.

SB 1411, as amended, was passed to third reading.

SB 1401 ON SECOND READING
(E. Rodriguez - House Sponsor)

SB 1401, A bill to be entitled An Act relating to the eligibility of certain providers of laboratory services to participate in programs administered by health and human services agencies or the Health and Human Services Commission.

SB 1401 was passed to third reading.

SB 1729 ON SECOND READING
(K. King and Taylor - House Sponsors)

SB 1729, A bill to be entitled An Act relating to an agreement between the Department of Public Safety and a county for the provision of renewal and duplicate driver's license and other identification certificate services; authorizing a fee.

Amendment No. 1

Representative K. King offered the following amendment to **SB 1729**:

Amend **SB 1729** (house committee report) as follows:

- (1) On page 1, line 18, strike "and".
- (2) On page 1, line 20, strike the period and substitute "; and".
- (3) On page 1, between lines 20 and 21, insert the following:

(4) notwithstanding Subdivisions (1)-(3), any county in which the department operates a driver's license office as a scheduled or mobile office.

Amendment No. 1 was adopted.

Amendment No. 2

Representatives Cook and Alonzo offered the following amendment to **SB 1729**:

Amend **SB 1729** (house committee printing) as follows:

(1) On page 1, line 10, strike "LICENSE" and substitute "LICENSE, TEXAS RESIDENT DRIVER'S PERMIT,".

(2) On page 1, line 13, between "license," and "election,", insert "Texas resident driver's permit,".

(3) On page 1, line 24, between "licenses," and "election,", insert "Texas resident driver's permits,".

(4) On page 2, line 5, between "license," and "election,", insert "Texas resident driver's permit,".

(5) On page 2, line 12, after "licenses,", add "Texas resident driver's permits,".

(6) On page 2, line 17, between "Subchapter H" and the underlined period, insert "or Texas resident driver's permit applicants under Subchapter K-1".

(7) On page 2, line 20, between "license" and "or", insert ", Texas resident driver's permit,".

(8) On page 3, line 9, between "license" and "and", insert ", Texas resident driver's permit,".

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

SECTION _____. Chapter 521, Transportation Code, is amended by adding Subchapter K-1 to read as follows:

SUBCHAPTER K-1. TEXAS RESIDENT DRIVER'S PERMIT

Sec. 521.231. ELIGIBILITY. The department may issue a Texas resident driver's permit to a person who:

(1) as of the date the permit is issued, has resided in this state for at least one year;

(2) is unable to present to the department documentation issued by the United States agency responsible for citizenship and immigration authorizing the person to be in the United States; and

(3) has not been finally convicted of a Class B misdemeanor, a Class A misdemeanor, or any felony offense.

Sec. 521.232. TEXAS RESIDENT DRIVER'S PERMIT REQUIREMENTS. (a) A Texas resident driver's permit issued under this subchapter is not valid as proof of the permit holder's identity for any federal purposes.

(b) The department shall:

(1) designate and clearly mark as a Texas resident driver's permit each permit issued under this subchapter;

(2) designate and clearly mark as a provisional Texas resident driver's permit each permit issued under this subchapter to a person who is at least 16 years of age but younger than 18 years of age; and

(3) include on a permit issued under this subchapter an indication that the permit is not valid proof of identity for any federal purposes.

(c) Except as otherwise provided by this chapter, a person who holds a Texas resident driver's permit is subject to the laws of this state applicable to the holder of an original or duplicate driver's license.

(d) Except as otherwise provided by this chapter, an applicant for a Texas resident driver's permit who is at least 16 years of age but younger than 18 years of age is subject to the laws of this state applicable to a holder of a provisional license.

(e) The department shall adopt rules:

(1) regarding the design and content of the Texas resident driver's permit;

(2) establishing criteria for proof of identification and residency of an applicant; and

(3) regarding the issuance of Texas resident driver's instruction permits.

Sec. 521.233. APPLICATION. (a) An application for a Texas resident driver's permit must state the applicant's full name and place and date of birth. This information must be verified by presentation of a current passport or consular document issued to the applicant by the country of which the applicant is a citizen.

(b) The application must include:

(1) a complete electronic set of the applicant's fingerprints;

(2) a photograph of the applicant;

(3) the signature of the applicant;

(4) a brief description of the applicant; and

(5) any information necessary for performing a criminal history background check on the applicant.

(c) The application must state:

(1) the sex of the applicant;

(2) the residence address of the applicant;
(3) whether the applicant has been licensed to drive a motor vehicle before;

(4) if previously licensed:
(A) when and by what state or country;
(B) whether that license has been suspended or revoked or a license application denied; and

(C) the date and reason for the suspension, revocation, or denial;
and

(5) the county of residence of the applicant.

(d) If the applicant is younger than 21 years of age, the application must state whether the applicant has completed a driver education course required by Section 521.1601.

(e) The application must include any other information the department requires to determine the applicant's identity, residency, competency, and eligibility as required by the department or state law.

(f) Information supplied to the department relating to an applicant's medical history is for the confidential use of the department and may not be disclosed to any person or used as evidence in a legal proceeding other than a proceeding under Subchapter N. This subsection does not apply to information provided by an applicant under Subsection (g).

(g) The application must provide space for the applicant to voluntarily list any health condition that may impede communication with a peace officer as evidenced by a written statement from a licensed physician.

Sec. 521.234. FEES. (a) The fee for applying for an original Texas resident driver's permit is \$150.

(b) The fee for issuance or renewal of a Texas resident driver's permit is \$24.

(c) The fee for issuance of a provisional Texas resident driver's permit or Texas resident driver's instruction permit is \$15.

Sec. 521.235. EXPIRATION. (a) Each Texas resident driver's permit issued under this subchapter expires two years after the date of issuance.

(b) Each provisional Texas resident driver's permit and Texas resident driver's instruction permit issued under this subchapter expires on the 18th birthday of the permit holder.

Sec. 521.236. FINANCIAL RESPONSIBILITY REQUIREMENT. (a) A Texas resident driver's permit is invalid if, on request of a peace officer, the permit holder is unable to provide evidence of financial responsibility for a motor vehicle the permit holder is operating.

(b) A holder of a Texas resident driver's permit who cannot produce proof of financial responsibility commits an offense punishable under Section 521.457.

SECTION ____. Section 521.457(a), Transportation Code, is amended to read as follows:

(a) A person commits an offense if the person operates a motor vehicle on a highway:

(1) after the person's driver's license has been canceled under this chapter if the person does not have a license that was subsequently issued under this chapter;

(2) during a period that the person's driver's license or privilege is suspended or revoked under any law of this state;

(3) while the person's driver's license is expired if the license expired during a period of suspension; ~~[or]~~

(4) after renewal of the person's driver's license has been denied under any law of this state, if the person does not have a driver's license subsequently issued under this chapter; or

(5) if the person holds a Texas resident driver's permit issued under Subchapter K-1 and is unable to provide evidence of financial responsibility for a vehicle the permit holder is operating, as required under Section 521.236.

SECTION _____. Not later than January 1, 2014, the Department of Public Safety of the State of Texas shall:

(1) adopt the rules necessary to implement Subchapter K-1, Chapter 521, Transportation Code, as added by this Act; and

(2) create the application form required by Section 521.233, Transportation Code, as added by this Act.

LEAVES OF ABSENCE GRANTED

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

Hilderbran on motion of Bohac.

The following member was granted leave of absence temporarily for today to attend a committee meeting:

Bohac on motion of J. Davis.

SB 1729 - (consideration continued)

(Otto now present)

Amendment No. 2 - Point of Order

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

The chair sustained the point of order and submitted the following statement:

Representative Taylor raised a point of order against further consideration of Amendment No. 2 to **SB 1729** under Rule 11, Section 2 of the House Rules, asserting that the amendment is not germane to the bill. The point of order is sustained.

SB 1729 creates a pilot program in "not more than three counties" meeting certain criteria. The pilot program relates to providing renewal and duplicate driver's licenses and other identification certificates. Amendment No. 2 would have provided for issuance of Texas resident driver's permits statewide to persons

meeting certain requirements. Because statewide issuance of resident driver's permits is not germane to a limited pilot program for issuance of duplicate driver's licenses or other identification certificates, the amendment was out of order.

The ruling precluded further consideration of Amendment No. 2.

SB 1729, as amended, was passed to third reading.

SB 141 - RECOMMITTED

Representative Kolkhorst moved to recommit **SB 141** to the Committee on Public Health.

The motion prevailed.

SB 146 ON SECOND READING
(Kolkhorst - House Sponsor)

SB 146, A bill to be entitled An Act relating to access by a public institution of higher education to the criminal history record information of certain persons seeking to reside in on-campus housing.

SB 146 was passed to third reading.

(Zerwas now present)

SB 542 ON SECOND READING
(Allen - House Sponsor)

SB 542, A bill to be entitled An Act relating to alternative dispute resolution methods regarding educational services for students with disabilities, including individualized education program facilitation.

SB 542 was passed to third reading. (Button, Phillips, and Simpson recorded voting no.)

SB 1114 ON SECOND READING
(Herrero - House Sponsor)

SB 1114, A bill to be entitled An Act relating to the prosecution of certain misdemeanor offenses committed by children and to school district law enforcement.

(Bohac and S. Turner now present)

SB 1114 was passed to third reading by (Record 928): 73 Yeas, 62 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Burnam; Callegari; Canales; Capriglione; Coleman; Collier; Cook; Cortez; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Farias; Farrar; Frank; Giddings; González, M.; Guerra; Guillen; Gutierrez; Hernandez Luna; Herrero; Howard; Huberty; Hughes; Johnson; Keffer; Krause; Lavender; Leach; Longoria; Lucio; Márquez; Martínez; Martínez Fischer; McClendon; Menéndez; Miles; Moody; Muñoz; Naishtat; Nevárez; Oliveira; Perez; Perry; Pickett; Ratliff; Raymond; Reynolds; Rodriguez;

E.; Rodriguez, J.; Rose; Sanford; Schaefer; Sheets; Sheffield, J.; Simpson; Stickland; Strama; Thompson, S.; Turner, C.; Turner, S.; Villarreal; Walle; White; Wu; Zerwas.

Nays — Anderson; Ashby; Aycock; Bell; Bohac; Bonnen, D.; Bonnen, G.; Branch; Burkett; Button; Carter; Clardy; Craddick; Creighton; Dale; Davis, J.; Elkins; Farney; Fletcher; Flynn; Frullo; Geren; Goldman; Gonzales; Gooden; Harless; Isaac; Kacal; King, K.; King, P.; Kleinschmidt; Klick; Kolkhorst; Kuempel; Larson; Laubenberg; Lewis; Lozano; Miller, D.; Miller, R.; Morrison; Murphy; Paddie; Parker; Patrick; Phillips; Price; Raney; Riddle; Ritter; Sheffield, R.; Simmons; Smithee; Springer; Stephenson; Taylor; Thompson, E.; Toth; Turner, E.S.; Villalba; Workman; Zedler.

Present, not voting — Mr. Speaker; Harper-Brown(C).

Absent, Excused — Darby; Fallon; Gonzalez, N.; Hilderbran; King, S.; Orr; Vo.

Absent, Excused, Committee Meeting — Crownover; Pitts.

Absent — Hunter; King, T.; Otto; Smith.

STATEMENTS OF VOTE

I was shown voting yes on Record No. 928. I intended to vote no.

Capriglione

When Record No. 928 was taken, I was in the house but away from my desk. I would have voted no.

Hunter

I was shown voting no on Record No. 928. I intended to vote yes.

Isaac

I was shown voting yes on Record No. 928. I intended to vote no.

Keffer

When Record No. 928 was taken, I was in the house but away from my desk. I would have voted no.

Smith

I was shown voting no on Record No. 928. I intended to vote yes.

Springer

POSTPONED BUSINESS

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

CSSB 8 ON SECOND READING**(Kolkhorst, G. Bonnen, Zerwas, and J. Sheffield - House Sponsors)**

CSSB 8, A bill to be entitled An Act relating to the provision and delivery of certain health and human services in this state, including the provision of those services through the Medicaid program and the prevention of fraud, waste, and abuse in that program and other programs.

CSSB 8 was read second time earlier today and was postponed until this time.

Amendment No. 1

Representative Kolkhorst offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) on page 10 by striking lines 11 through 18 and substituting the following:

(5) the applicant holds a letter of approval issued under Section 773.0573 by the governing body of the municipality or the commissioners court of the county in which the applicant is located and is applying to provide emergency medical services, as applicable;

(6) the applicant employs a medical director; and

(7) the applicant [emergency medical services provider] complies with the rules adopted [by the board] under this chapter.

