

# HOUSE JOURNAL

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EIGHTY-FIFTH LEGISLATURE, FIRST CALLED SESSION

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## PROCEEDINGS

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NINETEENTH DAY — SATURDAY, AUGUST 12, 2017

The house met at 3:09 p.m. and was called to order by the speaker.

The roll of the house was called and a quorum was announced present (Record 133).

Present — Mr. Speaker(C); Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Arévalo; Ashby; Bailes; Bell; Bernal; Biedermann; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Coleman; Collier; Cook; Cortez; Cosper; Craddick; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Dean; Deshotel; Dukes; Dutton; Elkins; Faircloth; Fallon; Farrar; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Giddings; Goldman; Gonzales; González; Gooden; Guerra; Guillen; Gutierrez; Hefner; Hernandez; Hinojosa; Holland; Howard; Huberty; Hunter; Isaac; Israel; Johnson, E.; Johnson, J.; Kacal; Keough; King, P.; King, T.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Leach; Longoria; Lozano; Lucio; Martinez; Metcalf; Meyer; Miller; Moody; Morrison; Muñoz; Murr; Neave; Nevárez; Oliveira; Oliverson; Ortega; Paddie; Parker; Paul; Perez; Phelan; Phillips; Pickett; Price; Raney; Raymond; Reynolds; Rinaldi; Roberts; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thierry; Thompson, E.; Thompson, S.; Tinderholt; Turner; Uresti; VanDeaver; Villalba; Vo; Walle; White; Wilson; Workman; Wray; Wu; Zedler; Zerwas.

Absent, Excused — Clardy; Herrero; Minjarez; Murphy.

Absent — King, K.

The speaker recognized Representative Gervin-Hawkins who offered the invocation.

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

### LEAVES OF ABSENCE GRANTED

The following members were granted leaves of absence for today because of important business in the district:

Clardy on motion of Lambert.

Minjarez on motion of Howard.

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

Herrero on motion of Phillips.

The following member was granted leave of absence for today and tomorrow because of important family business:

Murphy on motion of Huberty.

### **REGULAR ORDER OF BUSINESS SUSPENDED**

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

### **COMMITTEE GRANTED PERMISSION TO MEET**

Representative Price requested permission for the Committee on Public Health to meet while the house is in session, at 3:20 p.m. today, in 3W.9, to consider **SB 17**.

Permission to meet was granted.

### **COMMITTEE MEETING ANNOUNCEMENT**

The following committee meeting was announced:

Public Health, 3:20 p.m. today, 3W.9, for a formal meeting, to consider **SB 17**.

### **GENERAL STATE CALENDAR**

#### **SENATE BILLS**

#### **THIRD READING**

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

#### **SB 6 ON THIRD READING**

**(Huberty, Larson, Workman, Bell, et al. - House Sponsors)**

**SB 6**, A bill to be entitled An Act relating to municipal annexation.

#### **Amendment No. 1**

Representatives Oliveira and Huberty offered the following amendment to **SB 6**:

Amend **SB 6** (on third reading) as follows:

(1) On page 7, line 10, between the comma and "redesignated", insert "and".

(2) On page 7, line 11, strike "and amended".

(3) On page 7, line 13, strike "(a)".

(4) On page 7, strike lines 19-23.

Amendment No. 1 was adopted.

**SB 6**, as amended, was passed by (Record 134): 116 Yeas, 26 Nays, 1 Present, not voting.

Yeas — Alvarado; Anderson, C.; Anderson, R.; Arévalo; Ashby; Bailes; Bell; Biedermann; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Coleman; Cook; Cortez; Cospier; Craddick; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Goldman; Gonzales; González; Gooden; Guerra; Guillen; Gutierrez; Hefner; Hernandez; Holland; Huberty; Hunter; Isaac; Israel; Kacal; Keough; King, P.; King, T.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Leach; Longoria; Lozano; Lucio; Metcalf; Meyer; Miller; Morrison; Muñoz; Murr; Neave; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Pickett; Price; Raney; Raymond; Rinaldi; Roberts; Rodriguez, E.; Romero; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Thompson, S.; Tinderholt; Uresti; VanDeaver; Villalba; White; Wilson; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Allen; Alonzo; Anchia; Bernal; Collier; Davis, Y.; Deshotel; Dutton; Farrar; Giddings; Hinojosa; Howard; Johnson, E.; Martinez; Moody; Nevárez; Oliveira; Ortega; Perez; Reynolds; Rodriguez, J.; Rose; Thierry; Turner; Vo; Walle.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Minjarez; Murphy.

Absent — Dukes; Johnson, J.; King, K.

#### STATEMENTS OF VOTE

When Record No. 134 was taken, I was in the house but away from my desk. I would have voted no.

Dukes

When Record No. 134 was taken, I was excused because of important business in the district. I would have voted yes.

Minjarez

When Record No. 134 was taken, I was shown voting yes. I intended to vote no.

Wu

#### LEAVES OF ABSENCE GRANTED

The following members were granted leaves of absence for the remainder of today because of important business in the district:

Moody on motion of Blanco.

Walle on motion of Capriglione.

(K. King now present)

**GENERAL STATE CALENDAR  
HOUSE BILLS  
SECOND READING**

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

**HB 367 ON SECOND READING  
(by Capriglione and Koop)**

**HB 367**, A bill to be entitled An Act relating to the deposit of money received from the federal government and the authority of the comptroller concerning related funds and accounts.

Representative Capriglione moved to postpone consideration of **HB 367** until 4 p.m. today.

The motion prevailed.

**CSHB 208 ON SECOND READING  
(by Parker, et al.)**

**CSHB 208**, A bill to be entitled An Act relating to the constitutional limit on the rate of growth of appropriations and appropriations of constitutionally dedicated revenue.

Representative Parker moved to postpone consideration of **CSHB 208** until 4 p.m. today.

The motion prevailed.

**LEAVE OF ABSENCE GRANTED**

The following member was granted leave of absence temporarily for today to attend a meeting of the Committee on Public Health:

Sheffield on motion of E. Thompson.

**GENERAL STATE CALENDAR  
SENATE BILLS  
SECOND READING**

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

**CSSB 1 ON SECOND READING  
(D. Bonnen - House Sponsor)**

**CSSB 1**, A bill to be entitled An Act relating to the calculation of the ad valorem rollback tax rate of a taxing unit and voter approval of a proposed tax rate that exceeds the rollback tax rate.

(Sheffield now present)

**Amendment No. 1**

Representative Shaheen offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee printing) as follows:

- (1) On page 2, line 14, strike "1.06" and substitute "1.04".
- (2) On page 3, line 27, strike "1.06" and substitute "1.04".

- (3) On page 4, line 20, strike "1.06" and substitute "1.04".
- (4) On page 5, line 22, strike "1.06" and substitute "1.04".
- (5) On page 23, line 27, strike "six" and substitute "four".
- (6) On page 26, line 9, strike "1.06" and substitute "1.04".
- (7) On page 27, line 8, strike "1.06" and substitute "1.04".
- (8) On page 27, line 16, strike "six" and substitute "four".
- (9) On page 27, line 17, strike "1.06" and substitute "1.04".

### **Amendment No. 2**

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

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

- (1) Strike "1.04" and substitute "1.08" in each place that it occurs in the amendment.
- (2) Strike "four" and substitute "eight" in each place that it occurs in the amendment.

### **Amendment No. 2 - Point of Order**

Representative Stickland raised a point of order against further consideration of Amendment No. 2 under Rule 11, Section 2 and Rule 11, Section 3 of the House Rules on the grounds that the amendment is not germane to the bill and the amendment would change the original purpose of the bill.

### **LEAVE OF ABSENCE GRANTED**

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

Leach on motion of Schaefer.

### **CSSB 1 - (consideration continued)**

### **Amendment No. 2 - Point of Order Disposition**

The speaker overruled the point of order and submitted the following statement:

The house committee report for **CSSB 1** contains 20 substantive provisions related to calculation of an ad valorem rollback tax rate and voter approval of a tax rate that exceeds the tax rollback rate. Among one of the items that was the subject of several amendments was what the percentage increase that triggered a rollback election was. **CSSB 1** suggested the rate was six percent, decreasing it from the current eight percent rate. Several representatives suggested dropping it to four percent. Amendment No. 2 by Hinojosa offered restoring the rate to the current level. Representative Stickland raised a point of order that the amendment was not germane and would change the purpose of the bill. Various theories were offered including that the purpose of the bill was solely for a tax reduction and therefore, the rollback rate could only downward depart. Assuming that was correct, the argument would not explain how the inclusion of the original language in the presence of other sections (for example Section 1 of the bill) that have the potential to achieve rate reduction would not again work to achieve that

purpose. No other precedent was cited for that argument. Others argued that the amendment was not germane because an amendment cannot change back the amended text to the original text. We are unaware of precedent relating to either point.

In this case, the rollback rate calculation requirements were in **CSSB 1**. Amendment No. 2 was consistent with the bill's purpose of defining how to calculate the rollback rate and attempted to raise it (like other amendments that sought to lower it). See 85 H.J. Reg. 3294-3295 (2017) (Turner point of order on **CSHB 2962**); 85 H.J. Reg. 518 (2017) (Herrero point of order on **HB 4**); 81 H.J. Reg. 1996-1997 (2009) (Chisum point of order on **CSHB 2259**). The amendment did not have a different purpose and was not on a subject different from that under consideration. Rule 11, Sections 2 and 3, were not violated. For these reasons, the point of order is respectfully overruled.

Representative Shaheen moved to table Amendment No. 2.

The motion to table prevailed by (Record 135): 95 Yeas, 45 Nays, 1 Present, not voting.

Yeas — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Capriglione; Cospser; Craddick; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Guerra; Guillen; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; King, T.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Longoria; Lozano; Metcalf; Meyer; Miller; Morrison; Muñoz; Murr; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Pickett; Price; Raney; Raymond; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Shine; Simmons; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Wilson; Workman; Wray; Zedler; Zerwas.

Nays — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Canales; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dukes; Dutton; Farrar; Gervin-Hawkins; Giddings; González; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; Lucio; Martinez; Neave; Nevárez; Oliveira; Ortega; Perez; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sheffield; Thierry; Thompson, S.; Turner; Uresti; Vo; Wu.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Cook; Smithee.

### STATEMENT OF VOTE

When Record No. 135 was taken, I was shown voting no. I intended to vote yes.

Sheffield

### COMMITTEE GRANTED PERMISSION TO MEET

Representative Zerwas requested permission for the Committee on Appropriations to meet while the house is in session, at 4:30 p.m. today, in 1W.14, to consider **SB 19**.

Permission to meet was granted.

### COMMITTEE MEETING ANNOUNCEMENT

The following committee meeting was announced:

Appropriations, 4:30 p.m. today, 1W.14, for a formal meeting, to consider **SB 19**.

### CSSB 1 - (consideration continued)

Representative D. Bonnen moved to table Amendment No. 1.

The motion to table prevailed by (Record 136): 80 Yeas, 52 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anderson, R.; Arévalo; Ashby; Bailes; Bernal; Blanco; Bonnen, D.; Burns; Button; Coleman; Collier; Cook; Cortez; Cosper; Cyrier; Darby; Dean; Deshotel; Dukes; Dutton; Flynn; Geren; Gervin-Hawkins; Giddings; Gonzales; González; Gooden; Guerra; Hinojosa; Holland; Howard; Huberty; Hunter; Johnson, E.; Johnson, J.; Kacal; King, K.; King, T.; Koop; Kuempel; Lambert; Landgraf; Larson; Longoria; Lozano; Martinez; Miller; Morrison; Murr; Neave; Nevárez; Oliveira; Oliverson; Ortega; Paddie; Phillips; Pickett; Price; Roberts; Rodriguez, E.; Rodriguez, J.; Romero; Schubert; Sheffield; Shine; Smithee; Springer; Stephenson; Thompson, S.; Turner; Uresti; VanDeaver; Villalba; Vo; Wray; Wu; Zerwas.

Nays — Anderson, C.; Bell; Biedermann; Bohac; Bonnen, G.; Burkett; Burrows; Cain; Canales; Capriglione; Craddick; Dale; Davis, S.; Elkins; Faircloth; Fallon; Frank; Frullo; Goldman; Guillen; Gutierrez; Hefner; Isaac; Keough; King, P.; Klick; Krause; Lang; Laubenberg; Metcalf; Meyer; Muñoz; Parker; Paul; Perez; Phelan; Raymond; Rinaldi; Sanford; Schaefer; Schofield; Shaheen; Simmons; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; White; Wilson; Workman; Zedler.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Anchia; Davis, Y.; Farrar; Hernandez; Israel; Lucio; Raney; Reynolds; Rose; Thierry.

### STATEMENTS OF VOTE

When Record No. 136 was taken, I was shown voting yes. I intended to vote no.

R. Anderson

When Record No. 136 was taken, I was shown voting no. I intended to vote yes.

Canales

When Record No. 136 was taken, I was excused because of important family business. I would have voted no.

Murphy

When Record No. 136 was taken, I was shown voting no. I intended to vote yes.

Perez

When Record No. 136 was taken, I was in the house but away from my desk. I would have voted yes.

Raney

### **Amendment No. 3**

Representative Perez offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) on page 1, line 14, by striking "\$25 million" and substituting "\$35 million".

### **LEAVES OF ABSENCE GRANTED**

The following members were granted leaves of absence temporarily for today to attend a meeting of the Committee on Appropriations:

Capriglione on motion of Meyer.

Sheffield on motion of Meyer.

Simmons on motion of Meyer.

### **CSSB 1 - (consideration continued)**

Amendment No. 3 failed of adoption.

### **Amendment No. 4**

Representative Holland offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee printing) as follows:

(1) On page 1, line 15, strike "or".

(2) On page 1, line 16, between "district" and the underlined period, insert the following:

; or

(C) a municipality with a population of less than 275,000 that has adopted an exemption under Section 11.13(n) of at least five percent

Amendment No. 4 failed of adoption by (Record 137): 14 Yeas, 117 Nays, 1 Present, not voting.

Yeas — Cain; Collier; Dean; González; Guillen; Holland; Isaac; Neave; Nevárez; Oliverson; Phillips; Rodriguez, J.; Schofield; Stucky.



Nays — Allen; Alonzo; Alvarado; Anchia; Anderson, C.; Anderson, R.; Arévalo; Ashby; Bailes; Bell; Bernal; Biedermann; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Canales; Cook; Cortez; Craddick; Cyrier; Dale; Darby; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farrar; Flynn; Frank; Frullo; Geren; Gervin-Hawkins; Giddings; Goldman; Gonzales; Gooden; Guerra; Gutierrez; Hefner; Hernandez; Hinojosa; Howard; Huberty; Hunter; Israel; Johnson, E.; Johnson, J.; Kacal; Keough; King, K.; King, P.; King, T.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Longoria; Lozano; Lucio; Martinez; Metcalf; Meyer; Miller; Morrison; Murr; Oliveira; Ortega; Paddie; Parker; Paul; Phelan; Pickett; Price; Raymond; Reynolds; Rinaldi; Roberts; Rodriguez, E.; Romero; Rose; Schaefer; Schubert; Shaheen; Shine; Smithee; Springer; Stephenson; Stickland; Swanson; Thompson, E.; Thompson, S.; Tinderholt; Turner; Uresti; VanDeaver; Villalba; Vo; White; Wilson; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent, Excused, Committee Meeting — Capriglione; Sheffield; Simmons.

Absent — Coleman; Cospers; Dukes; Muñoz; Perez; Raney; Sanford; Thierry.

#### STATEMENTS OF VOTE

When Record No. 137 was taken, I was shown voting yes. I intended to vote no.

Cain

When Record No. 137 was taken, I was in the house but away from my desk. I would have voted no.

Dukes

When Record No. 137 was taken, I was shown voting no. I intended to vote yes.

Lambert

When Record No. 137 was taken, I was in the house but away from my desk. I would have voted no.

Muñoz

When Record No. 137 was taken, I was shown voting yes. I intended to vote no.

Phillips

When Record No. 137 was taken, I was shown voting yes. I intended to vote no.

Schofield

When Record No. 137 was taken, I was shown voting yes. I intended to vote no.

Stucky

### **Amendment No. 5**

Representatives Faircloth, Phelan, Deshotel, Martinez, and Canales offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) as follows:

- (1) On page 3, line 4, strike "third" and substitute "fifth".
- (2) On page 6, line 20, strike "third" and substitute "fifth".
- (3) On page 28, line 1, strike "third" and substitute "fifth".

