

## Accomplishments of the 81st Legislature

---

*"The 81st Legislative Session was a strong success. We invested more money in the classroom, college scholarships, and healthcare while limiting spending and saving for the future in these uncertain economic times. We addressed the priorities of our people with a renewed spirit of civility and cooperation, demonstrating that Texas matters more than party or politics."*

*-Speaker Joe Straus*

*Members of the Texas House convened in January with new leadership and new roles, \$9 billion less to spend than the previous session, and strong concerns over a spiraling economy. Despite these challenges, they passed a budget that spends less in general revenue, sets aside \$9.1 billion in the Rainy Day Fund, cuts taxes for small businesses and invests in education, healthcare and infrastructure.*

*By adding \$250 million to financial aid, legislators made college more affordable for 35,000 students. By putting seed funding in a new research fund, they laid the groundwork for additional Tier One universities. By putting \$1.9 billion in new money into public education, they helped schools meet the demands of growth even in tough economic times. And, they passed new education reforms that will move our schools to higher academic achievement.*

*Unlike numerous states raising the tax and debt burden on citizens and employers, Texas legislators cut taxes for small businesses to help thousands of business owners survive the national recession. By avoiding use of the "Rainy Day Fund", the next legislature will be in a strong position to address a inevitable structural deficit without the benefit of another infusion of federal stimulus funds.*

*Investments were made in healthcare, with a \$5 billion total increase for health and human services that included more than \$200 million in new funding to improve services for Texans with cognitive disabilities. Legislators also approved \$450 million in bond funding for cancer research.*

*While Texas may continue to face challenges posed by the current economic turmoil, our state is better positioned than most to fund essential services while protecting taxpayers from a rising tax burden. With a renewed spirit of bipartisan cooperation demonstrated this session, legislators showed they are up to the task of addressing future challenges.*

---

## **Balanced Budget:**

*“The Legislature invested in critical priorities while still decreasing the amount of general revenue spent and leaving the Rainy Day Fund untapped. Investments in education, healthcare, infrastructure and economic development will pay dividends for generations to come.”*

*First and foremost, the House worked together to adopt a budget which is balanced and fiscally responsible. House Members showed wise judgment in adopting a biennial budget which does not touch the Rainy Day Fund, controls state expenditures, provides important funding for education, health care, and transportation and invests in the future of Texas. The 2010-2011 budget reduces General Revenue spending by nearly \$1.6 billion, or 1.9 percent, compared to 2008-2009. The biennial budget totals \$182.3 billion in all Funds (including \$80.7 billion in General Revenue) drawing on \$12.1 billion in federal economic stimulus money. A conservative approach to spending also provided the opportunity for thousands of small businesses to receive a tax cut.*

### *Significant achievements in the budget:*

- *\$1.9 billion increase in public education funding, including a pay raise for teachers*
  - *\$1.2 billion increase in higher education.*
  - *\$264 million boost in higher education financial aid.*
  
  - *\$35 million to address Texas' shortage of professional nurses.*
  
  - *\$208 million increase in General Revenue to increase community service options for our most vulnerable disabled populations.*
  - *\$450 million in General Obligation bonds to affirm our commitment to making Texas a leader in the research of cancer treatments and a possible cure.*
  - *\$782 million in Water Bonds to implement the State Water Plan.*
  - *\$421 million for one-time bonuses and targeted pay raises for the state workforce and retired teachers and state employees.*
-

## **Higher Education:**

*“This was a historic session for investments in higher education, with more than a quarter billion dollars newly dedicated to financial aid, the creation of a research excellence fund to increase the number of Tier One universities, reform of the Top Ten Percent admissions law, and a \$1.2 billion total increase for our colleges and universities.”*

### **Tier One Schools-**

*“This session we laid the groundwork for establishing additional nationally recognized, Tier One institutions of higher education. A focus on this type of advanced research will not only improve academic excellence but drive the 21<sup>st</sup> Century economy.”*

*Currently, Texas has three Tier One universities, two public and one private: The University of Texas at Austin, Texas A&M University and Rice University. The need for more such institutions is evident when you consider when other peer states such as California, New York nine and Massachusetts have twelve, nine and seven respectively.*

*House Bill (H.B)51 provides our seven emerging research institutions a pathway to attain Tier One status. Emerging Texas universities include: UT-San Antonio, UT-Arlington, UT-Dallas, UT-El Paso, University of Houston, Texas Tech University, and the University of North Texas.*

*Under Senate Joint Resolution(SJR) 35 proposes an amendment to the Texas Constitution to establish the National Research University Fund (NRUF) for the purpose of providing a dedicated, independent, and equitable source of funding to enable emerging research universities in Texas to achieve national prominence as major research universities. If approved, this would repurpose the current funding in the Higher Education Fund (HEF).*

---

## ***Top Ten Percent Rule-***

***“Reforms to the Top Ten Percent Rule will give admissions officers at the University of Texas greater discretion in choosing their incoming class, ensuring more students in highly competitive high schools have a chance to receive a quality education from one of our flagship universities.”***

***Senate Bill (SB) 175 addressed the current admissions policy by allowing the University of Texas-Austin to cap the number of automatic admits to their freshman class at 75% of those graduating in the Top Ten Percent of Texas high schools. This would allow UT-Austin more flexibility in their own admissions process. The remaining admits would be selected on a holistic review.***

***The bill also implemented an innovative transfer policy to allow students to attend a community college for two years then transfer to a four-year university of their choice if they meet certain academic criteria.***

---

### **SB 175 (Top Ten Percent) - By Representative Dan Branch**

- Allows UT-Austin to trim the number of students it accepts under a 1997 law that entitles any student graduating in the top 10 percent of a Texas high school to enroll at any of the state's 35 public universities.
- Authorizes UT-Austin to cap the number of students it accepts under the top 10 percent rule at 75 percent of entering freshmen from Texas.
- UT-Austin would be allowed to admit the remaining students based on other criteria.
- Students from other states and countries could not make up more than 10 percent of entering freshmen at UT-Austin.
- Top 10 percent students who do not gain entrance into UT-Austin would get free tuition at another public state university. (Proposed budget does not provide the funding for this provision)
- Takes effect in 2011, affecting students who are high school sophomores this year.
- Reforms will expire in six years, giving the Legislature time to judge the impact and either continue the policy or make changes.

## ***New Texas Public Law School-UNT Law School-Dallas:***

***With approximately 6.1 million residents, the Dallas-Fort Worth region is the largest metropolitan area in the country without a public law school.***

---

### **SB 956 (Public Law School) - By Senator Royce West**

Senate Bill (SB) 956 establishes the University of North Texas at Dallas College of Law.

Since 1980, Texas' population grew from 14 million to nearly 24 million, with no new opportunities for legal education created. The lack of law school opportunities was especially visible for minority students. The Legislature took a significant step this session to enhance legal educational options for all students especially historically underrepresented minority students. The venture is a unique partnership between the University of North Texas, the state of Texas and City of Dallas.