Amendment No. 1 was adopted.

Amendment No. 2

Representative Kolkhorst offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) as follows:

(1) On page 12, between lines 26 and 27, insert the following:

(e) Subsection (a)(2) does not apply to an emergency medical services provider that held a license on September 1, 2013, and has an administrator of record who has at least eight years of experience providing emergency medical services.

(2) On page 12, line 27, strike "(e)" and substitute "(f)".

Amendment No. 2 was adopted.

Amendment No. 3

Representative Kolkhorst offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee report) by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS of the bill appropriately:

SECTION _____. Section 533.005(a-1), Government Code, is amended to read as follows:

(a-1) The requirements imposed by Subsections (a)(23)(A), (B), and (C) do not apply, and may not be enforced, on and after August 31, 2018 [~~2013~~].

Amendment No. 3 was adopted.

Amendment No. 4

Representative Cortez offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) on page 7, line 19, immediately following the period, by inserting "The term does not include an emergency medical services provider licensed under Chapter 773, Health and Safety Code, unless the provider contracts to provide medical transportation program services."

Amendment No. 4 was adopted.

Amendment No. 5

Representative Anderson offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee report) as follows:

(1) On page 7, line 17, between "entity" and "that", insert "or political subdivision of this state".

(2) On page 7, line 20, strike "Subsection (h)," and substitute "Subsection (i),".

(3) On page 8, line 8, between "process" and the underlined period, insert "for each managed transportation region as determined by the commission".

(4) On page 8, line 19, strike "To the extent allowed under federal law, a", and substitute "A".

(5) On page 8, line 22, between "vehicles" and the underlined period, insert ". The commission shall seek appropriate federal waivers or other authorizations to implement this subsection as necessary".

(6) On page 9, line 2, between "transportation" and "providers", insert "organizations and".

(7) On page 9, strike lines 5 through 9 and substitute the following:

(h) Instead of procuring managed transportation organizations under Subsection (c), the commission may approve or enter into a contract or interlocal agreement with transportation service area providers to consolidate and coordinate transportation service delivery activities under the medical transportation program if the providers are transportation service area providers on August 31, 2013, and collectively provide services in no fewer than three contiguous rural or small urban transit districts created under Chapter 458, Transportation Code. A contract or agreement entered into under this subsection must:

(1) be executed not later than December 30, 2013;

(2) be for a term that does not exceed two years; and

(3) be designed to allow for the evaluation of the following in the medical transportation program:

(A) cost-saving measures;

(B) efficiencies;

(C) best practices; and

(D) sources of matching funds.

(i) The commission may delay providing medical transportation program services through a managed transportation delivery model in areas of this state in which the commission on September 1, 2013, is operating a full-risk transportation broker model.

(j) Subsection (h) and this subsection expire on the earlier of:

(1) the date any contract entered into under Subsection (h) terminates;

or

(2) August 31, 2015.

(8) On page 9, line 14, strike "(h)" and substitute "(i)".

Amendment No. 5 was adopted.

Amendment No. 6

Representative Phillips offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee report) on page 9, between lines 9 and 10, by inserting the following:

(h-1) Notwithstanding Subsection (h), the commission may not delay providing medical transportation program services through a managed transportation delivery model in:

(1) a county with a population of 750,000 or more:

(A) in which all or part of a municipality with a population of one million or more is located; and

(B) that is located adjacent to a county with a population of two million or more; or

(2) a county with a population of at least 55,000 but not more than 65,000, that is located adjacent to a county with a population of at least 500,000 but not more than 1.5 million.

Amendment No. 6 was adopted.

Amendment No. 7

Representative Zerwas offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 32.073, Human Resources Code, is amended by adding Subsection (c) to read as follows:

(c) Not later than the second anniversary of the date national standards for electronic prior authorization of benefits are adopted, the Health and Human Services Commission shall require a health benefit plan issuer participating in the medical assistance program or the agent of the health benefit plan issuer that manages or administers prescription drug benefits to exchange prior authorization requests electronically with a prescribing provider participating in the medical assistance program who has electronic prescribing capability and who initiates a request electronically.

SECTION _____. (a) The Health and Human Services Commission shall study the feasibility of developing and implementing a single standard prior authorization form to be used for requesting prior authorization for prescription drugs in the medical assistance program by participating prescribers who do not have electronic prescribing capability and are not able to initiate electronic prior authorization requests. The commission shall complete the study not later than December 31, 2014.

(b) If the Health and Human Services Commission determines that developing and implementing the form described in Subsection (a) of this section is feasible, will reduce administrative burdens, and is cost-effective, the commission shall adjust contracts with participating health benefit plan issuers and participating health benefit plan administrators to require acceptance of the form.

Amendment No. 7 was adopted. (Anderson recorded voting no.)

Amendment No. 8

On behalf of Representative Johnson, Representative Kolkhorst offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) by adding the following SECTION, appropriately numbered, to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter C, Chapter 281, Health and Safety Code, is amended by adding Section 281.0518 to read as follows:

Sec. 281.0518. DALLAS COUNTY HOSPITAL DISTRICT; AUTHORITY TO SELL OR LICENSE INTELLECTUAL PROPERTY. (a) The Dallas County Hospital District or a nonprofit corporation formed by the district may:

(1) sell or license technology or intellectual property that is owned by or licensed to the district or a nonprofit corporation formed by the district;

(2) enter into a contract to provide services related to technology or intellectual property sold or licensed under Subdivision (1);

(3) contract, collaborate, or enter into a joint venture or other agreement with a public or private entity to engage in an activity authorized under Subdivision (1) or (2); or

(4) take any other action necessary to protect or benefit from the exclusivity of technology and intellectual property owned by or licensed to the district or a nonprofit corporation formed by the district, including applying for, acquiring, registering, securing, holding, protecting, and renewing under applicable provisions of state, federal, or international law:

(A) a patent;

(B) a copyright;

(C) a trademark, service mark, collective mark, or certification

mark; or

(D) any other form of protection of intellectual property provided

by law.

(b) Information prepared or compiled by or for the Dallas County Hospital District or a nonprofit corporation formed by the district relating to the development of technology or intellectual property to which this section applies is exempt from public disclosure under Chapter 552, Government Code.

Amendment No. 8 was adopted.

LEAVE OF ABSENCE GRANTED

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

Smithee on motion of Craddick.

CSSB 8 - (consideration continued)

Amendment No. 9

Representatives Riddle, S. King, Burkett, and Harper-Brown offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) The office of inspector general of the Health and Human Services Commission shall review the manner in which:

(1) the office investigates fraud, waste, and abuse in the supplemental nutrition assistance program under Chapter 33, Human Resources Code, including in the provision of benefits under that program; and

(2) the office coordinates with other state and federal agencies in conducting those investigations.

(b) Not later than September 1, 2014, and based on the review required by Subsection (a) of this section, the office of inspector general of the Health and Human Services Commission shall submit to the legislature a written report containing strategies for addressing fraud, waste, and abuse in the supplemental nutrition assistance program under Chapter 33, Human Resources Code, including in the provision of benefits under that program.

(c) This section expires January 1, 2015.

Amendment No. 9 was adopted.

Amendment No. 10

On behalf of Representative Canales, Representative Guillen offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) Not later than August 31, 2014, the state auditor's office shall perform a study and issue a report concerning the indictment and criminal prosecution for Medicaid fraud under Section 35A.02, Penal Code, of employees of the San Antonio, Texas, call center for the medical transportation

program established under Section 531.02414, Government Code. The study and report must review the following actions of the Health and Human Services Commission and the commission's office of inspector general:

- (1) efforts to prevent Medicaid fraud at the call center; and
 - (2) responses to incidents of Medicaid fraud at the call center.
- (b) This section expires September 1, 2015.

Amendment No. 10 was adopted.

Amendment No. 11

Representative Canales offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) on page 27, between lines 3 and 4, by inserting the following:

(h) Notwithstanding Subsections (a) through (g) of this section, the Health and Human Services Commission may not recoup from a provider any reimbursement or portion of a reimbursement paid for Medicaid services, impose a requirement on a provider as a condition for reimbursement for Medicaid services, or take any other adverse action against a provider that relates to conduct by the provider that is inconsistent with or violates the rule or policy contained in Subsection (g)(3) of this section and that occurred before the effective date of this Act, unless the commission initiated the specific action with respect to the provider before the effective date of this Act.

Amendment No. 11 was adopted.

Amendment No. 12

Representative S. Turner offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) on page 3 by striking lines 9 through 16 and substituting the following:

(A) engaging in a marketing activity, including any dissemination of material or other attempt to communicate, that is intended to influence the choice of provider by a Medicaid client or a parent whose child is enrolled in the Medicaid or child health plan program, if the marketing activity:

(i) is conducted at an educational event, community event, health fair, outreach activity, or other similar event in which the provider participates, regardless of whether the event takes place at a facility and notwithstanding Subsection (a); or

(ii) involves only the general dissemination of information, including by television, radio, newspaper, or billboard advertisement, and does not involve unsolicited personal contact;

Amendment No. 12 was withdrawn.

Amendment No. 13

Representative Fletcher offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Article 2.12, Code of Criminal Procedure, is amended to read as follows:

Art. 2.12. WHO ARE PEACE OFFICERS. The following are peace officers:

(1) sheriffs, their deputies, and those reserve deputies who hold a permanent peace officer license issued under Chapter 1701, Occupations Code;

(2) constables, deputy constables, and those reserve deputy constables who hold a permanent peace officer license issued under Chapter 1701, Occupations Code;

(3) marshals or police officers of an incorporated city, town, or village, and those reserve municipal police officers who hold a permanent peace officer license issued under Chapter 1701, Occupations Code;

(4) rangers and officers commissioned by the Public Safety Commission and the Director of the Department of Public Safety;

(5) investigators of the district attorneys', criminal district attorneys', and county attorneys' offices;

(6) law enforcement agents of the Texas Alcoholic Beverage Commission;

(7) each member of an arson investigating unit commissioned by a city, a county, or the state;

(8) officers commissioned under Section 37.081, Education Code, or Subchapter E, Chapter 51, Education Code;

(9) officers commissioned by the General Services Commission;

(10) law enforcement officers commissioned by the Parks and Wildlife Commission;

(11) airport police officers commissioned by a city with a population of more than 1.18 million located primarily in a county with a population of 2 million or more that operates an airport that serves commercial air carriers;

(12) airport security personnel commissioned as peace officers by the governing body of any political subdivision of this state, other than a city described by Subdivision (11), that operates an airport that serves commercial air carriers;

(13) municipal park and recreational patrolmen and security officers;

(14) security officers and investigators commissioned as peace officers by the comptroller;

(15) officers commissioned by a water control and improvement district under Section 49.216, Water Code;

(16) officers commissioned by a board of trustees under Chapter 54, Transportation Code;

(17) investigators commissioned by the Texas Medical Board;

(18) officers commissioned by:

(A) the board of managers of the Dallas County Hospital District, the Tarrant County Hospital District, the Bexar County Hospital District, or the El Paso County Hospital District under Section 281.057, Health and Safety Code; and

(B) the board of directors of the Ector County Hospital District under Section 1024.117, Special District Local Laws Code;

(19) county park rangers commissioned under Subchapter E, Chapter 351, Local Government Code;

(20) investigators employed by the Texas Racing Commission;

(21) officers commissioned under Chapter 554, Occupations Code;

(22) officers commissioned by the governing body of a metropolitan rapid transit authority under Section 451.108, Transportation Code, or by a regional transportation authority under Section 452.110, Transportation Code;

(23) investigators commissioned by the attorney general under Section 402.009, Government Code;

(24) security officers and investigators commissioned as peace officers under Chapter 466, Government Code;

(25) an officer employed by the Department of State Health Services under Section 431.2471, Health and Safety Code;

(26) officers appointed by an appellate court under Subchapter F, Chapter 53, Government Code;

(27) officers commissioned by the state fire marshal under Chapter 417, Government Code;

(28) an investigator commissioned by the commissioner of insurance under Section 701.104, Insurance Code;

(29) apprehension specialists and inspectors general commissioned by the Texas Juvenile Justice Department as officers under Sections 242.102 and 243.052, Human Resources Code;

(30) officers appointed by the inspector general of the Texas Department of Criminal Justice under Section 493.019, Government Code;

(31) investigators commissioned by the Commission on Law Enforcement Officer Standards and Education under Section 1701.160, Occupations Code;

(32) commission investigators commissioned by the Texas Private Security Board under Section 1702.061(f), Occupations Code;

(33) the fire marshal and any officers, inspectors, or investigators commissioned by an emergency services district under Chapter 775, Health and Safety Code;

(34) officers commissioned by the State Board of Dental Examiners under Section 254.013, Occupations Code, subject to the limitations imposed by that section;

(35) investigators commissioned by the Texas Juvenile Justice Department as officers under Section 221.011, Human Resources Code; ~~and~~

(36) the fire marshal and any related officers, inspectors, or investigators commissioned by a county under Subchapter B, Chapter 352, Local Government Code; and

(37) officers employed and commissioned by the Health and Human Services Commission's office of inspector general under Section 531.1022, Government Code, or Section 552.002 or 555.101, Health and Safety Code.