### **AMENDMENT NO. 5 - REMARKS**

REPRESENTATIVE FAIRCLOTH: I want to propose an amendment that would allow disaster recovery for cities and counties that are impacted when a disaster recovery has been declared by the governor to allow those entities time to recover. Many times, this will be a loss of taxable property. It puts an incredible strain on our people to be able to continue to do what they need to do. In the bill there are three places—page 3, line 4; page 6, line 20; page 28, line 1—which allow three years or until the pre-disaster recovery revenue is achieved. And what I'm asking for that our data shows—I appreciate Representative Holland for representing his district; that's what I'm trying to do.

Following Hurricane Ike, it took five years for Galveston to recover, and they're still not back to the level that they were in 2008 in providing police and fire protection. As you can imagine, in an island of 50,000 people, when you swell on the July Fourth weekend like we did this time—there were 2.4 million visitors on Galveston Island in those four days. It's just difficult to have police, fire, and emergency services for that transient population, and so Galveston is in a unique situation. What I'm asking here—I discussed this with Representative Bonnen and asked him about this, and he said he would allow it to be the will of the house. I understand now that we're going to vote up or down. But I ask you just to make that one change to either pre-disaster revenue levels or five years, whichever comes first. We're just changing three to five. And with that, I close. I move adoption.

REPRESENTATIVE D. BONNEN: Again, Representative Faircloth is doing a good job representing his district. In no way do I want to suggest he's not. But I do want to point out that a representative from the City of Galveston testified before our committee. When I brought the bill to committee it had one year for disaster recovery. We changed it because of the testimony from the City of Galveston to three years, which I think is very fair and very reasonable. So we did address the concerns of Galveston. Is Representative Faircloth right that they'd probably be even more excited to see it go to five? I'm sure they would. But they assured us that taking it to three years from the one we had originally laid out in the bill would take care of any concerns that they had. So for those reasons, I ask you to vote against the amendment.

FAIRCLOTH: Members, it's going to be a long day for us. I get that. And so what I'd like to do is take Chairman Bonnen, what he has said here—I'd like for our remarks to be reduced to writing and placed in the journal. And I would like to come back this next session and take a look at this and review it. So with that, I will withdraw the amendment.

Amendment No. 5 was withdrawn.

### REMARKS ORDERED PRINTED

Representative Faircloth moved to print remarks between Representative D. Bonnen and Representative Faircloth.

The motion prevailed.

#### Amendment No. 6

Representative Romero offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) on page 8 by striking lines 6 through 10 and substituting the following:  
in the taxing unit ~~[school district]~~ on the first uniform election date prescribed by ~~[a date not less than 30 or more than 90 days after the day on which it adopted the tax rate.]~~ Section 41.001, Election Code, that allows sufficient time to comply with other requirements of law ~~[does not apply to the election unless a date specified by that section falls within the time permitted by this section].~~ At the election, the ballots shall be

Amendment No. 6 was withdrawn.

(Capriglione and Simmons now present)

#### Amendment No. 7

Representative Coleman offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 1.02, Tax Code, is amended to read as follows:

Sec. 1.02. APPLICABILITY OF TITLE. (a) This title applies to a taxing unit that is created by or pursuant to any general, special, or local law enacted before or after the enactment of this title unless a law enacted after enactment of this title by or pursuant to which the taxing unit is created expressly provides that this title does not apply.

(b) This title supersedes any provision of a municipal charter or ordinance relating to property taxation. A municipality may not adopt or apply a provision of a municipal charter or ordinance that provides for the calculation of a rollback tax rate using a formula different than the applicable formula provided by this title or that establishes a rollback tax rate that is less than the rollback tax rate provided by this title.

(c) Nothing in this title invalidates or restricts the right of voters to utilize municipal-level initiative and referendum to set a tax rate or [5] level of spending ~~[5 or limitation on tax increase]~~ for that municipality.

(Sheffield now present)

Amendment No. 7 failed of adoption.

**Amendment No. 8**

Representative S. Davis offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee printing) as follows:

(1) On page 1, line 15, strike "or".

(2) On page 1, line 16, between "district" and the underlined period, insert the following:

; or

(C) a hospital district

(3) Strike SECTION 13 of the bill (page 14, lines 13 through 26) and renumber the SECTIONS of the bill accordingly.

Amendment No. 8 failed of adoption by (Record 138): 54 Yeas, 86 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Farrar; Gervin-Hawkins; Giddings; González; Guerra; Guillen; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; King, T.; Longoria; Lozano; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Oliverson; Ortega; Perez; Pickett; Price; Raymond; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sheffield; Thompson, S.; Turner; Uresti; Vo; Wu; Zerwas.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Cook; Cosper; Craddick; Cyrier; Dale; Darby; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Gutierrez; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Laubenberg; Metcalf; Meyer; Miller; Morrison; Murr; Paddie; Parker; Paul; Phelan; Phillips; Raney; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Wilson; Workman; Wray; Zedler.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Larson; Thierry.

**STATEMENTS OF VOTE**

When Record No. 138 was taken, I was shown voting no. I intended to vote yes.

Gutierrez

When Record No. 138 was taken, I was shown voting yes. I intended to vote no.

Oliverson

### **Amendment No. 9**

Representative Howard offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee printing) as follows:

(1) On page 1, line 18, strike "Subsection (c-1)" and substitute "Subsections (c-1) and (c-2)".

(2) On page 3, between lines 5 and 6, insert the following:

(c-2) Notwithstanding any other provision of this section, the governing body of a taxing unit other than a small taxing unit may direct the designated officer or employee to substitute "1.0704" for any lesser factor used in the calculation of the rollback tax rate under Subsection (c) for the 2018 tax year and "1.0677" for any lesser factor used in the calculation of the applicable rollback tax rate under Subsection (c) for the 2019 tax year to reflect the estimated increase in property values contained in Rider 3, page III-5, Chapter 605 (SB 1), Acts of the 85th Legislature, Regular Session, 2017 (the General Appropriations Act), to the bill pattern of the appropriations to the Texas Education Agency. This subsection expires December 31, 2019.

(3) On page 3, line 7, strike "Subsection (c-1)" and substitute "Subsections (c-1) and (c-2)".

(4) On page 6, between lines 21 and 22, insert the following:

(c-2) Notwithstanding any other provision of this section, the governing body of a taxing unit other than a small taxing unit may direct the designated officer or employee to substitute "1.0704" for any lesser factor used in the calculation of the applicable rollback tax rate under this section for the 2018 tax year and "1.0677" for any lesser factor used in the calculation of the applicable rollback tax rate under this section for the 2019 tax year to reflect the estimated increase in property values contained in Rider 3, page III-5, Chapter 605 (SB 1), Acts of the 85th Legislature, Regular Session, 2017 (the General Appropriations Act), to the bill pattern of the appropriations to the Texas Education Agency. This subsection expires December 31, 2019.

(5) On page 21, line 10, strike "(l), and (m)" and substitute "(l), (l-1), (l-2), and (m)".

(6) On page 28, between lines 2 and 3, insert the following:

(l-1) Notwithstanding any other provision of this section, the board of a district that is a taxing unit other than a small taxing unit may substitute "7.04 percent" for any lesser percentage included in the notice under Subsection (a)(3)(B) and "1.0704" for any lesser factor used in Subsections (i) and (k) for the 2018 tax year to reflect the estimated increase in property values contained in Rider 3, page III-5, Chapter 605 (SB 1), Acts of the 85th Legislature, Regular Session, 2017 (the General Appropriations Act), to the bill pattern of the appropriations to the Texas Education Agency. This subsection expires December 31, 2018.

(1-2) Notwithstanding any other provision of this section, the board of a district that is a taxing unit other than a small taxing unit may substitute "6.77 percent" for any lesser percentage included in the notice under Subsection (a)(3)(B) and "1.0677" for any lesser factor used in Subsections (i) and (k) for the 2019 tax year to reflect the estimated increase in property values contained in Rider 3, page III-5, Chapter 605 (SB 1), Acts of the 85th Legislature, Regular Session, 2017 (the General Appropriations Act), to the bill pattern of the appropriations to the Texas Education Agency. This subsection expires December 31, 2019.

Amendment No. 9 failed of adoption by (Record 139): 46 Yeas, 92 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dukes; Dutton; Farrar; Gervin-Hawkins; Giddings; González; Guerra; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; King, T.; Longoria; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Ortega; Perez; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Thompson, S.; Turner; Uresti; Vo; Wu.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burrows; Button; Cain; Canales; Capriglione; Cook; Craddick; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Pickett; Price; Raney; Raymond; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Wilson; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Burns; Cospere; Guillen; Thierry.

#### STATEMENTS OF VOTE

When Record No. 139 was taken, I was shown voting yes. I intended to vote no.

Guerra

When Record No. 139 was taken, I was excused because of important family business. I would have voted no.

Murphy

**Amendment No. 10**

Representative Turner offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) as follows:

- (1) On page 1, line 15, strike "or".
- (2) On page 1, line 16, strike the underlined period and substitute " ; or".
- (3) On page 1, between lines 16 and 17, insert the following:

(C) a taxing unit that has adopted a budget for the fiscal year ending in the current tax year that includes expenditures for public safety, including expenditures for law enforcement, fire protection, emergency medical services, criminal courts, and jails, that total at least 60 percent of the total expenditures subject to the rollback provisions of this chapter for the taxing unit for that fiscal year.

Amendment No. 10 failed of adoption by (Record 140): 48 Yeas, 91 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Cosper; Davis, Y.; Deshotel; Dutton; Farrar; Gervin-Hawkins; González; Guerra; Guillen; Gutierrez; Hernandez; Hinojosa; Holland; Howard; Israel; Johnson, E.; Johnson, J.; King, T.; Longoria; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Ortega; Perez; Pickett; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Thompson, S.; Turner; Uresti; Vo; Wu.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Cook; Craddick; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Hefner; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Price; Raney; Raymond; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Wilson; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Dukes; Giddings; Thierry.

**STATEMENTS OF VOTE**

When Record No. 140 was taken, I was in the house but away from my desk. I would have voted yes.

Dukes

When Record No. 140 was taken, I was excused because of important family business. I would have voted no.

Murphy

**Amendment No. 11**

Representative Fallon offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee printing) as follows:

(1) On page 7, line 18, strike "Subsection (r)" and substitute "Subsections (r) and (s)".

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

(s) The state shall reimburse a taxing unit for the reasonable cost of an election required under this section at which the registered voters of the taxing unit approve the tax rate adopted by the governing body of the taxing unit. A taxing unit must apply to the secretary of state for reimbursement. The secretary of state shall pay the costs associated with reimbursing taxing units under this section out of funds appropriated to the secretary of state for that purpose. The secretary of state shall adopt rules and prescribe procedures to implement and administer this subsection.

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

SECTION \_\_\_\_\_. Notwithstanding any other provision of this Act, Section 26.08(s), Tax Code, as added by this Act, takes effect September 1, 2019.

Amendment No. 11 failed of adoption by (Record 141): 57 Yeas, 78 Nays, 1 Present, not voting.

Yeas — Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Burns; Burrows; Collier; Cortez; Cospser; Cyrier; Davis, S.; Davis, Y.; Deshotel; Dutton; Elkins; Fallon; Gervin-Hawkins; Giddings; González; Guillen; Hernandez; Hinojosa; Holland; Howard; Israel; Johnson, E.; Johnson, J.; King, P.; King, T.; Laubenberg; Lozano; Lucio; Meyer; Muñoz; Murr; Neave; Nevárez; Ortega; Parker; Price; Raymond; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Schofield; Schubert; Shaheen; Simmons; Turner; Uresti; Vo; White; Wu.

Nays — Allen; Anderson, C.; Anderson, R.; Ashby; Bailes; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Button; Cain; Canales; Capriglione; Cook; Craddick; Dale; Darby; Dean; Faircloth; Farrar; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Guerra; Gutierrez; Hefner; Huberty; Hunter; Isaac; Kacal; Keough; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Longoria; Martinez; Metcalf; Miller; Morrison; Oliverson; Paddie; Paul; Perez; Phelan; Phillips; Pickett; Raney; Rinaldi; Roberts; Sanford; Schaefer; Sheffield; Shine; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; Wilson; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).



Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Bell; Coleman; Dukes; King, K.; Oliveira; Thierry; Thompson, S.

### STATEMENTS OF VOTE

When Record No. 141 was taken, I was in the house but away from my desk. I would have voted yes.

Dukes

When Record No. 141 was taken, I was shown voting no. I intended to vote yes.

Koop

When Record No. 141 was taken, I was excused because of important family business. I would have voted no.

Murphy

### Amendment No. 12

Representative Giddings offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) on page 28, line 13, by striking "January 1, 2018" and substituting "September 1, 2019".

Amendment No. 12 failed of adoption.

### Amendment No. 13

Representative Martinez offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Chapter 26, Tax Code, is amended by adding Section 26.0442 to read as follows:

Sec. 26.0442. TAX RATE ADJUSTMENT FOR LOCAL PARTICIPATION IN STATE TRANSPORTATION PROJECTS EXPENDITURES. (a) In this section, "local participation in state transportation projects expenditures" for a tax year means the amount of expenditures made by the taxing unit in the period beginning on July 1 of the year preceding the tax year for which the tax is adopted and ending on June 30 of the tax year for which the tax is adopted on costs associated with the provision of rights-of-way, financial contributions, maintenance agreements, and any other form of compensation provided by the taxing unit to the Texas Department of Transportation for the purposes of constructing, improving, and maintaining state highway projects.

(b) If a taxing unit's local participation in state transportation projects expenditures exceed the amount of those expenditures for the preceding year, the effective maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

(Current Tax Year's Local Participation In State Transportation Projects Expenditures - Preceding Tax Year's Local Participation In State Transportation Projects Expenditures) / (Current Total Value - New Property Value)

(c) The taxing unit shall include a notice of the increase in the effective maintenance and operations rate provided by this section, including a description and amount of local participation in state transportation projects expenditures, in the information published under Section 26.04(e) and, if applicable, Section 26.06(b).

SECTION \_\_\_\_\_. Section 26.0442, Tax Code, as added by this Act, applies to the effective maintenance and operations rate of a municipality beginning with the 2018 tax year.

Amendment No. 13 was adopted by (Record 142): 71 Yeas, 63 Nays, 1 Present, not voting. (The vote was reconsidered later today, and Amendment No. 13 failed of adoption by Record No. 146.)

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, R.; Arévalo; Ashby; Bailes; Bernal; Blanco; Bonnen, G.; Burkett; Burrows; Canales; Capriglione; Coleman; Collier; Cortez; Craddick; Davis, Y.; Dean; Deshotel; Dutton; Fallon; Farrar; Giddings; Goldman; González; Guerra; Guillen; Gutierrez; Hernandez; Hinojosa; Holland; Howard; Israel; Johnson, E.; King, P.; Koop; Krause; Landgraf; Larson; Longoria; Lozano; Lucio; Martinez; Morrison; Muñoz; Murr; Neave; Nevárez; Oliveira; Ortega; Parker; Perez; Pickett; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Simmons; Stucky; Thompson, S.; Turner; Uresti; VanDeaver; Vo; Wu; Zerwas.

Nays — Anderson, C.; Biedermann; Bohac; Bonnen, D.; Burns; Button; Cain; Cook; Cospser; Cyrier; Dale; Darby; Davis, S.; Faircloth; Flynn; Frank; Frullo; Geren; Gonzales; Gooden; Hefner; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; Klick; Kuempel; Lambert; Lang; Laubenberg; Metcalf; Meyer; Miller; Paddie; Paul; Phelan; Phillips; Price; Raney; Raymond; Rinaldi; Roberts; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Smithee; Springer; Stephenson; Stickland; Swanson; Thompson, E.; Tinderholt; Villalba; White; Wilson; Workman; Wray; Zedler.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Bell; Dukes; Elkins; Gervin-Hawkins; Johnson, J.; King, T.; Oliverson; Thierry.

### STATEMENTS OF VOTE

When Record No. 142 was taken, I was shown voting yes. I intended to vote no.

Ashby

When Record No. 142 was taken, I was shown voting yes. I intended to vote no.

G. Bonnen

When Record No. 142 was taken, I was shown voting yes. I intended to vote no.

Burrows

When Record No. 142 was taken, I was shown voting no. I intended to vote yes.

Cook

When Record No. 142 was taken, I was shown voting yes. I intended to vote no.

Dean

When Record No. 142 was taken, I was in the house but away from my desk. I would have voted yes.

Dukes

When Record No. 142 was taken, I was shown voting no. I intended to vote yes.