- Authorizes the University of North Texas System board of regents to establish and operate a school of law in the city of Dallas.
  - Requires the board to administer the law school as a professional school of the system for five years and to then become a professional school of the University of North Texas at Dallas after that period.
  - Will address the need for the DFW legal community to import 30% of its lawyers from out-of-state.
  - Downtown Dallas law school will have a dynamic impact and be a key component for successful inner-city development planning.
  - With private law school tuition rates at least 50% more expensive than public law schools, students at the UNT Law School will pay approximately \$15,000 per year in tuition as opposed to \$28,000 at private schools.
-

## **Tuition Relief for Texas College Students:**

*A college education is directly linked to one's lifelong employment opportunities, financial benefits, and in turn contributions to the economic base. Tuition fees at in Texas' public four-year universities has increased while Texas families are struggling under this uncertain economic time. Unpredictable tuition hikes make it more difficult to plan an education and thus, students are either increasing their debt to figures greater than ever or bypassing college altogether. The economic crisis further limits student access to additional funds from loans, family assistance, and part-time jobs.*

**HCR 288** - By Representative Dan Branch

House Concurrent Resolution (HCR) 288 will temporarily limit tuition and student fees at Texas universities to ensure our students are able to obtain a college education, thereby contributing to a robust economy both now and in the future. A university cannot charge a resident undergraduate student more than 3.95 percent of the previous year's total academic costs for the academic years 2010-2011, 2011-2012, and 2012-2013. For the academic year 2013-2014, the total academic costs must not exceed the cost for a student who enrolled in the same courses in 2012-2013 by more than the greater of: 3.95 percent; or the average of the following: the average percentage increase, if any, in the consumer price index (CPI) for each of the three preceding calendar years as compared to the CPI for the year preceding each of those years; and the average percentage increase, if any, in an appropriate higher education price index (HEPI) for each of the three preceding calendar years as compared to that HEPI for the year preceding each of those years.

- Regulates and adjusts tuition fees to be met more easily with the economic crisis.
- Establishes a system of tuition increases allowed to universities, thus regulating appropriately for a more affordable college education.
- Provides grounds for the economic basis of Texas to strengthen.
- Establishes the academic years of 2010-2011, 2011-2012, and 2012-2013 to not exceed one another by greater than 3.95 percent of the previous academic year.
- Establishes the academic year 2013-2014 to apply the same 3.95 percent or an average of the percent increase in CPI and HEPI for the three preceding calendar years compared to CPI and HEPI, respectively, for the year preceding each of those years.

## **Public Education:**

*“Legislators increased school funding by nearly \$2 billion, provided teachers a pay raise, and reformed school accountability to rate schools based on student progress and high-end achievement.”*

## **School Finance-**

*“Our public schools will be better financed through reforms making funding more equitable and reducing the impact of Robin Hood. More money will go into the classroom with an across-the-board pay raise for teachers.”*

*The Legislature increased funding by \$1.9 Billion for public education and gave an \$800 dollar pay raise to Texas teachers through House Bill (HB) 3646. House Members acted this session to improve equity by increasing the basic allotment, guaranteeing yield, and equalizing wealth levels. Additionally, legislation this year will reduce recapture payments, permit districts to exceed the 50-cent cap for debt refinancing when it saves taxpayers at 10% on debt service, and provide additional funding for high cost special needs students.*

---

The financing of public school education in Texas in the next biennium will:

- Reduce recapture payments and eliminates recapture for 26 districts.
  - Removes the mid-size adjustment exception for Chapter 41 districts.
  - Provide every district a minimum \$120 per Weighted Average Daily Attendance (WADA) increase.
  - Provide across the board teacher pay raise of the greater of \$800/year or each educator's share of \$60/WADA for the district.
  - Provide a special allotment for BRAC students if funds are available.
  - Enhances the operation and functions of the Virtual School Network.
  - Establishes financial literacy as part of training in service centers and extends the financial literacy pilot program.
  - Exempts districts from paying tuition for dual credit for two years and requires comprehensive review over interim.
-

## ***School Accountability-***

*“Legislators improved education accountability by focusing on individual achievement and progress, rating schools based on the post-secondary readiness and high-end achievement of students, and teaching children to think more critically by reducing the impact of high-stakes testing.”*

*By not hinging a child's progress from grade to grade on their Texas Assessment of Knowledge and Skills (TAKS) score, new legislation passed by the 81st Legislature offers other pathways to success. House legislation on school accountability this session focused on: (1) individual student achievement, (2) educating students to a postsecondary readiness standard, (3) promoting the efficient use of resources, (4) recognizing excellence in individual campuses; and (5) providing meaningful, and relevant reports of student, campus and district performance.*

## ***Highlights of Conference Committee Report on House Bill 3-***

By Representative Rob Eissler and Senator Florence Shapiro

### **Postsecondary Readiness**

- For the first time, Texas will use college readiness as an element of the accountability system by requiring districts and campuses to increase the number of students performing at the college readiness level.
- Establishes a college readiness standard on the English III and Algebra II end-of-course exams and guarantees students who meet this standard are placed in credit bearing courses in high education for that subject.

### **Rigor and Relevance**

- Strong academic core for students on the recommended plan with increased flexibility (6 electives). Recommended plan: students must earn four credits in each of the four core subject areas (4x4), two credits of the same foreign language, one physical education credit, one fine arts credit and six electives selected by students and parents.
- Maintains high standards for students by requiring them to demonstrate knowledge on the end-of-course exams in each content area to graduate. Students must earn a cumulative score on assessments in each core area (model from SB 1031 in the 80th Session.)
- Requires third grade students to be promoted based on a variety of factors, but maintains the current promotion requirements for grades 5 and 8. Allows the commissioner to intervene if schools inappropriately promote students.
- Authorizes districts to provide math and science courses in an applied manner, while ensuring quality by requiring TEKS coverage and end-of-course exams.

### **Campus and District Recognition**

- Provides for districts and campuses to earn recognized and exemplary designations for higher percentages of students meeting postsecondary readiness standards.
- Allows campuses to earn distinctions for outstanding academic achievement in the core subject areas, growth in student achievement, closing the gaps, fine arts, physical education, 21st Century Workforce Development and second language learning.
- Requires distinctions to be awarded using multiple measures of success.

## Accountability Indicators

- Allows student growth to count toward meeting the passing and college-readiness standards
- Allows districts to meet the standard or use a 3-year rolling average.
- Provides districts a safety valve in meeting accountability indicators so long as the exceptions to meeting the standard are atypical and not persistent.

## Interventions and Sanctions

- Grants campuses and additional year after reconstitution to meet accreditation standards.
- Provides the option of repurposing in lieu of closure.
- Allows the delay of alternative management, repurposing and closure by one year if the commissioner determines that the campus is making significant progress toward accreditation.
- Prohibits the commissioner from requiring the name of a campus to be changed.

---

## *Electronic Textbooks-*

*Acknowledging there are many diverse educational opportunities available to Texas students through electronic means, House Bill (HB) 4294 was approved by the Legislature. Under this bill, Texas public schools will be allowed to purchase electronic textbooks and permit the use of the State Textbook Fund to purchase the technological equipment necessary to support the use of electronic textbooks or instructional material.*

---

## **HB 4294 (Electronic Textbooks) - By Representative Dan Branch**

House Bill (HB) 4294 allows schools to purchase electronic textbooks and will:

- Provide school districts and open-enrollment charter schools more flexibility in the use of electronic textbooks, instructional materials, and technological equipment.
- Electronic textbooks will allow delivery of up-to-date content to students in less time, as well as more efficient use of state funds in purchasing instructional content.
- Authorize the state textbook fund be used to purchase the technological equipment necessary to support the use of electronic textbooks or instructional material.
- Require the commissioner to adopt a list of electronic textbooks and instructional material.
- Make it an offense for school personnel, including school trustees, to accept a gift, favor or service that might influence the selection of a textbook.