SECTION _____. Sections 411.1143(a) and (a-1), Government Code, are amended to read as follows:

(a) The Health and Human Services Commission, an agency operating part of the medical assistance program under Chapter 32, Human Resources Code, or the office of inspector general established under Chapter 531, Government Code, is entitled to obtain from the department the criminal history record information maintained by the department that relates to a provider or recipient under the medical assistance program or a person applying to enroll as a provider under the medical assistance program.

(a-1) Criminal history record information an agency or the office of inspector general is authorized to obtain under Subsection (a) includes criminal history record information relating to:

(1) a person with a direct or indirect ownership or control interest, as defined by 42 C.F.R. Section 455.101, in a provider of five percent or more; ~~and~~

(2) a person whose information is required to be disclosed in accordance with 42 C.F.R. Part 1001; and

(3) a person who may have knowledge relevant to an investigation of a provider, a recipient, or an applicant for provider enrollment relating to fraud, abuse, or misrepresentation under the medical assistance program.

SECTION _____. Subchapter C, Chapter 531, Government Code, is amended by adding Section 531.1022 to read as follows:

Sec. 531.1022. PEACE OFFICERS. The commission's office of inspector general may employ and commission peace officers for the purpose of assisting the office in carrying out the duties of the office relating to the investigation of fraud, waste, and abuse in publicly funded health and human services programs. A peace officer employed and commissioned by the office is a peace officer for purposes of Article 2.12, Code of Criminal Procedure.

SECTION _____. Subchapter A, Chapter 552, Health and Safety Code, is amended by adding Section 552.002 to read as follows:

Sec. 552.002. PEACE OFFICERS. The Health and Human Services Commission's office of inspector general shall employ and commission peace officers for the purpose of assisting a state or local law enforcement agency in the investigation of an alleged criminal offense involving a patient at a state hospital. A peace officer employed and commissioned by the office is a peace officer for purposes of Article 2.12, Code of Criminal Procedure.

Amendment No. 13 was adopted.

Amendment No. 14

Representative Raymond offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) as follows:

(1) On page 23, between lines 19 and 20, insert the following new subsection:

(e) The legislature finds that it is a hardship for a parent or guardian to accompany the parent's or guardian's child to each visit or screening under the early and periodic screening, diagnosis, and treatment program if the child lives in single parent or guardian family and the parent or guardian:

- (1) has a full-time job;
- (2) attends school full-time;
- (3) is the caretaker of two or more children and does not have access to child care;
- (4) is disabled or ill; or
- (5) is the primary caregiver of a person who is disabled or ill.
- (2) On page 23, line 20, strike "(e)" and substitute "(f)".
- (3) On page 24, line 2, strike "(f)" and substitute "(g)".
- (4) On page 24, line 18, strike "(g)(1)" and substitute "(h)(1)".

Amendment No. 14 was adopted.

Amendment No. 15

Representative S. Turner offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) on page 3 by striking lines 9 through 16 and substituting the following:

(A) engaging in a marketing activity, including any dissemination of material or other attempt to communicate, that is intended to influence the choice of provider by a Medicaid client or a parent whose child is enrolled in the Medicaid or child health plan program, if the marketing activity:

(i) is conducted at an educational event, community event, health fair, outreach activity, or other similar event in which the provider participates, regardless of whether the event takes place at a facility and notwithstanding Subsection (a); or

(ii) involves only the general dissemination of information, including by television, radio, newspaper, or billboard advertisement, and does not involve unsolicited personal contact;

Amendment No. 15 was adopted.

Amendment No. 16

Representative Eiland offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) Subchapter B, Chapter 32, Human Resources Code, is amended by adding Section 32.02613 to read as follows:

Sec. 32.02613. LIFE INSURANCE ASSETS; LIFE INSURANCE POLICY CONVERSION. (a) For purposes of this section, "long-term care services and support" includes home health care, assisted living, and nursing home services.

(b) The owner of a life insurance policy with a face amount of more than \$10,000 may enter into a life settlement contract under Chapter 1111A, Insurance Code, for the benefit of a recipient of long-term care services and support in exchange for direct payments to:

(1) a health care provider for the provision of those services to that recipient; or

(2) the state to offset the costs of providing those services to that recipient under the medical assistance program.

(c) The proceeds of a life settlement contract entered into under this section must be used for the payment of long-term care services and support, except for the amount specified in Subsection (d)(1). To the extent feasible and allowed under federal law, the medical assistance program may act only as the secondary payor for long-term care services and support provided to a person who is eligible for medical assistance and for whose benefit an owner of a life insurance policy has entered into a life settlement contract under this section.

(d) In addition to the requirements under Chapter 1111A, Insurance Code, a life settlement contract entered into under this section must:

(1) provide that the lesser of five percent of the face amount of the life insurance policy or \$5,000 is reserved and is payable to the owner's estate or a named beneficiary for funeral expenses;

(2) provide that the balance of proceeds under the life settlement contract that are unpaid on the death of the owner must be paid to the owner's estate or a named beneficiary; and

(3) specify the total amount payable for the benefit of the recipient of long-term care services and support under the life settlement contract.

(e) All proceeds of a life settlement contract entered into under this section must be held in an irrevocable state or federally insured account for the benefit of the recipient of long-term care services and support or for payment as otherwise required by this section.

(f) Only a recipient of long-term care services and support for whose benefit an owner enters into a life settlement contract under this section may choose the provider and type of services provided to the recipient and paid for out of an account described by Subsection (e). Any attempt by a person to require the recipient to choose a specific provider is strictly prohibited and constitutes an unfair method of competition or an unfair or deceptive act or practice under the Insurance Code.

(g) A person who enters into a life settlement contract with an owner of a life insurance policy under this section must maintain:

(1) a surety bond executed and issued by an insurer authorized to issue surety bonds in this state;

(2) a policy of errors and omissions insurance; or

(3) a deposit in the amount of \$500,000 in any combination of cash, certificates of deposit, or securities.

(h) In accordance with the requirements of Chapter 1111A, Insurance Code, a life settlement contract provider who enters into life settlement contracts with owners of life insurance policies under this section must file with the Texas Department of Insurance:

(1) all life settlement contract forms used by the provider; and

(2) all advertising and marketing materials used by the provider.

(i) Section 1111A.022(a)(2)(A), Insurance Code, does not apply to a life insurance policy that is the subject of a life settlement contract entered into under this section if the contract has been in force at least five years.

(j) A claim against a life settlement contract provider with whom an owner of a life insurance policy enters into a life settlement contract under this section by the owner, the owner's estate, a named beneficiary, or any other person with respect to the contract may not exceed the face amount of the policy, less the proceeds paid under the contract, plus the total amount of premiums paid by the owner since entering into the contract. A life settlement contract provider must pay a claim under this subsection from the funds in an account described by Subsection (e).

(k) In accordance with Chapter 1111A, Insurance Code, the Texas Department of Insurance may conduct periodic market examinations of each life settlement contract provider who enters into a life settlement contract with an owner of a life insurance policy under this section.

(l) The department shall educate applicants for long-term care services and support under the medical assistance program about options for life insurance policies, including options that do not allow a life insurance policy to be considered as an asset or resource in determining eligibility for medical assistance.

(m) The executive commissioner of the Health and Human Services Commission, in consultation with the commissioner of insurance, shall adopt rules necessary to implement this section. The rules must ensure that:

(1) proceeds from a life settlement contract are used to reimburse a provider of long-term care services and support or the state to offset the cost of medical assistance long-term care services and support;

(2) eligibility and need for medical assistance are determined without considering the balance of proceeds from a life settlement contract as provided in this section; and

(3) payments to a provider of long-term care services and support and applied income payments are made in accordance with this chapter.

(n) The entry into a life settlement contract by an owner of a life insurance policy under this section is not the only method by which the owner may avoid having the policy considered as an asset or resource in determining the eligibility of the owner for medical assistance.

(o) Notwithstanding the provisions of this section, the department may not implement a provision of this section if the commission determines that implementation of the provision is not cost-effective or feasible.

(b) Subject to Section 32.02613(o), Human Resources Code, as added by this section, the executive commissioner of the Health and Human Services Commission shall adopt rules necessary to implement Section 32.02613, Human Resources Code, as added by this section, not later than January 1, 2014.

(c) The change in law made by this section applies only to a determination of eligibility of a person for medical assistance benefits made on or after January 1, 2014, subject to Section 32.02613(o), Human Resources Code, as added by this section. A determination of eligibility made before January 1, 2014, is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

Amendment No. 16 was adopted.

Amendment No. 17

Representatives Taylor, Guillen, G. Bonnen, Hughes, and Sanford offered the following amendment to **CSSB 8**:

Amend **CSSB 8** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 531.951(a), Government Code, as added by Chapter 1051 (**SB 78**), Acts of the 82nd Legislature, Regular Session, 2011, is amended to read as follows:

(a) This subchapter applies only to the final licensing, listing, or registration decisions of a health and human services agency with respect to a person under the law authorizing the agency to regulate the following types of persons:

- (1) a youth camp licensed under Chapter 141, Health and Safety Code;
- (2) a home and community support services agency licensed under Chapter 142, Health and Safety Code;
- (3) a hospital licensed under Chapter 241, Health and Safety Code;
- (4) an institution licensed under Chapter 242, Health and Safety Code;
- (4-a) an abortion facility licensed under Chapter 245, Health and Safety

Code;

(5) an assisted living facility licensed under Chapter 247, Health and Safety Code;

(6) a special care facility licensed under Chapter 248, Health and Safety Code;

(7) an intermediate care facility licensed under Chapter 252, Health and Safety Code;

(8) a chemical dependency treatment facility licensed under Chapter 464, Health and Safety Code;

(9) a mental hospital or mental health facility licensed under Chapter 577, Health and Safety Code;

(10) a child-care facility or child-placing agency licensed under or a family home listed or registered under Chapter 42, Human Resources Code; or

(11) an adult day-care facility licensed under Chapter 103, Human Resources Code.

Amendment No. 17 - Point of Order

Representative Farrar raised a point of order against further consideration of Amendment No. 17.

The point of order was withdrawn.

Representative Kolkhorst moved to postpone consideration of **CSSB 8** until 5:45 p.m. today.

The motion prevailed.

CSSB 149 ON SECOND READING
(Keffer, S. Thompson, S. Davis, Morrison,
Martinez Fischer, et al. - House Sponsors)

CSSB 149, A bill to be entitled An Act relating to the Cancer Prevention and Research Institute of Texas.

CSSB 149 was read second time earlier today and was postponed until this time.

Amendment No. 1

Representative Martinez Fischer offered the following amendment to **CSSB 149**:

Amend **CSSB 149** (house committee report) as follows:

(1) On page 7, strike lines 6 through 7 and substitute the following:

SECTION 9. Sections 102.101, Health and Safety Code, is amended by amending Subsections (b), (d), and (e) and adding Subsection (f) to read as follows:

(2) On page 8, between lines 11 and 12, insert the following new subsection:

(f) A person appointed to the oversight committee shall disclose to the institute each political contribution made by the person in the ten years preceding the person's appointment and each year after the person's appointment until the person's term expires. The institute annually shall post a report of the political contributions made by oversight committee members on the institute's publicly accessible Internet website and post a link to the report on the oversight committee's main Internet web page.

Amendment No. 1 was adopted.

Amendment No. 2

Representative Martinez Fischer offered the following amendment to **CSSB 149**:

Amend **CSSB 149** (house committee printing) as follows:

(1) On page 4, strike lines 13-14 and substitute the following:

SECTION 5. Section 102.052, Health and Safety Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(2) On page 5, strike lines 19-20, and substitute the following:

(10) for the previous 12 months, a list of any conflicts of interest under this chapter or rules adopted under this chapter, any conflicts of interest that require recusal under Section 102.1061, any unreported conflicts of interest confirmed by an investigation conducted under Section 102.1063, including any actions taken by the institute regarding an unreported conflict of interest and subsequent investigation, and any waivers granted through the process established under Section 102.1062.

(c) The institute shall post on the institute's Internet website the list described by Subsection (a)(10).