Faircloth

When Record No. 142 was taken, I was in the house but away from my desk. I would have voted yes.

Gervin-Hawkins

When Record No. 142 was taken, I was in the house but away from my desk. I would have voted yes.

J. Johnson

When Record No. 142 was taken, I was shown voting no. I intended to vote yes.

Lambert

When Record No. 142 was taken, I was excused because of important family business. I would have voted no.

Murphy

When Record No. 142 was taken, I was shown voting no. I intended to vote yes.

E. Thompson

When Record No. 142 was taken, I was shown voting no. I intended to vote yes.

Wilson

**Amendment No. 14**

On behalf of Representative Rose, Representative Alonzo offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Chapter 26, Tax Code, is amended by adding Section 26.0442 to read as follows:

Sec. 26.0442. TAX RATE ADJUSTMENT FOR INDIGENT MENTAL HEALTH CARE EXPENDITURES. (a) In this section, "indigent mental health care expenditures" for a tax year means the amount of expenditures made by the taxing unit in the period beginning on July 1 of the year preceding the tax year for which the tax is adopted and ending on June 30 of the tax year for which the tax is adopted on costs to provide mental health services and support for indigent persons.

(b) If a taxing unit's indigent mental health care expenditures exceed the amount of those expenditures for the preceding year, the effective maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

$$\frac{(\text{Current Tax Year's Indigent Mental Health Care Expenditures} - \text{Preceding Tax Year's Indigent Mental Health Care Expenditures})}{(\text{Current Total Value} - \text{New Property Value})}$$

(c) The taxing unit shall include a notice of the increase in the effective maintenance and operations rate provided by this section, including a description and amount of indigent mental health care expenditures, in the information published under Section 26.04(e) and, if applicable, Section 26.06(b).

SECTION \_\_\_\_\_. Section 26.0442, Tax Code, as added by this Act, applies to the effective maintenance and operations rate of a taxing unit beginning with the 2018 tax year.

Amendment No. 14 failed of adoption by (Record 143): 44 Yeas, 92 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Davis, S.; Davis, Y.; Deshotel; Dutton; Farrar; Giddings; González; Guerra; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; King, T.; Longoria; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Ortega; Perez; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Thompson, S.; Turner; Uresti; Vo; Wu.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Cook; Cospier; Craddick; Cyrier; Dale; Darby; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Oliverson;

Paddie; Parker; Paul; Phelan; Phillips; Pickett; Price; Raney; Raymond; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Dukes; Gervin-Hawkins; Guillen; Gutierrez; Thierry; Wilson.

### STATEMENTS OF VOTE

When Record No. 143 was taken, I was in the house but away from my desk. I would have voted yes.

Dukes

When Record No. 143 was taken, my vote failed to register. I would have voted yes.

Guillen

### Amendment No. 15

Representatives Phillips and Canales offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 23.55(a), Tax Code, is amended to read as follows:

(a) If the use of land that has been appraised as provided by this subchapter changes, an additional tax is imposed on the land equal to the difference between the taxes imposed on the land for each of the three [~~five~~] years preceding the year in which the change of use occurs that the land was appraised as provided by this subchapter and the tax that would have been imposed had the land been taxed on the basis of market value in each of those years, plus interest at an annual rate of five [~~seven~~] percent calculated from the dates on which the differences would have become due. For purposes of this subsection, the chief appraiser may not consider any period during which land is owned by the state in determining whether a change in the use of the land has occurred.

SECTION \_\_\_\_\_. Section 23.55, Tax Code, as amended by this Act, applies only to a change in the use of land appraised under Subchapter D, Chapter 23, Tax Code, that occurs on or after January 1, 2020. A change in the use of land appraised under Subchapter D, Chapter 23, Tax Code, that occurred before January 1, 2020 is governed by the law in effect on the date the change in use occurred, and the former law is continued in effect for that purpose.

Representative D. Bonnen moved to table Amendment No. 15.

The motion to table prevailed by (Record 144): 93 Yeas, 38 Nays, 1 Present, not voting.

Yeas — Alonzo; Alvarado; Anchia; Anderson, R.; Arévalo; Ashby; Blanco; Bohac; Bonnen, D.; Bonnen, G.; Burns; Burrows; Button; Cain; Capriglione; Coleman; Collier; Cook; Cospér; Cyrier; Dale; Darby; Davis, Y.; Dean; Flynn; Frank; Frullo; Geren; Goldman; Gooden; Gutierrez; Hefner; Hernandez; Holland; Howard; Huberty; Hunter; Israel; Kacal; Keough; King, K.; King, T.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Longoria; Lucio; Metcalf; Meyer; Morrison; Murr; Neave; Oliveira; Oliverson; Ortega; Paddie; Parker; Paul; Perez; Phelan; Price; Raney; Raymond; Reynolds; Rinaldi; Roberts; Rodriguez, E.; Romero; Rose; Schubert; Shaheen; Sheffield; Shine; Simmons; Springer; Stickland; Stucky; Thompson, E.; Turner; Uresti; VanDeaver; Villalba; Workman; Wray; Wu; Zedler; Zerwas.

Nays — Anderson, C.; Bailes; Bernal; Biedermann; Canales; Craddick; Davis, S.; Deshotel; Dutton; Elkins; Faircloth; Fallon; Farrar; Giddings; Gonzales; González; Guillen; Hinojosa; Isaac; Johnson, E.; Johnson, J.; King, P.; Lozano; Martinez; Miller; Nevárez; Phillips; Pickett; Rodriguez, J.; Sanford; Schaefer; Schofield; Smithee; Stephenson; Swanson; Tinderholt; Vo; White.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Allen; Bell; Burkett; Cortez; Dukes; Gervin-Hawkins; Guerra; Muñoz; Thierry; Thompson, S.; Wilson.

### STATEMENTS OF VOTE

When Record No. 144 was taken, I was in the house but away from my desk. I would have voted yes.

Burkett

When Record No. 144 was taken, I was shown voting yes. I intended to vote no.

Cospér

When Record No. 144 was taken, I was in the house but away from my desk. I would have voted yes.

Dukes

When Record No. 144 was taken, I was shown voting yes. I intended to vote no.

Flynn

When Record No. 144 was taken, I was in the house but away from my desk. I would have voted yes.

Guerra

When Record No. 144 was taken, I was shown voting no. I intended to vote yes.

Hinojosa

When Record No. 144 was taken, I was shown voting yes. I intended to vote no.

Larson

When Record No. 144 was taken, I was shown voting no. I intended to vote yes.

Miller

When Record No. 144 was taken, I was in the house but away from my desk. I would have voted no.

Muñoz

When Record No. 144 was taken, I was shown voting yes. I intended to vote no.

Price

### **Amendment No. 13 - Vote Reconsidered**

Representative Burrows moved to reconsider the vote by which Amendment No. 13 was adopted by Record No. 142.

The motion to reconsider prevailed by (Record 145): 81 Yeas, 49 Nays, 1 Present, not voting.

Yeas — Anderson, C.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Coleman; Cook; Cosper; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gooden; Hefner; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; King, T.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Oliverson; Paddie; Parker; Phelan; Phillips; Price; Raney; Raymond; Rinaldi; Roberts; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Smithee; Springer; Stephenson; Stickland; Swanson; Tinderholt; VanDeaver; Villalba; White; Workman; Wray; Zedler; Zerwas.

Nays — Allen; Alonzo; Alvarado; Anchia; Anderson, R.; Arévalo; Bernal; Blanco; Capriglione; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dutton; Farrar; Giddings; Gonzales; González; Guerra; Guillen; Gutierrez; Hernandez; Hinojosa; Holland; Howard; Johnson, E.; Johnson, J.; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Ortega; Pickett; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Simmons; Stucky; Thompson, E.; Thompson, S.; Turner; Uresti; Wu.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Canales; Dukes; Gervin-Hawkins; Huberty; Israel; Laubenberg; Longoria; Paul; Perez; Thierry; Vo; Wilson.

### STATEMENTS OF VOTE

When Record No. 145 was taken, I was in the house but away from my desk. I would have voted no.

Dukes

When Record No. 145 was taken, I was in the house but away from my desk. I would have voted yes.

Paul

Amendment No. 13 failed of adoption by (Record 146): 58 Yeas, 81 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Anderson, R.; Arévalo; Bernal; Blanco; Canales; Capriglione; Collier; Cortez; Craddick; Davis, Y.; Deshotel; Dukes; Dutton; Farrar; Gervin-Hawkins; Giddings; Goldman; Gonzales; González; Guerra; Guillen; Gutierrez; Hernandez; Hinojosa; Holland; Howard; Israel; Johnson, E.; Johnson, J.; Krause; Landgraf; Larson; Longoria; Lucio; Martinez; Muñoz; Neave; Nevárez; Ortega; Parker; Pickett; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Sanford; Simmons; Stucky; Thompson, S.; Turner; Uresti; Vo; Wu.

Nays — Anderson, C.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Coleman; Cook; Cospier; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Gooden; Hefner; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; King, T.; Klick; Koop; Kuempel; Lambert; Lang; Laubenberg; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Oliveira; Oliverson; Paddie; Phelan; Phillips; Price; Raney; Raymond; Rinaldi; Roberts; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Smithee; Springer; Stephenson; Stickland; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Wilson; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Paul; Perez; Thierry.

### STATEMENTS OF VOTE

When Record No. 146 was taken, I was in the house but away from my desk. I would have voted no.

Paul

When Record No. 146 was taken, I was in the house but away from my desk. I would have voted yes.

Perez



When Record No. 146 was taken, I was shown voting no. I intended to vote yes.

E. Thompson

### **Amendment No. 16**

Representative Phillips offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 23.51(7), Tax Code, is amended to read as follows:

(7) "Wildlife management" means:

(A) actively using land in a manner that meets the standards developed under Section 23.521 [~~that at the time the wildlife management use began was appraised as qualified open space land under this subchapter or as qualified timber land under Subchapter E~~] in at least three of the following ways to propagate a sustaining breeding, migrating, or wintering population of indigenous wild animals for human use, including food, medicine, or recreation:

- (i) habitat control;
- (ii) erosion control;
- (iii) predator control;
- (iv) providing supplemental supplies of water;
- (v) providing supplemental supplies of food;
- (vi) providing shelters; and
- (vii) making of census counts to determine population;

(B) actively using land to protect federally listed endangered species under a federal permit if the land is:

- (i) included in a habitat preserve and is subject to a conservation easement created under Chapter 183, Natural Resources Code; or
- (ii) part of a conservation development under a federally approved habitat conservation plan that restricts the use of the land to protect federally listed endangered species; or

(C) actively using land for a conservation or restoration project to provide compensation for natural resource damages pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Section 9601 et seq.), the Oil Pollution Act of 1990 (33 U.S.C. Section 2701 et seq.), the Federal Water Pollution Control Act (33 U.S.C. Section 1251 et seq.), or Chapter 40, Natural Resources Code.

SECTION \_\_\_\_\_. Section 23.52(g), Tax Code, is amended to read as follows:

(g) The category of land that qualifies under Section 23.51(7) is the native pasture category [~~of the land under this subchapter or Subchapter E, as applicable, before the wildlife management use began~~].

SECTION \_\_\_\_\_. Sections 23.51(7) and 23.52(g), Tax Code, as amended by this Act, apply only to the appraisal of land for ad valorem tax purposes for a tax year that begins on or after January 1, 2020.

Amendment No. 16 was withdrawn.

**Amendment No. 17**

Representative Gutierrez offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Section 1.12(d), Tax Code, is amended to read as follows:

(d) For purposes of this section, the appraisal ratio of real property [~~a homestead~~] to which Section 23.23 applies is the ratio of the property's market value as determined by the appraisal district or appraisal review board, as applicable, to the market value of the property according to law. The appraisal ratio is not calculated according to the appraised value of the property as limited by Section 23.23.

(b) The heading to Section 23.23, Tax Code, is amended to read as follows:

Sec. 23.23. LIMITATION ON APPRAISED VALUE OF REAL PROPERTY [RESIDENCE HOMESTEAD].

(c) Section 23.23, Tax Code, is amended by amending Subsections (a), (b), (c), and (e) and adding Subsections (c-1), (c-2), and (c-3) to read as follows:

(a) Notwithstanding the requirements of Section 25.18 and regardless of whether the appraisal office has appraised the property and determined the market value of the property for the tax year, an appraisal office may increase the appraised value of real property [~~a residence homestead~~] for a tax year to an amount not to exceed the lesser of:

(1) the market value of the property for the most recent tax year that the market value was determined by the appraisal office; or

(2) the sum of:

(A) 10 percent of the appraised value of the property for the preceding tax year;

(B) the appraised value of the property for the preceding tax year;

and

(C) the market value of all new improvements to the property.

(b) When appraising real property [~~a residence homestead~~], the chief appraiser shall:

(1) appraise the property at its market value; and

(2) include in the appraisal records both the market value of the property and the amount computed under Subsection (a)(2).

(c) The limitation provided by Subsection (a) takes effect on January 1 of the tax year following the first tax year in which the owner owns the property on January 1, or, if the property qualifies as the [to a] residence homestead of the owner under Section 11.13 in the tax year in which the owner acquires the property, the limitation takes effect on January 1 of the tax year following that

~~[the first]~~ tax year ~~[the owner qualifies the property for an exemption under Section 11.13]~~. Except as provided by Subsection (c-1) or (c-2), the ~~[The]~~ limitation expires on January 1 of the first tax year following the year in which ~~[that neither]~~ the owner of the property ceases to own the property.

(c-1) If property subject to a limitation under this section qualifies for an exemption under Section 11.13 when the ownership of the property is transferred to the owner's spouse or surviving spouse, the limitation expires on January 1 of the first tax year following the year in which [when the limitation took effect nor] the owner's spouse or surviving spouse ceases to own the property, unless the limitation is further continued under this subsection on the subsequent transfer to a spouse or surviving spouse [qualifies for an exemption under Section 11.13].

(c-2) If property subject to a limitation under Subsection (a), other than a residence homestead, is owned by two or more persons, the limitation expires on January 1 of the first tax year following the year in which the ownership of at least a 50 percent interest in the property is sold or otherwise transferred.

(c-3) For purposes of applying the limitation provided by this section in the first tax year after the 2017 tax year in which the property is appraised for taxation:

(1) the property is considered to have been appraised for taxation in the 2017 tax year at a market value equal to the appraised value of the property for that tax year;

(2) a person who acquired real property in a tax year before the 2017 tax year is considered to have acquired the property on January 1, 2017; and

(3) a person who qualified the property for an exemption under Section 11.13 as the person's residence homestead for any portion of the 2017 tax year is considered to have acquired the property in the 2017 tax year.

(e) In this section, "new improvement" means an improvement to real property [a residence homestead] made after the most recent appraisal of the property that increases the market value of the property and the value of which is not included in the appraised value of the property for the preceding tax year. The term does not include repairs to or ordinary maintenance of an existing structure or the grounds or another feature of the property.

(d) Section 42.26(d), Tax Code, is amended to read as follows:

(d) For purposes of this section, the value of the property subject to the suit and the value of a comparable property or sample property that is used for comparison must be the market value determined by the appraisal district when the property is [a residence homestead] subject to the limitation on appraised value imposed by Section 23.23.