## ***Teacher Investment Protection-***

***Currently numerous Third Party Administrators (TPAs) are being authorized to solely provider for 457(b) products or tax-deferred retirement plans. This type of business model does not provide sufficient protections to ensure the information given to or the products offered are completely objective and in their best interests. Safeguards to protect teachers' investments by instituting several important administrative processes were accomplished by the passage of House Bill 3480. This bill allows the state to investigate alleged violations of the offering of annuities and investments to teachers and establishes penalties against companies that violate the provisions of this bill.***

---

### **HB 3480 (Teacher Investment Protection) - By Representative Vicki Truitt**

***Some third party administrators (TPAs) are being authorized to be the sole provider for 457(b) products. A 457(b) retirement plan allows employers or employees through salary reductions to make tax-deferred contributions, and the interest earnings on those contributions are also tax-deferred. Through this relationship, some TPAs are attempting to push their own 403(b) product, at the expense of existing ones, despite clear prohibition in the law that a school may not accept any benefit from a company offering a qualified investment product, such as a 403(b) plan. This deceptive practice hurts teachers who may buy retirement plans unnecessarily, as well as other third-party agents who cannot compete with large agencies offering their services as “loss-leaders.”***

Business models that allow companies that are contracted with school districts to be their third party administrator as well as a vendor, or affiliated vendor, result in an inherent conflict of interest. Such a business model does not provide sufficient protections to ensure that the information given to or the products offered to school teachers are objective and in their best interest.

**House Bill (HB) 3480** contains the following provisions:

- Creates additional protection for teacher investments.
  - Ensures that all service providers and their products are vetted appropriately before a company is allowed to enter into a contract with a school district.
  - Enables the Texas Department of Banking, Department of Insurance or State Securities Board to investigate alleged violations by those offering annuities and investments to teachers.
  - Provides that only qualified investment products may be legally marketed and sold.
  - Establishes penalties against companies that violate the provisions of the legislation.
-

## **Health Care:**

*“Legislators dedicated an additional \$5 billion to the healthcare needs of vulnerable populations, including \$200 million to serve a greater number of Texans with cognitive disabilities in their homes and communities. New funding is also dedicated to addressing the shortage of primary care physicians and nurses.*

### ***Physician Shortage-***

*Texas faces a shortage of primary care physicians, particularly in the 179 counties designated as "medically underserved areas." Primary care physicians provide the vast majority of preventive medicine and chronic disease care, and their work is critical to keeping Texans healthy. House Bill (HB) 2154 will encourage physicians to practice in medically underserved areas by substantially increasing funding for the Physicians Education Loan Repayment Program."*

### ***Nursing Shortage-***

*Texas is currently short some 22,000 nurses, yet we turn away 8,000 qualified applicants for nursing school every year. This is primarily due to a shortage of qualified and willing faculty. House Bill (HB) 4471 enhances financial aid grants to increase the number of graduates from nursing school programs and facilitates the ability of new programs to be offered in the state.*

---

### **HB 4471 (Nursing Shortage) - By Representative Lois Kolkhorst**

House Bill (HB) 4471 seeks to help fill an estimated shortage of 22,000 nurses across Texas and increases the incentives nursing schools get for hiring more teachers and graduating more nurses.

The Legislature and Texas nursing schools responded in 2007, with a dramatic increase in graduating registered nurses. HB 4471 enhances financial aid grants to increase the number of graduates from nursing school programs and facilitates the ability of new programs to be offered in the state.

### ***Medicaid Buy-In for Children with Disabilities-***

*Often families with a disabled child have a difficult time affording necessary medical costs, and many of these children do not qualify for coverage on the private market because of their pre-existing conditions. These families often find themselves in significant debt and may even be forced to take a lower paying job in order to meet Medicaid eligibility requirements. Senate Bill 187 establishes a Medicaid buy-in for children with disabilities whose family income is below 300 percent of the federal poverty level. This will enable families to care for their children with disabilities at home without spending their entire savings or going into significant debt.*

### ***Healthy Texas Program-***

*The Legislature passed Senate Bill 78 which creates the Healthy Texas Program (HTP). The program is intended to assist small employers that do not currently offer health insurance for their employees, estimated to be approximately 68% of small employers in Texas. The premiums in the small business insurance market are often much higher than those in a large employer market. The HTP permits the state to partner with insurers to provide affordable health insurance products to small employers.*

---

## ***State School Reform -***

Recent findings by the United States Department of Justice (DOJ) indicated that the care provided to individuals with intellectual or developmental disabilities in our state school system is lacking. Senate Bill (SB) 643 takes several important steps towards reforming our state facilities. House action expands these reform efforts by enhancing protections provided to individuals with disabilities who receive services in community-based settings. Additionally, the Legislature passed Senate Concurrent Resolution(SCR) approving the settlement agreement reached with the DOJ, authorized \$48 million in supplemental funding to address staffing shortages and other shortcomings identified in Texas' state school system.

## ***Mental Health Services-***

The Legislature increased funding for community mental health services throughout the state by \$84 million. This effort continues the Mental Health Community Crisis initiative begun last session and expands transitional and intensive on-going community mental health services to serve 5,600 additional children and adults each year.

---

## **SB 643 (State Schools) - By Senator Jane Nelson**

As of January 31, 2009, over 4,500 individuals with intellectual or developmental disabilities were receiving services in 13 state-owned and operated residential institutions known as state schools. In December 2008, the Department of Justice (DOJ) informed Governor Rick Perry by letter that numerous conditions and practices at the facilities violate the constitutional and federal statutory rights of their residents. The DOJ letter included the findings that the facilities failed to provide their residents with adequate protection from harm and training and associated behavioral and mental health services. Additional concerns have been raised regarding the care and protection of individuals with intellectual or developmental disabilities who receive services outside of state schools. Senate Bill (SB) 463 requires independent monitors to inspect the state schools regularly, sets new standards for medical and psychological care, implements safeguards to detect and deter exploitation of clients and strengthens guidelines for employees' treatment of inmates. The law is intended to improve the care and protection of individuals with intellectual and developmental disabilities. It establishes additional powers and duties for the center directors, training requirements for center employees, and investigation procedures for reports of abuse, neglect and exploitation that includes the involvement of the Health and Human Services Commission (HHSC) Office of Inspector General (OIG).

- Address problems that have played a significant role in the ongoing allegations of abuse, neglect, and exploitation of intellectually and developmentally disabled individuals in state schools.
- Reform the internal operations of state facilities and increase oversight.
- Enhance investigation and reporting procedures, institute training, establish safeguards, for residents and clients, assist staff, and ultimately initiate change in the current culture of state schools.
- Change the name "state schools" to "State Supported Living Centers (SSLC)."
- Mandate the use of cameras in SSLCs common areas and hallways.
- Require criminal background checks, fingerprinting, and random drug testing of SSLC employees.
- Require training for SSLC employees to ensure that staff is adequately prepared to care for the specialized needs of SSLC residents and clients.
- Establish an Office of Independent Ombudsman focused on the needs of SSLC residents and clients.

## **Protecting Texas Consumers:**

*“Important measures were passed to protect consumers, including the passage of stronger registration and licensing requirements for mortgage lenders.”*

### **Home Owner Protection-**

*House Bill (HB) 10 protects Texas homeowners by mandating the registration and licensing of individuals engaged in mortgage lending. House Bill 10 provides clear and broad authority to the state to investigate, revoke a license and inform relevant individuals when violations of the Secure and Fair Enforcement Mortgage Licensing Act (SAFE) occur. Fingerprinting, backgrounds checks and investigation of personal/financial history will now be required for mortgage loan originators.*

---

### **HB 10 (Homeowner Protection) - Representative Burt Solomons**

Last August, Congress adopted the Housing & Economic Recovery Act of 2008, which included the Secure and Fair Enforcement Mortgage Licensing Act (SAFE). All states are required to adopt the provisions of SAFE to comply with federal law. SAFE establishes a national mortgage origination registration system, which means that any individual who engages in the mortgage lending must register and be licensed. This legislation was drafted to comply with SAFE, but also gives the Finance Commission of Texas and the Credit Union Commission rulemaking authority to comply with the changing regulatory environment should it affect the SAFE provisions. House Bill (HB) 10 amends current law relating to the regulation of residential mortgage loan originators and provides a penalty.