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

SECTION _____. The heading to Section 102.052, Health and Safety Code, is amended to read as follows:

Sec. 102.052. ANNUAL PUBLIC REPORT; INTERNET POSTING.

Amendment No. 2 was adopted.

Amendment No. 3

Representative Martinez Fischer offered the following amendment to **CSSB 149**:

Amend **CSSB 149** (house committee report) as follows:

(1) On page 6, line 7, strike "and".

(2) On page 6, between lines 7 and 8, insert the following:

(4) for the purpose of determining any conflict of interest, the identity of each principal investor and owner of each grant recipient as provided by institute rules; and

(3) On page 6, line 8, strike "(4)" and substitute "(5)".

Amendment No. 3 was adopted.

CSSB 149, as amended, was passed to third reading.

GENERAL STATE CALENDAR (consideration continued)

SB 34 ON SECOND READING (Naishtat - House Sponsor)

SB 34, A bill to be entitled An Act relating to the administration of psychoactive medications to persons receiving services in certain facilities.

SB 34 was passed to third reading.

SB 1106 ON SECOND READING (J. Davis - House Sponsor)

SB 1106, A bill to be entitled An Act relating to the use of maximum allowable cost lists under a Medicaid managed care pharmacy benefit plan.

Amendment No. 1

Representative T. King offered the following amendment to **SB 1106**:

Amend **SB 1106** as follows:

On page 8, line 20, strike [~~Medi Span, or has a similar rating by~~]

Amendment No. 1 was adopted.

Amendment No. 2

Representative D. Miller offered the following amendment to **SB 1106**:

Amend **SB 1106** as follows:

(1) On page 8, line 22, strike the word "generally."

(2) On page 9, line 1, strike the words "specific to that provider."

(3) On page 9, line 25, strike the words "challenge is resolved" and insert the words "prescription was filled" in its place.

(4) On page 9, line 26, strike the words "similarly situated."

(5) On page 10, line 14, strike the word "and" and insert the following:

"(ix) must report to the commission not less than once per calendar quarter the number of different maximum allowable cost lists utilized during the covered time period, the number of providers for which each maximum allowable cost list was applicable, and the average price for the 100 most commonly prescribed pharmaceuticals for each maximum allowable cost list during the time period covered by the report; and"

(6) On page 10, strike lines 22 through 25.

(Crownover and S. King now present)

LEAVES OF ABSENCE GRANTED

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

Farney on motion of Aycock.

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

Menéndez on motion of Guillen.

SB 1106 - (consideration continued)

Representative J. Davis moved to table Amendment No. 2.

The motion to table was lost by (Record 929): 42 Yeas, 91 Nays, 2 Present, not voting.

Yeas — Alonzo; Alvarado; Anchia; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Coleman; Collier; Dale; Davis, J.; Davis, S.; Davis, Y.; Frank; González, M.; Harless; Hernandez Luna; Howard; Huberty; Kacal; Keffer; Klick; Lavender; Longoria; Lucio; Martínez Fischer; Murphy; Naishtat; Otto; Reynolds; Riddle; Rodriguez, J.; Sheets; Smith; Stickland; Strama; Taylor; Turner, C.; Villalba; Villarreal; Wu; Zerwas.

Nays — Allen; Anderson; Ashby; Aycock; Bell; Branch; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Cook; Cortez; Craddick; Creighton; Crownover; Deshotel; Dukes; Dutton; Eiland; Elkins; Farias; Farrar; Fletcher; Flynn; Frullo; Geren; Giddings; Goldman; Gonzales; Gooden; Guerra; Guillen; Gutierrez; Herrero; Hughes; Hunter; Isaac; Johnson; King, K.; King, P.; King, S.; King, T.; Kleinschmidt; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Leach; Lozano; Martinez; McClendon; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Nevárez; Oliveira; Paddie; Parker; Patrick; Perez; Perry; Phillips; Pickett; Price; Raney; Ratliff; Raymond; Ritter; Rodriguez, E.; Rose; Sanford; Schaefer; Sheffield, J.; Sheffield, R.; Simmons; Simpson; Springer; Stephenson; Thompson, E.; Turner, E.S.; Turner, S.; Walle; Workman; Zedler.

Present, not voting — Mr. Speaker; Harper-Brown(C).

Absent, Excused — Darby; Fallon; Farney; Gonzalez, N.; Hilderbran; Menéndez; Orr; Smithee; Vo.

Absent, Excused, Committee Meeting — Pitts.

Absent — Lewis; Márquez; Thompson, S.; Toth; White.

STATEMENTS OF VOTE

I was shown voting no on Record No. 929. I intended to vote yes.

Krause

I was shown voting yes on Record No. 929. I intended to vote no.

Lucio

When Record No. 929 was taken, I was in the house but away from my desk. I would have voted no.

White

Amendment No. 2 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).

SB 1106 - (consideration continued)

SB 1106, as amended, was passed to third reading.

POSTPONED BUSINESS

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

CSSB 8 ON SECOND READING

(Kolkhorst, G. Bonnen, Zerwas, and J. Sheffield - House Sponsors)

CSSB 8, A bill to be entitled An Act relating to the provision and delivery of certain health and human services in this state, including the provision of those services through the Medicaid program and the prevention of fraud, waste, and abuse in that program and other programs.

CSSB 8 was read second time earlier today, was postponed until 4:50 p.m. today, amendments were offered and disposed of, and **CSSB 8** was again postponed until this time. Amendment No. 17 was pending at the time of postponement.

Amendment No. 17 was withdrawn.

CSSB 8 - STATEMENT OF LEGISLATIVE INTENT

REPRESENTATIVE HOWARD: I thank you for this bill addressing these critical issues of the Medicaid program. I have just a couple of questions for legislative intent, please. First of all, I'm sure that you're aware that a large number of our kids on CHIP and Medicaid—over 29,000 last year—received

their dental services through school-based clinics, Head Start programs, and child care centers. Is it the intent of this bill to limit access to dental services provided through these school-based clinics, Head Start programs, or child care centers?

REPRESENTATIVE KOLKHORST: No, it is not.

HOWARD: Thank you, and one more. Your bill clarifies the requirement that a parent or appointed guardian be present when certain services are provided. I'm sure you're aware that current statute provides an exemption under Human Resources Code 32.024 to this requirement for school-based clinics, Head Start programs, and child care centers. When these providers obtain written consent from a parent or guardian, is there anything in this bill that seeks to change or limit that exemption or the way it's been applied?

KOLKHORST: Not in that part of the code.

REMARKS ORDERED PRINTED

Representative Howard moved to print remarks between Representative Kolkhorst and Representative Howard.

The motion prevailed.

CSSB 8, as amended, was passed to third reading.

CSSB 484 ON SECOND READING

(S. Turner - House Sponsor)

CSSB 484, A bill to be entitled An Act relating to the creation of a prostitution prevention program; authorizing a fee.

CSSB 484 was read second time earlier today and was postponed until this time.

Amendment No. 1

Representative Taylor offered the following amendment to **CSSB 484**:

Amend **CSSB 484** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Chapter 42, Code of Criminal Procedure, is amended by adding Article 42.13 to read as follows:

Art. 42.13. SETTING ASIDE CONVICTION FOR MINORS WHO ARE VICTIMS OF TRAFFICKING OF PERSONS. (a) In this article, "minor" means a person younger than 18 years of age.

(b) A court in which a defendant has been convicted of an offense under Section 43.02, Penal Code, committed when the defendant was a minor may, if the court retains jurisdiction in the case, hear a petition from the defendant to set aside the order of conviction. The petition must allege specific facts and be supported by a personal affidavit from the petitioner that, if proved, would establish that the petitioner:

(1) was a minor at the time of the offense; and

(2) engaged in prostitution solely as the victim of an offense under Section 20A.02(a)(3) or (7), Penal Code.

(c) On the filing of the petition under Subsection (b), the clerk of the court shall promptly serve a copy of the petition and the supporting documents on the appropriate office of the attorney representing the state. Any response to the petition by the attorney representing the state must be filed not later than the 15th business day after the date of service under this subsection.

(d) If in considering the petition, the supporting documents, and any response of the attorney representing the state the court finds that there are reasonable grounds to believe the facts alleged in the petition, the court shall order a hearing on the petition. The court shall dismiss the petition and shall promptly notify the petitioner of the court's decision if the court finds that the petitioner was not a minor at the time of the offense, there are not any reasonable grounds to believe the petitioner engaged in prostitution solely as the victim of an offense under Section 20A.02(a)(3) or (7), Penal Code, or the petitioner has filed a previous petition under this article based solely on the same evidence.

(e) After the court orders a hearing under this article, the court, as the court considers necessary to ensure a fair hearing on the petition, may order any discovery from the attorney representing the state or from the petitioner. An order of discovery may include any order for probative evidence relevant to the petitioner's age or to proving or disproving the petitioner's claim of having engaged in the conduct for which the petitioner was convicted under Section 43.02, Penal Code, solely as the victim of an offense under Section 20A.02(a)(3) or (7), Penal Code.

(f) If after the court orders a hearing under this article the court finds that, based on the sworn statements of the petitioner or based on submitted evidence or affidavits, the petitioner is not represented by an attorney and is indigent, the court shall appoint an attorney to represent the petitioner at the hearing and, if appropriate, before the court of appeals and the court of criminal appeals.

(g) At the conclusion of the hearing, the court shall make a finding as to whether the petitioner has shown by clear and convincing evidence that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons.

(h) The court may set aside the order of conviction for the offense under Section 43.02, Penal Code, if the court finds that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons and that setting aside the order is in the best interest of justice.

(i) The court reporter shall record a hearing under this article. If the court makes a finding that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons, and if the petitioner is indigent, the court reporter shall transcribe the hearing, including the finding, at the county's expense. The entire record must be included with an application for appeal filed as described by this article.

(j) The petitioner and the attorney representing the state may appeal the findings of the court in the same manner as an appeal of a conviction in a criminal case.

(k) A petition for a finding that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons filed under this article and a proceeding conducted under this article do not constitute an application for a writ of habeas corpus or a proceeding based on an application for a writ of habeas corpus. A restriction on filing a subsequent application for a writ of habeas corpus imposed by Article 11.07 does not apply to a petition or proceeding under this article.

(l) This article is not intended to preclude a petitioner from receiving a reduction or termination of community supervision and a set-aside of verdict under Section 20, Article 42.12, if the petitioner is otherwise qualified to receive a dismissal under that section.

SECTION _____. Chapter 48, Code of Criminal Procedure, is amended by adding Article 48.06 to read as follows:

Art. 48.06. PETITION FOR PARDON FOR CERTAIN MINORS WHO ARE TRAFFICKING-VICTIM OFFENDERS; JUDICIAL PROCEEDINGS. (a) In this article, "minor" means a person younger than 18 years of age.

(b) In this article, a person is considered to have been convicted in a case if:

(1) a judgment, a sentence, or both a judgment and a sentence are imposed on the person;

(2) the person receives community supervision, deferred adjudication, or deferred disposition; or

(3) the court defers final disposition of the case or imposition of the judgment and sentence.

(c) This article applies only to a person described by Subsection (d) who is unable to obtain relief under Section 20, Article 42.12, or Article 42.13 because the convicting court no longer retains jurisdiction over the case.

(d) A person convicted of an offense under Section 43.02, Penal Code, may file in the court of conviction a petition alleging specific facts and supported by a personal affidavit from the petitioner that, if proved, would establish that the petitioner:

(1) was a minor at the time of the offense; and

(2) engaged in prostitution solely as the victim of an offense under Section 20A.02(a)(3) or (7), Penal Code.

(e) On the filing of the petition under Subsection (d), the clerk of the court shall promptly serve a copy of the petition and the supporting documents on the appropriate office of the attorney representing the state. Any response to the petition by the attorney representing the state must be filed not later than the 15th business day after the date of service under this subsection.

(f) If in considering the petition, the supporting documents, and any response of the attorney representing the state the court finds that there are reasonable grounds to believe the facts alleged in the petition, the court shall order a hearing on the petition. The court shall dismiss the petition and shall promptly notify the petitioner of the court's decision if the court finds that the petitioner was not a minor at the time of the offense, there are not any reasonable

grounds to believe the petitioner engaged in prostitution solely as the victim of an offense under Section 20A.02(a)(3) or (7), Penal Code, or the petitioner has filed a previous petition under this article based solely on the same evidence.

(g) After the court orders a hearing under this article, the court, as the court considers necessary to ensure a fair hearing on the petition, may order any discovery from the attorney representing the state or from the petitioner. An order of discovery may include any order for probative evidence relevant to the petitioner's age or to proving or disproving the petitioner's claim of having engaged in the conduct for which the petitioner was convicted under Section 43.02, Penal Code, solely as the victim of an offense under Section 20A.02(a)(3) or (7), Penal Code.