(e) Sections 403.302(d) and (i), Government Code, are amended to read as follows:

(d) For the purposes of this section, "taxable value" means the market value of all taxable property less:

(1) the total dollar amount of any residence homestead exemptions lawfully granted under Section 11.13(b) or (c), Tax Code, in the year that is the subject of the study for each school district;

(2) one-half of the total dollar amount of any residence homestead exemptions granted under Section 11.13(n), Tax Code, in the year that is the subject of the study for each school district;

(3) the total dollar amount of any exemptions granted before May 31, 1993, within a reinvestment zone under agreements authorized by Chapter 312, Tax Code;

(4) subject to Subsection (e), the total dollar amount of any captured appraised value of property that:

(A) is within a reinvestment zone created on or before May 31, 1999, or is proposed to be included within the boundaries of a reinvestment zone as the boundaries of the zone and the proposed portion of tax increment paid into the tax increment fund by a school district are described in a written notification provided by the municipality or the board of directors of the zone to the governing bodies of the other taxing units in the manner provided by former Section 311.003(e), Tax Code, before May 31, 1999, and within the boundaries of the zone as those boundaries existed on September 1, 1999, including subsequent improvements to the property regardless of when made;

(B) generates taxes paid into a tax increment fund created under Chapter 311, Tax Code, under a reinvestment zone financing plan approved under Section 311.011(d), Tax Code, on or before September 1, 1999; and

(C) is eligible for tax increment financing under Chapter 311, Tax Code;

(5) the total dollar amount of any captured appraised value of property that:

(A) is within a reinvestment zone:

(i) created on or before December 31, 2008, by a municipality with a population of less than 18,000; and

(ii) the project plan for which includes the alteration, remodeling, repair, or reconstruction of a structure that is included on the National Register of Historic Places and requires that a portion of the tax increment of the zone be used for the improvement or construction of related facilities or for affordable housing;

(B) generates school district taxes that are paid into a tax increment fund created under Chapter 311, Tax Code; and

(C) is eligible for tax increment financing under Chapter 311, Tax Code;

(6) the total dollar amount of any exemptions granted under Section 11.251 or 11.253, Tax Code;

(7) the difference between the comptroller's estimate of the market value and the productivity value of land that qualifies for appraisal on the basis of its productive capacity, except that the productivity value estimated by the comptroller may not exceed the fair market value of the land;

(8) the portion of the appraised value of residence homesteads of individuals who receive a tax limitation under Section 11.26, Tax Code, on which school district taxes are not imposed in the year that is the subject of the study, calculated as if the residence homesteads were appraised at the full value required by law;

(9) a portion of the market value of property not otherwise fully taxable by the district at market value because of:

(A) action required by statute or the constitution of this state, other than Section 11.311, Tax Code, that, if the tax rate adopted by the district is applied to it, produces an amount equal to the difference between the tax that the district would have imposed on the property if the property were fully taxable at market value and the tax that the district is actually authorized to impose on the property, if this subsection does not otherwise require that portion to be deducted; or

(B) action taken by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter;

(10) the market value of all tangible personal property, other than manufactured homes, owned by a family or individual and not held or used for the production of income;

(11) the appraised value of property the collection of delinquent taxes on which is deferred under Section 33.06, Tax Code;

(12) the portion of the appraised value of property the collection of delinquent taxes on which is deferred under Section 33.065, Tax Code; and

(13) the amount by which the market value of real property [~~a residence homestead~~] to which Section 23.23, Tax Code, applies exceeds the appraised value of that property as calculated under that section.

(i) If the comptroller determines in the study that the market value of property in a school district as determined by the appraisal district that appraises property for the school district, less the total of the amounts and values listed in Subsection (d) as determined by that appraisal district, is valid, the comptroller, in determining the taxable value of property in the school district under Subsection (d), shall for purposes of Subsection (d)(13) subtract from the market value as determined by the appraisal district of properties [~~residence homesteads~~] to which Section 23.23, Tax Code, applies the amount by which that amount exceeds the appraised value of those properties as calculated by the appraisal district under Section 23.23, Tax Code. If the comptroller determines in the study that the market value of property in a school district as determined by the appraisal district that appraises property for the school district, less the total of the amounts and values listed in Subsection (d) as determined by that appraisal district, is not valid, the comptroller, in determining the taxable value of property in the school district under Subsection (d), shall for purposes of Subsection (d)(13) subtract from the market value as estimated by the comptroller of properties [~~residence homesteads~~] to which Section 23.23, Tax Code, applies the amount by which that amount exceeds the appraised value of those properties as calculated by the appraisal district under Section 23.23, Tax Code.

(f) This section applies only to the appraisal for ad valorem tax purposes of real property for a tax year that begins on or after January 1, 2018.

Representative D. Bonnen moved to table Amendment No. 17.

The motion to table prevailed by (Record 147): 76 Yeas, 58 Nays, 1 Present, not voting.

Yeas — Allen; Anderson, C.; Anderson, R.; Ashby; Bailes; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Capriglione; Coleman; Cook; Cyrier; Dale; Darby; Dean; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Guerra; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; King, K.; King, P.; King, T.; Klick; Koop; Kuempel; Lambert; Landgraf; Laubenberg; Lozano; Meyer; Miller; Morrison; Murr; Oliveira; Oliverson; Paddie; Paul; Perez; Phelan; Pickett; Price; Raney; Raymond; Roberts; Schubert; Sheffield; Shine; Smithee; Stucky; Swanson; Thompson, E.; VanDeaver; Villalba; Wilson; Workman; Wray; Zedler; Zerwas.

Nays — Alonzo; Alvarado; Anchia; Arévalo; Bell; Bernal; Blanco; Canales; Collier; Cortez; Coper; Craddick; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Elkins; Gervin-Hawkins; Giddings; González; Guillen; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; Keough; Krause; Lang; Larson; Longoria; Lucio; Muñoz; Neave; Nevárez; Ortega; Parker; Reynolds; Rinaldi; Rodriguez, J.; Romero; Rose; Sanford; Schaefer; Simmons; Springer; Stephenson; Stickland; Thompson, S.; Tinderholt; Turner; Uresti; Vo; White; Wu.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Farrar; Martinez; Metcalf; Phillips; Rodriguez, E.; Schofield; Shaheen; Thierry.

### STATEMENTS OF VOTE

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

Allen

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

C. Anderson

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

Bohac

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

Cain

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

Guerra

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

P. King

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

Miller

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

Perez

When Record No. 147 was taken, I was in the house but away from my desk. I would have voted no.

E. Rodriguez

When Record No. 147 was taken, I was shown voting no. I intended to vote yes.

Springer

When Record No. 147 was taken, I was shown voting no. I intended to vote yes.

Stephenson

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

Swanson

When Record No. 147 was taken, I was shown voting yes. I intended to vote no.

Wilson

**Amendment No. 18**

Representative Isaac offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 26.05(b), Tax Code, is amended to read as follows:

(b) A taxing unit may not impose property taxes in any year until the governing body has adopted a tax rate for that year, and the annual tax rate must be set by ordinance, resolution, or order, depending on the method prescribed by law for adoption of a law by the governing body. The vote on the ordinance, resolution, or order setting the tax rate must be separate from the vote adopting

the budget. For a taxing unit other than a school district, the vote on the ordinance, resolution, or order setting a tax rate that exceeds the effective tax rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. For a school district, the vote on the ordinance, resolution, or order setting a tax rate that exceeds the sum of the effective maintenance and operations tax rate of the district as determined under Section 26.08(i) and the district's current debt rate must be a record vote, and at least 60 percent of the members of the governing body must vote in favor of the ordinance, resolution, or order. A motion to adopt an ordinance, resolution, or order setting a tax rate that exceeds the effective tax rate must be made in the following form: "I move that ~~the property tax rate be increased by the adoption of~~ a tax rate of (specify tax rate) be adopted, which will (insert "increase" or "decrease," as applicable) the total amount of property taxes imposed by the (insert name of taxing unit) by [is effectively a] (insert dollar amount equal to the difference between last year's levy and the amount computed by multiplying the proposed tax rate by the total taxable value of property taxable by the taxing unit) and will (insert "increase" or "decrease," as applicable) the property taxes imposed by the (insert name of taxing unit) on the average residence homestead by (insert difference between amount of taxes imposed by the taxing unit in the preceding tax year on a residence homestead appraised at the average taxable value for a residence homestead in the taxing unit, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older, and amount of taxes that would be imposed by the taxing unit in the current tax year on a residence homestead appraised at the average taxable value for a residence homestead in the taxing unit, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older, if the governing body were to adopt the proposed tax rate) [percentage by which the proposed tax rate exceeds the effective tax rate) percent increase in the tax rate]." If the ordinance, resolution, or order sets a tax rate that, if applied to the total taxable value, will impose an amount of taxes to fund maintenance and operation expenditures of the taxing unit that exceeds the amount of taxes imposed for that purpose in the preceding year, the taxing unit must:

(1) include in the ordinance, resolution, or order in type larger than the type used in any other portion of the document:

(A) the following statement: "THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE."; and

(B) if the tax rate exceeds the effective maintenance and operations rate, the following statement: "THE TAX RATE WILL ~~EFFECTIVELY BE RAISED BY (INSERT PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL~~ RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$(Insert amount)."; and



(2) include on the home page of any Internet website operated by the unit:

(A) the following statement: "(Insert name of unit) ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE"; and

(B) if the tax rate exceeds the effective maintenance and operations rate, the following statement: "THE TAX RATE WILL ~~[EFFECTIVELY BE RAISED BY (INSERT PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL]~~ RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$(Insert amount)."

Amendment No. 18 failed of adoption.

### **Amendment No. 19**

Representative Howard offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by striking SECTION 21 of the bill (page 28, line 13) and substituting the following appropriately numbered SECTION:

SECTION \_\_\_\_\_. (a) Except as otherwise provided by this section, this Act takes effect January 1, 2018.

(b) This Act takes effect only if the comptroller of public accounts, on or before December 1, 2017, certifies that the legislature has provided state funding for an efficient system of free public schools for the 2018-2019 school year in an amount that constitutes at least 50 percent of the cost of maintaining and operating that system.

(c) Not later than December 1, 2017, the comptroller shall determine whether the legislature has provided the funding described by Subsection (b) of this section, and, if the comptroller determines that the legislature has done so, shall certify that determination as provided by Subsection (b).

(d) This subsection and Subsections (b) and (c) of this section take effect on the 91st day after the last day of the legislative session at which this Act is enacted.

Amendment No. 19 failed of adoption by (Record 148): 47 Yeas, 93 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dukes; Dutton; Gervin-Hawkins; Giddings; González; Guerra; Guillen; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; King, T.; Longoria; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Ortega; Perez; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Thompson, S.; Turner; Uresti; Vo; White; Wu.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Cook; Cosper; Craddick; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman;

Gonzales; Gooden; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Pickett; Price; Raney; Raymond; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; Wilson; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Farrar; Thierry.

### **Amendment No. 20**

Representative Howard offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Section 31.01, Tax Code, is amended by adding Subsections (d-2) and (d-3) to read as follows:

(d-2) This subsection applies only to a school district. In addition to any other information required by this section, the tax bill or the separate statement shall:

(1) state the percentage of the total cost of public primary and secondary education in this state that is paid by the state;

(2) state the percentage of the total cost of public primary and secondary education in this state that is paid by school districts; and

(3) include a statement in substantially the following form:

"This year, the state budget directs the commissioner of education to make allocations to school districts based on an estimated increase of \_\_\_\_ percent (insert percentage increase in property value for the applicable tax year as contained in the Foundation School Program Funding rider in the bill pattern of the appropriations to the Texas Education Agency in the General Appropriations Act for the applicable tax year) in local property value for the tax year."

(d-3) The comptroller of public accounts shall provide each school district with the information required for purposes of Subsection (d-2) not later than August 1 of each year.

(b) Section 31.01, Tax Code, as amended by this Act, applies only to a bill for ad valorem taxes imposed for a tax year beginning on or after January 1, 2018. A bill for ad valorem taxes imposed for a tax year beginning before January 1, 2018, is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

Amendment No. 20 failed of adoption by (Record 149): 47 Yeas, 90 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Davis, S.; Davis, Y.; Dukes; Dutton; Gervin-Hawkins; Giddings; González; Guerra; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; King, T.; Longoria; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Ortega; Perez; Pickett; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Thompson, S.; Turner; Uresti; Vo; White; Wu.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Cook; Cospere; Craddick; Cyrier; Dale; Darby; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Hefner; Holland; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Price; Raney; Raymond; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; Wilson; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Deshotel; Farrar; Guillen; Huberty; Thierry.

### STATEMENT OF VOTE

When Record No. 149 was taken, my vote failed to register. I would have voted yes.

Guillen

### Amendment No. 21

Representative Dukes offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Chapter 26, Tax Code, is amended by adding Section 26.0442 to read as follows:

Sec. 26.0442. TAX RATE ADJUSTMENT FOR PUBLIC SAFETY CRISIS EXPENDITURES. (a) In this section, "public safety crisis expenditures" for a tax year means the amount of expenditures made by a taxing unit in the period beginning on July 1 of the year preceding the tax year for which the tax is adopted and ending on June 30 of the tax year for which the tax is adopted on costs to combat acts of terrorism, riots, hate crimes, and other similar occurrences.

(b) If a taxing unit's public safety crisis expenditures exceed the amount of those expenditures for the preceding year, the effective maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

(Current Tax Year's Public Safety Crisis Expenditures - Preceding Tax Year's Public Safety Crisis Expenditures) / (Current Total Value - New Property Value)

(c) The taxing unit shall include a notice of the increase in the effective maintenance and operations rate provided by this section, including a description and amount of public safety crisis expenditures, in the information published under Section 26.04(e) and, if applicable, Section 26.06(b).

SECTION \_\_\_\_\_. Section 26.0442, Tax Code, as added by this Act, applies to the effective maintenance and operations rate of a taxing unit beginning with the 2018 tax year.

Amendment No. 21 failed of adoption by (Record 150): 46 Yeas, 94 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dukes; Dutton; Farrar; Gervin-Hawkins; Giddings; González; Guerra; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; King, T.; Longoria; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Ortega; Perez; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Thompson, S.; Turner; Uresti; Vo; Wu.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Cook; Cosper; Craddick; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Guillen; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Price; Raney; Raymond; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Wilson; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Pickett; Thierry.

### **Amendment No. 22**

Representative Hinojosa offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) as follows:

(1) Strike SECTIONS 1 and 2 of the bill (page 1, line 6, through page 3, line 5).

(1-a) On page 3, line 7, strike "and adding Subsection (c-1)".

(2) On page 3, strike lines 17 through 27 and substitute the following:

and

ROLLBACK TAX RATE = (EFFECTIVE MAINTENANCE AND OPERATIONS RATE x 1.08) + CURRENT DEBT RATE - SALES TAX GAIN RATE

(3) On page 4, line 9, strike "applicable".

(4) On page 4, strike lines 11 through 21 and substitute the following:

ROLLBACK TAX RATE = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) / (~~[TOTAL]~~ CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + (CURRENT DEBT RATE - SALES TAX REVENUE RATE)

(5) On page 5, strike lines 11 through 23 and substitute the following:

and

ROLLBACK TAX RATE = [(LAST YEAR'S MAINTENANCE AND OPERATIONS EXPENSE x 1.08) / (~~[TOTAL]~~ CURRENT TOTAL VALUE - NEW PROPERTY VALUE)] + CURRENT DEBT RATE

(6) On page 6, strike lines 4 through 21.

(7) Strike SECTIONS 5 and 6 of the bill (page 6, line 26, through page 7, line 11).

(8) On page 7, lines 14 and 15, strike "OF TAXING UNIT OTHER THAN SMALL TAXING UNIT".

(9) On page 7, lines 19 and 20, strike "other than a small taxing unit".

(10) On page 10, line 10, between "that" and "Section", insert "former".

(11) On page 11, strike lines 15 through 23 and substitute the following:

"The rollback tax rate is the highest tax rate a taxing unit may adopt before requiring voter approval at an election. An ~~[In the case of a taxing unit other than a school district, the voters by petition may require that a rollback election be held if the unit adopts a tax rate in excess of the unit's rollback tax rate. In the case of a school district, an]~~ election will automatically be held if a taxing unit ~~[the district]~~ wishes to adopt a tax rate in excess of the unit's ~~[district's]~~ rollback tax rate."

(12) Strike SECTIONS 10 and 11 of the bill (page 11, line 24, through page 13, line 19) and substitute the following appropriately numbered SECTIONS:

SECTION \_\_\_\_\_. Sections 31.12(a) and (b), Tax Code, as amended by **SB 2242**, Acts of the 85th Legislature, Regular Session, 2017, are amended to read as follows:

(a) If a refund of a tax provided by Section 11.431(b), 26.08(d-2) ~~[26.07(e)]~~, 26.15(f), 31.11, 31.111, or 31.112 is paid on or before the 60th day after the date the liability for the refund arises, no interest is due on the amount refunded. If not paid on or before that 60th day, the amount of the tax to be refunded accrues interest at a rate of one percent for each month or part of a month that the refund is unpaid, beginning with the date on which the liability for the refund arises.

(b) For purposes of this section, liability for a refund arises:

(1) if the refund is required by Section 11.431(b), on the date the chief appraiser notifies the collector for the unit of the approval of the late homestead exemption;

(2) if the refund is required by Section 26.08(d-2) ~~[26.07(e)]~~, on the date the subsequent tax rate is adopted ~~[results of the election to reduce the tax rate are certified]~~;

(3) if the refund is required by Section 26.15(f):

(A) for a correction to the tax roll made under Section 26.15(b), on the date the change in the tax roll is certified to the assessor for the taxing unit under Section 25.25; or

(B) for a correction to the tax roll made under Section 26.15(c), on the date the change in the tax roll is ordered by the governing body of the taxing unit;

(4) if the refund is required by Section 31.11, on the date the auditor for the taxing unit determines that the payment was erroneous or excessive or, if the amount of the refund exceeds the applicable amount specified by Section 31.11(a), on the date the governing body of the unit approves the refund;

(5) if the refund is required by Section 31.111, on the date the collector for the taxing unit determines that the payment was erroneous; or

(6) if the refund is required by Section 31.112, on the date required by Section 31.112(d) or (e), as applicable.