- Places Texas in compliance with the Federal Secure and Fair Enforcement for Mortgage Licensing Act passed by the U.S. Congress.
- Prohibits an individual from engaging in the residential mortgage loan business in Texas unless the person is licensed to engage in that enterprise under respective governing statutes.
- Provides broad authority to a regulatory official to investigate, revoke a license and inform relevant individuals when conduct of a person violates provisions of the Texas S.A.F.E Act.
- Applicants for a residential mortgage loan originator license must be fingerprinted, have a background check and personal/financial history investigated.
- Establishes pre-licensing educational courses and testing requirements for residential mortgage loan originators.
- Loan originators must meet the surety bond requirements or paid a recovery fund fee in accordance with the federal act.

## **Promoting Texas Business:**

### ***Economic Development-***

*“Legislators made important investments in jobs through increasing funding to the Texas Enterprise Fund and authorizing tax abatements to help attract new companies and industries to our state.*

### ***Texas Enterprise Fund-***

*The Texas Enterprise Fund (TEF) may be used for a variety of economic development projects, including infrastructure and community development, job training programs, and business incentives. Recognizing the importance of the "deal closing fund" the Legislature increased the funding of the program.*

### ***Emerging Technology Fund-***

*Recognizing its commitment to open and transparent state government, the Legislature passed House Bill (HB) 2531, which provides transparency to the Emerging Technology Fund (ETF) program. This bill requires the Governor by January 1 of each year to submit to the Legislature and post on the Governor's Office website a report on the activities of the ETF for the three preceding state fiscal years. The report may exempt confidential information but mandates the reporting of award data which includes the total number and amount of awards made, name of each award recipient and amount of the award, and a brief description of the actual outcomes of all projects funded for commercialization activities during the preceding fiscal years.*

### ***Tax Abatements for Economic Development-***

*The Property Redevelopment and Tax Abatement Act (Chapter 312) authorizes cities, counties and other taxing jurisdictions to enter into tax abatement agreements for local economic development purposes. Scheduled to expire on September 1, 2009, the House approved House Bill 3896 which extends Chapter 312 provisions through September 1, 2019, ensuring local government can continue to use property tax abatements as an economic development tool.*

---

### **HB 3896 (Tax Abatement) - By Representative Rene Oliviera**

Chapter 312 (Property Redevelopment and Tax Abatement Act), Tax Code, provides authorization for municipalities, counties, and other local taxing jurisdictions to enter into tax abatement agreements for local economic development purposes. Current law allows these local taxing jurisdictions to abate property taxes for a period of up to 10 years upon creation of a reinvestment zone. Tax abatement agreements are local economic development tools, involving exclusively local decisions and tax revenue, but under current law, Chapter 312 expires on September 1, 2009. HB 3896 extends current tax abatement authority through September 1, 2019 and:

- Ensures that local taxing jurisdictions can continue to use property tax abatements for economic development purposes.
- Clarifies the authority of cities and counties to enter into tax abatement agreements with the owners of improvements on leased land.
- Prohibits cities and counties from entering into tax abatement agreements for a period exceeding 10 years.

---

## Chapter 313 Value Limitation Agreements-

*Chapter 313 agreements allow school districts to provide a temporary limitation on the taxable value of new property investments that are subject to the property tax. This program has been very successful in bringing new investments to Texas, many of which would not have located in the state if not for these tax abatements.*

*Eligible projects include semi-conductor manufacturing, chemical plants, auto manufacturing, research and development facilities, renewable energy, and nuclear energy projects.*

### **HB 3676 (Chapter 313 Value Limitations) - By Representative Joe Heflin**

House Bill (HB) 3676 provides changes that will improve this valuable program by extending the sunset date from 2011 to 2014 to reassure projects with a long-planning horizon that the state is committed to the Chapter 313 program while permitting the Legislature to review the effectiveness of the program.

In addition to extending the sunset date HB 3676:

- Would amend section 313.025 to allow the owner or lessee of, or the holder of another possessory interest in, qualified property to apply to the governing body of a school district for a value-limitation agreement.
- The school district and a person would not be allowed to enter into agreements under which the person agreed to provide payments in lieu of taxes (PILOTS) to a school district in an amount that exceeded \$100 per student per year in average daily attendance or for certain periods of time.
- Would allow for the recapture of lost property-tax revenue. A person with whom a school district entered into an agreement would be required to make the minimum amount of qualified investment during the qualifying time period and would be required to create the minimum number of qualifying jobs during each year of the agreement.

## ***Entertainment Industry Incentives-***

***Established in 2005 by the Texas Legislature, the Moving Image Industry Incentive Program was created to promote the entertainment industry in Texas. To guarantee Texas remains competitive in attracting entertainment investments to the state, legislators approved House Bill 873. This bill will strengthen Texas's investment in and incentives to the entertainment industry while indirectly impacting the creation of sustaining jobs. House Bill 873 requires that at least 60% of funded projects must be filmed in Texas and increases the size of state grants if a production company spends at least 25 percent of its filming days in an under-utilized and economically distressed areas.***

---

### **HB 873 (Entertainment Industry Incentives) - By Representative Dawnna Dukes**

During the 79th Legislature, Regular Session, 2005, the Texas Legislature established the Moving Image Industry Incentive Program (program). Although Texas is recognized as a choice location for filming, it has fallen behind other states in attracting moving image productions. In the last decade, financial incentives have become a higher priority when production companies decide filming locations, and Texas lags behind other states in offering filming incentives. Texas' current maximum amount of a grant under the program is the lesser of five percent of a production company's in-state spending for a moving image project or a specified amount dependent on the type of moving image project produced, while some states offer 25 percent tax credits or rebates. According to the Texas Film Commission, the moving image industry spent almost \$345 million in Texas in 2007, generating a total state economic impact of about \$522 million and supporting over 2,400 full-time jobs. HB 873 provides incentives to filmmakers to make films in Texas. This strengthens Texas' investment in a vital industry, shows off our state to the rest of the world, and draws investment and creates jobs for Texans. House Bill (HB) 873 requires the Music, Film, Television, and Multimedia Office in the Office of the Governor to establish the maximum amount of a grant under the program and reduces the threshold requirements that a production company must meet to qualify for such a grant. The bill also increases the size of additional grants available to a production company that spends at least 25 percent of its filming days in an underutilized and economically distressed area.

- Promotes the entertainment industry in Texas by providing incentives for the film, television, video, and digital interactive media production industries.
- Strengthens the state's investment in an industry that attracts other investment and creates jobs for Texans.
- Will boost the Texas entertainment industry and also indirectly affect other businesses that support this industry.
- Requires the Governor's Music, Film, Television, and Multimedia Office to establish the maximum amount of grant awards under the program and reduces the threshold requirements for a grant.
- Requires that at least 60% of the funded project must be filmed in Texas.