(h) If after the court orders a hearing under this article the court finds that, based on the sworn statements of the petitioner or based on submitted evidence or affidavits, the petitioner is not represented by an attorney and is indigent, the court shall appoint an attorney to represent the petitioner at the hearing and, if appropriate, before the court of appeals and the court of criminal appeals.

(i) At the conclusion of the hearing, the court shall make a finding as to whether the petitioner has shown by clear and convincing evidence that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons. A finding that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons does not authorize the court to set aside a conviction of the offense if the court is not authorized to set aside that sentence under other law.

(j) If the court finds that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons, the petitioner may file an application for a pardon, but the application may not be filed later than the 90th day after the date the court makes the finding.

(k) The court reporter shall record a hearing under this article. If the court makes a finding that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons, and if the petitioner is indigent, the court reporter shall transcribe the hearing, including the finding, at the county's expense. The entire record must be included with an application for a pardon filed as described by this article.

(l) The petitioner and the attorney representing the state may appeal the findings of the court in the same manner as an appeal of a conviction in a criminal case.

(m) A petition for a finding that the petitioner engaged in prostitution when the petitioner was a minor and solely as the victim of trafficking of persons filed under this article and a proceeding conducted under this article do not constitute an application for a writ of habeas corpus or a proceeding based on an application for a writ of habeas corpus. A restriction on filing a subsequent application for a writ of habeas corpus imposed by Article 11.07 does not apply to a petition or proceeding under this article.

SECTION _____. Section 5, Article 42.12, Code of Criminal Procedure, is amended by adding Subsection (k) to read as follows:

(k) If a judge dismisses proceedings against a defendant charged with an offense under Section 43.02, Penal Code, alleged to have been committed when the defendant was younger than 18 years of age and discharges the defendant, the judge may attach to the papers in the case a statement that the defendant was a minor and a victim of trafficking of persons.

SECTION _____. Article 55.01, Code of Criminal Procedure, is amended by adding Subsection (a-3) to read as follows:

(a-3) A person who has been placed under a custodial or noncustodial arrest for commission of an offense under Section 43.02, Penal Code, is entitled to have all records and files relating to the arrest expunged in the same manner provided for a person described by Subsection (a), if a court determines under Article 42.13(g) or 48.06(i) that the person engaged in prostitution when the person was a minor and solely as the victim of trafficking of persons.

Amendment No. 1 was adopted.

CSSB 484, as amended, was passed to third reading. (Anderson, Carter, and Perry recorded voting no.)

CSSB 58 ON SECOND READING **(Zerwas - House Sponsor)**

CSSB 58, A bill to be entitled An Act relating to the integration of behavioral health and physical health services into the Medicaid managed care program.

CSSB 58 was read second time earlier today and was postponed until this time.

Amendment No. 1

Representative Zedler offered the following amendment to **CSSB 58**:

Amend **CSSB 58** to read as follows:

Amend Sec. 533.00255(e)(1) by adding Subsection (D):

(D) providers of behavioral health services who are both Medicaid primary care providers and providers for individuals that are dually eligible for Medicaid and Medicare; and

Amendment No. 1 was adopted.

Amendment No. 2

Representative J. Davis offered the following amendment to **CSSB 58**:

Amend **CSSB 58** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS accordingly:

SECTION _____. Subchapter D, Chapter 1001, Health and Safety Code, is amended by adding Section 1001.078 to read as follows:

Sec. 1001.078. MENTAL HEALTH AND SUBSTANCE ABUSE PUBLIC REPORTING SYSTEM. (a) The department, in collaboration with the commission, shall establish and maintain a public reporting system of performance and outcome measures relating to mental health and substance abuse

services established by the Legislative Budget Board, the department, and the commission. The system must allow external users to view and compare the performance, outputs, and outcomes of:

(1) community centers established under Subchapter A, Chapter 534, that provide mental health services;

(2) Medicaid managed care pilot programs that provide mental health services; and

(3) agencies, organizations, and persons that contract with the state to provide substance abuse services.

(b) The system must allow external users to view and compare the performance, outputs, and outcomes of the Medicaid managed care programs that provide mental health services.

(c) The department shall post the performance, output, and outcome measures on the department's website so that the information is accessible to the public. The department shall post the measures quarterly or semiannually in accordance with when the measures are reported to the department.

(d) The department shall consider public input in determining the appropriate outcome measures to collect in the public reporting system. To the extent possible, the department shall include outcome measures that capture inpatient psychiatric care diversion, avoidance of emergency room use, criminal justice diversion, and the numbers of people who are homeless served.

(e) The commission shall conduct a study to determine the feasibility of establishing and maintaining the public reporting system, including, to the extent possible, the cost to the state and impact on managed care organizations and providers of collecting the outcome measures required by Subsection (d). Not later than December 1, 2014, the commission shall report the results of the study to the legislature and appropriate legislative committees.

(f) The department shall ensure that information reported through the public reporting system does not permit the identification of an individual.

SECTION _____. Not later than December 1, 2013, the Department of State Health Services shall establish the public reporting system as required under Section 1001.078, Health and Safety Code, as added by this Act.

SECTION _____. Not later than December 1, 2014, the Department of State Health Services shall submit a report to the legislature and the Legislative Budget Board on the development of the public reporting system as required by Section 1001.078, Health and Safety Code, as added by this Act, and the outcome measures collected.

Amendment No. 2 was adopted.

CSSB 58 - HOUSE SPONSOR AUTHORIZED

On motion of Representative Zerwas, Representative Rose was authorized as a house sponsor to **CSSB 58**.

Amendment No. 3

Representative J. Davis offered the following amendment to **CSSB 58**:

Amend **CSSB 58** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION _____. Subtitle I, Title 4, Government Code, is amended by adding Chapter 539 to read as follows:

CHAPTER 539. COMMUNITY COLLABORATIVES

Sec. 539.001. DEFINITIONS. In this chapter:

- (1) "Department" means the Department of State Health Services.
- (2) "Executive commissioner" means the executive commissioner of the Health and Human Services Commission.

Sec. 539.002. GRANTS FOR ESTABLISHMENT AND EXPANSION OF COMMUNITY COLLABORATIVES. (a) To the extent funds are appropriated to the department for that purpose, the department shall make grants to entities, including local governmental entities, nonprofit community organizations, and faith-based community organizations, to establish or expand community collaboratives that bring the public and private sectors together to provide services to and coordinate the care of persons who are homeless, persons with mental illness, and persons with substance abuse problems.

(b) The amount of a grant made to an entity by the department under this section may not exceed \$7.5 million and, up to that amount, shall be equal to the amount of money provided to the entity from private funding sources for the establishment or expansion of a community collaborative.

Sec. 539.003. ACCEPTABLE USES OF GRANT MONEY. An entity shall use money received from a grant made by the department and private funding sources for the establishment or expansion of a community collaborative, provided that the collaborative must be self-sustaining within seven years. Acceptable uses for the money include:

(1) the development of the infrastructure of the collaborative and the start-up costs of the collaborative;

(2) the establishment, operation, or maintenance of other community service providers in the community served by the collaborative, including intake centers, detoxification units, sheltering centers for food, workforce training centers, microbusinesses, and educational centers;

(3) the provision of clothing, hygiene products, and medical services to and the arrangement of transitional and permanent residential housing for persons served by the collaborative;

(4) the provision of mental health services and substance abuse treatment not readily available in the community served by the collaborative;

(5) the provision of information, tools, and resource referrals to assist persons served by the collaborative in addressing the needs of their children; and

(6) the establishment and operation of coordinated intake processes, including triage procedures, to protect the public safety in the community served by the collaborative.

Sec. 539.004. ELEMENTS OF COMMUNITY COLLABORATIVES. (a) If appropriate, an entity shall incorporate into the community collaborative operated by the entity the use of the Homeless Management Information System,

transportation plans, and case managers. An entity shall also consider incorporating into a collaborative mentoring and volunteering opportunities, strategies to assist homeless youth and homeless families with children, strategies to reintegrate persons who were recently incarcerated into the community, services for veterans, and strategies for persons served by the collaborative to participate in the planning, governance, and oversight of the collaborative.

(b) The focus of a community collaborative shall be the eventual successful transition of persons from receiving services from the collaborative to becoming integrated into the community served by the collaborative through community relationships and family supports.

Sec. 539.005. OUTCOME MEASURES FOR COMMUNITY COLLABORATIVES. Each entity that receives a grant from the department to establish or expand a community collaborative shall select at least four of the following outcome measures that the entity will focus on meeting through the implementation and operation of the collaborative:

(1) persons served by the collaborative will find employment that results in those persons having incomes that are at or above 100 percent of the federal poverty level;

(2) persons served by the collaborative will find permanent housing;

(3) persons served by the collaborative will complete alcohol or substance abuse programs;

(4) the collaborative will help start social businesses in the community or engage in job creation, job training, or other workforce development activities;

(5) there will be a decrease in the use of jail beds by persons served by the collaborative;

(6) there will be a decrease in the need for emergency care by persons served by the collaborative;

(7) there will be a decrease in the number of children whose families lack adequate housing referred to the Department of Family and Protective Services or a local entity responsible for child welfare; and

(8) any other appropriate outcome measure that measures whether a collaborative is meeting a specific need of the community served by the collaborative and that is approved by the department.

Sec. 539.006. ANNUAL REVIEW OF OUTCOME MEASURES. The department shall contract with an independent third party to verify annually whether a community collaborative is meeting the outcome measures under Section 539.005 selected by the entity that operates the collaborative.

Sec. 539.007. REDUCTION AND CESSATION OF FUNDING. The department shall establish processes by which the department may reduce or cease providing funding to an entity if the community collaborative operated by the entity does not meet the outcome measures selected by the entity for the collaborative under Section 539.005 or is not self-sustaining after seven years. The department shall redistribute any funds withheld from an entity under this section to other entities operating high-performing collaboratives on a competitive basis.

Sec. 539.008. RULES. The executive commissioner shall adopt any rules necessary to implement the community collaborative grant program established under this chapter, including rules to establish the requirements for an entity to be eligible to receive a grant, the required elements of a community collaborative operated by an entity, and permissible and prohibited uses of money received by an entity from a grant made by the department under this chapter.

Amendment No. 3 was adopted.

Amendment No. 4

Representatives Ratliff, Rose, Pitts, Gooden, Wu, and Villalba offered the following amendment to **CSSB 58**:

Amend **CSSB 58** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter B, Chapter 533, Health and Safety Code, is amended by adding Section 533.054 to read as follows:

Sec. 533.054. MANAGED CARE MODEL FOR DELIVERY OF BEHAVIORAL HEALTH SERVICES IN CERTAIN LOCAL SERVICE AREAS. (a) Notwithstanding any other law, the community stakeholders in a local mental health authority's local service area may petition the commission for authorization for the delivery of behavioral health services in the area through a managed care model in which an independent behavioral health organization, through the local network development plan process, establishes and maintains a network of local public and private behavioral health service providers who provide services under contract with the organization.

(b) A behavioral health service delivery system established under this section:

(1) must include:

(A) the integration of behavioral health services and substance abuse treatment;

(B) separate entities for providing behavioral health services and for overseeing the provision of those services; and

(C) open behavioral health service provider networks;

(2) must integrate behavioral health services, including targeted case management and psychiatric rehabilitation services, and physical health services; and

(3) may not have waiting lists for behavioral health services.

(c) The executive commissioner shall adopt any rules necessary to implement and administer this section.

Amendment No. 4 was adopted.

CSSB 58, as amended, was passed to third reading.

LEAVE OF ABSENCE GRANTED

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

Giddings on motion of S. Turner.

SB 1057 ON SECOND READING
(Zerwas - House Sponsor)

SB 1057, A bill to be entitled An Act relating to information about private health care insurance coverage and the health insurance exchange for individuals applying for certain Department of State Health Services health or mental health benefits, services, and assistance.

SB 1057 was read second time earlier today and was postponed until this time.

SB 1057 was passed to third reading. (Flynn and Simpson recorded voting no.)

GENERAL STATE CALENDAR
(consideration continued)

SB 632 ON SECOND READING
(Lozano - House Sponsor)

SB 632, A bill to be entitled An Act relating to contracts between optometrists or therapeutic optometrists and health maintenance organizations or insurers.

Amendment No. 1

Representative Burnam offered the following amendment to **SB 632**:

Amend **SB 632** (house committee printing) on page 2, line 5, after the period, by inserting the following:

This subsection does not apply to a discount on a product or service provided to:

(1) an individual receiving social security, Medicaid, Medicare, or food stamp benefits; or

(2) a veteran of the United States armed forces.