SECTION \_\_\_\_\_. Section 33.08(b), Tax Code, is amended to read as follows:

(b) The governing body of the taxing unit or appraisal district, in the manner required by law for official action, may provide that taxes that become delinquent on or after June 1 under Section 26.08(d-1) ~~[26.07(f)]~~, 26.15(e), 31.03, 31.031, 31.032, 31.04, or 42.42 incur an additional penalty to defray costs of collection. The amount of the penalty may not exceed the amount of the compensation specified in the applicable contract with an attorney under Section 6.30 to be paid in connection with the collection of the delinquent taxes.

(13) On page 14, line 12, strike "26.07 or 26.08, Tax Code, as applicable" and substitute "26.08 ~~[26.07]~~, Tax Code".

(14) Strike SECTIONS 13 and 14 of the bill (page 14, line 13, through page 19, line 21) and substitute the following appropriately numbered SECTIONS:

SECTION \_\_\_\_\_. Sections 281.124(d) and (e), Health and Safety Code, are amended to read as follows:

(d) If a majority of the votes cast in the election favor the proposition, the tax rate for the specified tax year is the rate approved by the voters, and that rate is not subject to ~~[a rollback election under]~~ Section 26.08 ~~[26.07]~~, Tax Code. The board shall adopt the tax rate as provided by Chapter 26, Tax Code.

(e) If the proposition is not approved as provided by Subsection (c), the board may not adopt a tax rate for the district for the specified tax year that exceeds the rate that was not approved, and Section 26.08 ~~[26.07]~~, Tax Code, applies to the adopted rate if that rate exceeds the district's rollback tax rate.

SECTION \_\_\_\_\_. Section 140.010(e), Local Government Code, is amended to read as follows:

(e) A county or municipality that proposes a property tax rate that exceeds the lower of the effective tax rate or the rollback tax rate shall provide the following notice:

"NOTICE OF (INSERT CURRENT TAX YEAR) TAX YEAR PROPOSED  
PROPERTY TAX RATE FOR (INSERT NAME OF COUNTY OR  
MUNICIPALITY)

"A tax rate of \$ \_\_\_\_ per \$100 valuation has been proposed for adoption by the governing body of (insert name of county or municipality). This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate. The governing body of (insert name of county or municipality) proposes to use revenue attributable to the tax rate increase for the purpose of (description of purpose of increase).

PROPOSED TAX RATE	\$ ____ per \$100
PRECEDING YEAR'S TAX RATE	\$ ____ per \$100
EFFECTIVE TAX RATE	\$ ____ per \$100
ROLLBACK TAX RATE	\$ ____ per \$100

"The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for (insert name of county or municipality) from the same properties in both the (insert preceding tax year) tax year and the (insert current tax year) tax year.

"The rollback tax rate is the highest tax rate that (insert name of county or municipality) may adopt before the (insert "county" or "city") is required to hold ~~[voters are entitled to petition for]~~ an election to limit the rate that may be approved to the rollback rate.

"YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE  
CALCULATED AS FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

"For assistance or detailed information about tax calculations, please contact:

- (insert name of county or municipal tax assessor-collector)
- (insert name of county or municipality) tax assessor-collector
- (insert address)
- (insert telephone number)
- (insert e-mail address)
- (insert Internet website address, if applicable)

"You are urged to attend and express your views at the following public hearings on the proposed tax rate:

- First Hearing: (insert date and time) at (insert location of meeting).
- Second Hearing: (insert date and time) at (insert location of meeting)."

(15) Add the following appropriately numbered SECTION to the bill:

SECTION \_\_\_\_ . Section 1101.254(f), Special District Local Laws Code, is amended to read as follows:

(f) This section does not affect the applicability of ~~[any rights district voters may have to petition for an election under]~~ Section 26.08 ~~[26.07]~~, Tax Code, to the district's tax rate, except that if district voters approve a tax rate increase under this section, ~~[the voters may not petition for an election under]~~ Section 26.08 ~~[26.07]~~, Tax Code, does not apply ~~[as]~~ to the tax rate for that year.

(16) Strike SECTIONS 15 and 16 of the bill (page 19, line 22, through page 20, line 22) and substitute the following appropriately numbered SECTION:

SECTION \_\_\_\_\_. Sections 1122.2522, 3828.157, and 8876.152, Special District Local Laws Code, are amended to read as follows:

Sec. 1122.2522. ROLLBACK TAX RATE PROVISIONS APPLICABLE. ~~[(a)]~~ If in any year the board adopts a tax rate that exceeds the rollback tax rate calculated as provided by Chapter 26, Tax Code, ~~[the qualified voters of the district by petition may require that]~~ an election under Section 26.08 of that code must be held to determine whether or not to approve ~~[reduce]~~ the tax rate adopted by the board for that year ~~[to the rollback tax rate]~~.

~~[(b) To the extent a conflict exists between this section and a provision of the Tax Code, the provision of the Tax Code prevails.]~~

Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE PROVISIONS. Sections 26.04, 26.05, and 26.08 ~~[26.07]~~, Tax Code, do not apply to a tax imposed under Section 3828.153 or 3828.156.

Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS. (a) Sections 26.04, 26.05, 26.06, and 26.08 ~~[26.07]~~, Tax Code, do not apply to a tax imposed by the district.

(b) ~~Sections 49.236(a)(1) and (2) and (b) [Section 49.236], Water Code, apply [as added by Chapter 248 (HB 1541), Acts of the 78th Legislature, Regular Session, 2003, applies] to the district.~~

(17) On page 20, line 25, strike "~~and~~ 26.07, and 26.08," and substitute "and 26.08 ~~[26.07]~~,".

(18) On page 21, line 4, strike "~~and~~ 26.07, and 26.08," and substitute "and 26.08 ~~[26.07]~~,".

(19) Strike SECTION 19 of the bill (page 21, line 7, through page 28, line 7) and substitute the following appropriately numbered SECTION:

SECTION \_\_\_\_\_. Section 49.236, Water Code, as added by Chapter 335 (SB 392), Acts of the 78th Legislature, Regular Session, 2003, is amended by amending Subsections (a) and (d) to read as follows:

(a) Before the board adopts an ad valorem tax rate for the district for debt service, operation and maintenance purposes, or contract purposes, the board shall give notice of each meeting of the board at which the adoption of a tax rate will be considered. The notice must:

(1) contain a statement in substantially the following form:

"NOTICE OF PUBLIC HEARING ON TAX RATE

"The (name of the district) will hold a public hearing on a proposed tax rate for the tax year (year of tax levy) on (date and time) at (meeting place). Your individual taxes may increase or decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.

"(Names of all board members and, if a vote was taken, an indication of how each voted on the proposed tax rate and an indication of any absences.);"

(2) contain the following information:

(A) the district's total adopted tax rate for the preceding year and the proposed tax rate, expressed as an amount per \$100;



(B) the difference, expressed as an amount per \$100 and as a percent increase or decrease, as applicable, in the proposed tax rate compared to the adopted tax rate for the preceding year;

(C) the average appraised value of a residence homestead in the district in the preceding year and in the current year; the district's total homestead exemption, other than an exemption available only to disabled persons or persons 65 years of age or older, applicable to that appraised value in each of those years; and the average taxable value of a residence homestead in the district in each of those years, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(D) the amount of tax that would have been imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older;

(E) the amount of tax that would be imposed by the district in the current year on a residence homestead appraised at the average appraised value of a residence homestead in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, if the proposed tax rate is adopted; ~~and~~

(F) the difference between the amounts of tax calculated under Paragraphs (D) and (E), expressed in dollars and cents and described as the annual percentage increase or decrease, as applicable, in the tax to be imposed by the district on the average residence homestead in the district in the current year if the proposed tax rate is adopted; and

(G) if the proposed combined debt service, operation and maintenance, and contract tax rate would require an election in the district to approve the tax rate, a description of the purpose of the proposed tax increase; and

(3) contain a statement in substantially the following form:

"NOTICE OF VOTE ON TAX RATE ~~[TAXPAYERS' RIGHT TO ROLLBACK ELECTION]~~

"If taxes on the average residence homestead increase by more than eight percent, ~~[the qualified voters of the district by petition may require that]~~ an election must be held to determine whether to approve ~~[reduce]~~ the ~~[operation and maintenance]~~ tax rate ~~[to the rollback tax rate]~~ under Section 49.236(d), Water Code."

(d) If the board ~~[governing body]~~ of a district adopts a combined debt service, operation and maintenance, and contract tax rate that would impose more than 1.08 times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, ~~[the qualified voters of the district by petition may require that]~~ an election must be held to determine whether ~~[or not]~~ to approve ~~[reduce]~~ the tax rate adopted for the current year ~~[to the rollback tax rate]~~ in accordance with the procedures provided

by Sections ~~26.08(b)-(d)~~ [~~26.07(b)-(g)~~ and ~~26.081~~], Tax Code. For purposes of Sections 26.08(b)-(d), Tax Code, [~~26.07(b)-(g)~~] and this subsection, the rollback tax rate of a district is the sum of the following tax rates:

(1) the current year's debt service tax rate;  
 (2) the current year's [~~and~~] contract tax rate; and  
 (3) [~~rates plus~~] the operation and maintenance tax rate that would impose 1.08 times the amount of the operation and maintenance tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older.

(20) On page 28, between lines 8 and 9, insert the following:

(1) Section 26.07, Tax Code;

(2) Section 1063.255, Special District Local Laws Code;

(21) On page 28, line 9, strike "(1)" and substitute "(3)".

(22) On page 28, line 12, strike "(2)" and substitute "(4)".

(23) Add the following appropriately numbered SECTION to the bill:

SECTION \_\_\_\_\_. (a) Chapter 26, Tax Code, is amended by adding Section 26.095 to read as follows:

Sec. 26.095. CALCULATION OF 2018 SCHOOL DISTRICT TAXES. (a) The amount of tax imposed by a school district for the 2018 tax year is the tax determined under this section. Notwithstanding Section 26.09, the assessor for a school district shall enter on the appraisal roll for the school district for the 2018 tax year the amount of tax determined by:

(1) subtracting from the amount determined as provided by Section 26.09(c) the amount of \$105; and

(2) adding any amount of tax due for a prior year determined as provided by Section 26.09(d).

(b) If the amount determined under Subsection (a) is a negative number, the assessor shall enter zero on the appraisal roll.

(c) This section does not affect the calculation of the school district's effective tax rate or rollback tax rate for the 2019 tax year. The tax rate adopted by the governing body of the school district for the 2018 tax year for purposes of those calculations is the tax rate adopted under Section 26.05.

(d) For purposes of Sections 41.0932 and 42.2512, Education Code, the difference between the total amount of taxes that would have been imposed by a school district for the 2018 tax year if the tax on each property were determined under Section 26.09 and the total amount of taxes actually imposed for that tax year after application of this section is the reduction in the amount of taxes imposed by the district required by this section.

(e) This section expires January 1, 2021.

(b) Subchapter D, Chapter 41, Education Code, is amended by adding Section 41.0932 to read as follows:

Sec. 41.0932. CREDIT FOR REDUCTION IN TAXES IN 2018-2019 SCHOOL YEAR. (a) For the 2018-2019 school year, the total amount required to be paid by a school district for attendance credits under Section 41.093 is reduced by an amount equal to the reduction in the amount of taxes imposed by the district required by Section 26.095, Tax Code.

(b) The commissioner, using information reported by a school district, shall determine the amount of the district's reduction under this section. A determination by the commissioner under this section is final and may not be appealed.

(c) If the amount of the reduction to which a district is entitled exceeds the total cost for the district to purchase the attendance credits that the district intends to purchase, the district is entitled to state aid equal to the amount by which the amount of the reduction exceeds the total cost to purchase the credits.

(d) This section expires September 1, 2019.

(c) Subchapter E, Chapter 42, Education Code, is amended by adding Section 42.2512 to read as follows:

Sec. 42.2512. ADDITIONAL STATE AID FOR 2018-2019 SCHOOL YEAR. (a) For the 2018-2019 school year, a school district is entitled to state aid in addition to any other aid provided under this chapter in an amount equal to the reduction in the amount of taxes imposed by the district required by Section 26.095, Tax Code.

(b) The commissioner, using information reported by a school district, shall compute the amount of additional state aid to which the district is entitled under this section. A determination by the commissioner under this subsection is final and may not be appealed.

(c) This section expires September 1, 2019.

(d) On December 1, 2017, the amount of \$2 billion is appropriated from the economic stabilization fund to the comptroller of public accounts for immediate deposit to the credit of the foundation school account for the purpose of providing additional state aid to school districts for the 2018-2019 school year.

(e) Subject to Subsection (f) of this section:

(1) this section takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution; and

(2) if this Act does not receive the vote necessary for immediate effect, this section takes effect on the 91st day after the last day of the legislative session.

(f) This section takes effect only if this Act receives a vote of two-thirds of the members present in each house of the legislature, as provided by Section 49-g(m), Article III, Texas Constitution.

(24) On page 28, line 13, strike "This" and substitute "Except as otherwise provided by this Act, this".

(25) Renumber the SECTIONS of the bill accordingly.

Amendment No. 22 failed of adoption by (Record 151): 46 Yeas, 94 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dukes; Dutton; Farrar; Gervin-Hawkins; Giddings; González; Guillen; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; Longoria; Lucio; Martinez; Muñoz; Neave; Oliveira; Ortega; Perez; Pickett; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Thierry; Thompson, S.; Turner; Uresti; Vo; Wu.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Cook; Cosper; Craddick; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Nevárez; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Price; Raney; Raymond; Rinaldi; Roberts; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Wilson; Workman; Wray; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Guerra; King, T.

### **Amendment No. 23**

Representative Gutierrez offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Section 1.12(d), Tax Code, is amended to read as follows:

(d) For purposes of this section, the appraisal ratio of real property [~~a homestead~~] to which Section 23.23 applies is the ratio of the property's market value as determined by the appraisal district or appraisal review board, as applicable, to the market value of the property according to law. The appraisal ratio is not calculated according to the appraised value of the property as limited by Section 23.23.

(b) The heading to Section 23.23, Tax Code, is amended to read as follows:

Sec. 23.23. LIMITATION ON APPRAISED VALUE OF REAL PROPERTY [~~RESIDENCE HOMESTEAD~~].

(c) Section 23.23, Tax Code, is amended by amending Subsections (a), (b), (c), and (e) and adding Subsections (c-1), (c-2), and (c-3) to read as follows:

(a) Notwithstanding the requirements of Section 25.18 and regardless of whether the appraisal office has appraised the property and determined the market value of the property for the tax year, an appraisal office may increase the appraised value of real property [~~a residence homestead~~] for a tax year to an amount not to exceed the lesser of:

(1) the market value of the property for the most recent tax year that the market value was determined by the appraisal office; or

(2) the sum of:

(A) 11 [~~10~~] percent of the appraised value of the property for the preceding tax year;

(B) the appraised value of the property for the preceding tax year; and

(C) the market value of all new improvements to the property.

(b) When appraising real property [~~a residence homestead~~], the chief appraiser shall:

(1) appraise the property at its market value; and

(2) include in the appraisal records both the market value of the property and the amount computed under Subsection (a)(2).

(c) The limitation provided by Subsection (a) takes effect on January 1 of the tax year following the first tax year in which the owner owns the property on January 1, or, if the property qualifies as the ~~to a~~ residence homestead of the owner under Section 11.13 in the tax year in which the owner acquires the property, the limitation takes effect on January 1 of the tax year following that ~~the first~~ tax year ~~[the owner qualifies the property for an exemption under Section 11.13].~~ Except as provided by Subsection (c-1) or (c-2), the ~~[The]~~ limitation expires on January 1 of the first tax year following the year in which ~~that neither~~ the owner of the property ceases to own the property.

(c-1) If property subject to a limitation under this section qualifies for an exemption under Section 11.13 when the ownership of the property is transferred to the owner's spouse or surviving spouse, the limitation expires on January 1 of the first tax year following the year in which ~~when the limitation took effect nor~~ the owner's spouse or surviving spouse ceases to own the property, unless the limitation is further continued under this subsection on the subsequent transfer to a spouse or surviving spouse ~~[qualifies for an exemption under Section 11.13].~~

(c-2) If property subject to a limitation under Subsection (a), other than a residence homestead, is owned by two or more persons, the limitation expires on January 1 of the first tax year following the year in which the ownership of at least a 50 percent interest in the property is sold or otherwise transferred.