---

### ***Tax Relief for Small Business, Veterans and Improved Process for Texas Homeowners-***

***The margins tax exemption for small businesses was increased from \$300,000 to \$1 million, reducing taxes for small businesses trying to survive the national recession. Fully disabled veterans will no longer have the additional burden of paying property taxes. Reforms will make the property appraisal process fairer and give citizens a greater opportunity to appeal unfair assessment."***

## ***Business Margins Tax-***

*Small businesses make up a substantial portion of the Texas economy. During the first reporting year of the revised Texas Franchise Tax, or "margins tax", small businesses saw their franchise tax payments increase substantially, even doubling in some cases. The intent of the revised tax was to spread the tax burden equally across all taxpayers. However, small businesses ended up with a disproportionate share of the tax burden. House Bill (HB) 4765 provides relief to small businesses by increasing the "small business exemption" from \$300,000 to \$1,000,000 for fiscal years 2010 and 2011 and \$600,000 thereafter.*

---

### **HB 4765 (Margins Tax) - By Representative Rene Oliveira**

House Bill (HB) 4765 raises the small business tax exemption from \$3,000,000 to \$1 million for the next two years, taking about 40,000 businesses off the tax rolls. By raising the revenue exemption, small businesses will get needed relief to help deal with the terrible aftershocks of the economic crisis.

With small businesses making up the most significant portion of the Texas economy, House Bill 4765 will cut taxes for businesses earning up to \$1 million annually, contingent on revenue generation through changes to the method of taxing smokeless tobacco products. The tax exemption will become permanent for businesses earning up to \$600,000 after a two-year period.

Businesses between \$1 million and \$10 million in total revenue bore the brunt of this tax increase. This sector of the economy paid an increase of almost 50 percent. As the Texas economy gradually works its way out of a recession, small businesses will be provided tax relief through the passage of HB 4765.

---

## ***Stimulus for Small Business Owners-***

### ***Property Appraisal Reform -***

*State law currently authorizes taxpayers to appeal property value determination to an Appraisal Review Board (ARB) and if the taxpayer determines it to be necessary, to further appeal the ARB's decision to district court. Because the cost of appealing is expensive and time-consuming, many taxpayers decide not to pursue property value assessment appeals. House Bill 3612 creates a three-year pilot program in Bexar, Cameron, Dallas, El Paso, Harris, Tarrant, and Travis Counties under which a property owner may appeal an Appraisal Review Board (ARB) decision on real/personal property over \$1 million to the State Office of Administrative Hearings.*

---

### **HB 3612 (Property Appraisal Reform) - By Representative John Otto**

House Bill (HB) 3612 would create a pilot program to allow taxpayer appeals of ARB decisions involving property values of more than \$1 million in certain counties to be heard by the State Office of Administrative Hearings (SOAH).

Many taxpayers are unhappy with the ARB process but cannot afford to appeal their cases to district court, as the cost of doing so often exceeds the shift in appraised value they hoped to obtain. Under current law,

property owners whose property is valued at less than \$1 million have the option of going to binding arbitration. Doing so can save tens of thousands of dollars off the cost of going to district court. However, property owners, whose is valued at more than \$1 million do not have this option. CSHB 3612 would allow these property owners, if the property in question existed in one of the selected Texas counties, to take their appeals to the SOAH.

SOAH expects the average cost of these hearings to be between \$1,500 and \$2,000. This would result in significant cost savings compared to an appeal in district court and would open up an avenue for a meaningful and professional appeal to those who otherwise might not find it economical to pursue one.

House Bill 3612 would promote confidence and professionalism in the appraisal system. Taxpayers would have an avenue for an appeal that would be independent of the appraisal district, increasing confidence in the system.

---

### ***School Sales Tax Holiday-***

***Recognizing the current national financial crisis and its negative impact on Texas families, the Legislature adopted House Bill (HB) 1801. This law expands the state's sales tax holiday to include school supplies. The expanded holiday will begin at 12:01 a.m. on the third Friday in August, end at 12:00 midnight on the following Sunday and apply for sales prices less than \$100.***

---

### **HB 1801 (School Tax Holiday) - By Representative Dwayne Bohac**

This bill expands the current sales tax holiday to include school supplies.

- House Bill (HB) 1801 assists families by adding certain school supplies, as defined under the Streamlined Sales and Use Tax Agreement, to the list of items currently exempt from state sales and use taxes during the specified period.
- The Streamlined Sales and Use tax Agreement (SSUTA), a multi-state compact designed to simplify and modernize sales and use tax administration, defines "school supplies" as: binders; book bags; calculators; cellophane tape; blackboard chalk; compasses; composition books; crayons; erasers; folders, including expandable, pocket, plastic, and manila; glue; paste; and paste stickers; highlighters, index cards and boxes, legal pads; lunch boxes; markers; notebooks; paper; including: loose leaf ruled notebook paper; copy paper; graph paper, tracing paper; manila paper; colored paper; poster board, and construction paper; pencils; pens; protractors; rulers; scissors; and writing tablets.
- HB 1801 would help Texas families with yearly costs of sending their children to school and would help students be prepared to succeed.

---

### ***Veterans Tax Relief-***

***The Texas Legislature recognized and provided relief for the state's disabled veterans with the passage of House Bill 3613. The bill provides for totally disabled veterans to receive 100% exemption on their local property taxes and amends the schedule of property tax exemptions for veterans with certain disability ratings. This legislation is expected to save Texas disabled veterans approximately \$11.4 million dollars over the next two years and would be a gesture of gratitude on behalf of the state of Texas.***

---

## ***School Appraisal Reform -***

***Current law requires the Comptroller of Public Accounts to annually conduct a property value study in each school district to ensure the equitable distribution of state funds to public schools. In passing House Bill 8, the Legislature requires annual value studies already being conducted by the state comptroller to include a study of the appraisal evaluation process in each county. This bill will increase accuracy and improve standards and practices of property appraisals in Texas.***

---

### **HB 8 (School Appraisal Reform) - By Representative John Otto**

House Bill (HB) 8 would increase accuracy and improve standards and practices of property appraisals in Texas. Under current law, there is no state oversight beyond the property value study, and the current system does not exert enough pressure on appraisal districts to produce accurate and professional valuations.

HB 8 would allow the comptroller to do more focused analyses of school districts' taxable property because the number of appraisal districts' valuations they study in a year would be halved and to more closely examine their standards and procedures. The comptroller's property tax division staff would be better able to check for highly technical processes that can be used to manipulate values, which often are overlooked in a more general analysis.

---

## **Protecting Victims of Crime:**

*“Strong measures were passed to prevent the online exploitation of children by sex offenders. Further steps were taken to protect the victims of domestic violence and make our streets and communities safer.”*

### ***Protection For Children On The Internet From Sex Offenders-***

*The ever-increasing use and development of cyber technology has significantly increased new ways for children to become targets of child sexual predators. Because current law does not require convicted sex offenders to disclose any electronic identification information, law enforcement officials have great difficulty in identifying individuals who are accessing the internet in violation of their parole conditions. The Legislature addressed this issue with passage of Senate Bill (SB) 689 which requires sex offenders to include e-mail addresses, cellular telephone information and on-line identifiers to the state. This information would be made available by the state to social networking sites in order to screen members and identify convicted sex offenders. The bill would also prohibit certain sex offenders from using the Internet, if their conviction was related to an offense against a child and the crime was a result of on-line contact.*

---

#### **SB 689 (Internet Protection) - By Senator Florence Shapiro**

With the ever-increasing use and development of cyber technology, sexual predators who look for victims on the Internet or social networking sites have new ways of preying upon children in Texas. Because current law does not require convicted sex offenders to disclose any electronic identification information, law enforcement authorities often have difficulty in identifying individuals who are accessing the Internet or social networking sites in violation of their parole conditions. This bill seeks to address that problem by giving law enforcement authorities and social networking sites additional information that can be used to track sex offenders online. S.B. 689 will require sex offenders to include e-mail addresses, cell phone numbers and online identifiers, like usernames, to the state. The state would make this information available to social networking sites to screen members and find any convicted sex offenders.