Representative Lozano moved to table Amendment No. 1.

The motion to table prevailed.

SB 632 was passed to third reading.

CSSB 1390 ON SECOND READING
(J. Davis, Y. Davis, and S. Davis - House Sponsors)

CSSB 1390, A bill to be entitled An Act relating to an audit by the state auditor of the Texas Enterprise Fund.

Amendment No. 1

Representative J. Davis offered the following amendment to **CSSB 1390**:

Amend **CSSB 1390** (house committee printing) by striking page 1, lines 12-23, and substituting the following:

(b) The audit may determine whether money from the fund is:

(1) disbursed in compliance with the requirements of Section 481.078, Government Code, and other relevant laws or standards; and

(2) monitored to determine whether the persons or entities awarded money from the fund comply with the terms of any applicable agreements and with the requirements of Section 481.078, Government Code, and other relevant laws or standards.

(c) Consistent with generally accepted government auditing standards and with other audits conducted by the state auditor under Chapter 321, Government Code, the state auditor may assess the efficiency and effectiveness of the Texas Enterprise Fund.

Amendment No. 1 was adopted.

CSSB 1390, as amended, was passed to third reading. (Flynn recorded voting no.)

SB 1596 ON SECOND READING
(E. Rodriguez - House Sponsor)

SB 1596, A bill to be entitled An Act relating to the annexation by a municipality of territory of an emergency services district.

Amendment No. 1

Representative Workman offered the following amendment to **SB 1596**:

Amend **SB 1596** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter C, Chapter 775, Health and Safety Code, is amended by adding Section 775.045 to read as follows:

Sec. 775.045. APPLICABILITY OF CERTAIN LAWS. Notwithstanding any other law:

(1) Section 1301.551(i), Occupations Code, applies to a district as if the district were a municipality; and

(2) Section 233.062, Local Government Code, applies to a district as if the district were in an unincorporated area of a county.

Amendment No. 1 was adopted.

Amendment No. 2

Representative Lozano offered the following amendment to **SB 1596**:

Amend **SB 1596** by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter B, Chapter 43, Local Government Code, is amended by adding Section 43.037 to read as follows:

Sec. 43.037. CONSENT REQUIRED FOR CERTAIN ANNEXATIONS. A municipality with a population of more than 300,000 may not annex territory located in the unincorporated area of a county with a population of more than 64,600 and less than 65,600 without the consent of the commissioners court of that county.

Amendment No. 2 was adopted.

SB 1596, as amended, was passed to third reading. (Herrero and Hunter recorded voting no.)

SB 1356 ON SECOND READING
(McClendon and Riddle - House Sponsors)

SB 1356, A bill to be entitled An Act relating to requiring trauma-informed care training for certain staff of county and state juvenile facilities.

Amendment No. 1

Representative Zedler offered the following amendment to **SB 1356**:

Amend **SB 1536** to read as follows:

SECTION _____. Sec. 437.302. COMPOSITION. (a) The Texas State Guard is composed of units the governor, or adjutant general if delegated the authority, considers advisable.

(b) To serve in the Texas State Guard, a person:

(1) must be a resident of this state for at least 180 days;
(2) must be a citizen of the United States or a person who has been lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act (8 U.S.C. Section 1101 et seq.);

(3) must be at least 18 years of age and not older than 70 years of age; however, the adjutant general may adopt a policy regarding waiver of the maximum age;

(4) must undergo a criminal history check;
(5) must not be a registered sex offender; and
(6) must be acceptable to and approved by the governor or adjutant general under the governor's direction.

Amendment No. 1 was withdrawn.

Amendment No. 2

Representative Riddle offered the following amendment to **SB 1356**:

Amend **SB 1356** by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 414.005, Government Code, is amended to read as follows:

Sec. 414.005. DUTIES. The council shall:

(1) encourage, advise, and assist in the creation of crime stoppers organizations;

(2) foster the detection of crime and encourage persons to report information about criminal acts;

(3) encourage news and other media to broadcast reenactments and to inform the public of the functions of crime stoppers organizations' operations and programs;

(4) promote the process of crime stoppers organizations to forward information about criminal acts to the appropriate law enforcement agencies;

(5) help law enforcement agencies detect and combat crime by increasing the flow of information to and between law enforcement agencies;

(6) create specialized programs targeted at detecting specific crimes or types of crimes, including at least one program that:

(A) encourages individuals to report sex offenders who have failed to register under Chapter 62, Code of Criminal Procedure; ~~and~~

(B) encourages individuals to report criminal activity relating to the trafficking of persons, as described under Chapter 20A, Penal Code; and

(C) financially rewards each individual who makes a report described by Paragraph (A) or (B) that leads or substantially contributes to the arrest or apprehension:

(i) of a sex offender who has failed to register under Chapter 62, Code of Criminal Procedure; or

(ii) of a person suspected of engaging in conduct that constitutes an offense under Chapter 20A, Penal Code; and

(7) encourage, advise, and assist crime stoppers organizations in implementing any programs created under Subdivision (6), including a program specifically described by Subdivision (6).

Amendment No. 2 was adopted.

Amendment No. 3

Representative Riddle offered the following amendment to **SB 1356**:

Amend **SB 1356** by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill appropriately:

SECTION _____. Subchapter A, Chapter 221, Human Resources Code, is amended by adding Section 221.0035 to read as follows:

Sec. 221.0035. BEST PRACTICES TO IDENTIFY AND ASSESS VICTIMS OF SEX TRAFFICKING. (a) In this section, "sex trafficking" means an offense under Section 20A.02(a)(7), Penal Code.

(b) The department shall evaluate the practices and screening procedures used by juvenile probation departments for the early identification of juveniles who are victims of sex trafficking for the purpose of developing a recommended set of best practices that may be used by a juvenile probation department to improve the juvenile probation department's ability to identify a juvenile who is a victim of sex trafficking.

(c) Best practices may include:

(1) examining a juvenile's referral history, including whether the juvenile has a history of running away from home or has been adjudicated for previous offenses;

(2) making inquiries into a juvenile's history of sexual abuse;

(3) assessing a juvenile's need for services, including counseling through a rape crisis center or other counseling; and

(4) asking the juvenile a series of questions designed to determine whether the juvenile is at high risk of being a victim of sex trafficking.

Amendment No. 3 was adopted.

SB 1356, as amended, was passed to third reading.

LEAVE OF ABSENCE GRANTED

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

S. Turner on motion of Dukes.

HB 1973 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS

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

HB 1973, A bill to be entitled An Act relating to the provision of water by a public utility or water supply or sewer service corporation for use in fire suppression.

Representative Lucio moved to concur in the senate amendments to **HB 1973**.

The motion to concur in the senate amendments to **HB 1973** prevailed by (Record 930): 110 Yeas, 23 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson; Ashby; Aycock; Bonnen, D.; Burkett; Burnam; Button; Callegari; Canales; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Crownover; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Farias; Farrar; Frullo; Geren; Goldman; Gonzales; González, M.; Gooden; Guerra; Guillen; Gutierrez; Harless; Hernandez Luna; Herrero; Howard; Huberty; Hunter; Isaac; Johnson; Kacal; Keffer; King, K.; King, S.; King, T.; Kleinschmidt; Klick; Kolkhorst; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Patrick; Perez; Pickett; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sheets; Sheffield, J.; Sheffield, R.; Smith; Springer; Stephenson; Strama; Thompson, S.; Toth; Turner, C.; Villalba; Villarreal; Walle; Workman; Wu; Zerwas.

Nays — Bell; Bohac; Bonnen, G.; Branch; Capriglione; Carter; Creighton; Elkins; Fletcher; Flynn; Frank; Hughes; King, P.; Perry; Schaefer; Simmons; Simpson; Stickland; Taylor; Thompson, E.; Turner, E.S.; White; Zedler.

Present, not voting — Mr. Speaker; Harper-Brown(C).

Absent, Excused — Darby; Fallon; Farney; Giddings; Gonzalez, N.; Hilderbran; Menéndez; Orr; Smithee; Turner, S.; Vo.

Absent, Excused, Committee Meeting — Pitts.

Absent — Krause; Phillips; Sanford.

STATEMENTS OF VOTE

I was shown voting yes on Record No. 930. I intended to vote no.

Anderson

I was shown voting yes on Record No. 930. I intended to vote no.

Gooden

I was shown voting no on Record No. 930. I intended to vote yes.

P. King

I was shown voting yes on Record No. 930. I intended to vote no.

R. Miller

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

Amend **HB 1973** (senate committee printing) in SECTION 1 of the bill, in proposed Section 341.0359(e), Health and Safety Code (page 2, line 10), between "municipality" and "that", by inserting "with a population of less than 1.9 million".

HB 616 - HOUSE CONCURS IN SENATE AMENDMENTS TEXT OF SENATE AMENDMENTS

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

HB 616, A bill to be entitled An Act relating to the civil jurisdiction of the County Court of Glasscock County.

Representative Crossover moved to concur in the senate amendments to **HB 616**.

The motion to concur in the senate amendments to **HB 616** prevailed by (Record 931): 132 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson; Ashby; Aycock; Bell; Bohac; Bonnen, D.; Bonnen, G.; Branch; Burkett; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Creighton; Crossover; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Elkins; Farias; Farrar; Fletcher; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; González, M.; Gooden; Guerra; Guillen; Gutierrez; Harless; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Kleinschmidt; Klick; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Patrick; Perez; Perry; Phillips; Pickett; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Sheets; Sheffield, J.; Sheffield, R.; Simmons; Simpson; Smith; Springer; Stephenson; Stickland; Strama; Taylor; Thompson, E.; Thompson, S.; Turner, C.; Turner, E.S.; Villarreal; Walle; White; Workman; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Harper-Brown(C).

Absent, Excused — Darby; Fallon; Farney; Giddings; Gonzalez, N.; Hilderbran; Menéndez; Orr; Smithee; Turner, S.; Vo.

Absent, Excused, Committee Meeting — Pitts.

Absent — Hernandez Luna; Lozano; Toth; Villalba.

Senate Committee Substitute

CSHB 616, A bill to be entitled An Act relating to restoring the jurisdiction of the constitutional county court in Glasscock County.

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

SECTION 1. Section 26.187, Government Code, is repealed.

SECTION 2. The change in law made by this Act applies only to an action filed on or after the effective date of this Act. An action filed before the effective date of this Act is governed by the law in effect on the date the action was filed, and the former law is continued in effect for that purpose.

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

SB 1546 - ADOPTION OF CONFERENCE COMMITTEE REPORT

Representative Guillen submitted the conference committee report on **SB 1546**.

Representative Guillen moved to adopt the conference committee report on **SB 1546**.

The motion to adopt the conference committee report on **SB 1546** prevailed by (Record 932): 135 Yeas, 0 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson; Ashby; Aycock; Bell; Bohac; Bonnen, D.; Bonnen, G.; Branch; Burkett; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Creighton; Crownover; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Elkins; Farias; Farrar; Fletcher; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; González, M.; Gooden; Guerra; Guillen; Gutierrez; Harless; Hernandez Luna; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Kleinschmidt; Klick; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Patrick; Perez; Perry; Phillips; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Schaefer; Sheets; Sheffield, J.; Sheffield, R.; Simmons; Simpson; Smith; Springer; Stephenson; Stickland; Strama; Taylor; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, E.S.; Villalba; Villarreal; Walle; White; Workman; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker; Harper-Brown(C).

Absent, Excused — Darby; Fallon; Farney; Giddings; Gonzalez, N.; Hilderbran; Menéndez; Orr; Smithee; Turner, S.; Vo.

Absent, Excused, Committee Meeting — Pitts.

Absent — Pickett.

**HB 1982 - HOUSE CONCURS IN SENATE AMENDMENTS
TEXT OF SENATE AMENDMENTS**

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

HB 1982, A bill to be entitled An Act relating to the enterprise zone program.

Representative Murphy moved to concur in the senate amendments to **HB 1982**.