(c-3) For purposes of applying the limitation provided by this section in the first tax year after the 2017 tax year in which the property is appraised for taxation:

(1) the property is considered to have been appraised for taxation in the 2017 tax year at a market value equal to the appraised value of the property for that tax year;

(2) a person who acquired real property in a tax year before the 2017 tax year is considered to have acquired the property on January 1, 2017; and

(3) a person who qualified the property for an exemption under Section 11.13 as the person's residence homestead for any portion of the 2017 tax year is considered to have acquired the property in the 2017 tax year.

(e) In this section, "new improvement" means an improvement to real property ~~[a residence homestead]~~ made after the most recent appraisal of the property that increases the market value of the property and the value of which is not included in the appraised value of the property for the preceding tax year. The term does not include repairs to or ordinary maintenance of an existing structure or the grounds or another feature of the property.

(d) Section 42.26(d), Tax Code, is amended to read as follows:

(d) For purposes of this section, the value of the property subject to the suit and the value of a comparable property or sample property that is used for comparison must be the market value determined by the appraisal district when the property is ~~[a residence homestead]~~ subject to the limitation on appraised value imposed by Section 23.23.

(e) Sections 403.302(d) and (i), Government Code, are amended to read as follows:

(d) For the purposes of this section, "taxable value" means the market value of all taxable property less:

(1) the total dollar amount of any residence homestead exemptions lawfully granted under Section 11.13(b) or (c), Tax Code, in the year that is the subject of the study for each school district;

(2) one-half of the total dollar amount of any residence homestead exemptions granted under Section 11.13(n), Tax Code, in the year that is the subject of the study for each school district;

(3) the total dollar amount of any exemptions granted before May 31, 1993, within a reinvestment zone under agreements authorized by Chapter 312, Tax Code;

(4) subject to Subsection (e), the total dollar amount of any captured appraised value of property that:

(A) is within a reinvestment zone created on or before May 31, 1999, or is proposed to be included within the boundaries of a reinvestment zone as the boundaries of the zone and the proposed portion of tax increment paid into the tax increment fund by a school district are described in a written notification provided by the municipality or the board of directors of the zone to the governing bodies of the other taxing units in the manner provided by former Section 311.003(e), Tax Code, before May 31, 1999, and within the boundaries of the zone as those boundaries existed on September 1, 1999, including subsequent improvements to the property regardless of when made;

(B) generates taxes paid into a tax increment fund created under Chapter 311, Tax Code, under a reinvestment zone financing plan approved under Section 311.011(d), Tax Code, on or before September 1, 1999; and

(C) is eligible for tax increment financing under Chapter 311, Tax Code;

(5) the total dollar amount of any captured appraised value of property that:

- (A) is within a reinvestment zone:
- (i) created on or before December 31, 2008, by a municipality with a population of less than 18,000; and
  - (ii) the project plan for which includes the alteration, remodeling, repair, or reconstruction of a structure that is included on the National Register of Historic Places and requires that a portion of the tax increment of the zone be used for the improvement or construction of related facilities or for affordable housing;
- (B) generates school district taxes that are paid into a tax increment fund created under Chapter 311, Tax Code; and
- (C) is eligible for tax increment financing under Chapter 311, Tax Code;
- (6) the total dollar amount of any exemptions granted under Section 11.251 or 11.253, Tax Code;
- (7) the difference between the comptroller's estimate of the market value and the productivity value of land that qualifies for appraisal on the basis of its productive capacity, except that the productivity value estimated by the comptroller may not exceed the fair market value of the land;
- (8) the portion of the appraised value of residence homesteads of individuals who receive a tax limitation under Section 11.26, Tax Code, on which school district taxes are not imposed in the year that is the subject of the study, calculated as if the residence homesteads were appraised at the full value required by law;
- (9) a portion of the market value of property not otherwise fully taxable by the district at market value because of:
- (A) action required by statute or the constitution of this state, other than Section 11.311, Tax Code, that, if the tax rate adopted by the district is applied to it, produces an amount equal to the difference between the tax that the district would have imposed on the property if the property were fully taxable at market value and the tax that the district is actually authorized to impose on the property, if this subsection does not otherwise require that portion to be deducted; or
  - (B) action taken by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter;
- (10) the market value of all tangible personal property, other than manufactured homes, owned by a family or individual and not held or used for the production of income;
- (11) the appraised value of property the collection of delinquent taxes on which is deferred under Section 33.06, Tax Code;
- (12) the portion of the appraised value of property the collection of delinquent taxes on which is deferred under Section 33.065, Tax Code; and
- (13) the amount by which the market value of real property [~~a residence homestead~~] to which Section 23.23, Tax Code, applies exceeds the appraised value of that property as calculated under that section.

(i) If the comptroller determines in the study that the market value of property in a school district as determined by the appraisal district that appraises property for the school district, less the total of the amounts and values listed in Subsection (d) as determined by that appraisal district, is valid, the comptroller, in determining the taxable value of property in the school district under Subsection (d), shall for purposes of Subsection (d)(13) subtract from the market value as determined by the appraisal district of properties [~~residence homesteads~~] to which Section 23.23, Tax Code, applies the amount by which that amount exceeds the appraised value of those properties as calculated by the appraisal district under Section 23.23, Tax Code. If the comptroller determines in the study that the market value of property in a school district as determined by the appraisal district that appraises property for the school district, less the total of the amounts and values listed in Subsection (d) as determined by that appraisal district, is not valid, the comptroller, in determining the taxable value of property in the school district under Subsection (d), shall for purposes of Subsection (d)(13) subtract from the market value as estimated by the comptroller of properties [~~residence homesteads~~] to which Section 23.23, Tax Code, applies the amount by which that amount exceeds the appraised value of those properties as calculated by the appraisal district under Section 23.23, Tax Code.

(f) This section applies only to the appraisal for ad valorem tax purposes of real property for a tax year that begins on or after January 1, 2018.

#### **Amendment No. 24**

Representative Gutierrez offered the following amendment to Amendment No. 23:

Amend Amendment No. 23 by Gutierrez to **CSSB 1** (house committee report) by striking the text of the amendment and substituting the following:

Amend **CSSB 1** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Section 1.12(d), Tax Code, is amended to read as follows:

(d) For purposes of this section, the appraisal ratio of a homestead to which Section 23.23 applies or of commercial or industrial real property to which Section 23.231 applies is the ratio of the property's market value as determined by the appraisal district or appraisal review board, as applicable, to the market value of the property according to law. The appraisal ratio is not calculated according to the appraised value of the property as limited by Section 23.23 or 23.231.

(b) Subchapter B, Chapter 23, Tax Code, is amended by adding Section 23.231 to read as follows:

Sec. 23.231. LIMITATION ON APPRAISED VALUE OF COMMERCIAL OR INDUSTRIAL REAL PROPERTY. (a) In this section, "new improvement" means an improvement to commercial or industrial real property made after the most recent appraisal of the property that increases the market value of the property and the value of which is not included in the appraised value of the



property for the preceding tax year. The term does not include repairs to or ordinary maintenance of an existing structure or the grounds or another feature of the property.

(b) This section does not apply to:

(1) residential property;

(2) a mineral interest; or

(3) property appraised under Subchapter C, D, E, F, G, or H.

(c) Notwithstanding the requirements of Section 25.18 and regardless of whether the appraisal office has appraised the property and determined the market value of the property for the tax year, an appraisal office may increase the appraised value of a parcel of commercial or industrial real property for a tax year to an amount not to exceed the lesser of:

(1) the market value of the property for the most recent tax year that the market value was determined by the appraisal office; or

(2) the sum of:

(A) 11 percent of the appraised value of the property for the preceding tax year;

(B) the appraised value of the property for the preceding tax year;

and

(C) the market value of all new improvements to the property.

(d) When appraising a parcel of commercial or industrial real property, the chief appraiser shall:

(1) appraise the property at its market value; and

(2) include in the appraisal records both the market value of the property and the amount computed under Subsection (c)(2).

(e) The limitation provided by Subsection (c) takes effect as to a parcel of commercial or industrial real property on January 1 of the tax year following the first tax year in which the owner owns the property on January 1 and in which the property qualifies as commercial or industrial real property under this section. Except as provided by Subsection (f), the limitation expires on January 1 of the tax year following the first tax year in which the owner of the property ceases to own the property or the property ceases to qualify as commercial or industrial real property.

(f) If property subject to a limitation under this section is owned by two or more persons, the limitation expires on January 1 of the tax year following the first tax year in which the ownership of at least a 50 percent interest in the property is sold or otherwise transferred.

(g) Notwithstanding Subsections (a) and (c) and except as provided by Subdivision (2) of this subsection, an improvement to property that would otherwise constitute a new improvement is not treated as a new improvement if the improvement is a replacement structure for a structure that was rendered unusable by a casualty or by wind or water damage. For purposes of appraising the property under Subsection (c) in the tax year in which the structure would have constituted a new improvement:

(1) the appraised value the property would have had in the preceding tax year if the casualty or damage had not occurred is considered to be the appraised value of the property for that year, regardless of whether that appraised value exceeds the actual appraised value of the property for that year as limited by Subsection (c); and

(2) the replacement structure is considered to be a new improvement only if:

(A) the square footage of the replacement structure exceeds that of the replaced structure as that structure existed before the casualty or damage occurred; or

(B) the exterior of the replacement structure is of higher quality construction and composition than that of the replaced structure.

(h) In this subsection, "disaster recovery program" means the disaster recovery program administered by the General Land Office that is funded with community development block grant disaster recovery money authorized by the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Pub. L. No. 110-329), and the Consolidated and Further Continuing Appropriations Act, 2012 (Pub. L. No. 112-55). Notwithstanding Subsection (g)(2), and only to the extent necessary to satisfy the requirements of the disaster recovery program, a replacement structure described by that subdivision is not considered to be a new improvement if to satisfy the requirements of the disaster recovery program it was necessary that:

(1) the square footage of the replacement structure exceed that of the replaced structure as that structure existed before the casualty or damage occurred; or

(2) the exterior of the replacement structure be of higher quality construction and composition than that of the replaced structure.

(c) Sections 25.19(b) and (g), Tax Code, are amended to read as follows:

(b) The chief appraiser shall separate real from personal property and include in the notice for each:

(1) a list of the taxing units in which the property is taxable;

(2) the appraised value of the property in the preceding year;

(3) the taxable value of the property in the preceding year for each taxing unit taxing the property;

(4) the appraised value of the property for the current year, the kind and amount of each exemption and partial exemption, if any, approved for the property for the current year and for the preceding year, and, if an exemption or partial exemption that was approved for the preceding year was canceled or reduced for the current year, the amount of the exemption or partial exemption canceled or reduced;

(4-a) a statement of whether the property qualifies for the limitation on appraised value provided by Section 23.231;

(5) if the appraised value is greater than it was in the preceding year, the amount of tax that would be imposed on the property on the basis of the tax rate for the preceding year;

(6) in italic typeface, the following statement: "The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials";

(7) a detailed explanation of the time and procedure for protesting the value;

(8) the date and place the appraisal review board will begin hearing protests; and

(9) a brief explanation that the governing body of each taxing unit decides whether or not taxes on the property will increase and the appraisal district only determines the value of the property.

(g) By April 1 or as soon thereafter as practicable if the property is a single-family residence that qualifies for an exemption under Section 11.13, or by May 1 or as soon thereafter as practicable in connection with any other property, the chief appraiser shall deliver a written notice to the owner of each property not included in a notice required to be delivered under Subsection (a), if the property was reappraised in the current tax year, if the ownership of the property changed during the preceding year, or if the property owner or the agent of a property owner authorized under Section 1.111 makes a written request for the notice. The chief appraiser shall separate real from personal property and include in the notice for each property:

(1) the appraised value of the property in the preceding year;

(2) the appraised value of the property for the current year and the kind of each partial exemption, if any, approved for the current year;

(2-a) a statement of whether the property qualifies for the limitation on appraised value provided by Section 23.231;

(3) a detailed explanation of the time and procedure for protesting the value; and

(4) the date and place the appraisal review board will begin hearing protests.

(d) Section 41.41(a), Tax Code, is amended to read as follows:

(a) A property owner is entitled to protest before the appraisal review board the following actions:

(1) determination of the appraised value of the owner's property or, in the case of land appraised as provided by Subchapter C, D, E, or H, Chapter 23, determination of its appraised or market value;

(2) unequal appraisal of the owner's property;

(3) inclusion of the owner's property on the appraisal records;

(4) denial to the property owner in whole or in part of a partial exemption;

(4-a) determination that the owner's property does not qualify for the limitation on appraised value provided by Section 23.231;

(5) determination that the owner's land does not qualify for appraisal as provided by Subchapter C, D, E, or H, Chapter 23;

(6) identification of the taxing units in which the owner's property is taxable in the case of the appraisal district's appraisal roll;

(7) determination that the property owner is the owner of property;

(8) a determination that a change in use of land appraised under Subchapter C, D, E, or H, Chapter 23, has occurred; or

(9) any other action of the chief appraiser, appraisal district, or appraisal review board that applies to and adversely affects the property owner.

(e) Section 42.26(d), Tax Code, is amended to read as follows:

(d) For purposes of this section, the value of the property subject to the suit and the value of a comparable property or sample property that is used for comparison must be the market value determined by the appraisal district when the property is [~~a residence homestead~~] subject to the limitation on appraised value imposed by Section 23.23 or 23.231.

(f) Sections 403.302(d) and (i), Government Code, are amended to read as follows:

(d) For the purposes of this section, "taxable value" means the market value of all taxable property less:

(1) the total dollar amount of any residence homestead exemptions lawfully granted under Section 11.13(b) or (c), Tax Code, in the year that is the subject of the study for each school district;

(2) one-half of the total dollar amount of any residence homestead exemptions granted under Section 11.13(n), Tax Code, in the year that is the subject of the study for each school district;

(3) the total dollar amount of any exemptions granted before May 31, 1993, within a reinvestment zone under agreements authorized by Chapter 312, Tax Code;

(4) subject to Subsection (e), the total dollar amount of any captured appraised value of property that:

(A) is within a reinvestment zone created on or before May 31, 1999, or is proposed to be included within the boundaries of a reinvestment zone as the boundaries of the zone and the proposed portion of tax increment paid into the tax increment fund by a school district are described in a written notification provided by the municipality or the board of directors of the zone to the governing bodies of the other taxing units in the manner provided by former Section 311.003(e), Tax Code, before May 31, 1999, and within the boundaries of the zone as those boundaries existed on September 1, 1999, including subsequent improvements to the property regardless of when made;

(B) generates taxes paid into a tax increment fund created under Chapter 311, Tax Code, under a reinvestment zone financing plan approved under Section 311.011(d), Tax Code, on or before September 1, 1999; and

(C) is eligible for tax increment financing under Chapter 311, Tax Code;

(5) the total dollar amount of any captured appraised value of property that:

(A) is within a reinvestment zone:

(i) created on or before December 31, 2008, by a municipality with a population of less than 18,000; and

(ii) the project plan for which includes the alteration, remodeling, repair, or reconstruction of a structure that is included on the National Register of Historic Places and requires that a portion of the tax increment of the zone be used for the improvement or construction of related facilities or for affordable housing;

(B) generates school district taxes that are paid into a tax increment fund created under Chapter 311, Tax Code; and

(C) is eligible for tax increment financing under Chapter 311, Tax Code;

(6) the total dollar amount of any exemptions granted under Section 11.251 or 11.253, Tax Code;

(7) the difference between the comptroller's estimate of the market value and the productivity value of land that qualifies for appraisal on the basis of its productive capacity, except that the productivity value estimated by the comptroller may not exceed the fair market value of the land;

(8) the portion of the appraised value of residence homesteads of individuals who receive a tax limitation under Section 11.26, Tax Code, on which school district taxes are not imposed in the year that is the subject of the study, calculated as if the residence homesteads were appraised at the full value required by law;

(9) a portion of the market value of property not otherwise fully taxable by the district at market value because of:

(A) action required by statute or the constitution of this state, other than Section 11.311, Tax Code, that, if the tax rate adopted by the district is applied to it, produces an amount equal to the difference between the tax that the district would have imposed on the property if the property were fully taxable at market value and the tax that the district is actually authorized to impose on the property, if this subsection does not otherwise require that portion to be deducted; or

(B) action taken by the district under Subchapter B or C, Chapter 313, Tax Code, before the expiration of the subchapter;

(10) the market value of all tangible personal property, other than manufactured homes, owned by a family or individual and not held or used for the production of income;

(11) the appraised value of property the collection of delinquent taxes on which is deferred under Section 33.06, Tax Code;

(12) the portion of the appraised value of property the collection of delinquent taxes on which is deferred under Section 33.065, Tax Code; and

(13) the amount by which the market value of property [~~a residence homestead~~] to which Section 23.23 or 23.231, Tax Code, applies exceeds the appraised value of that property as calculated under Section 23.23 or 23.231, Tax Code, as applicable [~~that section~~].