- Requires the court to prohibit child sex offenders (who will be required to register as a sex offender) from using the Internet to access material that is obscene, a commercial social networking site, communicate with any individual concerning sexual relations with an individual who is younger than 17 years of age, or communicate with another individual the defendant knows is younger than 17 years of age.
- Requires DPS by rule to establish a procedure through which a commercial social networking site is authorized to request information about the sex offender.
- Provides that a commercial social networking site or the site's agent is authorized to use information received only to prescreen persons seeking to use the site or preclude persons registered under this chapter from using the site.
- Any new online identifier not already included on the offender's registration form must be reported.

## ***Protection For Children From On-Line Harassment-***

***The harassment of individuals, especially children, on the internet is a growing problem which is compounded with technological advances in the electronic communication medium. House Bill 2003 creates the offense of online harassment to deter and punish such offenders. This bill makes it a third degree felony to use the name or persona of another person to create a webpage or post messages on a commercial social networking site without obtaining the other person's consent with the intent to harm, defraud, intimidate, or threaten any person.***

---

### **HB 2003 (On Line Harassment) - By Representative Brian McCall**

House Bill (HB) 2003 includes the following provisions:

- Online harassment occurs when a perpetrator assumes the identify of another and sends false, harassing, or threatening electronic messages to the victim or a third party who is unaware of the perpetrator's true identity.
  - Online harassment has resulted in suicide, threats of physical and mental abuse, and more, but current Texas law does not provide a means of prosecuting some of the most egregious of these acts.
  - Creates the offense of online harassment to deter and punish such offenders.
  - Amends the Penal Code to create the third degree felony offense of online harassment for a person who uses the name or persona of another person to create a web page on or to post one or more messages on a commercial social networking site without obtaining the other person's consent with the intent to harm, defraud, intimidate, or threaten any person.
  - Creates the Class A misdemeanor offense of online harassment for person who sends an electronic mail, instant message, text message, or similar communication that references a name, domain address, phone number, or other item of identifying information belonging to any person without obtaining the other person's consent.
  - A person commits an offense if the person sends an electronic mail, instant message, text message, or similar communication that references a name domain address, phone number or other identifying information belonging to any person without obtaining the other person's consent with the intent to cause a recipient of the communication to reasonably believe that the other person authorized or transmitted the communication, and with the intent to harm or defraud any person.
  - The bill increases the penalty for this offense to a third degree felony if the actor commits the offense with the intent to solicit a response by emergency personnel.
  - Specifies that if conduct that constitutes an online harassment offense also constitutes an offense under any other law, the actor may be prosecuted under the bill's provisions, the other law, or both.
  - Creates the defense to prosecution for an online harassment offense that the actor's conduct consisted solely of action taken as an employee of a commercial social networking site, an Internet service provider, an interactive computer service, a telecommunications provider, or a video service provider or cable service provider.
  - Defines "commercial social networking site" and "identifying information."
-

## ***Protection For Domestic Violence Victims-***

***In domestic violence cases, strangulation is statistically correlated with an increased risk of lethality and a valid indicator that the perpetrator is more likely to commit future acts of aggression against the victim. In fact, a domestic violence victim who has been strangled is nine times more likely to be killed than one who has not. House Bill (HB) 2066 increases the penalty for strangulation to a third degree felony and keeps offenders incarcerated for longer periods, allowing victims more time to take steps to protect themselves.***

---

### **HB 2066 (Domestic Violence Strangulation) - By Representative Pete Gallego**

This bill increases the penalty for strangulation from a Class A misdemeanor to a third degree felony.

Other provisions of the bill include:

- Would make assault a third-degree felony if committed by strangulation or suffocation against someone with whom the defendant had a dating relationship or someone in the defendant's family or household.
  - Same offense would be second-degree felony if committed against someone with whom the defendant had a dating relationship or someone in the defendant's family or household and the defendant had previously been convicted of an assaultive offense, criminal homicide, kidnapping, or domestic relationship cases of indecency with a child.
  - Give prosecutors the discretion to try strangulation cases under the law that carries the most appropriate penalty.
  - Increased penalty could keep offenders incarcerated longer, giving victims more time to take steps to protect themselves.
-

## **Insurance Reform:**

*“On the eve of hurricane season, legislators reshaped Texas windstorm insurance laws providing Texans with fair and affordable windstorm insurance protection. The law allows the state to issue public securities while still protecting general revenue tax dollars to help coastal homeowners to ensure claims are paid promptly after a catastrophic storm.”*

### **Windstorm -**

*The Texas Windstorm Insurance Association (TWIA), was established by the 62nd Legislature to provide wind and hail coverage to applicants who otherwise might be unable to obtain insurance. TWIA is authorized to write coverage in areas designated by the Commissioner of Insurance. Under House Bill 4409 the state is authorized to issue bonds on behalf of TWIA after a storm of up to \$2.5 billion. House Bill 4409 requires that the first \$1 billion in bonds be paid using TWIA premium revenue, and additional bonds are to be repaid by charges to coastal property and casualty policy holders and assessments to insurers.*

---

### **HB 4409 -** By Representative Larry Taylor

The Texas Windstorm Insurance Association (TWIA) which writes windstorm and hail insurance along the Texas coast took a financial pounding last year and was depleted because of claims from hurricanes Dolly and Ike. The windstorm legislation would allow the windstorm association to issue bonds before or after a storm of up to \$1 billion to be paid for using TWIA premium revenue, and assessments to coastal property and casualty policy holders and insurance companies.

The TWIA, formerly known as the Texas Catastrophe Property Insurance Association, was established by the 62nd Legislature as a mechanism to provide wind and hail coverage to applicants who otherwise might be unable to obtain insurance in the voluntary market. TWIA is authorized to write coverage for wind and hail in areas designated by the commissioner of insurance as "catastrophe areas". The current funding mechanism was developed in 1993, at a time when TWIA's exposure to loss was approximately \$6.5 billion. TWIA's current funding structure and formulas for determining rates and premiums, among other key principles, may have been adequate in the past to promote the property market and protect the state revenues.

---

## **Environment:**

*Legislators invested in green technologies like clean coal and passed a measure which creates green building standards for offices and schools.*

### ***Inactive Oil and Gas Wells-***

House Bill (HB) 2250 would require the Railroad Commission to change existing standards and implement a new plugging extension permitting process for inactive oil and gas wells by establishing mandatory surface equipment removal requirements, and establishing seven options to obtain plugging exceptions. The current system already handles "abandoned" or "orphaned" wells. "Active" wells do not pose problems, but "inactive" wells are a broad category with many potential risk factors and possible regulatory loopholes. The complete proposal is intended to protect the Oil Field Clean-Up Fund against future liability from inactive wells by raising accountability and responsibility of operations in a manner that balances risk and cost.