The motion to concur in the senate amendments to **HB 1982** prevailed by (Record 933): 134 Yeas, 2 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson; Ashby; Aycock; Bell; Bohac; Bonnen, D.; Bonnen, G.; Branch; Burkett; Burnam; Button; Callegari; Canales; Capriglione; Carter; Clardy; Coleman; Collier; Cook; Cortez; Craddick; Creighton; Crownover; Dale; Davis, J.; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Eiland; Elkins; Farias; Farrar; Fletcher; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; González, M.; Gooden; Guerra; Guillen; Gutierrez; Harless; Hernandez Luna; Herrero; Howard; Huberty; Hughes; Hunter; Isaac; Johnson; Kacal; Keffer; King, K.; King, P.; King, S.; King, T.; Kleinschmidt; Klick; Kolkhorst; Krause; Kuempel; Larson; Laubenberg; Lavender; Leach; Lewis; Longoria; Lozano; Lucio; Márquez; Martinez; Martinez Fischer; McClendon; Miles; Miller, D.; Miller, R.; Moody; Morrison; Muñoz; Murphy; Naishtat; Nevárez; Oliveira; Otto; Paddie; Parker; Patrick; Perez; Perry; Phillips; Pickett; Price; Raney; Ratliff; Raymond; Reynolds; Riddle; Ritter; Rodriguez, E.; Rodriguez, J.; Rose; Sanford; Sheets; Sheffield, J.; Sheffield, R.; Simmons; Smith; Springer; Stephenson; Stickland; Strama; Taylor; Thompson, E.; Thompson, S.; Toth; Turner, C.; Turner, E.S.; Villalba; Villarreal; Walle; White; Workman; Wu; Zedler; Zerwas.

Nays — Schaefer; Simpson.

Present, not voting — Mr. Speaker; Harper-Brown(C).

Absent, Excused — Darby; Fallon; Farney; Giddings; Gonzalez, N.; Hilderbran; Menéndez; Orr; Smithee; Turner, S.; Vo.

Absent, Excused, Committee Meeting — Pitts.

STATEMENT OF VOTE

I was shown voting yes on Record No. 933. I intended to vote no.

Stickland

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

Amend **HB 1982** (senate committee printing) as follows:

(1) In SECTION 3 of the bill, in amended Section 2303.4052(2), Government Code (page 2, line 1), strike "transcript" and substitute "certified copy of the minutes [~~transcript~~]".

(2) In the recital to SECTION 4 of the bill (page 2, line 22), immediately before "adding Subsection (d-1)", add "amending Subsections (b) and (e) and".

(3) In SECTION 4 of the bill, immediately before added Section 2303.406(d-1), Government Code (page 2, between lines 22 and 23), insert the following:

(b) ~~[This subsection does not apply to a qualified business located in a federally designated zone, as described by Section 2303.101(2), which will receive priority designation in allocating the number of enterprise projects allowed statewide per biennium as provided by Section 2303.403.]~~ The bank shall designate qualified businesses as enterprise projects on a competitive basis. The bank shall make its designation decisions using a weighted scale in which:

(1) 40 percent of the evaluation depends on the economic distress of the block group or distressed county in which a proposed enterprise project is located;

(2) 25 percent of the evaluation depends on the local effort to achieve development and revitalization of the block group or distressed county in which a proposed enterprise project is located; and

(3) 35 percent of the evaluation depends on the evaluation criteria as determined by the bank, which must include:

(A) with respect to a proposed enterprise project located in a block group, the level of cooperation and support the project applicant commits to the revitalization goals of all of the enterprise zone block groups within the jurisdiction of the nominating governmental entity;

(B) with respect to a proposed enterprise project located in a distressed county, the level of cooperation and support the project applicant commits to the revitalization of the distressed county; and

(C) the type and wage level of the jobs to be created or retained by the business.

(4) In SECTION 4 of the bill, immediately following added Section 2303.406(d-1), Government Code (page 2, between lines 26 and 27), insert the following:

(e) The office may ~~not~~[~~during any biennium,~~] designate multiple concurrent enterprise projects to a qualified business located at a qualified business site.

(5) In the recital to SECTION 5 of the bill (page 2, line 28), strike "adding Subsection (e)" and substitute "amending Subsections (b), (c), and (d) and adding Subsections (e) and (f)".

(6) In SECTION 5 of the bill, immediately before added Section 2303.407(e), Government Code (page 2, between lines 28 and 29), insert the following:

(b) A capital investment in a project of:

(1) \$40,000 to \$399,999 will result in a refund of up to \$2,500 per job with a maximum refund of \$25,000 for the creation or retention of 10 jobs;

(2) \$400,000 to \$999,999 will result in a refund of up to \$2,500 per job with a maximum refund of \$62,500 for the creation or retention of 25 jobs;

(3) \$1,000,000 to \$4,999,999 will result in a refund of up to \$2,500 per job with a maximum refund of \$312,500 for the creation or retention of 125 jobs;

(4) \$5,000,000 or more ~~[to \$149,999,999]~~ will result in a refund of up to \$2,500 per job with a maximum refund of \$1,250,000 for the creation or retention of 500 jobs, except as provided by Subdivision (5) or (6);

(5) \$150,000,000 to \$249,999,999 will result in a refund of up to \$5,000 per new permanent job with a maximum refund of \$2,500,000 for the creation ~~[or retention]~~ of 500 new permanent jobs if the bank designates the project as a double jumbo enterprise project; or

(6) \$250,000,000 or more will result in a refund of up to \$7,500 per new permanent job with a maximum refund of \$3,750,000 for the creation ~~[or retention]~~ of at least 500 new permanent jobs if the bank designates the project as a triple jumbo enterprise project.

(c) An enterprise project for which a commitment for a capital investment in the range amount and the creation ~~[or retention]~~ of the number of new permanent jobs specified by Subsection (b)(5) is made is considered a double jumbo enterprise project if the project is so designated by the bank. The bank may not designate a project as a double jumbo enterprise project after the initial designation period approved by the bank under Section 2303.404(b).

(d) An enterprise project for which a commitment for a capital investment in the range amount and the creation ~~[or retention]~~ of the number of new permanent jobs specified by Subsection (b)(6) is made is considered a triple jumbo enterprise project if the project is so designated by the bank. The bank may not designate a project as a triple jumbo enterprise project after the initial designation period approved by the bank under Section 2303.404(b).

(e) A state-mandated or federally mandated capital investment, including an investment in pollution abatement equipment, does not qualify as a committed capital investment in an enterprise project under this chapter.

(7) In SECTION 5 of the bill, in added Section 2303.407(e), Government Code (page 2, line 29), strike "(e)" and substitute "(f)".

(8) Strike SECTION 7 of the bill (page 2, lines 46-50) and substitute the following appropriately numbered SECTION:

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

(9) Add the following appropriately numbered SECTIONS to the bill:

SECTION _____. Section 2303.003, Government Code, is amended by amending Subdivision (7) and adding Subdivision (9) to read as follows:

(7) "Qualified employee" means a person who:

(A) works for a qualified business; ~~and~~

(B) receives wages from the qualified business from which employment taxes are deducted; and

(C) performs at least 50 percent of the person's service for the business at the qualified business site, or if the person engages in the transportation of goods or services, the person reports to the qualified business site and resides within 50 miles of the qualified business site.

(9) "Veteran" means a person who:

(A) has served in:

(i) the army, navy, air force, coast guard, or marine corps of the United States;

(ii) the state military forces as defined by Section 431.001; or

(iii) an auxiliary service of one of those branches of the armed forces; and

(B) has been honorably discharged from the branch of the service in which the person served.

SECTION _____. Section 2303.402(a), Government Code, is amended to read as follows:

(a) A person is a qualified business if the bank, for the purpose of state benefits under this chapter, or the nominating body of a project or activity of the person under this chapter, for the purpose of local incentives, certifies that:

(1) the person is engaged in or has provided substantial commitment to initiate the active conduct of a trade or business in an enterprise zone, and at least 25 percent of the person's new permanent jobs [~~employees~~] in the enterprise zone are held by:

(A) residents of any enterprise zone in this state; [~~or~~]

(B) economically disadvantaged individuals; or

(C) veterans; or

(2) the person is engaged in or has provided substantial commitment to initiate the active conduct of a trade or business in an area of this state that does not qualify as an enterprise zone, and at least 35 percent of the person's new permanent jobs [~~employees~~] at the qualified business site are held by:

(A) residents of any enterprise zone in this state; [~~or~~]

(B) individuals who are economically disadvantaged; or

(C) veterans.

SECTION _____. Section 2303.504, Government Code, is amended to read as follows:

Sec. 2303.504. STATE TAX REFUNDS [~~AND CREDITS~~]; REPORT.

(a) Subject to Section 2303.516, an enterprise project is entitled to[~~:-~~

~~(1) a refund of state taxes under Section 151.429, Tax Code[~~;-and~~~~

~~(2) a franchise tax credit under Subchapter Q 1, Chapter 171, Tax Code].~~

(b) At the time of receipt of any tax benefit available as a result of participating in the enterprise zone program, including a state sales and use tax refund [~~or franchise tax credit~~], three percent of the amount of the tax benefit shall be transferred to the Texas economic development bank fund under Subchapter B, Chapter 489, to defray the cost of administering this chapter.

(c) Not later than the 60th day after the last day of each fiscal year, the comptroller shall report to the bank the statewide total of actual jobs created, actual jobs retained, and the tax refunds [~~and credits~~] made under this section during that fiscal year.

SECTION _____. Section 2303.516(b), Government Code, is amended to read as follows:

(b) The comptroller may determine that the business or project is not entitled to a refund [~~or credit~~] of state taxes under Section 2303.504 if the comptroller finds that:

(1) the business or project is not willing to cooperate with the comptroller in providing the comptroller with the information the comptroller needs to determine the state benefits; or

(2) the business or project has substantially failed to follow through on any commitments made by it or on its behalf under this chapter.

SECTION _____. Section 151.429, Tax Code, is amended by amending Subsections (b) and (c) and adding Subsection (k) to read as follows:

(b) Subject to the limitations provided by Subsection (c) of this section, an enterprise project qualifies for a refund of taxes under this section based on the amount of capital investment made at the qualified business site, the project's designation level, and the refund per job with a maximum refund to be included in a computation of a tax refund for the project. A capital investment at the qualified business site of:

(1) \$40,000 to \$399,999 will result in a refund of up to \$2,500 per job with a maximum refund of \$25,000 for the creation or retention of 10 jobs;

(2) \$400,000 to \$999,999 will result in a refund of up to \$2,500 per job with a maximum refund of \$62,500 for the creation or retention of 25 jobs;

(3) \$1,000,000 to \$4,999,999 will result in a refund of up to \$2,500 per job with a maximum refund of \$312,500 for the creation or retention of 125 jobs;

(4) \$5,000,000 or more [~~to \$149,999,999~~] will result in a refund of up to \$2,500 per job with a maximum refund of \$1,250,000 for the creation or retention of 500 jobs, except as provided by Subdivision (5) or (6);

(5) \$150,000,000 to \$249,999,999 will result in a refund of up to \$5,000 per new permanent job with a maximum refund of \$2,500,000 for the creation [~~or retention~~] of 500 new permanent jobs if the Texas Economic Development Bank designates the project as a double jumbo enterprise project; or

(6) \$250,000,000 or more will result in a refund of up to \$7,500 per new permanent job with a maximum refund of \$3,750,000 for the creation [~~or retention~~] of at least 500 new permanent jobs if the Texas Economic Development Bank designates the project as a triple jumbo enterprise project.

(c) The total amount of tax refund that an enterprise project may apply for in a state fiscal year may not exceed \$250,000, at not more than \$2,500 per job. The total amount of tax refund that a double jumbo enterprise project may apply for in a state fiscal year may not exceed \$500,000, at not more than \$5,000 per new permanent job. The total amount of tax refund that a triple jumbo enterprise project may apply for in a state fiscal year may not exceed \$750,000, at not more than \$7,500 per new permanent job. If an enterprise project, double jumbo enterprise project, or triple jumbo enterprise project qualifies in a state fiscal year for a refund of taxes in an amount in excess of the applicable limitation provided by this subsection, it may apply for a refund of those taxes in a subsequent year, subject to the applicable limitation for each year. The total amount that may be refunded to:

(1) an enterprise project under this section may not exceed the amount determined by multiplying \$250,000 by the number of state fiscal years during which the enterprise project created or retained one or more jobs for qualified employees;

(2) a double jumbo enterprise project under this section may not exceed the amount determined by multiplying \$500,000 by the number of state fiscal years during which the double jumbo enterprise project created [~~or retained~~] one or more new permanent jobs for qualified employees; or

(3) a triple jumbo enterprise project under this section may not exceed the amount determined by multiplying \$750,000 by the number of state fiscal years during which the triple jumbo enterprise project created [~~or retained~~] one or more new permanent jobs for qualified employees.

(k) A half enterprise project is eligible for a maximum refund not to exceed \$125,000 in each state fiscal year and is subject to the capital investment and job allocation requirements under Subsection (b)(1), (2), or (3).

SECTION _____. Section 151.429(e), Tax Code, is amended by adding Subdivision (6) to read as follows:

(6) "Half enterprise project" means an enterprise project split into two half designations as provided by Section 2303.406(d-1), Government Code.