(i) If the comptroller determines in the study that the market value of property in a school district as determined by the appraisal district that appraises property for the school district, less the total of the amounts and values listed in Subsection (d) as determined by that appraisal district, is valid, the comptroller, in

determining the taxable value of property in the school district under Subsection (d), shall for purposes of Subsection (d)(13) subtract from the market value as determined by the appraisal district of properties [~~residence homesteads~~] to which Section 23.23 or 23.231, Tax Code, applies the amount by which that amount exceeds the appraised value of those properties as calculated by the appraisal district under Section 23.23 or 23.231, Tax Code, as applicable. If the comptroller determines in the study that the market value of property in a school district as determined by the appraisal district that appraises property for the school district, less the total of the amounts and values listed in Subsection (d) as determined by that appraisal district, is not valid, the comptroller, in determining the taxable value of property in the school district under Subsection (d), shall for purposes of Subsection (d)(13) subtract from the market value as estimated by the comptroller of properties [~~residence homesteads~~] to which Section 23.23 or 23.231, Tax Code, applies the amount by which that amount exceeds the appraised value of those properties as calculated by the appraisal district under Section 23.23 or 23.231, Tax Code, as applicable.

(g) This section applies only to the appraisal of commercial or industrial real property for ad valorem tax purposes beginning with the 2018 tax year.

Amendment No. 24 was adopted.

Amendment No. 23, as amended, failed of adoption by (Record 152): 44 Yeas, 92 Nays, 1 Present, not voting.

Yeas — Allen; Alvarado; Anchia; Arévalo; Bell; Bernal; Blanco; Canales; Collier; Cortez; Cospere; Davis, S.; Davis, Y.; Deshotel; Dukes; Elkins; Farrar; Gervin-Hawkins; Giddings; González; Guerra; Guillen; Gutierrez; Howard; Israel; Johnson, E.; Keough; King, P.; Martinez; Muñoz; Neave; Oliveira; Ortega; Pickett; Reynolds; Rinaldi; Rodriguez, E.; Rodriguez, J.; Romero; Thompson, S.; Tinderholt; Turner; Uresti; White.

Nays — Alonzo; Anderson, C.; Anderson, R.; Ashby; Bailes; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Coleman; Cook; Craddick; Cyrier; Dale; Darby; Dean; Dutton; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Hefner; Hinojosa; Holland; Huberty; Hunter; Isaac; Kacal; King, K.; King, T.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Longoria; Lozano; Metcalf; Meyer; Miller; Morrison; Murr; Nevárez; Oliverson; Paddie; Parker; Paul; Perez; Phelan; Phillips; Price; Raney; Raymond; Roberts; Rose; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stucky; Swanson; Thompson, E.; VanDeaver; Villalba; Vo; Wilson; Workman; Wray; Wu; Zedler; Zerwas.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Capriglione; Hernandez; Johnson, J.; Lucio; Stickland; Thierry.

### STATEMENTS OF VOTE

When Record No. 152 was taken, I was shown voting no. I intended to vote yes.

C. Anderson

When Record No. 152 was taken, I was shown voting no. I intended to vote yes.

Bohac

When Record No. 152 was taken, I was in the house but away from my desk. I would have voted no.

Capriglione

### Amendment No. 25

Representative E. Rodriguez offered the following amendment to **CSSB 1**:

Amend **CSSB 1** (house committee printing) as follows:

(1) Strike SECTION 21 of the bill (page 28, line 13).

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

SECTION \_\_\_\_\_. Chapter 140, Local Government Code, is amended by adding Section 140.012 to read as follows:

Sec. 140.012. UNFUNDED STATE MANDATES PAYABLE FROM PROPERTY TAXES. (a) The legislature finds that legislative mandates requiring political subdivisions to perform certain services, duties, and activities directly affect the property taxes imposed by those political subdivisions, including the calculation of rollback tax rates and the need, under certain circumstances, to secure voter approval of proposed tax rates.

(b) A political subdivision of this state is not required to comply with a law enacted by the legislature that mandates the creation, expansion, or modification of a service, duty, or activity that may be lawfully paid using the political subdivision's property tax revenue if compliance with that law would result in an increase in property taxes imposed by the political subdivision in any year in which the legislature does not appropriate or otherwise provide to the political subdivision, from a source other than the political subdivision's revenue, the amount of money necessary to comply with the law.

SECTION \_\_\_\_\_. This Act takes effect January 1, 2019, but only if the constitutional amendment proposed by **HJR 31**, 85th Legislature, 1st Called Session, 2017, is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.

(3) Renumber the SECTIONS of the bill accordingly.

Amendment No. 25 failed of adoption by (Record 153): 54 Yeas, 83 Nays, 1 Present, not voting.

Yeas — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Burns; Canales; Coleman; Collier; Cortez; Davis, S.; Davis, Y.; Deshotel; Dukes; Dutton; Faircloth; Farrar; Gervin-Hawkins; Giddings; González; Guerra; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; King,

T.; Lambert; Lozano; Lucio; Martinez; Muñoz; Neave; Nevárez; Oliveira; Ortega; Perez; Pickett; Reynolds; Rodriguez, E.; Rodriguez, J.; Romero; Rose; Shine; Thompson, S.; Uresti; Vo; White; Wu; Zerwas.

Nays — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burrows; Button; Cain; Capriglione; Cook; Cospere; Craddick; Cyrier; Dale; Darby; Dean; Elkins; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Guillen; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Kuempel; Landgraf; Lang; Larson; Laubenberg; Longoria; Metcalf; Meyer; Miller; Morrison; Murr; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Price; Raney; Raymond; Rinaldi; Roberts; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Simmons; Smithee; Springer; Stephenson; Stickland; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; Wilson; Workman; Wray; Zedler.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Krause; Sanford; Stucky; Thierry; Turner.

#### STATEMENTS OF VOTE

When Record No. 153 was taken, I was shown voting no. I intended to vote yes.

Burrows

When Record No. 153 was taken, I was shown voting no. I intended to vote yes.

Miller

When Record No. 153 was taken, my vote failed to register. I would have voted no.

Stucky

**CSSB 1** was passed to third reading by (Record 154): 98 Yeas, 43 Nays, 1 Present, not voting.

Yeas — Anderson, C.; Anderson, R.; Ashby; Bailes; Bell; Biedermann; Bohac; Bonnen, D.; Bonnen, G.; Burkett; Burns; Burrows; Button; Cain; Canales; Capriglione; Cook; Cospere; Craddick; Cyrier; Dale; Darby; Davis, S.; Dean; Elkins; Faircloth; Fallon; Flynn; Frank; Frullo; Geren; Goldman; Gonzales; Gooden; Guerra; Guillen; Hefner; Holland; Huberty; Hunter; Isaac; Kacal; Keough; King, K.; King, P.; Klick; Koop; Krause; Kuempel; Lambert; Landgraf; Lang; Larson; Laubenberg; Longoria; Metcalf; Meyer; Miller; Morrison; Muñoz; Murr; Oliverson; Paddie; Parker; Paul; Phelan; Phillips; Pickett; Price; Raney; Raymond; Rinaldi; Roberts; Romero; Sanford; Schaefer; Schofield; Schubert; Shaheen; Sheffield; Shine; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; VanDeaver; Villalba; White; Wilson; Workman; Wray; Zedler; Zerwas.



Nays — Allen; Alonzo; Alvarado; Anchia; Arévalo; Bernal; Blanco; Coleman; Collier; Cortez; Davis, Y.; Deshotel; Dukes; Dutton; Farrar; Gervin-Hawkins; Giddings; González; Gutierrez; Hernandez; Hinojosa; Howard; Israel; Johnson, E.; Johnson, J.; King, T.; Lozano; Lucio; Martinez; Neave; Nevárez; Oliveira; Ortega; Perez; Reynolds; Rodriguez, E.; Rodriguez, J.; Rose; Thompson, S.; Turner; Uresti; Vo; Wu.

Present, not voting — Mr. Speaker(C).

Absent, Excused — Clardy; Herrero; Leach; Minjarez; Moody; Murphy; Walle.

Absent — Thierry.

### **STATEMENTS OF VOTE**

When Record No. 154 was taken, I was shown voting no. I intended to vote yes.

Lozano

When Record No. 154 was taken, I was excused because of important family business. I would have voted yes.

Murphy

### **COMMITTEE GRANTED PERMISSION TO MEET**

Representative Hunter requested permission for the Committee on Calendars to meet while the house is in session, at 7:40 p.m. today, in 3W.15, to set a calendar.

Permission to meet was granted.

### **COMMITTEE MEETING ANNOUNCEMENT**

The following committee meeting was announced:

Calendars, 7:40 p.m. today, 3W.15, for a formal meeting, to set a calendar.

### **LEAVE OF ABSENCE GRANTED**

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

Keough on motion of Dean.

### **POSTPONED BUSINESS**

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

#### **HB 367 ON SECOND READING (by Capriglione and Koop)**

**HB 367**, A bill to be entitled An Act relating to the deposit of money received from the federal government and the authority of the comptroller concerning related funds and accounts.

**HB 367** was read second time earlier today and was postponed until this time.

(Kuempel in the chair)

**HB 367** was passed to engrossment.

**CSHB 208 ON SECOND READING**  
**(by Parker, et al.)**

**CSHB 208**, A bill to be entitled An Act relating to the constitutional limit on the rate of growth of appropriations and appropriations of constitutionally dedicated revenue.

**CSHB 208** was read second time earlier today and was postponed until this time.

**CSHB 208 - POINT OF ORDER**

Representative Turner raised a point of order against further consideration of **CSHB 208** under Rule 4, Section 32(c) of the House Rules on the grounds that the bill analysis is incorrect.

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

The sole question raised by this point of order is whether a bill analysis satisfies Rule 4, Section 32(c)'s requirement of a "detailed analysis" in summary or section-by-section form when the analysis omits any reference to an entire substantive section of the bill. Representative Turner raised the point of order, observing that the analysis portion of the bill analysis completely omits any mention of the existence or contents of Section 4 of the bill. He further observed that Section 4 is reproduced in the side-by-side comparison, which shows that Section 4 was added to the bill by the committee substitute. Section 4 says:

Chapter 316, Government Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. APPROPRIATION OF CONSTITUTIONALLY  
DEDICATED REVENUE

Sec. 316.151. LEGISLATIVE INTENT. It is the intent of the legislature that, to the extent practicable under Section 316.001 and other law, all revenue dedicated by the Texas Constitution for a particular purpose be appropriated in each state fiscal biennium for that purpose.

In responding to the point of order, no member was able to identify any portion of the analysis that pertained in any way to this legislative intent section of the bill. Representative Parker and others presented three thoroughly prepared arguments in opposition to the point of order: (1) the analysis did not need to mention this language because language on legislative intent has no legal effect, (2) the side-by-side comparison sufficed to satisfy Rule 4, Section 32, and (3) other bills containing the same flaw (a legislative intent section omitted from the analysis) have passed in this same 85th session.

In defending Section 4 as having no legal effect, one member explained that the provision was meant to ensure that money meant to go to the highway fund was actually appropriated for that purpose. The legislative intent section specifies

the intent, contrary to previous practice, that "all revenue" dedicated for a particular purpose be appropriated each biennium for that purpose. In other words, the section was meant to encourage a change in current behavior and actually affect an existing situation. The chair is mindful that the courts "do not lightly presume that the Legislature may have done a useless act." *Liberty Mut. Ins. Co. v. Garrison Contractors, Inc.*, 966 S.W.2d 482, 485 (Tex. 1998) (opinion joined by Hecht, J. and Abbott, J.). The courts presume an entire enacted statute is effective because the legislature has expressly directed them to do so in Section 311.021(2) of the Government Code. The issue of legislative intent carries such weight within this body that even as recently as this week a motion to print remarks specifically for the purpose of reflecting legislative intent was denied by a record vote because members wanted to ensure that remarks made during debate by individual members, which might not be carefully vetted and reviewed to represent the intent of the entire body, were not recorded in the House Journal as "legislative intent." The chair cannot conclude that voting to include legislative intent as part of a statute for the purpose of impacting the way laws are construed will have "no legal effect."

The chair also cannot conclude that members of the public and this body are not entitled to rely on the analysis to contain a detailed summary of all substantive sections of a bill when our own rules require it. See 85 H.J. Reg. 1861-1862 (2017) (E. Rodriguez point of order on **CSSB 4**; "The purpose of a bill analysis is to educate both members and the public on the contents of bills."). This remains true even where the omitted section is included in the side-by-side comparison. Compare 85 H.J. Reg. 4050-4051 (2017) (Martinez point of order on **SB 715**; point of order overruled because bill analysis "discusses the relevant sections" and the side-by-side also showed the added language); 85 H.J. Reg. 3143-3144 (2017) (Ortega point of order on **HB 3859**; same). Determining that language contained in the side-by-side comparison need not be discussed in any way in the analysis would render the analysis, meant to educate readers and save research time during session, a nullity.

In his final point in defense of the omission in the analysis, Representative Parker observes that the house has passed other bills containing the same flaw earlier in the session. He cites **SB 11** from the regular session as one example. However, in reviewing the history of **SB 11** and other bills for which the analysis omitted a reference to the legislative intent section, no ruling was made on this particular point of order, nor is there any journal record of anyone raising this complaint. Furthermore, failing to raise a point of order on bills with a particular procedural feature does not necessarily indicate that those bills are not defective or that a point of order on the defect is waived. In this very session, points of order were raised and sustained on two bills creating a criminal offense where the captions read "creating an offense" rather than "creating a criminal offense," while none of the other 30 bills with this defect (including, for example, **HB 1501**, which was signed by the governor) were affected. See 85 H.J. Reg. 3098-3100 (2017) (Rose point of order on **HB 731**); 85 H.J. Reg. 2132-2133 (2017) (Tinderholt point of order on **HB 1156**). Representative Parker also noted that no points of order have been sustained under Rule 4, Section 32(c), for the

entire 85th session. While that had been the case up until this point of order, the previous rulings were based on substantially different facts, such as where the bill analysis actually discussed the allegedly omitted section in addition to reproducing the bill language in the side-by-side. *E.g.*, 85 H.J. Reg. 4050-4051 (2017) (Martinez point of order on **SB 715**); 85 H.J. Reg. 3143-3144 (2017) (Ortega point of order on **HB 3859**). Moreover, omission of an entire section from the analysis is a point of order that has been sustained in the past, most recently in the 84th session. See 84 H.J. Reg. 2740-2741 (2015) (Coleman point of order on **CSHB 3097**). The argument also fails to acknowledge that glaring defects, such as the omission of an entire section of a bill, are usually corrected by printing a corrected committee report, or, if the bill had been set on the calendar, by recommittal to committee to fix the error, as occurred at least 26 times this session. The fact that points of order under Rule 4, Section 32, are rarely sustained is a testament to the diligent efforts of the Texas Legislative Council in preparing drafts and analyses of thousands of bills each session. In this case, the drafters of the bill analysis made an open and obvious error. The error was of a type that precedent required sustaining. Neither the committee clerk nor the author's staff identified the error before the bill was set on the calendar. The author chose not to take corrective action prior to coming to the floor. The rarity of the error does not permit the chair to disregard this body's procedural rules any more than the popularity of a particular piece of legislation would. If this is to be a house governed by rules, the point of order must be well-taken and sustained.

(Speaker pro tempore in the chair)

### **CSHB 208 - APPEAL OF POINT OF ORDER**

Pursuant to Rule 1, Section 9(a) of the House Rules, an appeal was made to the chair's ruling in the above point of order by Representatives Stickland, Rinaldi, Biedermann, Schaefer, Lang, Cain, Swanson, Zedler, Tinderholt, and Krause. The question on whether the chair's ruling should be sustained was before the house.

CHAIR (Speaker pro tempore in the chair): Members, there will be one member speaking for three minutes for the ruling. There will be one member speaking for three minutes against the ruling. It is a majority vote that prevails.