### ***Clean Coal-***

*The Texas Bureau of Economic Geology at The University of Texas estimates that as much as three to five billion barrels of additional Texas oil is available across the state to be recovered using CO<sub>2</sub> for Enhanced Oil Recovery (EOR). Additionally, Texas offers the nation numerous industrial and geological opportunities to use and store the vast amounts of CO<sub>2</sub> produced from burning coal for needed electric generation. Our state has the potential to become the low-cost provider of carbon sequestration services to the entire Southeastern United States. The Legislature took proactive steps this year to take advantage of Texas' energy opportunities by passing House Bill 469 which creates considerable financial incentives for the development of clean coal technology.*

---

### **HB 469 (Clean Coal) - By Representative Phil King**

House Bill (HB) 469 creates significant incentives for the development of clean coal technology.

Texas has an opportunity to become the first state in the United States with fully operational large-scale clean coal power plants that capture a significant percentage of the carbon dioxide (CO<sub>2</sub>) they produce. In many cases, the captured CO<sub>2</sub> could be used for valuable enhanced oil recovery (EOR) projects, thus creating additional economic benefit to the state.

H.B. 469 directs the comptroller of public accounts to issue franchise tax credits of 10 percent of the total capital costs or \$100 million per qualifying project, whichever is less. Only the first three completed qualifying projects would be eligible, and the credits may not be claimed until each project is fully operational, and the credits cannot exceed the franchise tax liability. The Bureau of Economic Geology would monitor, measure, and verify the permanent status of sequestered CO<sub>2</sub> generated.

Finally, H.B. 469 authorizes that the current reduced severance tax rate for manmade CO<sub>2</sub> used in enhanced oil recovery would apply to the use of CO<sub>2</sub> from clean energy projects for 30 years.

---

## Water:

*House Bill 2667 will increase efficiency standards for plumbing fixtures sold for use in the state.*

---

## *Air Quality and Carbon Capture and Storage-*

**HB 1796** - By Representative Warren Chisum

House Bill 1796 affects air quality and carbon capture and storage as follows:

- Extends the Texas Emissions Reduction Program and fees to 2019. We need to extend the program because air quality standards have gotten more difficult to attain and more areas will need access to the funds.
- Requires TCEQ to provide grants for eligible projects at facilities or other stationary sources to offset the incremental costs of emissions reductions. Eligible projects include advanced clean energy projects, new technology projects (that involve capital expenditures that exceed \$500 million), and electricity storage projects related to renewable energy. All facilities in the state are eligible for grants. Grant contracts must include a provision allowing recapture of the grant funds if the project does not achieve the reductions set out in the grant application. The applicant must bear at least 50% of the cost of a project. Preference will be given to projects that use Texas natural resources, contain an energy efficiency component, or include renewable energy. The grant provision expires in 2019.
- Requires TCEQ, Railroad Commission, and Public Utility Commission to jointly participate in the federal government process for developing federal greenhouse gas reporting requirements and the federal greenhouse gas registry requirements.

## *Carbon Capture and Storage Future Planning-*

**House Bill (HB) 1796** by Representative Chisum requires the Land Commissioner to contract with the University of Texas Bureau of Economic Geology (BEG) to conduct a study of state-owned offshore submerged land to identify potential locations for a carbon dioxide repository. The School Land Board will issue a request for proposals for the construction of infrastructure for transportation to and storage in the offshore repository. The TCEQ will be required to adopt standards for monitoring, measuring and verifying the permanent storage status of the repository, and the BEG would perform those functions and serve as a scientific advisor.

**Senate Bill (SB) 1387** by Senator Seliger provides a state-level regulatory framework for the storage and sequestration of CO<sub>2</sub> into geologic formations that may contain oil or gas. The bill would give the Railroad Commission jurisdiction over the injection of CO<sub>2</sub> into wells that are or may be productive of oil or gas. The Railroad Commission would also have jurisdiction over storage in a salt brine formation that exists above or below an oil or gas formation - "stacked storage".

SB 1387 also requires that before the Railroad Commission may issue a permit under this section that the TCEQ must certify that underground fresh water supplies will not be injured by the permitted activity. The bill also calls for the TCEQ, Railroad Commission, and the University of Texas Bureau of Economic Geology to conduct a study of and report back to the legislature on the appropriate agency to regulate the

long term storage of CO2 into non oil or gas producing geologic formations. The bill enhances coordination between the Railroad Commission and TCEQ to ensure the regulation of CO2 storage in Texas is being done in an economically and environmentally sound manner.

### ***"No Regrets" Greenhouse Gas Reduction Strategies-***

**Senate Bill (SB) 184** by Senator Kirk Watson would require the Comptroller of Public accounts to prepare a report to the legislature to include a list of strategies for reducing emissions of greenhouse gases in the state that may result in net savings for consumers or businesses or can be achieved without financial cost to consumers or businesses in the state.

In addition, the Comptroller of Public Accounts would appoint one or more advisory committees to assist in identifying and evaluating greenhouse gas emission reduction strategies with at least one representative from the Texas Railroad Commission, General Land Office, Texas Commission on Environmental Quality, Texas Department of Agriculture, and a Texas institution of higher education serving on the committee.

---

### ***Protecting Land Owner Rights:***

#### ***Eminent Domain-***

House Joint Resolution (HJR) 14 proposes amending the Texas Constitution to more clearly define the circumstances under which a person's private property may be taken for a public use.

#### **HJR 14 (Eminent Domain) - By Representative Frank Corte**

House Joint Resolution (HJR) 14 proposes a constitutional amendment to limit the public taking of private property. It provides that no property shall be taken without consent only if the taking, damage and destruction is for the ownership, use or enjoyment of the property by the state, a political subdivision, the public, or an entity granted the power of eminent domain. It also defines "public use" to disallow the taking of property to a private entity for the primary purpose of economic development or enhancement of tax revenues.

Finally, HJR 14 provides that legislation creating new entities that will have the power of eminent domain must receive affirmative votes by 2/3 of the members of the legislature.

## **Tort/Lawsuit Reform:**

*“Further protections were passed to protect Texas residents from unscrupulous solicitation practices by attorneys in the immediate aftermath of an injury or accident.”*

---

### ***Barratry-***

*In an effort to enhance the protection of Texas consumers, the Legislature adopted House Bill 148 which relates to the prosecution of the offense of barratry ("ambulance chasing") and solicitation of professional employment. Additionally, this bill attempts to protect the privacy of accident victims, shields injury victims from emotional distress of unwanted solicitation and provides protection to Texans from the solicitation from certain professionals to individuals soon after an accident.*

---

### **HB 148 (Barratry) - By Representative Todd Smith**

House Bill (HB) 148 relates to the prosecution of the offense of barratry and solicitation of professional employment.

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency but allows the following:

- Provides protection to the public from solicitation from certain professionals to individuals soon after an accident.
  - Protects the privacy of accident victims and their families.
  - Shields injury victims from emotional distress of unwanted solicitation.
  - Expands the conditions that constitute the Class A misdemeanor offense of barratry.
-

## **Border Security:**

*“Legislators passed legislation to gather intelligence on international criminal gangs that traffic weapons, people and drugs across our international border. This legislation builds on the previous session’s effort to secure the border with additional manpower and technology tools.”*

*Gang-related crime is becoming more prevalent in Texas as criminal street gangs from Mexico cross the border, recruit individuals, and commit criminal offenses. Gang-related crime is not restricted to the border region and continues to spread into large urban areas in Central Texas. Without in-depth reports from entities that deal with gang-related crime, efficiently addressing the problems associated with gang violence proves difficult. House Bill (HB) 4185 requires the Texas Fusion Center to submit an annual evaluation of impending threats from criminal street gangs and gang-related crimes as well as providing actions to address the said threats as to protect the public.*

---

### **HB 4185 (Border Street Gangs) - By Representative Ryan Guillen**

Concurrent Senate House Bill (CSHB) 4185 requires the Texas Fusion Center to submit an annual report to the governor and the legislature evaluating the threat of criminal street gangs and gang-related crime and recommending actions to address the problems associated with criminal street gangs and gang-related crime.