SECTION _____. Section 2303.109(b), Government Code, is repealed.

SECTION _____. (a) The changes in law made by this Act to Section 2303.402(a), Government Code, apply only to an application for a designation of an enterprise project under the enterprise zone program under Chapter 2303, Government Code, as amended by this Act, filed on or after the effective date of this Act. An application for designation of an enterprise project under the enterprise zone program filed before the effective date of this Act is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose.

(b) The changes in law made by this Act to Section 2303.407, Government Code, and Section 151.429, Tax Code, apply only to an enterprise project designation made on or after the effective date of this Act. An enterprise project designation made before the effective date of this Act is governed by the law in effect when the designation was made, and the former law is continued in effect for that purpose.

(10) Renumber remaining SECTIONS of the bill accordingly.

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

Bills and joint resolutions were at this time laid before the house, read first time, and referred to committees. Resolutions were at this time laid before the house and referred to committees. (See the addendum to the daily journal, Referred to Committees, List No. 1.)

COMMITTEES GRANTED PERMISSION TO MEET

Pursuant to Rule 4, Section 9 of the House Rules, Representative Aycock requested permission for all committees and subcommittees to meet while the house is in session, during bill referral today, pursuant to their committee postings. For purposes of this motion, those committees and subcommittees that are scheduled to meet upon adjournment or final recess today shall be considered to be scheduled to meet during bill referral today.

Permission to meet was granted.

COMMITTEE MEETING ANNOUNCEMENTS

The following committee meetings were announced:

Public Health, upon final recess today, Desk 100, for a formal meeting, to consider **SB 141** and pending business.

Public Education, upon final recess today, Desk 110, for a formal meeting, to consider **SB 65**, **SB 709**, **SB 929**, **SB 1310**, and **SB 1557**.

Land and Resource Management, upon final recess today, Desk 47, for a formal meeting, to consider **SB 1560**.

RECESS

Representative Branch moved that the house recess until 10 a.m. Monday, May 20.

The motion prevailed.

The house accordingly, at 6:53 p.m., recessed until 10 a.m. Monday, May 20.

ADDENDUM

REFERRED TO COMMITTEES

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

List No. 1

HCR 119 (By Huberty), Urging the United States Congress to rewrite the Elementary and Secondary Education Act in order to lessen the burden of over-testing and teaching to the test.

To Select Federalism and Fiscal Responsibility.

HCR 123 (By Raymond), Urging the United States Congress to revise Department of Homeland Security funding formulas for Targeted Infrastructure Capability grants to include a separate threat assessment for strategically located border communities, irrespective of population.

To International Trade and Intergovernmental Affairs.

HCR 124 (By Martinez Fischer), Directing the State Preservation Board to allow a variance from its rules pertaining to performances at the State Capitol in order to allow reenactments of the "Cry of Independence" at midnight on the evenings of September 15, 2013, and September 15, 2014.

To House Administration.

SB 116 to Defense and Veterans' Affairs.

SB 1648 to Ways and Means.

SB 1668 to Higher Education.

SB 1909 to Special Purpose Districts.

SB 1920 to Special Purpose Districts.

SJR 55 to Appropriations.

MESSAGES FROM THE SENATE

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

Message No. 2

MESSAGE FROM THE SENATE
SENATE CHAMBER
Austin, Texas
Friday, May 17, 2013 - 2

The Honorable Speaker of the House
House Chamber
Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

THE SENATE HAS PASSED THE FOLLOWING MEASURES:

HB 343 Márquez SPONSOR: Rodríguez
Relating to the filing of financial disclosure statements by trustees of certain independent school districts; providing criminal and civil penalties.
(Committee Substitute)

HB 424 Burkett SPONSOR: Deuell
Relating to the sex offender status of a person who becomes a resident of certain group home facilities.

HB 642 Patrick, Diane SPONSOR: Lucio
Relating to continuing education requirements for certain educators.
(Amended)

HB 719 Morrison SPONSOR: Hegar
Relating to the operation of a golf cart or utility vehicle on a public highway in certain counties; authorizing a fee.
(Committee Substitute)

HB 753 Villarreal SPONSOR: Zaffrini
Relating to certain information to be provided by school districts to parents concerning supplemental educational services and to Texas Education Agency approval and investigation of supplemental educational services providers.
(Committee Substitute)

HB 885 Murphy SPONSOR: Patrick
Relating to the guarantee of refinanced open-enrollment charter school bonds by the permanent school fund.

HB 912 Gooden SPONSOR: Estes
Relating to images captured by unmanned vehicles and unmanned aircraft; providing penalties.
(Amended)

HB 1772 Turner, Chris SPONSOR: Davis
Relating to the disconnection of electric or gas utility service.

HB 2006 Klick SPONSOR: Hancock
Relating to eligibility for appointment as a central counting station manager.

HB 2015 Davis, John SPONSOR: Watson
Relating to the proper classification of workers performing services in connection with governmental contracts; providing a penalty.

HB 2197 Anchia SPONSOR: Huffman
Relating to the continuation and functions of the Texas Lottery Commission; providing penalties; imposing and changing fees.
(Committee Substitute)

HB 2741 Phillips SPONSOR: Nichols
Relating to the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense.
(Committee Substitute/Amended)

HB 2760 Branch SPONSOR: Birdwell
Relating to partnerships between the Texas State Technical College System and public junior colleges.

Respectfully,
Patsy Spaw
Secretary of the Senate

Message No. 3

MESSAGE FROM THE SENATE
SENATE CHAMBER
Austin, Texas
Friday, May 17, 2013 - 3

The Honorable Speaker of the House

House Chamber
Austin, Texas

Mr. Speaker:

I am directed by the senate to inform the house that the senate has taken the following action:

THE SENATE HAS PASSED THE FOLLOWING MEASURES:

HB 154 Taylor, Van SPONSOR: West
Relating to the termination of the parent-child relationship and the duty to pay child support in circumstances involving mistaken paternity.

HB 308 Bohac SPONSOR: Nichols
Relating to a school district's recognition of and education regarding traditional winter celebrations.

HB 693 Phillips SPONSOR: Deuell
Relating to the authority of a water and sewer utility to collect voluntary contributions on behalf of a local library.

HB 978 Raymond SPONSOR: Zaffirini
Relating to the transportation of certain patients to a mental health facility.
(Committee Substitute)

HB 1191 Burkett SPONSOR: Zaffirini
Relating to certain information about housing for persons with mental illness provided through the Texas Information and Referral Network Internet site.

HB 1297 Alvarado SPONSOR: Estes
Relating to the review of certain skills development fund workforce training programs.
(Committee Substitute)

HB 1318 Turner, Sylvester SPONSOR: Whitmire
Relating to the appointment of counsel to represent certain youths and indigent defendants.
(Amended)

HB 1448 Kuempel SPONSOR: Campbell
Relating to the use of money deposited to a justice court technology fund in certain counties.

HB 1487 Harper-Brown SPONSOR: Rodríguez
Relating to the searchable state expenditure database maintained by the comptroller.
(Amended)

HB 1494 King, Tracy O. SPONSOR: Hinojosa
Relating to certain regulatory programs administered by the Department of Agriculture; providing penalties; imposing fees.
(Committee Substitute/Amended)

HB 2020 Crownover SPONSOR: Deuell
Relating to the adoption of wellness policies and programs by state agencies.
(Committee Substitute/Amended)

HB 2300 Keffer SPONSOR: Uresti
Relating to funding and donations for county transportation projects, including projects of county energy transportation reinvestment zones.

HB 2482 Alvarado SPONSOR: Taylor
Relating to a study to determine the reasons major manufacturers have chosen to invest in other states after considering development in this state.

HB 2725 Thompson, Senfronia SPONSOR: Van de Putte
Relating to the confidentiality of certain records maintained by a victims of trafficking shelter center and the creation of minimum standards for certain facilities that provide services to victims of trafficking.
(Committee Substitute)

HB 2772 Rodriguez, Justin SPONSOR: Duncan
Relating to an interim study regarding the method by which certain judicial officers are selected.
(Committee Substitute)

HB 2929 Sheets SPONSOR: Deuell
Relating to health benefit plan coverage for brain injury.

HB 3152 Giddings SPONSOR: Fraser
Relating to the payment of and contracts with health care providers by certain entities under contract with a certified workers' compensation network.

HB 3256 Kacal SPONSOR: Uresti
Relating to the eligibility of certain vehicles to be operated as farm vehicles on a road or highway in this state.
(Amended)

HB 3361 Dutton SPONSOR: Birdwell
Relating to the continuation and functions of the Texas Department of Housing and Community Affairs; authorizing and otherwise affecting the application of certain fees.
(Committee Substitute/Amended)

HB 3568 Kleinschmidt SPONSOR: Watson
Relating to the designation of the structure on Loop 150 in the city of Bastrop connecting the east and west banks of the Colorado River as the Chief Petty Officer (SOC) Stephen "Matt" Mills Bridge.

HB 3729 Coleman SPONSOR: Van de Putte
Relating to licensing requirements for newly constructed assisted living facilities.

HJR 147 Guerra SPONSOR: Hinojosa
Proposing a constitutional amendment repealing the constitutional provision authorizing the creation of a hospital district in Hidalgo County.

THE SENATE HAS GRANTED THE REQUEST OF THE HOUSE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

HB 1160
Senate Conferees: Nelson - Chair/Deuell/Eltife/Nichols/Watson

Respectfully,

Patsy Spaw
Secretary of the Senate

APPENDIX

STANDING COMMITTEE REPORTS

Favorable reports have been filed by committees as follows:

May 16

Agriculture and Livestock - **SB 1107, SB 1554**

Business and Industry - **SB 1202**

Corrections - **SB 1475, SB 1517**

Criminal Jurisprudence - **SB 549, SB 780, SB 1172, SB 1292, SB 1416**

Culture, Recreation, and Tourism - **SB 1871**

Defense and Veterans' Affairs - **SB 442, SB 1158, SB 1159**

Energy Resources - **SB 1747**

Environmental Regulation - **SB 347, SB 1727**

Government Efficiency and Reform - **HCR 88, SB 438, SB 1297, SB 1512, SB 1650, SB 1882**

Higher Education - **SB 680, SB 976, SB 1313, SB 1531**

Human Services - **SB 7, SB 44, SB 993, SB 1758**

Insurance - **SB 1795**

International Trade and Intergovernmental Affairs - **SB 1551, SB 1599**

Judiciary and Civil Jurisprudence - **SB 108, SB 251, SB 268, SB 768, SB 778, SB 1083, SB 1422, SB 1759, SB 1806**

Licensing and Administrative Procedures - **SB 854, SB 883, SB 950, SB 1090, SB 1340**

Natural Resources - **SB 454, SB 837**

Public Education - **SB 39, SB 1404, SB 1406, SB 1509**

Public Health - **SB 227, SB 404, SB 492, SB 519, SB 646, SB 1079, SB 1623, SB 1643, SB 1646**

Special Purpose Districts - **HB 1260, HB 1587, HB 1588, HB 3954, SB 624, SB 1098, SB 1116, SB 1867, SB 1879, SB 1906, SB 1910, SB 1913**

Transparency in State Agency Operations, Select - **SB 1368**

Ways and Means - **SB 158, SB 449, SB 485, SB 585, SB 1255, SB 1256, SB 1508, SB 1533, SB 1585, SB 1703, SB 1833**

ENROLLED

May 16 - HB 250, HB 1106, HB 1717, HB 1738

SENT TO THE GOVERNOR

May 16 - HB 64, HB 144, HB 341, HB 389, HB 403, HB 410, HB 434, HB 480, HB 511, HB 567, HB 570, HB 622, HB 625, HB 634, HB 695, HB 740, HB 748, HB 762, HB 768, HB 797, HB 799, HB 878, HB 938, HB 949, HB 1204, HB 1205, HB 1247, HB 1264, HB 1265, HB 1334, HB 1347, HB 1395, HB 1624, HB 1648, HB 1718, HB 1760, HB 1871, HB 1952, HB 1972, HB 2016, HB 2051, HB 2058, HB 2103, HB 2105, HB 2252, HB 2256, HB 2263, HB 2459, HB 2475, HB 2536, HB 2571, HB 2637, HB 2710, HB 2892, HB 3031, HB 3163, HB 3337, HB 3900, HCR 55

RECOMMENDATIONS FILED WITH THE SPEAKER

May 16 - HB 2382, HB 3944, HB 3945, HB 3948, HB 3949, HB 3950, HB 3951, HB 3953

SIGNED BY THE GOVERNOR

May 16 - HB 200, HB 407, HB 477, HB 2377, HB 2472