### **LEAVES OF ABSENCE GRANTED**

The following members were granted leaves of absence for the remainder of today because of important business in the district:

Holland on motion of Cosper.

Nevárez on motion of Canales.

### **CSHB 208 - (consideration continued)**

REPRESENTATIVE PARKER: Thank you for the opportunity to come before you and talk about the importance of this bill. This bill is about taking care of Texas. It's about maintaining our fiscal discipline and making certain that generations of Texans continue to adhere to the discipline that was initiated back when the Constitution was modified in 1978 to, in fact, have a spending cap.

That's the core of what this is all about. This is putting in place a dynamic new approach, if you will, to calculating the spending cap using population and inflation, which is much more accurate.

CHAIR: Mr. Parker, the comments for and against need to be confined to the merits of the ruling not the merits of the bill.

PARKER: My point simply is that there's a reason we're doing this. This is a critically important initiative for Texas. But specifically to the ruling, I will tell you that this bill and this BA is materially in compliance. There has not been a point of order on a BA that has been sustained this entire session, and frankly, you can go back many sessions, and that's the case as well. We have many examples—**CSSB 11**, **CSHB 6**, **CSHB 3859**. There are a number of experiences that we have that show that we should continue the course and allow this bill to be heard tonight. I'll also state that the comparison section clearly addresses the issue that is being raised and is there in the BA. Again, from my perspective, this is immaterial, and we have addressed the core issues of the bill in the BA. I respectfully ask you to support me this evening. Thank you, members.

REPRESENTATIVE RINALDI: Is your point—what you're saying is we haven't sustained a bill analysis objection all session. This is actually mentioned in the bill analysis, specifically in the comparison section. But yet this point of order that we're appealing was sustained on one of the most important bills we're dealing with this session—fiscally, one of the most important bills we're dealing with in several sessions. Isn't that correct?

PARKER: Representative, that's exactly right. And again, the side-by-side lays out the material substance that is being raised tonight. So it's all covered, and it should absolutely go forward this evening. That's correct.

RINALDI: So procedurally and substantively, this is so important to vote yes, correct?

PARKER: That's correct.

REPRESENTATIVE KRAUSE: A few sessions ago we voted a rule that was about substantial compliance. Do you remember when we voted on that?

PARKER: Absolutely.

KRAUSE: And it would be your understanding that this is substantially compliant?

PARKER: Most definitely. I think it's in alignment with substantial compliance, Representative Krause.

REPRESENTATIVE GEREN: Members, if you overturn this ruling, you're saying that we might as well never have bill analysis again—I mean, ever again. This point of order was sustained because the bill analysis is faulty where it fails to adequately analyze the bill's provisions. The speaker has previously held that a bill analysis must accurately describe substantial sections of the bill and accurately compare the original to the substitute, highlighting the key differences. Where the analysis fails to do so adequately, the bill is not properly before the

body, and a point of order should be sustained. The author of this bill was told this by Lege Council and offered the opportunity to take this back and correct this bill, and he chose not to do it. Therefore, there's no reason to overturn the ruling of the chair at this time.

REPRESENTATIVE S. DAVIS: This was a little unexpected, this maneuver, but I just want to make sure I understand the ruling. And that is that there were multiple sections from the bill that were not included in the BA, in the bill analysis. Is that correct?

GEREN: They were not adequately described in the bill analysis. That is correct.

S. DAVIS: And the rule requires that that bill analysis be adequate.

GEREN: That's correct, Ms. Davis. And as well, you know, if we overturn the ruling of the chair, then we might as well say there's no reason to have bill analysis any longer on any bill.

S. DAVIS: I guess that's my question. Why would we even have a rule that requires a BA if we're going to overrule this ruling today?

GEREN: I think you're correct. We might as well just throw bill analysis out.

S. DAVIS: I mean, all during the regular session, there were many instances in which many of us had our bills knocked off the calendar based on this very reasoning. Certain members would say that the bill analysis was not complete, and therefore, the parliamentarian and the speaker consistently ruled throughout the regular session. So why would it be any different now?

GEREN: Ms. Davis, I don't understand the reason, because I had a couple of bills, and I pulled them back down, and we did work on the bill analysis in order to correct it. This bill analysis is not correct. The author knew it ahead of time and had the opportunity to send it back and have it corrected and voted out. I agree with him—this is a very important bill, and a bill that should be passed. But we should not overturn this ruling because this is a correct ruling. It's a bad bill analysis. And if we overturn it—we might as well just do this to bill analysis.

S. DAVIS: It seems like we're going to be setting an extremely dangerous precedent.

GEREN: Bill analysis is transparency. We all need it because the people, those that are not attorneys—

### **PARLIAMENTARY INQUIRY**

REPRESENTATIVE RINALDI: I just want to be clear. So a yes vote is to vote with the ruling of the chair and sustain the point of order.

CHAIR (Speaker pro tempore in the chair): That is correct.

RINALDI: And a no vote is to overturn the ruling.

CHAIR: Correct. That's what I was about to explain.

RINALDI: And then we would proceed on the bill, correct?

CHAIR: Yes. Members, voting yes—allow me to explain, and then you can yell things at us in a minute. Voting yes is to agree and support the ruling of the chair. Voting no is to oppose the ruling of the chair, and then we would continue. Very quickly, Mr. Phillips, strict enforcement has been requested. Allow me to finish, Mr. Phillips.

REPRESENTATIVE PHILLIPS: Well, please hurry.

CHAIR: This is an important vote, and I think the members want clarity.

PHILLIPS: That's why I'm trying to ask questions, because we're not really clear.

CHAIR: Probably because we keep getting interrupted. Strict enforcement has been requested. Please make your way to your desk. Vote from your desk. Mr. Phillips, state your inquiry.

PHILLIPS: So the status of the bill is a ruling was determined that the bill analysis was incorrect, and a point of order was called and sustained. Is that correct?

CHAIR: Correct.

PHILLIPS: And so what happens to that bill?

CHAIR: It would be sent back to committee to be corrected.

PHILLIPS: It could be corrected. And how quickly could it be brought back here?

CHAIR: That would be up to the chair. The chair is also aware that there's a senate bill that is sitting in the committee that also could help remedy.

PHILLIPS: So that senate bill could be voted out and could be returned. Is that correct?

CHAIR: They could do it tonight if the committee chose.

PHILLIPS: Thank you for the clarification.

REPRESENTATIVE SIMMONS: What would be the process for making sure that that senate bill happens if this vote doesn't go the correct way?

CHAIR: There is no way to require the committee to do anything. We did not anticipate having this point of order, so we would have to allow the chairman and his committee the opportunity to meet if they choose, and that's at their choosing. But that's how we normally do it.

SIMMONS: So there's no guarantee that would happen. Is that correct?

CHAIR: There's very few guarantees in this body.

SIMMONS: Including that one, correct?

CHAIR: That's right.

REPRESENTATIVE CANALES: For the body, can the chair lay out to us what the actual purpose or legislative intent behind a bill analysis is?

CHAIR: We've mentioned in our rulings that it is to let the members know what the contents of the bill are.

CANALES: Does it have any effect, or is it also for the public to know what's in the bill?

CHAIR: Absolutely, that is to inform them also.

CANALES: So making sure that a bill analysis is correct is actually a transparency issue in making sure the public and the legislative body know exactly what is actually happening in the bill. Is that correct?

CHAIR: That's not a proper parliamentary inquiry.

REPRESENTATIVE SCHOFIELD: Under our rules, does the author have the ability to correct a bill analysis that's written by the committee staff? They do not, do they?

CHAIR: He does have the ability to send it back to committee, and the author does have the ability to review and approve the bill analysis. And it's not written by committee staff. It's written by Lege Council.

SCHOFIELD: I've never been offered the ability to rewrite one. Is this a new rule?

CHAIR: No one's offered for you to rewrite one, Mr. Schofield. You're allowed to send the bill back to committee.

SCHOFIELD: So when a bill comes back on the Saturday—

CHAIR: And it has happened before.

SCHOFIELD: So when the bill comes back on the Saturday before a session ends on Wednesday, effectively killing the bill, there's nothing the author can do about that bill analysis is there?

CHAIR: Mr. Schofield, the bill analysis is the author's responsibility in working with the committee and Lege Council.

### **CSHB 208 - APPEAL OF POINT OF ORDER DISPOSITION**

The chair's ruling was sustained by (Record 155): 70 Yeas, 52 Nays, 2 Present, not voting.

Yeas — Allen; Alonzo; Arévalo; Ashby; Bailes; Bernal; Blanco; Burkett; Button; Canales; Capriglione; Coleman; Collier; Cook; Cortez; Cospers; Darby; Davis, S.; Dean; Deshotel; Dukes; Flynn; Frullo; Geren; Gervin-Hawkins; Giddings; Gonzales; González; Gooden; Guerra; Guillen; Gutierrez; Hinojosa; Howard; Huberty; Hunter; Johnson, E.; Kacal; King, K.; King, T.; Kuempel; Lambert; Larson; Longoria; Lozano; Martinez; Morrison; Muñoz; Neave; Ortega; Paddie; Perez; Phelan; Phillips; Pickett; Price; Raney; Raymond; Rodriguez, E.; Rodriguez, J.; Romero; Sheffield; Shine; Thompson, S.; Turner; Uresti; VanDeaver; Wray; Wu; Zerwas.

Nays — Anderson, C.; Anderson, R.; Bell; Biedermann; Bohac; Bonnen, G.; Burns; Burrows; Cain; Craddick; Cyrier; Dale; Elkins; Faircloth; Fallon; Frank; Goldman; Hefner; Isaac; King, P.; Klick; Koop; Krause; Landgraf; Lang; Laubenberg; Metcalf; Meyer; Miller; Murr; Oliverson; Parker; Paul; Rinaldi;



Sanford; Schaefer; Schofield; Schubert; Simmons; Smithee; Springer; Stephenson; Stickland; Stucky; Swanson; Thompson, E.; Tinderholt; Villalba; White; Wilson; Workman; Zedler.

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

Absent, Excused — Clardy; Herrero; Holland; Keough; Leach; Minjarez; Moody; Murphy; Nevárez; Walle.

Absent — Alvarado; Anchia; Davis, Y.; Dutton; Farrar; Hernandez; Israel; Johnson, J.; Lucio; Oliveira; Reynolds; Roberts; Rose; Shaheen; Thierry; Vo.

**STATEMENTS OF VOTE**

When Record No. 155 was taken, I was shown voting no. I intended to vote yes.

Faircloth

When Record No. 155 was taken, I was shown voting yes. I intended to vote no.

Flynn

When Record No. 155 was taken, I was shown voting no. I intended to vote yes.

Koop

When Record No. 155 was taken, I was shown voting no. I intended to vote yes.

Meyer

When Record No. 155 was taken, my vote failed to register. I would have voted yes.

Roberts

**CSHB 208** was returned to the Committee on Appropriations.

**REMARKS ORDERED PRINTED**

Representative Schaefer moved to print all remarks on the appeal of the point of order.

The motion prevailed.

**GENERAL STATE CALENDAR**

**(consideration continued)**

**CSSB 11 ON SECOND READING**

**(G. Bonnen, Cook, Geren, and Oliveira - House Sponsors)**

**CSSB 11**, A bill to be entitled An Act relating to general procedures and requirements for certain do-not-resuscitate orders; creating a criminal offense.

(Cyrier in the chair)

**CSSB 11 - STATEMENT OF LEGISLATIVE INTENT**

REPRESENTATIVE S. DAVIS: I was reading this bill earlier, and I noticed in the enforcement section of the bill on page 5, it says it is an offense if a physician intentionally effectuates another person's DNR order. So that sounds to me like this bill criminalizes all DNR orders, but that's not what your intent is with this bill. Correct?

REPRESENTATIVE G. BONNEN: Respectfully, it's not what the bill says, and it's also not the intent.

S. DAVIS: Well, I think that is what the bill says. Because if you look at page 5, line 1, it's the middle of a sentence: "a patient for whom a DNR order is issued shall revoke the patient's DNR order if the patient or, as applicable, the patient's agent under medical—" Oh, I'm sorry. I'm on the wrong—

G. BONNEN: Yeah, I think it's page 7, Section 166.209 under "Enforcement."

S. DAVIS: It says, "A physician, physician assistant, nurse, or other person commits an offense if the person intentionally conceals, cancels, effectuates, or falsifies another person's DNR order." So I interpret that to mean that—

G. BONNEN: Well, you didn't complete the sentence. It goes on to state that they would be "intentionally" and "in violation" of the subchapter.

S. DAVIS: Okay. I'm just trying to make sure that for legislative intent, that that is not the intent that you have for this bill.

G. BONNEN: Correct.

S. DAVIS: And also, I read the bill describes a DNR as an order not to attempt CPR, basically. But the bill does not apply to resuscitation efforts that have already begun and are later withdrawn. Is that correct?

G. BONNEN: I'm not clear exactly on the question. The bill clearly indicates that we're talking about cardiopulmonary resuscitation and not other life-sustaining measures.

S. DAVIS: Or if you've started resuscitation efforts and then withdraw them? The bill is not specific to that.

G. BONNEN: I'm not sure we're clear on the question.

S. DAVIS: Okay. It also appears that the section on revocation might allow a patient's surrogate to override the patient's wishes. That is not your intent with this bill, is it?

G. BONNEN: I think that a surrogate would always want to follow the patient's wishes. However, if the patient is incapacitated, then their medical power of attorney or agent does have the authority to make decisions on their behalf.

S. DAVIS: If they're incapacitated, okay. And I saw that there is some added liability protection for physicians who act in good faith. The liability protection extends to physicians acting in good faith even if they may not be in strict compliance with the requirements of the bill. Is that correct?

G. BONNEN: That's correct. basically, that speaks to the fact that it's possible that a provider might not be aware of the status of an order that has been made or has not been made. And so if they're acting in good faith to the best of their knowledge, then they have protection from liability under this statute.

S. DAVIS: Okay, and the bill appears to criminalize a physician's canceling a DNR order. So this doesn't mean that a physician can't cancel a DNR when the patient has changed their mind. Is that correct?

G. BONNEN: If the patient has changed their mind and revoked an order or directive, then they follow the prescribed statute. They're not in violation of this subchapter.

**CSSB 11** was passed to third reading.

### **BILLS AND RESOLUTIONS SIGNED BY THE SPEAKER**

Notice was given at this time that the speaker had signed bills and resolutions in the presence of the house (see the addendum to the daily journal, Signed by the Speaker, House List No. 1).

(Speaker in the chair)

### **COMMITTEE MEETING ANNOUNCEMENT**

The following committee meeting was announced:

Appropriations, 8:30 p.m. today, 1W.14, for a formal meeting, to consider **SB 9**.

### **REMARKS ORDERED PRINTED**

Representative Sheffield moved to print remarks between Representative S. Davis and Representative G. Bonnen on **CSSB 11**.

The motion prevailed.

### **HB 7 - RETURNED TO SENATE BY THE SPEAKER**

Pursuant to Rule 13, Section 5A of the House Rules, the speaker returned **HB 7** with senate amendments to the senate and submitted the following statement:

When the bill left the house, it was a bill that had a single subject which related to tree planting credits to offset tree mitigation fees imposed by a municipality. That was its sole purpose in the one section of the bill that encompassed **HB 7**. The bill was not an omnibus tree bill or an omnibus regulation of municipalities' powers in its external jurisdiction. The senate committee substitute and amendments impermissibly introduced both nongermane concepts and impermissible additional subjects.

As returned from the senate, Section 1 of the bill now creates a complete ban on municipalities from regulating within their ETJs the ability of the owner of property that has been platted to remove a tree or vegetation on the owner's property.

In addition, added Section 212.905, Local Government Code, as added by Floor Amendment No. 1, also contained a complete prohibition against a municipality from regulating the removal of a tree located on property of an existing one-family or two-family dwelling or that is less than 10 inches in diameter at the point of the trunk of the tree 4.5 feet above the ground. Both provisions violate the one-subject rule and neither is germane to the single subject of the bill. For these reasons, **HB 7** is returned to the senate.

### **ADJOURNMENT**

Representative Geren moved that the house adjourn until 7:45 p.m. tomorrow.

The motion prevailed.

The house accordingly, at 8:21 p.m., adjourned until 7:45 p.m. tomorrow.

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### **ADDENDUM**

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### **SIGNED BY THE SPEAKER**

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

#### **House List No. 1**

**HB 13, HCR 26**

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### **APPENDIX**

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### **ENROLLED**

**August 11 - HB 13**