- Requires the Texas Fusion Center to annually submit to the governor and legislature a report regarding criminal street gangs and gang-related crime.
- The report will include the following: threat pose to the infrastructure of Texas; recommendations on actions that can be taken to prevent human trafficking by street gangs; ways to reduce gang violence; and ways to prevent the proliferation of street gangs.
- Requires several state offices and agencies to provide the Texas Fusion Center with information on criminal street gangs and gang-related crimes on request.
- Mandates an annual report be issued by the Texas Fusion Center and forwarded to the governor and legislature and posted on its website for public review.

## **Human Rights/Equality:**

*“Legislators made a strong statement about a great injustice of the last century, adopting a resolution affirming the 24<sup>th</sup> Amendment to the U.S. Constitution, which banned poll taxes. They also created a Texas Holocaust and Genocide Commission to help develop and distribute appropriate materials in schools to teach younger generations about grave atrocities against mankind. Additionally, after a ten-year effort, a monument will be built on the Capitol grounds to honor the contributions of Texas Tejano citizens.”*

### ***Poll Tax-***

*Amendment XXIV to the Constitution of the United States, which prohibits the imposition of a poll tax upon persons wishing to vote in elections, was ratified in 1964. Texas was but one of 12 states that failed to initially ratify Amendment XXIV. With the adoption of House Joint Resolution (HJR) 39, the State of Texas officially recognized the 24th Amendment to the United States Constitution which prohibits the denial or abridgment of citizens' right to vote for failure to pay any tax.*

---

### **HJR 39 (Ratification of 24th Amendment) - By Representative Alma Allen**

House Joint Resolution (HJR) 39 would place Texas on official record as post-ratifying Amendment XXIV to the Constitution of the United States. H.J.R. 39 relates to post-ratifying Amendment XXIV to the Constitution of the United States, which prohibits the denial or abridgment of the right to vote for failure to pay any poll tax or other tax.

With the adoption of House Joint Resolution (HJR) 39, Texas symbolically joined 41 other states in the adoption of the 24th Amendment to the U.S. Constitution.

- The 24th amendment barred a poll tax for any voter in a federal election.
- The poll tax, imposed since the 1900s, was historically used as a deterrent for minority voter participation in the electoral process.
- Texas voters rejected state-level repeals of the tax in 1949 and 1963 before acceptance in 1966.
- Texas never officially signed off on the federal legislation. HJR 39 affirmed an critical change cemented in law for decades.
- The Texas Secretary of State will be required to forward official copies of HJR 39 to both Texas United States Senators and all representatives from Texas, Vice President of the United States, Speaker of the U.S. House and requests the resolution be printed in full in the *Congressional Record*.

### ***Honoring Tejanos in Texas-***

*An effort, which started almost 10 years ago, to honor the past and future contributions of Tejanos in Texas, will become a reality under the provisions of House Bill 4114. This bill will permit the development and placement of a bronze monument on the Capitol grounds. The monument will commemorate the 500-year contributions of Hispanics in Texas and the significant role they played in the creation of the state.*

---

## ***Holocaust and Genocide Commission-***

***With the passage of Senate Bill (SB) 482, the state created the Texas Holocaust and Genocide Commission which has as one of its main purposes to ensure the Holocaust and other genocide incidents will never occur again. The bill requires the Commission to provide information, advice and assistance to Texas schools (public and private) at all levels and Texas communities at large regarding the Holocaust and other instances of genocide.***

---

### **SB 482 (Holocaust and Genocide) - By Senator Florence Shapiro and Senator Rodney Ellis**

Senate Bill (SB) 482 establishes a system fronted by the Texas Holocaust and Genocide Commission whereby the public can have equal access to Holocaust and genocide information.

The purpose of creating the Texas Holocaust and Genocide Commission (commission) is to ensure that the Holocaust and other genocide incidents will never occur again and that all schools and organizations in every community have access to Holocaust and genocide information.

This bill requires the commission to be subject to Sunset review. The bill administratively attaches the commission to the Office of the Secretary of State (SOS) and provides for one part-time employee to serve as the coordinator for the commission. The advisory commission would include 18 members, 15 of whom are public members, appointed by the governor, the lieutenant governor, and the speaker. The additional three members would be the commissioner of education, the commissioner of higher education, and the executive director of the Texas Veteran's Commission. Public members are appointed for four year terms and may serve no more than two consecutive terms. The governor designates a public member as the presiding officer of the commission.

The commission will be required to meet at least quarterly. The commission will provide advice and assistance to the public and various public and private primary and secondary schools and institutions of higher education on the implementation of Holocaust and genocide courses and awareness programs. The bill authorizes the commission to contact and cooperate with organizations, agencies, museums, as well as survivors and liberators, in order to provide information and experiences regarding the Holocaust or other genocide events, and to coordinate events in the state memorializing the Holocaust and genocide events. The commission is authorized to accept gifts and grants from public or private sources to use in performing its duties. The SOS is authorized to provide one part-time employee to serve as the coordinator for the commission to support for the commission from funds made available to the SOS for that purpose.

As proposed, SB 482 creates an advisory commission whose main function is to provide resources to the public on the Holocaust and other genocide incidents.

SB 482 would create the Texas Holocaust and Genocide Commission which will do the following:

- Determine which, if any, existing Holocaust or other genocide memorials, exhibits, or other resources could be included in or used to support Holocaust and genocide courses of study and awareness programs.
- Compile a list of volunteers, such as Holocaust or other genocide survivors, liberators of concentration camps, scholars, and members of the clergy, who have agreed to share, in classrooms, seminars, exhibits, or workshops, their verifiable knowledge and experiences regarding the Holocaust or other genocide.
- Coordinate events in Texas memorializing the Holocaust and other genocides, on January 27,

International Holocaust Remembrance Day, on the Days of Remembrance established by the U.S. Congress or on any day designated by the commission for that purpose.

---

## **Open Government:**

*“Legislators passed a law to protect reporters from having to reveal confidential sources in a legal proceeding, creating incentives for those knowledgeable of criminal activity to reveal information without fear of retribution.”*

*In a free and open society, there exists an ongoing struggle to find a balance in the rights of the people and the press to be aware and cognizant of the actions of its government and elected officials. Texas and several other states have confronted this important public policy issue in a variety of ways. The passage of House Bill (HB) 670, known as the Free Flow of Information Act, protects journalists from having to reveal certain confidential sources in court. The bill grants a qualified privilege to journalists enabling them to protect their sources and in many cases not have to testify or produce notes and tapes in court gathered while acting as a journalist. The adoption of the bill makes Texas the 37th state with some form of shield law protection for journalists.*

---

House Bill (HB) 670 finds a balance in the rights of the people and the press by protecting journalists from having to reveal certain confidential sources in court.

Concurrent Senate/House Bill 670, known as the Free Flow on Information Act, was unanimously adopted by the House during the 81st legislative session. The final bill was supported by newspapers across the state as well as Texas district attorneys.

- Protects journalists from having to reveal certain confidential sources in court.
- Strikes a balance between protecting the rights of the people and the press and would encourage whistleblowers to come forward to reveal government corruption, public safety hazards and corporate malfeasance.
- Texas became the 37th state with some form of shield law protection for journalists.